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## ADAPTATION OF PUBLIC INSTITUTIONS TO EUROPEAN STANDARDS IN SMALL LOCAL COMMUNITIES

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**Abstract.** *The article examines the adaptation of public institutions in small territorial communities of Ukraine to European standards of governance. It analyzes the impact of the 2020 reform, the war, and demographic changes on institutional capacity and the quality of public services. The role of digitalization, the principles of good governance, and inclusive approaches in the modernization of community management is explored, along with the significance of the resource environment, particularly the agricultural sector, for management efficiency and the implementation of European practices. The importance of a comprehensive approach, strategic planning, and external support for sustainable development and post-war recovery of small communities is emphasized.*

**Keywords:** *public administration; public services; European integration; territorial communities; sustainable development; modernization.*

Territorial communities in Ukraine are defined as the permanent residence of inhabitants within a single village, settlement, or an amalgamation of several settlements with a unified administrative centre. There is no single classification of small communities; therefore, the study takes into account various approaches. Following the 2020 administrative-territorial reform, communities are classified according to their administrative center as urban, settlement, or rural.

The reform created conditions for adapting local institutions to European standards:

communities received budgets, powers, administrative structures, and the ability to establish Centres for the Provision of Administrative Services (CPAS), develop strategies, and deliver public services. Financial decentralization strengthened institutional capacity and modernized social infrastructure.

At the same time, the war and limited resources have complicated the completion of modernization, creating disparities among communities. For post-war recovery and development, it is essential to enhance management efficiency, ensure institutional flexibility, and introduce innovations. The principles of good governance, digitalization, and e-services improve service accessibility and management effectiveness. A high level of social cohesion contributes to sound decision-making.

Demographic changes and population aging create additional challenges in the provision of public services. Inclusive approaches and the development of digital services reduce inequalities and increase community capacity. The OECD recommends comprehensive territorial development, the introduction of integrated services, strategic planning, and support for entrepreneurship.

The implementation of European standards requires adequate administrative capacity, consideration of environmental requirements, and modernization of management. An analysis of the resource environment, particularly the agricultural sector, shows that although Ukraine has large areas of agricultural land, its efficiency and institutional support remain below EU levels. The war has significantly damaged community infrastructure and resources, increasing the risk of human capital loss. Sustainable development requires a systematic management approach integrating European standards.

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