An extended abstract of a paper on the subject of:

**DEVELOPMENT OF NETWORK FORMS OF GOVERNANCE AT LOCAL AND REGIONAL LEVEL: THE EXPERIENCE OF FINLAND**

**Problem setting.** In almost all subfields of political science and Public Administration theory in the last third of the twentieth century, it was claimed that a transformation of political order from hierarchies to networks has been occurred. Society is no longer exclusively controlled by a central unit like the state; rather, controlling devices are dispersed and material resources and information are shared by a multiplicity of divergent actors. The coordination of these actors is no longer the result of “central steering,” but instead emerges through the purposeful interactions of many individual actors.

**Recent research and publications analysis.** The theoretical basis of the study were research papers of national and foreign scientists as J. Blatter, V. Demchishin, M. Castells, P. Kettunen, I. Komulainen, N. Saarelainen, V. Tolkovanov and others. Despite the considerable amount of research zeroing on different aspects of this problem, the process of network governance development at the local and regional level remains insufficiently studied that implies the need for further development in this field.

**Paper objective.** The purpose of this article is to analyze the recent practice of network governance at the regional and local level in Finland.

**Paper main body.** The regional level of governance in Finland has undergone significant changes in 2010. Nowadays it is formed by two main types of organizations: Regional State Administrative Agencies and Regional Councils.
The structure of regional administration in Finland is very complicated that implies the need for network to organize the cooperation between different actors acting at this level. Networks are represented at the regional level of Finland by Regional Management Committees (RMC), formally organized networks in charge of regional development, namely they coordinate funding and implementation issues of regional strategic programs. These organizations are distinguished by large competences and high motivation to cooperate.

The situation at the local level of governance in Finland is marked by wider use of network forms of cooperation as well as their considerable diversity. Inter-municipal and local networks development has been defined as one of the fundamental objectives of Finnish reforms of local self-government. The result of these reforms was the decentralization of the power at the local level, an increased autonomy of local authorities in decision making and a significant growth of number of different forms of network cooperation and governance.

Especially interesting is the experience of network governance development in the rural municipalities of Finland. Generally this type of networks is created in order to involve the local population to governance issues, to strength participation motivation as well as to develop the cooperation between the state, business and non-governmental organizations. The network cooperation at this level is occurred more frequently in non-formalized forms and may be reduced to two main types of municipal cooperation – rural associations and local partnerships.

Finally all these initiatives contribute to forming of the multi-level governance model that combines initiative groups, partnerships, municipalities and regions within the framework of one network structure.

**Conclusions of the research.** The emergence of governance networks occur in Finland within the framework of the transformation of the public administration bureaucratic paradigm into the new one combining the basic principles of the New Public Management and governance concept. Networks development at the sub-regional and regional level in Ukraine according the Finnish model would allow to concentrate various types of resources (financial, human, infrastructural etc) of
municipalities, to provide the functioning of the benchmarking system (exchange of best practices and actual experience), to create the effective system of territory development planning on the scale of several municipalities that implies the need for further researches in this field.