



LOCAL ECONOMIC DEVELOPMENT PLAN for 2019–2021

Municipality:
The city of Taraclia

Country:
Republic of Moldova

Taraclia, 2019

The Local Economic Development Plan was developed by the Local Economic Development Partnership on a participatory basis with full transparency.

The Plan was approved by the City Council of Taraclia

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This Plan was developed with the support of the EU Initiative "**Mayors for Economic Growth**". The document was reviewed by **the World Bank** specialists and recognized as consistent with the principles of the Initiative "Mayors for Economic Growth".

The Administration of the town of Taraclia bears all responsibility for the content of the Plan.



**Mayors for
Economic Growth**

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1. Preface

The Local Economic Development Plan of the Taraclia city has been developed in the framework of the EU Initiative "Mayors for Economic Growth" for the period 2019-2021 in close cooperation with representatives of the local authorities, business community and civil society of Taraclia. This is a document of strategic planning at the local level, and is an effective and adequate tool for the social and economic development of the town.

When developing this document, the principle of transparency was applied by organizing interviews, surveys, workshops, focus groups, sectoral working groups, consultations and public hearings at the key stages of its development, which allowed taking into account the needs of all social groups. Special attention was paid to the development of infrastructure to support business and local tourism. Local authorities, civil society, entrepreneurs, and citizens had their representatives in the working groups, and the strategic planning process was coordinated at the local level by the Local Advisory Council.

The Plan includes general and specific development goals of the town and the Action Plan for 2019-2021. They are measurable in terms of duration, relevance and results. In turn, the Action Plan will serve as the basis for the development of annual action plans at the Municipal Council level.

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2. Executive Summary

The city of Taraclia is the center of Bulgarian identity and culture in Moldova, offering favorable living conditions and appropriate infrastructure to the population.

The mission of the local authorities is to develop business and tourism and to create favorable conditions for improving the standard of living of the residents by involving them in the decision-making process, attracting investment and skilled labor, providing high-quality municipal services, and improving environment.

To implement this mission within the Initiative "Mayors for Economic Growth", the local administration of Taraclia, with the participation of local entrepreneurs, representatives of civil society and consultants, developed the Local Economic Development Plan (hereinafter referred to as the LEDP) of the town of Taraclia.

During the working meetings, the SWOT-analysis of Taraclia was carried out, which allowed identifying the most relevant strengths and weaknesses of the town. The strengths include the presence of the free economic zone in the town, the availability of necessary specialists, and high entrepreneurial activity. The weaknesses include high level of unemployment, lack of investment sites with the necessary infrastructure, low level of private initiative, underdeveloped business support infrastructure, low investment level and lack of own funds in the form of tax revenues for the development of the town. Among the opportunities, it is worth noting the potential for the development of ethnocultural and gastronomic types of tourism, the creation of new businesses based on cultural identity of the Bulgarians who make up the majority of residents of the town of Taraclia.

Taking into account the strengths and weaknesses, as well as the main opportunities and threats identified during the LEDP development, the vision of the future of Taraclia town as a center for the development of private initiative based on modern business support infrastructure, focused on the development of ethnocultural tourism, was developed.

The mission of the LEDP allows identifying the following strategic objectives:

1. Development of the modern forms of support to private initiative;
2. Promotion and commercialization of ethnocultural tourism.

The achievement of strategic objectives will result in creating infrastructure to support small businesses and establishing a number of new small and medium-sized enterprises engaged in tourism.

Based on the identified opportunities and threats, the appropriate actions were proposed in the Action Plan. The drafting team headed by the Local Economic Development Officer and in partnership with the business community and civil society, has developed tools for monitoring and financing the actions stipulated in the LEDP.

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4. List of Abbreviations

EU	European Union
FEZ	Free Economic Zone
NGO	Nongovernmental organization
LEDP	Local Economic Development Plan
UNDP	United Nations Development Programme
CCI	Chamber of Commerce and Industry
PPPs	Public Private Partnership

4. Introduction

On March 27, 2018, the local administration of the town of Taraclia decided to join the "Mayors for Economic Growth" Club within the ongoing project of the European Union. This decision was determined by the need for local economic development based on the principles promoted by the project.

The town of Taraclia is located on the left slope of the Lunguta River, 161 km away from the city of Chisinau and 35 km away from the Ceadir-Lunga municipality. It is 45 km away from the town of Cahul, 60 km – from the town of Reni, 71 km – from the city of Izmail, and 220 km – from the city of Odessa. Taraclia is a border town, located 10 km away from the border with Odessa Oblast of Ukraine. Taraclia is one of the so-called small towns. As of January 1, 2016, the total population of the town was 14,900, including 6965 men (46.68%) and 7935 women (53.32%).

The area where modern Taraclia is located has long attracted the attention of various tribes and nationalities represented by a number of ancient cultural communities. The town of Taraclia was created by immigrants from various regions of the Bulgarian lands. At first it had the status of a colony, then a village, a rural settlement, and currently it is a town.

There are 116 large enterprises and 83 small and medium-sized enterprises in the town, which form the basis of the economic development of the town and the district. However, the ongoing outflow of the population indicates a lack of jobs and low level of entrepreneurial initiative. Therefore, the Initiative "Mayors for Economic Growth" is highly relevant and aims to support mayors in promoting economic growth and job creation. This is achieved through the development of partnerships between the local authorities, private sector and civil society.

The development and implementation of the Plan will complement and harmonize the Strategy of social and economic development of the town of Taraclia as well as other strategic documents developed by the local and regional authorities. The developed Action Plan will be implemented in cooperation with the civil sector and business community of the town, along with the financial contribution of all partners.

5. Process of Local Economic Development Plan Development

The elaboration of the Local Economic Development Plan (hereinafter referred to as the LEDP) started with the creation of a drafting team consisting of representatives of the local authorities, rural business entities, civil society, and consultants of the Initiative "Mayors for Economic Growth". 4 working meetings, focus groups and individual interviews were held, as well as information meetings and study visits (Chisinau, Comrat, Tbilisi, and Kiev).

When developing the Plan, the following principles were adhered:

- Sustainable development: when implementing the strategy, the local authorities will focus on balanced, harmonious development in all areas.
- Transparency in work: the decision-making and implementation process are transparent.
- Tolerance: the local authorities equally provide residents of Taraclia with access to services, regardless of religious beliefs, political views, etc.
- Responsibility: clear definition of responsibility in each regulation adopted by the local authorities.
- Partnership: cooperation of the local authorities with business entities and civil society in solving problems of local importance.
- Inclusiveness: respect for gender equality and participation of all groups of citizens; ensuring access to information, the right to free speech and participation of women, people with disabilities, associations of veterans, etc. in the town's life and in the decision-making process at the local level.

6. Local Economic Analysis

6.1 Analysis of Local Economic Structure

As of August 1, 2019, 1928 business entities were registered in Taraclia. Part of them are physical persons. Individual entrepreneurs amount for 19.3% of the total number of business entities which is the largest share.

Limited liability companies predominate among legal entities. As of August 1, 2019, 424 limited liability companies were registered in the municipality, which amounts for 21.9% of the total number of economic entities. At the moment, 15 municipal enterprises, 23 joint-stock companies, 12 state enterprises and others operate in the town.

Although Taraclia is located in the agrarian region, the leading role of agriculture in employment and gross production of the region is declining, while the role of the service sector is growing. The biggest growth is in services and trade. This sector of the economy is the most developed in the region as a whole.

This sector, first of all, includes the hotel "*South*" and one of the most prestigious restaurants *WOODHOUSE*. The restaurant is popular not only among the local population, but also among tourists, and offers Bulgarian national cuisine.

The wine industry is important. It's presented by Taraclia winery founded in 1955. Since 1991, it has won 40 gold, 11 silver, 5 bronze medals and 3 Grand Prix at various international competitions and exhibitions. This potential can be used in the organization of wine tastings for tourists.

The enterprises that replenish the local budget and are the engines of the economy growth through creating value chains:

- *the Milina company*¹ established in 1994 specializes in international transportations and baking. It is not only committed to innovation but also carefully preserves the ancient tradition of bread-baking. *The company* is actively involved in partnership projects with the mayor's office.

¹ Milina is a Bulgarian national dish which is very similar to the Moldovan placinta.

Table 1. Number of enterprises by economic activities

Type of economic activities	Number of enterprises	
	Micro and Small sized enterprises	Medium and Large enterprises
Industrial production	2	12
Agricultural production	3	14
Retail	27	38
Wholesale	1	-
Business services (commercial banks, consulting, etc.)	3	1
Health services	6	5
Legal services (notary, and advocacy)	5	-
Services to the public (hairdressing, car service, minor repairs, etc.)	13	6
Restaurants, cafes, bars, etc.	5	7
Hotels, hostels, etc.	1	1
Transport	2	15
Construction	4	8
Communication services	4	2
Creative services (design, photo, video, social media, etc.)	-	-
Tourism	1	-
Cultural heritage	-	-
Other	6	6
Total:	83	116

- *The Agrogled company is the leading agricultural enterprise of the Vest-Resurs Holding and is engaged in the agricultural production in Taraclia and Ceadir-Lunga districts of Moldova. It is among the top 3 largest and most efficient enterprises producing grain in Moldova. The main produced crops are cereals, legumes, oilseeds and industrial crops.*

- *The Volan-Autotrans company is the successor of the largest road and transport base in the South of the Republic of ATB Yugvod-stroy. Since 1995, it has been providing freight and forwarding services, repair and maintenance of vehicles, while carrying out commercial, entrepreneurial and intermediary activities, as well as providing hotel services, etc.*

Free Economic Zone "Taraclia Production Park"

There is the "Taraclia Production Park" Free Economic Zone in the town which was created in 1998 for the period of 25 years on the territory of 36 hectares under the jurisdiction of the mayor's office.

The Free Economic Zone includes the following infrastructure:

- ▣ *Railway access roads with the exit to the Chisinau-Reni railway;*
- ▣ *The system of water supply and reception of industrial effluents connected to the town water supply and sewerage system;*
- ▣ *Power supply is reliably provided by three substations of 10/0.4 kV with a total capacity of 2350 kV;*
- ▣ *The medium and low pressure gas pipeline.*

Currently, out of 36 hectares of the territory of the Free Economic Zone, enterprises of residents use only 10 hectares, since the existing buildings and structures require major repairs or reconstruction (total area of 20,000 m²).

Currently, there is the investment website of Taraclia district operating (<http://investin.raiontaraclia.md/zsptaraclia/>). This website aims to provide all interested parties with official and updated data on the economic status and development of Taraclia district. The provided economic data of the district allow investors to objectively present the realities of Taraclia district and assess its potential for future cooperation. Investments are the main instrument in the support of economic growth, which in turn contributes to the growth of welfare of citizens.

6.2. Local Cooperation and Networking

There is good cooperation between the local authorities and business community. In March 2017, a competition was announced for local initiatives on inter-municipal cooperation. The program is funded by the European Union and co-financed by the Council of Europe and implemented by the Council of Europe within the Programmatic Cooperation Framework for Armenia, Azerbaijan, Georgia, Republic of Moldova, Ukraine and Belarus for 2015-2017. Competition of project proposals was aimed at improving the provision of public services through inter-municipal cooperation for the mutual benefit of all partner municipalities and their citizens.

Meetings of the mayor with local business representatives are held quarterly (or as necessary). Generally, these meetings are held to address the problems of entrepreneurs and the local authorities. There is a successful experience in cooperation with small businesses in solving social problems, reconstruction and modernization of public infrastructure. The Program "Support for agriculture and rural development in ATU Gagauzia and Taraclia district" funded by the EU and implemented by the UNDP in Moldova ensured the implementation of 15 infrastructure projects of Taraclia local administration until the end of 2018.

In February and March 2017, the Economic Forum of Business Partnerships of Taraclia was held in order to create favorable conditions for the development of business cooperation between state, economic and public entities, improve access to the labor market and promote investment.

6.3. Business-friendly, Transparent and Corruption-Free Administration

The local authorities have a clearly defined system of procedures and entities involved in the process of initiating, developing, promoting and approving draft decisions. The share of draft decisions put forward by the mayor for the last year amounted to 93.17%; by the advisors – 3.24%, by citizens – 2.95%, and by civil society – 0.88%.

Last year, the local administration has posted 45 communiques on the activities of the local authorities on information boards, including 5 street boards, updating the information every month.

Currently, the Taraclia local administration website developed on the initiative and based on the concept of the USAID Local Government Support Project in Moldova in partnership with the Enterprise Business Solutions SRL is operating. The website provides all the necessary information on the local administration statute and the services provided to citizens, as well as draft decisions submitted for discussion with the public.

The one-stop-shop service has been introduced in the municipality. 1397 appeals from legal entities and 223 applications from citizens were registered in 2018. The services are provided through the one-stop-shop service in the following spheres: construction and architecture (road repair, street lighting, building permit and issuance of town-planning certificates); land transactions; moneyed assistance; participation in auctions; consideration of complaints of citizens, etc.

6.4. Access to finance

The finances of the local administration, according to the current legislation, include: local budget funds, extra-budgetary funds, government securities owned by local governments, and other funds owned by the local administration.

The main sources of municipal finances are

- transfers from budgets of higher authorities,
- own funds of the municipality,
- borrowed funds.

Budget revenues of Taraclia in 2018 amounted to 21,011.3 thousand lei, of which 36.5% were local taxes, and the remaining 63.5% were the transfers between the state budget and the local budget of the 1st level. In 2017, the local budget revenues amounted to 17,078.0 thousand lei, 41.2% of which made the local taxes and 58.8% – the transfers. The municipality revenue is based on the local taxes and fees, as well as income from the sale of goods and services, and the sale of goods and services by public institutions.

In the context of the limited municipal budget, the development, promotion and implementation of projects to finance and attract additional funds is one of the primary tasks in Taraclia. One of the promising ways to increase the investment potential of the district may become the development of a **crowdfunding platform** using blockchain technologies in partnership with the Moldovan Association of ICT Companies.

Beneficiaries (individuals, companies, representatives of the diaspora, and non-governmental organizations) will be able to present their projects or invest on a voluntary basis in favorite projects presented on the crowdfunding platform depending on their areas of interest.

The use of the new investment tool will have an extremely positive impact on the social and economic development of Taraclia town (Taraclia district) and will lead to the following effects:

1. Improving the efficiency of the investment process;
2. Increasing the number of new business and social projects;
3. Increasing the number of jobs.

The introduction of this tool includes the following steps: development of the idea, presentation of the project, and placement on the crowdfunding platform followed by the process of raising funds for implementation.

6.5. Land and Infrastructure

The total area of the town is 11.046 hectares, of which non-agricultural land is 2499 hectares and forests – 852 hectares. Agricultural land covers an area of 8503 ha, of which pastures amount for 10.3% and gardens and the greenhouse – 1%.

Based on the geographical location, Taraclia, as well as most of the settlements in the South of Moldova, faces the problem of providing citizens with quality drinking water. The main source of drinking water is groundwater: wells and springs.

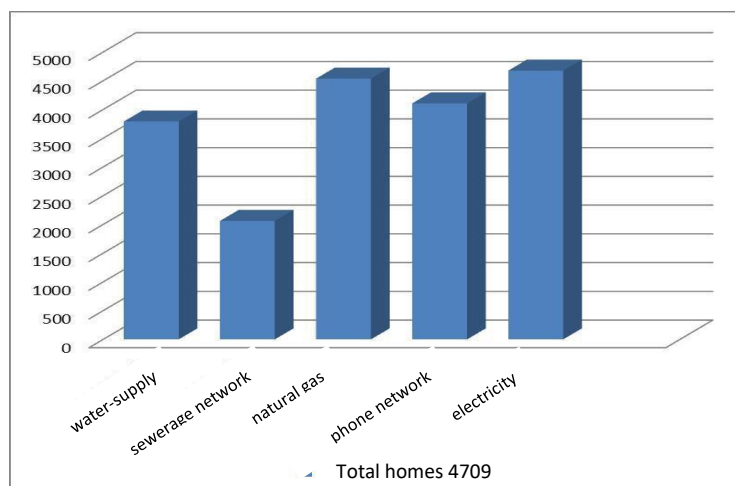


Figure 1. Utility connection

One of the most serious problems faced by Taraclia at the moment is the rehabilitation and maintenance of local infrastructure. The level of deterioration of the existing municipal infrastructure is very high. Infrastructure rehabilitation projects are extremely expensive. The length of water supply networks is 57.8 km. In recent years, it has not expanded. The centralized water supply system provides drinking water to the majority of residents. The share of homes connected to the centralized water supply system is 86.9%, and it has increased by 3.9% in recent years.

The town has a centralized sewerage network. The share of homes connected to the centralized sewerage network is 32%. The Taraclia local administration pays special attention to the production and future consumption of energy, as well as to environmental aspects, and plans to sign the Convention of Mayors.

6.6. Regulatory and Institutional Framework

The basic regulatory and institutional framework in terms of economic development of a settlement enshrines the right of local authorities to approve studies, forecasts and programs of social and economic development, to manage the local public and private property, to solve issues of the whole infrastructure, including the improvement of agricultural markets, commercial premises, etc.²

In the context of supporting the government's efforts on decentralization and improvement of the quality of public services, the USAID is implementing the Program "My Community" in the Republic of Moldova aimed at capacity building of local authorities. The Program includes activities to improve efficiency, transparency and capacity building, the quality of services provided and work with civil society.

In 2012, the Local Government Support Project evaluated the performance of local authorities in Taraclia. As a result, one of the three information and service centers in Moldova was opened. Implementation of the project was made possible thanks to the cooperation of the Taraclia local administration with the USAID and LGSP agencies, which financed the opening of the center.

6.7. Skills and Human Capital, Inclusiveness

The town of Taraclia belongs to so-called small towns category due to the number of residents. As of January 1, 2016, the total population of the town was 14,900, including 6965 men (46.68%) and 7935 women (53.32%). Bulgarians make up 81% of the population. Other nationalities living in Taraclia are: Moldovans — 4%, Russians — 4%, Gagauz — 7%, and Ukrainians — 3%.

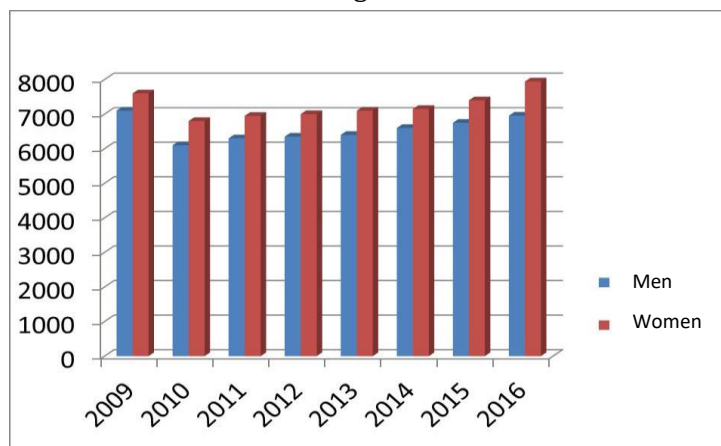


Figure 2. Population by gender

² Law of the Republic of Moldova "On local public administration" No. 436-XVI of 28 December 2006, Law of the Republic of Moldova "On administrative decentralization" No. 435-XVI of 28 December 2006.

The average life expectancy in Taraclia corresponds to the indicators for the Republic. It averages 71.1 years (68.1 for men and 76.2 for women). The economically active population of Taraclia is 6780 people, which is 70.3% of the total population of the town. This indicator, as well as the total number of residents of the town, has been decreasing over the past years.

The majority of the employed population works in wholesale and retail (32.8%), in the agricultural sector (11.7%) and in transport services (14.4%). Only 12% of the population is employed in industrial production. Of the total employed population of 5646 people, 56.3% are employed in the public sector, which is a very high rate, and shows low entrepreneurial activity in the town.

Labor migration plays a special role in changing the demographic situation and continues to be a serious problem. It is estimated that about 400 people leave the town in search of work and other places of residence every year. The annual decline in the number of officially unemployed should be also noted. Thus, in 2016, 1089 unemployed were registered, while in 2018 their number reduced to 780. The decrease in the number of unemployed is due to the decrease in the economically active population.

With the development of tourism in the town, there will be a demand for waiters, guide-interpreters, restaurant and hotel administrators, etc. Qualified staff will also be needed in the outsourcing / business services sector, and information technologies (accounting and audit consulting, development and administration of websites, programmers, etc.). These areas of activity require the labor force development.

Ways to achieve a balance between the demand for skills and human capital and the employment opportunities in the municipality are shown in Table 2.

Table 2. Improving working methods to attract qualified personnel

Advantages of the current working methods	Importance rating (4/5)	Shortcomings of the current working methods	Importance rating (4/5)
Retraining programs organized by the Employment agency	4	Slow response to labor market demand; Limited program budget.	4
The Taraclia University operation	5	Lack of economic specialties; Poor cooperation between the business and the educational institution.	5
Opportunities for the working methods improvement			
Introduction of courses in specialties that meet the needs of the local market and their financing			
Use of new fiscal benefits for entrepreneurs who hire and train young people and people with disabilities			
Use of IT technology in training in cooperation with the Moldovan Association of ICT Companies			
Establishment of cooperation with the Comrat State University and the Ceadir-Lunga vocational school and training the specialists necessary for the economy of Taraclia on their basis.			

6.8. External Positioning and Marketing

The cultural and historical heritage of the town of Taraclia is part of the national heritage. It is the center of Bulgarian culture and identity. In Taraclia, there are several cultural institutions that develop and promote the values and traditions of the region, make a significant contribution to the civic education of the town population. There are the community center, the Ethnographic museum, two libraries, various music and dancing ensembles that are the winners of national and international festivals and competitions, the only Bulgarian theater outside Bulgaria and other cultural facilities. The artists of the Bulgarian theater "Funny Friday" regularly perform in Moldova and Ukraine and other neighboring countries.

In 2015-2016, a project was implemented to modernize the Taraclia Museum of Cultural Heritage through the Fund of the U.S. Embassy in order to preserve the monuments of natural history, material and spiritual culture of the Bulgarians in the national and cultural region with compact residence of the Bulgarian ethnic group in the Republic of Moldova. In 2017, Taraclia State University

entered into a consortium with two universities in Bulgaria: University named after Angel Kynchev, the town of Ruse (the Republic of Bulgaria), and University named after Saints Cyril and Methodius, the town of Veliko Tarnovo (the Republic of Bulgaria).

The development of ethnographic tourism using these cultural and educational facilities will increase the level of self-employment of the local population, will allow developing the private initiative necessary for the preservation and development of traditional crafts, and to create the appropriate infrastructure.

The signing of the twinning agreement between Taraclia and Sliven made it possible to participate in cross-border projects of the European Union. This agreement also provides for the possibility of cultural exchange, exchange of students, as well as various international competitions. Partnership of the local administration with civil society, in particular with the NGO "Center for Sustainable Development of Taraclia" allows attracting additional funding for the implementation of social and economic projects.

7. SWOT-analysis of the economic development of the town of Taraclia

Table 3. SWOT-analysis of the economic development of the town of Taraclia

Strengths	Weaknesses
<ul style="list-style-type: none"> • Strong national identity • Free Economic Zone within the town • Availability of economic base and production warehouses • Developed service sector in trade and catering • Large reservoir • Developed media: Local TV channel NTS; local radio station ALBENA; local newspaper SVET • Availability of the University in the town and the only national Bulgarian theater outside Bulgaria • Companies cooperating with the local public authorities • Rich archaeological heritage and rich local history • Professional and amateur performance ensembles 	<ul style="list-style-type: none"> • High unemployment rate compared to other regions of the country • Low investment level and lack of own funds for the development of the town • Lack of IT specialists • Underdeveloped tourist infrastructure of the town • Lack of knowledge about entrepreneurship among the population • Underdeveloped business support infrastructure • Lack of business support associations • No vision of tourism development in the town • No town brand • Non-use of cultural heritage in tourism • Passive civil society
Opportunities	Threats
<ul style="list-style-type: none"> • Development of tourism as a key sector for the town's economic development • Development of cooperation with science and culture organizations in the creation of tourist routes • Close cultural and economic ties with Bulgaria • Cooperation with twin towns • Trade preferences with the EU countries 	<ul style="list-style-type: none"> • Decrease in entrepreneurial activity of the population • Increased outflow of the working-age population reduces attractiveness for investors • Rising energy prices reduce product competitiveness • Increasing aridity of the climate • Threat of loss of the Bulgarian self-identity in the South of Moldova

8. Vision and Objectives

8.1. Vision and mission statement

Vision

Taraclia is a center for the development of private initiative, based on modern business support infrastructure, focused on the development of ethnocultural tourism.

Mission

Development of modern forms of support for private initiative with an emphasis on areas related to tourism.

Strategic objectives:

1. Development of modern forms of support for private initiative
2. Promotion and commercialization of ethnocultural tourism

Actions:

- 1.1. Promotion of a crowdfunding platform
- 1.2. Development of a portfolio of relevant investment projects for the town of Taraclia
- 2.1. Elaboration of a business development plan for tourism in the town of Taraclia
- 2.2. Development of a town brand and its promotion through tourist sites
- 2.3. Holding national and international ethnocultural festivals

The results:

The achievement of strategic objectives will result in creating infrastructure to support small businesses and establishing a number of new small and medium-sized enterprises engaged in tourism.

8.2. Action Plan

To accomplish the objectives and goals, a concrete Action Plan was developed, which is presented in the table below. Specific project ideas correspond to each objective.

Table 4. Action Plan

Building Blocks	Key Objectives	Actions / Project Ideas	Duration (start / end)	Participating Partners	Estimated Cost	Results	Monitoring Indicators
1. Land and Infrastructure 2. Local Cooperation and Networking 3. Skills and Human Capital, Inclusiveness 4. Access to Finance	1. Development of modern forms of support for private initiative	1.1. Promotion of a crowdfunding platform	01.09.2019 / 01.10.2020	Business entities Local authorities District authorities Moldovan Association of ICT Companies. Local NGO, initiative groups	10.0 thousand euro	The conditions for the development of high-quality projects, their placement on a crowdfunding platform and attracting investments to Taraclia district have been created	<p>Product:</p> <ul style="list-style-type: none"> • Training course "Project management" <p>Impact:</p> <ul style="list-style-type: none"> - at least 12 people have been trained in project management - at least 10 investment project concepts have been developed - at least 100,000 lei were raised annually
		1.2 Development of a portfolio of relevant investment projects for the town of Taraclia	01.09.2019 / 01.10.2020	Business entities Local authorities Regional authorities NGO	5.0 thousand euro	The conditions for informing potential investors (individuals, companies, representatives of the diaspora, non-governmental organizations, etc.) have been created	<p>Product:</p> <ul style="list-style-type: none"> • Development of at least 10 investment projects • Production of the Investment Guide in three languages (1000 copies in Russian, Rumanian and English) <p>Impact:</p> <ul style="list-style-type: none"> - Electronic versions placed on the crowdfunding platform have attracted external investors (up to 20% of funding) - At least 2 projects have been financed - At least 10 jobs have been created

Building Blocks	Key Objectives	Actions / Project Ideas	Duration (start / end)	Participating Partners	Estimated Cost	Results	Monitoring Indicators
1. External Positioning and Marketing 2. Local Cooperation and Networking 3. Skills and Human Capital, Inclusiveness	2. Promotion and commercialization of ethnocultural tourism	2.1. Elaboration of a business development plan for tourism in the town of Taraclia	01.01.2020 / 01.10.2020	Business entities Local authorities Self-employed NGO Active citizens	20.0 thousand euro	Up to date conditions to attract tourists have been created	<p>Product:</p> <ul style="list-style-type: none"> • Tourism development plan, tourist route • Training in hospitality and commercialization of crafts • 1 brochure <p>Impact:</p> <ul style="list-style-type: none"> - Number of tourists has grown up to 100 people per month - at least 10 jobs have been created
		2.2. Development and promotion of the town brand	01.09.2019 / 01.10.2020	Business entities Local authorities NGO	10.0 thousand euro	Conditions for consulting entrepreneurs have been created	<p>Product:</p> <ul style="list-style-type: none"> • 1 brand of the town • 1 logo has been installed <p>Impact:</p> <ul style="list-style-type: none"> - At least 10 business entities use the local brands - Positive image and recognition of the town
		2.3. Holding national and international ethnocultural festivals	01.08.2019 / 01.10.2021	Business entities Local authorities Regional media NGO Craftspeople Performance ensembles Cultural organizations	30.0 thousand euro	Conditions for increasing business activity and investment attractiveness have been created	<p>Product:</p> <ul style="list-style-type: none"> • 1 international and 1 national annual ethnocultural festival <p>Impact:</p> <ul style="list-style-type: none"> - At least 25 business entities participate in the festival - At least 7 performance ensembles - At least 10 craftspeople - Promotion of the town in Moldova and abroad through local media

9. Financing scheme

Table 5. Financing Scheme

Actions	Estimated Cost (thousand euro)	Source of funding					Funding gaps	Remarks
		National programs	Local budget	Upper level budgets	Business	Donors		
1. Development of modern forms of support for private initiative								
1.1. Promotion of a crowdfunding platform	10					10		
1.2. Development of a portfolio of relevant investment projects for the town of Taraclia	5		2		1	2		
2. Promotion and commercialization of ethnocultural tourism								
2.1. Elaboration of a business development plan for tourism in the town of Taraclia	20		2			18		
2.2. Development of the town brand and its promotion through business structures	10					5	5	
2.3. Holding national and international ethnocultural festivals	30	2	3	3	2	15	5	
Subtotal	75	2	12	3	3	50	10	

10. Monitoring Indicators and Mechanisms

Monitoring and evaluation of results are important steps in the implementation of the Local Economic Development Plan. They are effective control tools of the implementation of action plans and of the results of the implementation of community economic development projects.

Monitoring of the activities of the local authorities on the implementation of the main objectives of the Plan will be carried out by the working group, which will include representatives of the local administration, non-governmental organizations, business entities, civil society, heads of public institutions, and other stakeholders. Monitoring and evaluation will be carried out publicly, which will guarantee increased responsibility of people for the assigned area of work.

The working group will be responsible for the development of joint annual work plans and the implementation of all planned activities. The project manager will be responsible for the direct coordination, collaboration and implementation of the projects at the appropriate stages.

The monitoring will be based on the principles of broad public participation, transparency and flexibility. During the monitoring, reports will be prepared annually, containing information on the implementation of the goals set for the reporting period.

The monitoring and evaluation process will take place in several stages:

- Quarterly data collection on ongoing projects undertaken as part of the Plan.
- A report on the implementation of the Action Plan will be presented every six months. The reports will include conclusions and recommendations on how to address the drawbacks identified during the work. To ensure these recommendations are implemented, the working group may propose changes if necessary.

All these measures will contribute to ensuring the implementation of the goals and objectives proposed by this Plan, which in turn will ensure the implementation of the developed vision enabling Taraclia to become the economically developed settlement, attractive to live, work and invest in and the point of attraction for tourists and guests.

Table 6. The internal monitoring plan of the activities

<i>Actions / project ideas</i>	<i>Duration (start / end)</i>	<i>Expected results Months 1-6</i>	<i>Expected results Months 6-12</i>	<i>Expected results Months 12-18</i>	<i>Expected results Months 18-24</i>	<i>Allocated budget, %</i>
1.1. Promotion of a crowdfunding platform	01.09.2019 / 01.10.2020	- At least 12 people have been trained in project management	- At least 10 investment project concepts have been developed	- At least 100,000 lei were raised annually	- At least 100,000 lei were raised annually	20
1.2 Development of a portfolio of relevant investment projects for the town of Taraclia	01.09.2019 / 01.10.2020		Development of at least 10 investment projects	- Production of the Investment Guide in three languages (1000 copies in Russian, Rumanian and English)	- Electronic versions placed on the crowdfunding platform have attracted external investors (up to 20% of funding) - At least 2 projects have been financed - At least 10 jobs have been created	5
2.1. Elaboration of a business development plan for tourism in the town of Taraclia	01.01.2020 / 01.10.2020		Tourism business development plan has been developed	- The training program in hospitality and commercialization of crafts has been launched - The tourist route has been developed.	- Number of tourists has grown up to 100 people per month - At least 10 jobs have been created	10
2.2. Development and promotion of the town brand	01.09.2019 / 01.10.2020			- The town brand has been developed - 1 logo has been installed	- At least 10 business entities use the local brands - Positive image and recognition of the town	10
2.3. Holding national and international ethnocultural festivals	01.08.2019 / 01.10.2021		1 international and 1 national annual ethnocultural festival	- At least 25 business entities participate in the festival - At least 7 performance ensembles - At least 10 craftspeople	- Promotion of the town in Moldova and abroad through local media - Number of tourists has grown up to 100 people per month	10