

**Study on the results and impact of the Local Economic Development Plans implementation in the Republic of Moldova in 2019 – 2020**

September 2020

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# Introduction

This study aims to provide general and aggregated information and a deeper understanding of the results and impact of the Local Economic Development (LED) Plans’ implementation by collecting information from the signatories (active members of the Initiative).

The purpose of the study is to identify for every signatory:

1. the achieved results;
2. the main general wins from the LEDP elaboration and implementation;
3. the main challenges;
4. the lessons learnt and recommendations for the future.

The study is based on the interviews with LED Officers from each signatory municipality that is considered active member of the Initiative. The interviews were conducted by a national expert, designated by the Secretariat of the Mayors for Economic Growth (M4EG) Initiative. Both Romanian and Russian languages were used for the interviews. Each interview was based on:

* Local Economic Development Plan, especially Action Plan and Monitoring Indicators;
* Individual implementation Report of the LEDP till July 2020.

All the interviews were organised online, through ZOOM platform. The questions asked during the interview were divided in two sections. Each section contained five questions (*Annex 1* of the report).

17 interviews were conducted in total with the Active Members of the M4EG Initiative (*Annex 2* of the report). Interviews were conducted mainly with LED officers. In some municipalities, mayors or other involved LPA representatives in the planning and monitoring of the LEDP implementation attended the discussion.

The interviews were held during 5-31 August 2020, with the participation of 29 people. One interview lasted between one hour and 2.5h maximum, depending on the analysed LEDP actions and the new identified and discussed solutions.

All the selected signatories accepted to discuss about the LEDP planning and implementation in their municipalities.

The study was perceived as a self-assessment tool of the results of LED actions planning and implementation in the community, but also for exchanging views and identifying new ideas and proposals for improving this process in their localities.

As result, individual reports were elaborated for each locality. They included, in addition to the main results obtained from the LEDP implementation, lessons learnt and new ideas and proposals on measures/solutions to support the economic growth in the locality, which were identified in the communication process. Moreover, recommendations on how to verify/analyse the viable and feasible actions needed for the implementation of those solutions were also included. The individual reports contain some proposals on the LEDP elaboration for the next two years. These reposts will guide the beneficiaries in the LEDP planning and monitoring for the coming years.

While conducting interviews, some little difficulties were encountered regarding the change of the LED officer. The newly appointed persons were not aware of all the aspects related to the planning process. These issues were solved by inviting to the interview other employees from the institution who were actively involved in the organisation of the planning process or who are participating in the implementation and monitoring process. In about 20% of the municipalities, mayors were also attending the interviews.

This national report contains the main results of 17 interviews conducted in the Republic of Moldova. Similar reports will be issued in the rest of the Eastern Partnership countries. All the reports will be available on the M4EG Initiative webpage <https://www.m4eg.eu/en/>.

We thank the Public Authorities and LED Officers who participated at this study and we hope that they will be able to use the results of the interview, included in the individual reports for each locality, for future LEDP planning and implementation.

# 1. General outcomes and results of participation in the Mayors for Economic Growth Initiative

This chapter aims to identify the benefits and impact on the signatories, as result of their participation at the Mayors for Economic Growth Initiative. The chapter is divided into five sub-chapters, corresponding to each asked question to the respondent while conducting the interviews.

## 1.1 Has being an M4EG member changed your perception of what and how local authorities can do in order to stimulate local economic growth?

About 76 % of the interviewees mentioned that participation in the Initiative changed their and Local Public Authority’s (LPA) perception on the need for support and how to stimulate the local economic growth.

Some local authorities (18 % of the respondents), at the moment of signing the membership form, were already engaged in some activities for stimulating the economic development. That is why they were having a similar understanding on the importance of involvement as the Initiative. However, their participation at M4EG activities brought them new ideas, new capacities to analyse, plan and implement actions. Public Authorities have learned to better structure and plan the actions.

Only in one municipality the respondent considered that it was more challenging than expected to change the perception of the Leading the Local Authority regarding the suport of economic development. The reason for these issues is that the locality is larger and it takes more time to implement actions with visible impact on economic development. Currently, that city hall is more focussing on urban development in general, with an emphasis on the urban infrastructure development.

The most important feedback on the M4EG impact regarding the perception of the economic development is referring to:

* Changing the local authorities vision regarding the approach of the local economic development. If previously the support provided to the private sector was seen through soft measures (informational assistance, training), now the emphasis is on the possibility and importance of infrastructure projects. Such projects are more useful, have a tangible impact on the economic development and are very important for solving specific issues of the entrepreneurs.
* Changing the emphasis of the local authorities in local development. Membership of M4EG contributed to strengthening the local authorities’ focus on economic development as a key objective for local development. The in-depth analysis of the local economy, elaborated according the M4EG methodology, has contributed to the deduction of some findings and identification of main intervention areas, especially in sensitive sectors like agriculture. In some cases there were forecasts made, which proved to be true. The local economy was better understood, the reluctance of some actors was explained and the intervention areas were determined for a support with greater effect on the economic development.

Most of the respondents mentioned that participation to M4EG initiative changed their motivation, the approach and tools used by the local authorities to support the local entrepreneurs. The M4EG membership makes the localities more responsible in the monitoring and evaluation process of the implemented actions. Just few signatories (about 20%) used to monitor these actions before joining the Initiative.

## 1.2 Has the participation in the M4EG Initiative influenced the state of the public-private dialogue and interaction with civil society in your municipality?

All the municipalities mentioned that the public-private dialogue has intensified in the LEDP planning and implementation process. This is determined by the fact that during the local economy analysis and planning more entrepreneurs were involved compared to the local development planning in general. About 60% of them have established cooperation with entrepreneurs in order to implement joint actions, such as: (i) building halls for storing grains; (ii) creation of productions/processing facilities for agricultural products; (iii) participation in the dual education system for training the workforce according to the needs of entrepreneurs; (iv) construction of agricultural markets in the cities; (v) attraction of investments from natives successful business people who are currently living abroad, but who want to set up subsidiaries in their hometown; etc.

About 50% of the municipalities mentioned that they have established cooperation with local, regional or national NGOs for providing informational support, capacity building, access to grants and other support forms of SMEs and start-ups. Most of these associations are branches of Chamber of Commerce and Industry, Associations of Young Entrepreneurs, Associations of IT Companies and other local associations that can attract funds to promote the locality and strengthen the capacities of the entrepreneurs.

An example of partnership between the public, private and academic sectors was created in Carpineni commune. “The partnership was between the milk and cereals producers, technical university and the town hall in order to guide the entrepreneurs in applying the new technologies in processing the agricultural products and attracting funds for development of grains and milk processing infrastructure. Setting up a partnership is the output of the analysis and discussion process on the issues and needs of the local producers”, mentioned the mayor of the commune.

In Causeni and Donduseni cities, the local authorities created partnerships with traders and farmers that want to join their efforts to fund the construction of public markets in the cities.

Edinet city hall and the Chamber of Commerce and Industry - Edinet branch, created a partnership where the Chamber organises various training courses, information seminars for the potential beneficiaries of grants and programmes implemented by ODIMM in order to attract new residents in the Business Incubator (created within Edinet Industrial park, with the support of M4EG pilot project).

About 40% of the localities have not initiated yet formal public-private partnerships with entrepreneurs, NGOs or other LPAs to jointly implement some common actions. Nevertheless, while the dialogue with the private sector is intensifying, some municipalities mentioned that they would need more assistance to establish a stronger dialogue with the private sector and to mobilise it to participate more actively in the planning process of the local economic development. Balti municipality, for example, needs a specific approach in boosting LPA cooperation with the private sector, given that it is the second largest city in the country after Chisinau. The high number of entrepreneurs makes the communication process between private-public sectors more difficult. Moreover, previously, the city hall did not consider a priority the collaboration and establishing an efficient dialogue with local business people. For the same reason, Balti municipality has revised its LEDP in order to involve more actively various actors in setting the economic development priorities of the city.

## 1.3 Has the participation in the M4EG Initiative influenced the capacity of the municipal staff to analyse local economic development issues and plan respective interventions?

All LED officers mentioned that they improved their analysis and planning skills due to the application of the M4EG methodology. About 50 % of them said that not only the capacities, but also the mentality of some LPA staff has changed as result of planning and interaction activities with the entrepreneurial sector. They understood that the success of attracting an investment in the locality, initiating new businesses or extending an existing business and create jobs, sometimes depend on the attitude of a civil servant.

Being closer to the needs and problems of the entrepreneurs, LPA staff learned how to identify the right solutions and how to plan actions to support the local economic development.

The city hall developed skills on how to think pro-business and to take into account the needs and potential of businesses while planning.

Some signatories reported that: ”There is clear understanding of the economic situation in the municipality. We changed our way of thinking and improved our capacities to analyse the impact on the local economy from planning actions and the way in which the entrepreneurs can be interested and attracted in LED”.

At the same time, about 60% of the respondents mentioned that they improved their capacities to understand and identify collaboration opportunities with the private sector and other local actors for Local Economic Development.

Local economic analysis, according to the M4EG methodology, helped the specialists to identify additional information to that previously collected and to identify the appropriate sources of information.

All participants at the interview who attended trainings and study visits organised by the Initiative (about 60% of the respondents), mentioned that they were very useful and instructive; provided them with clear and practical information, but also the possibility to communicate and exchange opinions and experience with other municipalities.

## 1.4 Has being an M4EG member helped you learn about successful tools and approaches of stimulating LED in other municipalities of your country, or in other countries?

All the interviewees mentioned that communication and interaction with other signatories and participation at study visits helped them to learn new ideas and methods to support entrepreneurs, how to communicate or how to involve more actors in Local Economic Development.

70 % of them took over different methods and solutions from other countries’ municipalities like Armenia, Georgia, Latvia, Ukraine, Belarus and the Netherlands, but also from other signatories from Moldova. The remaining 30% of respondents learnt only from the experience of other Moldovan signatories.

The tools used by other signatories from Moldova that can be applied by the respondent municipalities are the following:

* Creation of an Industrial Park in Moldova, based on the experience of Edinet municipality;
* Ecological methods for carrying for bees from beekeepers in Telenesti and Edinet;
* Developing business consulting services based on the experience of ATU Gagauzia;
* Promotion of the local producers by participating to exhibitions, organising contests like „the best entrepreneur of the year”.

The most interested tools and approaches learnt from other countries are:

* Honey processing centre for beekeepers from Dolina;
* Goat milk processing in industrial quantities and in small quantities (up to 500 heads);
* Support the development of the rural tourism;
* Creation of investment platforms and techno parks;
* Partnerships with entrepreneurs for the implementation of social projects;
* Convention for economic development – with decentralised services in the territory;
* Specialisation of the local economy (tourism / industry / creative industry);
* Ensuring transparency in LPA activity and ways to ensure synergy of actions and funding sources;
* Development of the IT sector, with the involvement of local people who are in the diaspora now;
* Involvement of “business angels” in supporting small entrepreneurs.

As result of experience exchange at local and regional level, with the support of the M4EG Initiative, eight actions/methods of entrepreneurial support were learnt from other municipalities and applied to the local context, while other six are to be implemented in the next two years.

## 1.5. Have you built any friendships or partnerships with other M4EG members (experts, trainers, etc.), which you have used in your work afterwards?

Out of the total 17 interviewed localities, seven of them have established partnerships or collaboration relations with M4EG signatories from EaP countries, including four who cooperated with other local authorities (one has signed an intention agreement, while three have set up informal partnerships), two – collaboration with experts and one with a NGO.

The other ten signatories are communicating with other M4EG members from Moldova. Some of them intend to initiate Cooperation agreements with signatories from other countries.

The established collaborations and partnerships are motivated by the advanced experiences of the partners in the fields of interest of the communities (tourism, beekeeping, animal husbandry, creation of investment platforms). However, there are two partnerships based on a future multidimensional collaboration, especially on exchange of goods, services and technologies in order to support the development of the local economy.

## 1.6. Conclusions on the general outcomes

Participation in the M4EG Initiative brings an important benefit for the local economic development of the signatory localities. As result, they:

* Changed their vision, methods and tools to support the local economic growth;
* Improved their analysis and planning skills, as well as way of thinking of the LPA staff involved in this process;
* Improved the LPA capacities to engage more actors in the economic development process, as well as intensified the dialogue with entrepreneurs for about 80 % of them.

# 2. Specific results and outcomes of the LEDP implementation process.

This chapter aims to identify the specific results for local economic development in the interviewed localities in the LEDP implementation process during 2018-2020. The chapter contains five sub-chapters, according to each question asked to the interviewees.

## 2.1 Name your biggest achievements so far in implementing your LEDP

The most important specific results obtained from the LEDP implementation by the interviewed signatories are referring to:

* Support provided to local enterprises and education institutions in developing the dual education to ensure enterprises with qualified workforce, according to the specific and needs of the entrepreneurs – four signatories (24 %);
* Elaboration and approval of programmes for granting facilities for new businesses, but also for those that have suffered due to COVID-19 – two signatories (12 %);
* Development of business support infrastructure (an industrial park and a free economic zone created, two business information centres) – four signatories (24 %)
* Increasing the capacities of the investment platforms management to attract residents (1400 m2 of production space built, access road improved) – two signatories (12 %)
* Initiation of procedures to create industrial parks and identification of potential investors – three signatories (18 %);
* Initiating the construction of a Regional Innovation and Technological Transfer park – one signatory (6%);
* Improving the capacities to support start-ups (one business incubator created and capacities strengthened for another business incubator) – two signatories (12 %);
* Construction of new facilities for storage and processing the agricultural products (storage, cold storages, technological lines) – four signatories (24 %)
* Initiation of procedures to create municipal agricultural markets – four signatories (24 %)
* Creation of register of public property assets that can be allocated for economic activities – five signatories (30 %)
* Development of physical infrastructure which improved access to the business infrastructure (over 20km of roads and 14 000 m2 of rehabilitated pavement) – three signatories (18 %)
* Improving the tourism infrastructure and tourist services in the localities, but also in micro-regions (restored historical and cultural monuments, arranged recreational areas, organised festivals) – three signatories (18 %);
* Increasing the production of renewable energy by 3 MW;
* Set up partnerships with other localities and academic sector for the development of IT sector and creative industries – three signatories (18 %);
* Stimulating the process of association of agricultural producers and expanding the merchant market for their products – one signatory (6 %).

All these specific results have had a positive impact on local economic development, contributing to:

* The creation of more than 1 200 jobs;
* Attraction of over 5 mln EUR investments in localities for the implementation of economic projects;
* Stimulating the creation of over 1 400 new enterprises.

In some urban localities, there have been a slowdown in emigration, or even an increase of number of inhabitants, including children in kindergartens. All these trends indicate that the localities are becoming more attractive for citizens.

## 2.2 What were the biggest challenges/failures in implementing your LEDP

All the challenges and failures mentioned by the interviewees are divided in several categories, depending on the reason for the failure or the nature of the challenge:

1. **Capacities of Local Public Administrations**

Reduced financial capacities (100 % of signatories), because many competencies delegated to the mayoralties do not have financial coverage, especially for public infrastructure. This issues leads to a high dependency of planned actions on grants and other financial sources that are neither stable nor guaranteed.

Reduced institutional capacities (80 % of the signatories). There are no specialists responsible for economic development in the city and villages halls. There is no staff/department to monitor and evaluate the implemented action plans. Usually, this task is assigned to some specialists or deputy-mayors that have more responsibilities in their held position.

About 50 % of the signatories mentioned that they do not have enough capacities to prepare qualitative documentation/applications needed to attract grants for the development of the public infrastructure.

1. **Capacities of entrepreneurs to cooperate**

There are two types of cooperation: (i) among the entrepreneurs; and (ii) cooperation of the entrepreneurs with LPA, other public institutions and civic sector. The main reasons that reduce the cooperation capacities are referring to: reluctance of farmers and business people to associate in order to solve some common problems; high rate of agricultural producers operating without legal registration; reduced technical and managerial capacities of entrepreneurs to take risks in order to develop or initiate additional economic activities and to implement new technologies. In some cases, there is also a lack of confidence of business people in the intention and capacities of the LPA to support them.

1. **Access to information and statistical data**

About 80% of signatories reported challenges related to data collection needed for the analysis of the economic situation in the municipality. Some basic information needed for analysis, such as the number of registered entrepreneurs and detailed information about them (which of them are active, areas of activity, turnover, average salary per enterprise, investments made, etc.), average income per locality, number of jobs per locality either is not available for the LPA or requires a longer period to be obtained. Many data are estimated by the LPA. Most often, the access to information depends rather on the personal relations than on certain regulations.

In the LEDP monitoring process, some data is not collected or calculated in order to estimate the impact on the local economic development. The examples can refer to the number of created jobs as result of some implemented actions, the amount of the investments attracted by creating some infrastructure elements, or the revenues to the local budget from economic activities support by LEDP actions.

1. **Political, legal barriers and the mentality of the public servants from the state institutions**

About 40 % of the signatories reported challenges related to political and legislative barriers, too bureaucratic regulations and lengthy procedures on public land delimitation and registration procedures, which prevents attracting interested investors in creating businesses on public lands.

1. **Urban versus rural**

The challenges and failures encountered by the signatories while implementing the Local Economic Development Plans also differ depending on the function and typology of the locality – rural or urban. Rural localities established easier the dialogue with the private sector, but the problems are more related to the capacities of farmers, their desire to associate among them. In urban areas, the dialogue with the private sector proves to be more difficult and it needs more diverse and innovative approaches.

## 2.3 What is the probability of achieving the major objectives of your LEDP within the remaining implementation period of your LEDPs?

In general, only 40 % of the interviewed signatories were affected to a greater extent by the global pandemic situation – COVID-19 – in the LEDP implementation. More often (60 % of the cases), the impossibility to carry out all activities is motivated by:

* Insufficient grants attracted for the implementation of some actions from the plan;
* Inclusion in the plan of actions that were not sufficiently justified from the legal, technical or functional point of view, as well as consulted with the final beneficiaries of the actions[[1]](#footnote-1);
* Too general formulation of some actions. Thus, in two years it was real to implement only the preparatory stage for some actions such as creation of industrial parks, business centres or other infrastructure types that needs several years from the stage of identification, analysis, planning and till the stage of the actual construction.

About 30 % of the respondents planned very clearly and realistically the actions. Therefore, the probability to achieve the LEDP objectives is around 80-100 %.

The other 70 % of the interviewed signatories will achieve the planned objectives in a proportion of 50-75 % till the end of this year.

## 2.4 What are the main positive things you have learnt while planning and implementing measures for stimulating local economic growth?

All signatories learnt from the M4EG planning methodology and from the elaborated and approved Local Economic Development Plans.

**Lessons learnt from the planning process are referring to:**

* The importance of the qualitative analysis of the local economy. “This helped me much to identify where to intervene and problems on which to focus our efforts for a greater impact on local economic development”;
* A more transparent decisional process influences a more active involvement of entrepreneurs in the planning of the locality;
* Engaging more local actors in the planning process is important as it ensures synergy of efforts for a common goal.

**Lessons learnt from the implementation process are referring to:**

* Involvement of natives/emigrants – successful business people settled in more developed countries ensures not only investments attracted in the locality, but also transfer of technologies and know-how in various economic sectors, including the support of the entrepreneurs who are starting a business;
* Permanent communication, transparent LPA activity, direct contact with entrepreneurs – ensure a more accurate identification of the private sector needs and enable the LPA to intervene with support measures at the right time;
* Having a LEDP obliges the political leaders from the local councils to get involved in the local economic development;
* The involvement of the LPA in solving the problems of the entrepreneurs and obtaining real results helps to involve the private sector at solving community problems – social, environmental, educational, etc.;
* Civil Society Organisations can be involved in actions to strengthen the capacities of the entrepreneurs and increase their resilience to crisis and pandemic situations;
* The distrust of entrepreneurs in association and partnerships with LPA can be overcome only by undertaking some successful joint actions that would bring benefits and would improve the business conditions;
* The entrepreneurs are more open when the discussions take place individually. Once such discussions were held and the common problems were identified it would be appropriate to organise meetings with bigger groups in order to discuss solutions.

## 2.5 What would you have done differently next time? Try to formulate lessons learnt from this experience.

The answers of the respondents are based on lessons learnt from LEDP planning an implementation process.

All the interviewed signatories mentioned one-two lessons learnt which they will take into account for the next planning and implementation period.

Most of them are referring to:

* The planned actions should be discussed in advance with the final beneficiaries and verified for feasibility and viability;
* The objectives established in the LEDP must be more concrete and measurable and finally, to contribute to the increase of revenues in the local budget (though taxes from salaries, by increasing the revenues of enterprises, by paying taxes, increasing investments in business infrastructure – real estate taxes). This principle must be followed when prioritizing support measures;
* The planned activities must be more specific to the competencies, capacities and possibilities of the LPA; partners roles must be more clearly defined, especially that of the LPA, when it is in a partnership with other local actors;
* The already initiated activities must be the first to focus on. From the total of activities, should be selected those with higher impact on local economic development and concentrate all the efforts on them;
* The activities should be updated and revised based on conditions and opportunities arose during the implementation;
* A larger participation of the actors in the LED planning and of a wider group of participants in economic development process;
* To plan fewer actions and to focus all the efforts on them for better results. Actions should be designed as concrete project proposals, elaborated together with stakeholders. More local/internal resources are needed; the competitive advantage of the locality should be found; the possibility to provide continuous assistance to entrepreneurs to be identified;
* More emphasis on the dialogue with the private sector. Not only the infrastructure should be developed, but also the leisure and recreational services in order to make the city more attractive and increase the number of inhabitants;
* Larger collaboration with all the local, regional and national actors in order to ensure synergy between efforts on different levels;
* Major activities should be detailed in sub-activities to identify the degree of implementation of the activities during two years.

## 2.6 Conclusions for specific results

In general, it can be mentioned that the specific results obtained from the LEDP implementation process referred mainly to the development of the public infrastructure and business support infrastructure in the Moldovan municipalities. Other results have been achieved from the actions, focused on promotion of the local producers, association process and training of labour force for larger enterprises, which create more jobs.

Thus, approximately 40 % of the implemented actions by the signatories in 2019-2020 produced results with evaluated impact on the local economic development. These are measurable through the indicators that are referring to the jobs created, people employed, investments attracted, new businesses initiated. The rest of 60 % of the actions generated products needed for economic development, which impact cannot be measured at the moment. For example, the development of promotion platforms, modernisation of the access infrastructure to the economic facilities, provision of water and sewerage systems, etc., are products that would not necessarily increase the number of jobs or the revenues in the local budget, but are essential for long term support to entrepreneurs. For a first stage, these contributed to the opening of the business representatives to the LPA for a further fruitful collaboration.

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# 3. General conclusions of the study and recommendations

The general conclusions highlight the most important general and specific results of signatories’ participations at the M4EG Initiative and LEDP implementation. The conclusions serve as a basis for the elaboration of recommendations regarding the LEDP implementation in the next phase.

**Conclusions:**

1. The local authorities have limited financial and institutional capacities to implement economic development actions, projects and programmes. In the context of a reduced financial decentralisation, the communities rely considerably on grants and financial resources from the state budget.
2. The small localities, with a population of 1000 inhabitants, do not have sufficient capacities to ensure economic growth measures, being encouraged to cooperate at territorial level with other communities or to effectively capitalize on certain competitive advantages (strategic positioning, natural/ cultural/ economic resources) to attract investments in the community.
3. Local Public Authorities of the second tier have limited public property (lands and infrastructure) and it is necessary to plan economic development actions according to their capacities and competences.
4. A closer cooperation of the local authorities with the private sector ensures the implementation of actions aimed at creating jobs and investments in the development of the business infrastructure at the local level.
5. The involvement of more local, regional and national actors amplifies (though the synergy of actions) the efforts of the local communities in economic development.
6. The planning process has contributed considerably to the better understanding (knowledge) of the local economy and to capacity (competencies) building for planning the economic development at the local level.
7. Action plans should contain a reasonable number of feasible activities (legal, institutional, functional) which increases the chances of their successful implementation.
8. Local partnerships are strongly oriented towards obtaining immediate results (outputs) in economic development, which sometimes limits the (capacity of) understanding / measurement of the impact on local development.

**Recommendations:**

1. Attracting private investments

Very weak financial capacities of the Local Public Authorities can be compensated with the attraction of investments from the private sector (entrepreneurs and potential entrepreneurs). This would help to join efforts of public and private sectors and ensure tangible results in local economic development. Signatories need more assistance in this direction – how to identify potential investors, how to join forces, which are the legal ways to make this partnerships happen. For this reason, a guideline for LPAs can be elaborated, with good practices and examples.

1. Cooperation of the local public authorities of first and second tiers.

Given that small LPAs (LPA I) do not fave enough capacities to monitor the LEDP implementation, and LPAs of second tier do not have public properties that can be used for economic purposes, it would be good for the District Councils (LPA II) to collect information on unused public assets and to plan together with LPAs of first tier several activities in order to promote them, providing the needed expertise to the city halls in the respective sectors. For example, the District Councils that have created Business Incubators in cities, can open branches in rural areas, providing to villages the expertise and administrative resources already existing in the cities.

1. Consultation of the LEDP actions with final beneficiaries

The signatories are recommended to verify and discuss the actions included in the LEDP not only with the involved actors, but also with the final beneficiaries. For example, in case of construction of an agricultural market, the actions should be discussed not only with the market traders, but also with the potential buyers. It can be that the location of the market won’t be convenient for them to go for shopping. At the same time, the sustainability of the planned investments should be ensured while planning and not after having implemented the actions. Who will manage the built infrastructure? How this infrastructure will be managed? What are the financial means for further maintenance and development?

1. Regular updating of the LEDP.

While conducting the interviews, only one signatory mentioned that its municipality initiated the formal updating of the LEDP that is under implementation. Despite this, several actions with great impact on the local economy were carried out not being included in the LEDPs at the planning stage. For this reason, it is recommended for the next period to also elaborate procedures on how to update the plans that are in the implementation process. Thus, if the objectives are well defined and results oriented, the actions can be modified/adjusted along the way so that the results are achieved and have a larger impact on the local economy.

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| Part I. General outcomes and results of participation in the M4EG Initiative |
| 1. Has being an M4EG member changed your perception of what and how local authorities can do in order to stimulate local economic growth? Explain your answer.
 |
| 1. Has the participation in the M4EG Initiative influenced the state of the public-private dialogue and interaction with civil society in your municipality? How? Have you built any new local partnerships? Provide examples.
 |
| 1. Has the participation in the M4EG Initiative influenced the capacity of the municipal staff to analyze local economic development issues and plan respective interventions? How? Provide examples.
 |
| 1. Has being an M4EG member helped you learn about successful tools and approaches of stimulating LED in other municipalities of your country, or in other countries? Provide examples.
 |
| 1. Have you built any friendships or partnerships with other M4EG members (experts, trainers, etc.), which you have used in your work afterwards? Give examples.
 |
| Part II. Specific results and outcomes of the LEDP implementation process. |
| 1. Name your biggest achievements so far in implementing your LEDP (name activities or objectives). Support this claim with measurable numbers. Explain why they are important for your municipality.
 |
| 1. What were the biggest challenges/failures in implementing your LEDP (apart from the delays and disruptions caused by COVID-19 pandemic)? Try to identify reasons why things didn’t work.
 |
| 1. What is the probability of achieving the major objectives of your LEDP within the remaining implementation period of your LEDPs?
 |
| 1. What are the main positive things you have learnt while planning and implementing measures for stimulating local economic growth?
 |
| 1. What would you have done differently next time? Try to formulate lessons learnt from this experience.
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Annex 1. The list of the interview questions

Annex 2. The list of the active members of the M4EG initiative participated to the interviews.

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| --- | --- | --- | --- | --- |
| # | Region/raion | Locality | Name, Last name | Position/title |
|  | ATU Găgăuzia | Avdarma village | Igor Guseinov | Deputy mayor |
|  | ATU Găgăuzia | Copceac village | Anatoli Talmaci  | Deputy mayor |
|  | ATU Găgăuzia | Comrat municipality | Serghei AnastasovGheorghe Sari | Mayor, Deputy mayor |
|  | ATU Găgăuzia | Executive Committee of Gagauzia | Natalia CiuvalskaiaTatiana Spatarenco Maria Sarioglo | Head of Economic Department, Specialist, Consultant |
|  | Cahul | Cahul municipality | Natalia Culeva | Head of Economic Department |
|  | Căușeni | Rayonal Council Căușeni  | Gheorghe ChirmanNatalia Nașco | Specialist,Head of Economic, Department |
|  | Cimișlia |  Rayonal Council Cimișlia  | Natalia Raileanu  | Head of Economic Department |
|  | Cimișlia | Cimișlia city  | Sidor Vasile  | Specialist |
|  | Dondușeni | Dondușeni city  | Ivan BelciugMariana Lupu  | Mayor, Secretary of the city council |
|  | Edineț | Edineț municipality  | Rodelia Vasilcov | Deputy mayor |
|  | Hâncești | Cărpineni village | Ion CărpineanuVeronica Li-Șui-Cean  | Mayor, Consultant |
|  | Strășeni | Strășeni municipality  | Valentina Casian Elena Pereu | Mayor Deputy mayor |
|  | Telenești | Telenești city  | Nicolae Nastas | Secretary of the city council |
|  | Briceni | Criva village  | Octavii Ivanov,  | Consultant |
|  | Ungheni | Ungheni municipality  | Vera Poia Liliana Tincu  | Deputy mayor, Consultant |
|  | Căușeni | City of Căușeni  | Anatolie Donțu Igor Petracov | Mayor, Specialist |
|  | Bălți | Municipality of Bălți  | Pavel Oborocean | Head of Economic Department |

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1. *Final beneficiaries refer to the clients of entrepreneurs for which were planned construction of business infrastructure. For example, the final beneficiaries of an agricultural market are the byers; in the case of tourism infrastructure development, the final beneficiaries are tourists; when actions are planned for jobs creation it would be good to consult specialists – potential employees from the relevant sector.* [↑](#footnote-ref-1)