

LOCAL ECONOMIC DEVELOPMENT PLAN

city of Berdiansk
Ukraine



August, 2018

Preface from Mayor

Dear friends,



Developed as part of the EU-funded Mayors for Economic Growth Initiative, this Local Economic Development Plan is one of the major documents intended to ensure efficient economic development of Berdiansk.

Berdiansk is a city located in Zaporizhia region on the northern coast of the Sea of Azov. With its well-developed infrastructure of health resort facilities and rich natural resources, such as warm Sea of Azov, salubrious air, therapeutic muds and various mineral waters, Berdiansk is one of the most attractive cities for investment.

More than 30 manufacturers operate in the city and supply their products to the CIS and beyond. The market infrastructure is based on small to medium-sized business. There are 600+ small businesses and 6,000+ business entities operate and provide services in different sectors of the city's economy.

Berdiansk is a city open for ideas, a city of happy hopes and successful projects. We are always open for cooperation with investors and manufacturers. On our part, we guarantee that all investors will find a prospective market in Berdiansk and will be offered maximum assistance and support.

Among the achievements of our hard work is that Berdiansk entered the Top 10 Small Cities of fDi's European Cities and Regions of the Future 2018/19 (category: Foreign Direct Investment Strategy, subcategory: Cost Effectiveness).

We are committed to implement the Berdiansk Local Economic Development Plan 2019 – 2020 and believe that the implementation of the LEDP measures will help to achieve its goals:

- to create the enabling environment for the development of the health resort and tourism sector;
- to promote business development and attract investments;
- to make administrative services more accessible and build trust in the community through the efficient business – government – community communication.

We hope that the LEDP will be actively supported by the business sector and civil society organisations to achieve our common goal – to facilitate the economic growth of the city of Berdiansk as a health resort that provides high-level health resort services and family recreation, a competitive business centre attractive for investments, a city of high-quality and affordable services with an efficient governance system and opportunities for self-realisation of citizens.

City Mayor

A handwritten signature in blue ink, appearing to read 'V. Chepurny', written over a faint grid background.

VOLODYMYR CHEPURNY

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1. Executive Summary

Berdiansk joined the Mayors for Economic Growth Initiative in June 2017. Its natural areas were recognised as a health resort of the state significance. The city is located in Zaporizhia region on the northern coast of the Sea of Azov, 200 km away from the regional centre.

As of May 01, 2018, the population of Berdiansk numbers 114,643 people. The working-age population account for 59.7%. Due to military actions in the east of Ukraine, Berdiansk hosted a large number of internally displaced persons (9,737 IDPs (8.5% of the city population) as of July 01, 2018).

The most important advantages of the economic situation in Berdiansk include favourable natural factors that allow the city to develop as a seaside resort of the state significance; a well-developed network of health resorts, recreational centres and hotels; a wide range of culture and entertainment facilities; and the availability of an extensive system of retail traders and service providers.

The weaknesses which most affect the local economic development include the lack of the approved city boundaries and the lack of the approved coastal protective band, the lack of inventory of city's lands; seasonal nature of the health resort business and related services; the lack of high-quantity and interesting tourist products, attractive tourist events for different target groups; outflow of human resources and disproportionality between the demand and supply of labour forces.

The city's opportunities include increasing demand for resort services after the annexation of Crimea; an increasing number of people displaced from the temporarily occupied territories of Ukraine who launch new businesses and create jobs; cooperation with other cities and regions, investors and donor community to implement joint programmes and projects, tourist routes, etc.

The greatest threats to the city's local economic development are political instability, ongoing military conflict in the east of Ukraine, proximity to the zone of the joint forces operation; the lack of the electrified railway line Berdiansk-Pology and railway service in winter; lack of air service; low-quality motor roads outside the city; and a natural reduction of the working-age population.

The general vision of the city is that Berdiansk is a health resort that provides high-level health resort services and family recreation, a competitive business centre attractive for investments, a city of high-quality and affordable services with an efficient governance system and opportunities for self-realisation of citizens.

The main objectives of the Berdiansk LED are: 1) to create the enabling environment for the development of the health resort and tourism sector; 2) to promote business development and attract investments; 3) to make administrative services more accessible and build trust in the community through the efficient business – government – community communication.

To achieve these objectives, the LEDP comprises 18 measures, in particular to develop and approve land use documents; to implement local manufacturer and SMB support programmes; to expand the range of administrative services available to business entities; to have modern conference facilities in the city; to increase the efficiency of using the property of the city territorial community; to establish the Tourist Information Centre; to introduce various measures to promote the city as a health resort; to develop event tourism in the city; to develop and implement the city communication strategy; and to improve access of investors, business entities and citizens to information.

According to the LEDP, the planned expenditures will be covered by the local budget, top-level budgets, the private sector and the donor community. LEDP measures require UAH 25,123.710 thousand, of which UAH 8,976.110 thousand are expected to be sourced from the local budget (36%). Thirteen projects (72% of the total number of projects) will be funded from the local budget only. Local budgets will cover 36% of the total financing, donors are expected to cover 62% and top-level budgets and the private sector are expected to provide 1% each. The financing gap is UAH 15,762.600 thousand or 63% of the total funds required. Funds from the donor community and top-level budgets are required for three projects to make major repairs of premises.

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3. Abbreviations

ATO – Anti-terrorist operation

BCC – Berdiansk City Council

BSMB – Berdiansk Society of Manufacturers & Businesspeople

BCC EC – Berdiansk City Council Executive Committee

VRU – the Verkhovna Rada of Ukraine

HR CSO – all-Ukrainian human rights and civil society organisation

IDP – internally displaced persons

SFSU – State Fiscal Service of Ukraine

EU – the European Union

MM – mass media

LED – local economic development

SMB – small and medium business

ITA – international technical assistance

CSO – civil society organisation

LEDP – the Local Economic Development Plan

Fig. – figure

RFSEZR – Regional Fund for the Support of Entrepreneurship in Zaporizhia Region

IEs – individual entrepreneurs

Tab. – table

TIC – Tourist Information Centre

SEIs – self-employed individuals

CAS – Centre for Administrative Services

4. Introduction to LEDP

The city of Berdiansk joined the Mayors for Economic Growth Initiative in June 2017.

Berdiansk is located in the south-eastern part of Ukraine and is 715 km away from the capital of Ukraine – the city of Kyiv (10 hours by car and 18 hours by rail) and 200 km away from the centre of the region – the city of Zaporizhia. The city occupies 83.0 sq. km (0.31% of the area of Zaporizhia region and 0.014% of the area of Ukraine). There is a seaport and an airport (currently out of operation) in the city. The nearest airport is 200 km away, in the city of Zaporizhia. There are regular bus services which operate well. The railway service is regular in summer but irregular in winter. The reason is the lack of an electrified railway line from the railway station of Pology to the station of Berdiansk (118 km). Besides, Berdiansk is a final railway station, not a transit one. In terms of accessibility, the city is in worse conditions than neighbouring cities due to its location and access to national railways.

As of May 1, 2018, the population of Berdiansk numbers 114,643 people (6.7% of the population of Zaporizhia region and 0.27% of the population of Ukraine). Men account for 45%, women – for 55%. The share of the working-age population is 59.7%. In 2016, the number of able-bodied population was 63.01 thousand people (decreased by 2.13 thousand (3%) vs. 2014). The average age of the population is 40 years (women – 42 years, men – 38 years). Due to military actions in the east of Ukraine, Berdiansk hosts a significant number of internally displaced people – 9,737 IDPs (8.5% of the city's population) as of July 1, 2018.

By joining the Mayors for Economic Growth Initiative, Berdiansk can partner with the private sector and civil society organisations, take advantage of local empowerment and expand the available opportunities to encourage job creation and ensure local economic development with due consideration of the surveys among city residents.

The Local Economic Development Plan is not comprehensive and is not intended to replace the existing plans. In addition to the Local Economic Development Plan, Berdiansk has developed the City Development Strategy 2027. The LEDP focuses on establishing enabling environment for the development of the health resort and tourism sector, promoting business development and attracting investments, expanding the availability of administrative services and building trust in the community through the efficient communication between business, government, and community.

The LEDP will be used to achieve the main objectives of the local economic development, such as the implementation of the principles of partnership, cross-sector cooperation and interaction for better local economic development; development of active LED measures, the implementation of project-based LED approach; the development of specific LED projects and search for sources of financing; the development of external positioning and marketing; improvement of interaction with prospective investors and international partners; and the implementation of the ongoing monitoring system in support of the LEDP implementation.

The LEDP was developed by BCC Executive Committee in partnership with the private sector and the civil society sector. As part of the LEDP process, two surveys were completed from December 07, 2017 through January 18, 2018 to study the opinion of city residents and business sector. The survey results were taken into account for the purposes of LEDP development. The LEDP working group included representatives of the business community and civil society organisations.

According to the LEDP, the planned expenditure will be covered by the local budget, top-level budgets, private sector and the donor community. The total funding required is UAH 25,123.710 thousand. Of this amount, 8,976.110 thousand (36%) will be covered by the local budget.

5. LEDP development process

Berdiansk LEDP was developed by a working group consisting of 17 members. Of them, 41% represent governance bodies, 41% and 18% are representatives of the business sector and civil society organisations, respectively. The list of working group members was approved by the City Mayor’s order dd. July 28, 2017 (Annex A).

While working on the Berdiansk LEDP, the working group adhered to a set of principles, such as partnership with the private sector, partnership with the civil society sector, involvement of academic circles and student community into the LEDP development process, publicity and transparency, and took into account the opinion of city residents by making a survey and holding public discussions.

The main LEDP phases include: working group meetings, a survey among city residents, a survey among representatives of the business community, analysis of access to finance, thematic meetings with academics and students, consultations with business representatives, development of the system of measures to prevent non-execution of the LEDP in close cooperation with business circles, and public discussions.

In terms of partnership, working group meetings attended by representatives of the business sector and civil society organisations, surveys among representatives of the business community and city residents, and public discussions are considered the most important elements.

6. Local Economic Analysis

6.1. Analysis of Local Economic Structure

Located on the northern coast of the Sea of Azov, Berdiansk is the city of regional significance in Zaporizhia region. In 2005, the Verkhovna Rada of Ukraine adopted the Law of Ukraine “On the Declaration of Natural Areas of the City of Berdiansk, Zaporizhia Region, as a Health Resort of State Significance”. A well-developed infrastructure of health resorts, industrial potential, a well-developed housing and social sectors, sea logistics, and natural resources, such as the sea, salubrious air, therapeutic muds and other factors, make Berdiansk an attractive city.

Table 4 (Annex B) shows the national classification of companies by size and type of activity. A total of 7,338 business entities are registered in the city (Table 5, Annex C). Of them, 2,022 (28%) are companies and 5,316 (72%) are self-employed individuals. Of the total number of registered companies, 648 (32%) perform financial and economic activities. For the distribution of companies by sector of economy, please refer to Fig. 1 and Table 5 below. The majority of companies operating in the private sector deal with wholesale and retail trade, while 25.3% provide car/motorcycle repair services. A large share of companies (11%) deals with real estate operations and operates in the industrial sector (12%). Here, microbusiness accounts for 8% only. Of the companies reporting financial and economic operations, microbusiness accounts for 72% (Fig. 2, Tab. 6, Annex D).

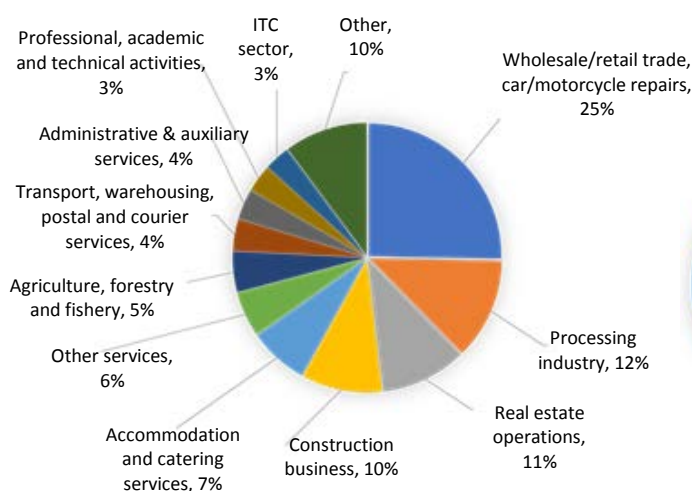


Fig. 1. Companies in Berdiansk: breakdown by sector

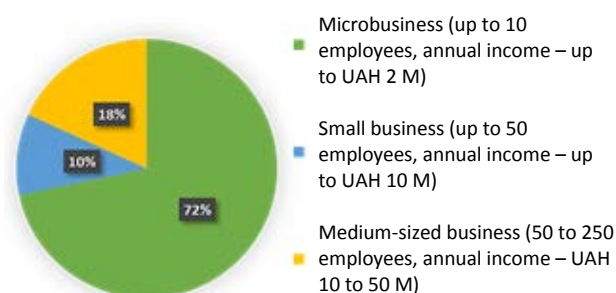


Fig. 2: Companies in Berdiansk: breakdown by size

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The number of self-employed individuals has decreased to 42% (5.3 thousand people) over the recent five years due to the economic situation (ongoing fluctuations of the inflation index, lack of lending resources for doing business and some other factors) and the new legal framework which has simplified the business closing procedure.

There are 9 markets and rows of shopping stalls, 11 supermarkets selling food and non-food products, 181 restaurants and catering points throughout the city. In total, nearly 2,000 points of retail trade and services operate in the territory of the city.

The city's transport system includes motor roads and railways, a bus station and a railway station, and Berdiansk Sea Commercial Port. There are 19 city public bus services operated by nine carriers. In 2016, the carriers purchased 22 new buses. Berdiansk Sea Commercial Port, which opens up prospects for the development of seal logistics services, is an important element of the unique city infrastructure. Unfortunately, these prospects are now compromised by the current political situation, including in particular the construction of Kerch Strait Bridge and consequent reduction of the number of ships using ports on the Sea of Azov.

There are many functioning educational and healthcare institutions, culture and sports centres. Seven higher educational institutions and vocational schools provide teaching, medical, economic, legal and machine building education.

Tax revenues to the city budget demonstrate an upward trend: UAH 317.3 million in 2016 vs. UAH 386.1 million in 2017. Wholesale/retail trade and car/motorcycle repairs are the major contributors to the city budget (19.1% of total tax revenues) followed by the state governance and defence sector and mandatory social insurance (13.5%), processing industry (13.5%), transport, warehousing, postal and courier services (12.7%), healthcare sector and social aid (7.4%), and real estate operations (5.7%). Small business accounts for a 32% share in tax revenues.

Forwarding and agency services, agricultural production, wholesale/retail trade and industrial operations are the most efficient sectors of economy (in terms of their annual turnover and income to size ratio).

Based on the performance over the recent 3 years, the most fast-growing sectors in the city's economy include: administrative and auxiliary services (+20% in 2017 vs. 2015), other services (+33.3%), financial and insurance operations (+5.6%), real estate operations (+4.6%), and wholesale/retail trade (+3.8%).

Organisation of accommodation and catering, manufacture of industrial equipment and manufacture of agricultural machinery contribute to the majority of local added value chains.

Accommodation and catering services (including in particular tourist services and health resort services), forwarding and agency services, and manufacture of agricultural machinery are the unique products and services offered by Berdiansk.

The tourism sector and health resort services – the city's economic landmarks – are the most prospective sectors for the city development as a health resort. Berdiansk is the best health resort on the Sea of Azov and was recognized as one of top seven most attractive cities by the national project "Seven Wonders of Ukraine". There are 87 health resort facilities operating during the season. More than 10.0 thousand children improve their health at children's health resorts and recreational centres. The most popular tourist attractions include the Safari Zoo, the Cape of Good Hope Aqua Park, Nemo Dolphinarium, and Mirage Big Wheel which are attended by 1.5+ millions every year. The health resort infrastructure is actively developed and the level of comfort is getting better. More than 200 state-of-the-art treatment methods are currently offered by health resort facilities.

6.2. Local Cooperation and Networking

In Berdiansk, the local government interacts with civil society organisations, public activists, associations and other stakeholders (*Table 7, Annex E*).

In 2016, the City Mayor approved an order establishing an advisory committee with the City Mayor's Office to foster the development of the civil society in Berdiansk. This committee was a body that acted in consultative and advisory capacity and consisted of 16 representatives of civil society organisations. To enhance openness and transparency, meetings of the advisory committee were open to mass media and regular updates on the operation of the advisory committee were published on the website of Berdiansk City

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Council. In February 2018, the operation of the advisory committee was terminated by the City Mayor's order.

There is also a Steering Committee for Entrepreneurship Development and Consumer Protection, an advisory body intended to foster the implementation of the local and state business development and consumer protection policies in the city of Berdiansk.

Berdiansk Society of Manufacturers and Businesspeople (Employers) has been operating in Berdiansk since 1997. The Society is a public organisation that comprises 50 members, including manufacturers, building companies, business sector, bank branches, insurance companies, educational institutions, and municipal companies as well as officials of the BCC Executive Committee, city employment centre, and Berdiansk Department of the Pension Fund of Ukraine.

The examples of successful cooperation at the city level include regular meetings of the Steering Committee, Berdiansk Society of Manufacturers and Businesspeople, involvement of representatives of business sector and civil society organisations in the activities of working groups to develop the City Strategy 2017, LEDP, Berdiansk Communication Strategy and Marketing Strategy.

The main challenges which may be resolved through more efficient cooperation, is poor communication between governance bodies, business sector and community. The development and implementation of the Berdiansk Communication Strategy as well as resumption of the work of the Advisory Committee are the preconditions for such successful practice of cooperation.

Building trust in the community through the efficient business – government – community communication, including the implementation of the City Resident's Webroom so that officials could quickly get information and make decisions in response to citizens' requests while the citizens could have better access to administrative services, is considered the prospective focus of cooperation.

6.3. Business-friendly, Transparent and Corruption Free Administration

Berdiansk city authorities are committed to create enabling business environment for the private sector and the civil society sector. At BCC Executive Committee, the official responsible for prevention and identification of corrupt practices acts in accordance with the respective Regulation approved by the Executive Committee in 2016.

There is also a Steering Committee for Entrepreneurship Development and Consumer Protection, an advisory body intended to foster the implementation of the local and state business development and consumer protection policies in Berdiansk.

The City Mayor approved in 2017 the list of officials responsible for disclosure of open-source data on the State Web Portal for Open-Source Data and established the respective working group. Open-source data are disclosed by 26 structural units of the BCC Executive Committee, 4 municipal institutions and 17 municipal companies.

Berdiansk entered the top ten small cities (100 to 350 residents) of fDi's European Cities and Regions of the Future 2018/19 (category: Foreign Direct Investment Strategy, subcategory: Cost Effectiveness). According to the survey completed by the Project "Transparency, Financial Health and Competitiveness of Municipalities" in 2017, Berdiansk is ranked sixth in Top 50 Most Transparent Cities in Ukraine.

To promote the local economic development, it is advisable to enhance transparency of the city governance by making the information important for the business sector available at the website of Berdiansk City Council including in particular: Investor's Roadmap, City Investment Passport, current tax rates, the development and approval of the Programme for the Support of Local Manufacturers and the SMB Competitiveness Programme. Those working for the health resort and tourism sectors require advanced training to improve their qualification, and the ways to inform the country's population of the health resort and tourist services available in the city should also be found (*Table 8, Annex F*). The City Resident's Webroom as well as the upgrade of the BCC website interface are also seen as prospective initiatives.

6.4. Access to financing

In Berdiansk, business entities have access to various sources of financing, such as grant programmes, calls of proposals and loans (*Table 9, Annex G*).

Business loans are offered by branches of 13 banks operating in the city. Although the lending terms may vary, a high interest rate is a common feature of all banking institutions making financial resources less accessible for small to medium business in practice. There is no platform where a prospective borrower could study all financing options. Besides, bank loans could hardly be summarized or profiled on one resource since the majority of banks may offer customized lending conditions to their clients.

In 2017, in order to provide financial support to small and medium business in Zaporizhia region on a fee-paying and refundable basis, the call of business proposals was announced for SMB operating in production, agriculture and agritourism sectors. This programme is implemented by the Regional Fund for the Support of Entrepreneurship in Zaporizhia Region as part of the Comprehensive Programme for SMB Development in Zaporizhia Region for 2017 – 2018. The financial support amounts up to UAH 500,000. Most grant proposals for SMB are intended to support IDPs and ATO veterans.

It would be advisable to make a page on the website of Berdiansk City Council to keep business entities updated on the available grant programmes using and to consider an opportunity to implement a special programme to compensate SMB loan interest rates with funds from the city budget.

6.5. Land and Infrastructure

Berdiansk has already approved urban planning documents, such as: Berdiansk General City Development Plan, Berdiansk Zoning Plan, technical documents for normative monetary appraisal of lands within the territory of the city of Berdiansk, the programme for implementation of measures for land preservation, protection, restoration, and rational land use management.

Individual entrepreneurs apply to local governance bodies to lease out land to arrange outdoor sites near their business, improve adjacent territory and organise points of sale, rental stores etc. They also would like to lease out land to arrange beaches and provide beach services. The demand for trade and office space as well as the space for various services, warehouse and garages (*Tab. 10, Annex H*) is also expected to grow. Given this, the right to lease out 5 land plots with the total area of approximately 5.7 ha will be sold through the tender procedure to arrange beaches and provide beach services.

As part of land regulation, Berdiansk takes measures to establish boundaries of water protection areas and coastal buffer zones. Once these measures are taken, the list of available land plots with the reference to their intended use will be updated and expanded, so such land could be leased out by business entities.

In order to use municipal property as efficiently as possible and to increase city revenues, the property is rented out to individuals and legal entities for the purposes of doing business and economic activities. The map of free municipal property is available on the website of Berdiansk City Council, so any user can get information on free municipal property, such as location on the map, photos of the interior and exterior, intended use and terms of use, floor plan in accordance with the property technical datasheet and other details. There is also a notice with a QR code available at the property. Everybody may scan this code to study the full property profile. Municipal property is mainly rented out through a tender procedure to get the highest possible rental revenues to the local and national budgets. Property with the total area of up to 60 square meters located on the ground floors of residential blocks or separate buildings in the central part of the city is in high demand among business owners.

Lack of inventory of city lands, lack of approved city boundaries and approved coastal protective band are the major problems for doing business in the city.

The development and approval of land use documents are among top-priority measures of the Local Economic Development Plan.

6.6. Regulatory and Institutional Framework

Executive bodies of Berdiansk City Council are involved in the implementation of the state regulatory policies. In order to systematise the regulatory framework, the register of current regulations adopted by both Berdiansk City Council and the Executive Committee is kept updated on a regular basis. As of July 01, 2018, the register comprises 38 regulations including 20 resolutions adopted by the City Council and 18 BCC EC resolutions. The majority of them are intended to regulate land use and rental matters and define tariffs, local taxes and fees.

The Comprehensive SMB Development Programme for the city of Berdiansk 2017/2018 and Berdiansk Consumer Protection Action Plan 2018 were approved in 2017-2018. The resolution “On Trade Fairs and Fostering the Development of All Types of Trade in the City of Berdiansk” was developed and adopted by the BCC Executive Committee. The implementation of a system of citywide organisational and legal measures to promote trade fairs is one of city’s priority tasks to support small and medium business in Berdiansk, to regulate street trading, and to ensure good hygiene practice at public amenities.

The survey conducted from December 07, 2017 through January 18, 2018 studied the opinion of the business community on the major problems from the perspective of doing business in the city. As part of the survey, 50 IEs were interviewed. According to representatives of the business community, the major problems include high regulatory pressure, frequent changes in economic laws, high taxes, difficulties with getting authorisations for power grid connection, complicated procedures for land use and registration and authorisation of construction projects (*Tab. 11, Annex I*). The development of tourism is considered as the main focus for the future development of the city.

The extension of the list of services offered to business entities by the Centre for Administrative Services, implementation of the e-document management system and upgrade of the BCC website interface to make the search for information on adopted regulations, free land plots, municipal property and rental rate more user friendly would be good measures to foster the local economic development.

6.7. Skills and Human Capital, Inclusiveness

Berdiansk features a seasonal labour market. In summer, when the season is high, there are up to 2,000 seasonal points of sale, entertainment and leisure. The processing industry (production sector) features the highest demand for labour force – 20.9% followed by accommodation and catering services (18.6%) and wholesale/retail trade and car/motorcycle repairs (18.1%). These are the most developing sectors which create jobs and bring revenue to the city’s budget.

The average number of registered full-time employees increased by 7% (1,555 persons) in 2017 vs. 2016 and reached 23,286 persons. The average monthly salary of full-time employees increased to UAH 5,293.10 in January – September 2017.

City’s higher educational institutions train teachers, economists and managers (including for the tourism sector), IT specialists, and lawyers. City colleges provide education for medical, financial, technical, mechanical, technological staff and travel agents. Vocational schools train workers for the construction industry, metalworkers, drivers, cooks, waiters, and pastry cooks.

In 2017, six unemployed persons launched their own business using a single-time unemployment allowance paid for doing business. Of them, five are ATO veterans.

As part of the EU-funded grant programme “Support to the Regional Development Policy in Ukraine” and the project “Development of a Comprehensive System of Support for IDPs and Berdiansk Community”, 50 persons attended Social Partnership Training in 2017. Five of them launched social business. In close cooperation with Danish Refugee Council and SFSU, special workshops are held for self-employed individuals to keep them informed of changes in tax laws.

The outflow of human resources and disproportionality between the demand and supply of labour forces are one of major problems for the city (*Tab. 12A, Annex J*). According to employers, the city lacks qualified workers (such as turners, sewers, measure cutters) and engineers. Those working in the service sector need advanced training to improve their qualification.

To mitigate the negative impact of the disproportionality between the demand and supply of labour forces on the city’s economic development, various educational events – such as job search workshops and

trainings, thematic seminars and advanced training events could become a common practice for the city (Tab. 12B, Annex K).

6.8. External positioning and marketing

Berdiansk is a centre of the tourist region along the Sea of Azov and has already approved its slogan “Berdiansk is the heart of Azov” and the city logo (see the LEDP title page).

To promote successful external positioning, the city has adopted the Programme for the Development of Tourism and Promotion of Berdiansk Tourist Potential - 2018. In 2017, as part of this Programme, the following advertising and promotional efforts were taken using the city budget:

- broadcasting of a promo video about Berdiansk health resort potential in Epicentre Network Hypermarkets throughout Ukraine and cinemas in Kharkiv, Lviv, Ivano-Frankivsk and Poltava before film show;
- placement of ads on city lights at public transport stations throughout Lviv, Kharkiv, and Dnipro;
- broadcasting of the promo video about Berdiansk on TV;
- broadcasting of the city’s ad on four leading FM radio stations in Ukraine;
- branding of public transport in Dnipro, Kharkiv, Lviv, Zaporizhia, Poltava and Kryvyi Rig and subway trains in Kyiv;
- placement of ads in underground walkways in the Kyiv and Kharkiv metro;
- organisation of the Days of Berdiansk in the cities of Zaporizhia and Dnipro;
- placement of city’s ads in Lviv, Zaporizhia, Khmelnytsky, Kremenchuk, Ivano-Frankivsk, Kropyvnytsky, Ternopil, Bila Tserkva, Chernivtsi, and Uzhgorod;
- distribution of My Favourite Resort leaflets in Intercity+ international railway service (Kyiv – Lviv – Przemyśl).



Fig. 3: Advertising of Berdiansk in Kyiv, Kharkiv and Lviv

All these efforts helped us to promote the city as a family resort and increased the number of visitors during the high season.

The survey conducted from December 07, 2017 through January 18, 2018 studied the opinion of city residents about the current situation in the city and prospects of the future development. As part of the survey, 2,476 residents (2.2% of the city population) were interviewed. City residents aged 35-49 years of age made the major group of respondents (24%) followed by citizens under the age of 18 years (23%) and aged 25-34 years (20%). Most respondents (65%) are women. 45% of respondents have higher education; 40% are workers or office-based employees; 33% are schoolchildren and students. In reply to the question “How do you see the city of Berdiansk?”, 27% replied that they were proud of their city and wanted their children to live there. 55% of respondents think that the city offers positive employment opportunities; 46% are satisfied with the level of their salary, 57% are satisfied with the quality of housing services; 48% are satisfied with the quality of city roads; 72% – with the quality of city public transport; 68% and 88% – with the level of healthcare services and educational services, respectively. 66% are satisfied with the conditions for launching and doing business. 58% are satisfied with the environmental situation in the city. 87% perceive the city’s image positively, and 86% are satisfied with the recreational and leisure infrastructure.

According to most respondents, lack of opportunities for self-realisation is the major problem for the city’s development. Most respondents think that tourism sector and human potential (Tab. 13, Annex L) are the major resources for future development of the city. They believe that tourism development, capital reconstruction of roads, improvement of the quality of medical services and development of the industrial

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sector should be the top priorities for the city development. Production companies and a solid waste recycling plant are the infrastructure which the city requires most.

41% of respondents commit their future to Berdiansk. Most respondents would like Berdiansk to be an eco-friendly city with many green sites, parks, and gardens in 10 years.

This survey confirms that the city should create favourable conditions for the development of the health resort and tourism sector, promote business development and attract investments.

7. Strengths, Weaknesses, Opportunities, Threats (SWOT) Analysis

The SWOT analysis of the economic situation in Berdiansk has identified 6 strengths and 6 weaknesses, 4 opportunities, and 6 threats:

Internal factors: strengths and weaknesses	
Strengths	Weaknesses
<ol style="list-style-type: none"> 1. Favourable natural factors (warm Sea of Azov, wide sandy beaches, therapeutic muds, salubrious climate, and the unique Berdiansk Spit 2. Well-developed network of resorts, health centres and hotels as well as children’s health and recreational institutions 3. A wide range of cultural and entertainment options (museums, libraries, sports & culture centres, Aqua Park, Amusement Park, Dolphinarium, Zoo, night clubs etc.) 4. Educational institutions which provide human resources for the tourism and services sector 5. Well-developed system of retail trade and service providers 6. Transparent database of free municipal property 	<ol style="list-style-type: none"> 1. Lack of city land inventory, no approved city boundaries and no approved coastal protective band 2. No financial support programme for SMB 3. Seasonal nature of health resort business and health resort services; low-level recreational and treatment infrastructure to provide health resort services all year round 4. Poor service standards at most health resorts 5. A very limited number of high-quality interesting tourist products and attractive tourist events for various target groups. 6. Outflow of human resources and disproportionality between the demand and supply of labour forces
External factors: opportunities and threats	
Opportunities	Threats
<ol style="list-style-type: none"> 1. Increasing demand for health resort services after the annexation of Crimea. 2. Increased number of internally displaced persons coming from the occupied territories of Ukraine who launch new businesses and create jobs. 3. Favourable conditions for the development of alternative energy (many sunny days per year and supportive legal framework) 4. Cooperation with other cities and regions, investors and donor organisations to implement joint programmes and projects, launch new tourist routes and other initiatives. 	<ol style="list-style-type: none"> 1. Political instability and ongoing military conflict in the east of Ukraine, proximity to the ATO zone 2. No electrified railway line between Berdiansk and Pology, no railway service in winter 3. No air service 4. Low-quality roads outside the city 5. Natural reduction of the working-age population 6. Approvals and permits are issued by authorities which have monopolistic status; approval/authorisation procedures are time-consuming and do not depend on local governance bodies.

Based on the SWOT analysis and to promote the economic development of Berdiansk, it was decided to take measures in 2019-2020 to approve urban planning documents; to support local manufacturers and SMB; to expand the range and improve the quality of administrative services; to improve the level of tourist and health resort services; to ensure efficient management and encourage citizens to take a pro-active role in the city’s life as well as to enhance city marketing and branding.

8. Vision and Objectives (including expected results)

Vision of the city of Berdiansk:

Berdiansk is a health resort that provides high-level health resort services and family recreation, a competitive business centre attractive for investments, a city of high-quality and affordable services with an efficient governance system and opportunities for self-realisation of citizens.

Main objectives of the local economic development of Berdiansk:

1. To create the enabling environment for the development of the health resort and tourism sector
2. To promote business development and attract investments
3. To make administrative services more accessible and build trust in the community through the efficient business – government – community communication.

For city residents, the formulation of the city's vision and objectives of local economic development means that, in the future, Berdiansk will become a well-developed centre in the north of the Sea of Azov with many recreational sites, health resorts and diverse leisure options, an investment-attractive city with a competitive business sector built on the principles of sustainable development and job creation, and a city with the efficient governance system, high-quality municipal services and a pro-active community.

9. Action Plan

The LEDP Action Plan comprises 18 measures (see *Table 1* below).

Table 1: Action Plan

Thematic area	Main objectives	Actions / project ideas	Timespan (beginning – end)	Participating partners ¹	Estimated costs, UAH (cash equivalent in EUR ²)	Monitoring indicators / Result (product) Indicators and goals	Results / (outcomes) Indicators and goals
External positioning and marketing Skills and Human Capital, Inclusiveness Regulatory and Institutional Framework Local Cooperation and Networking	To create the enabling environment for the development of the health resort and tourism sector	1.1. Establishment of the Tourist Information Centre in Berdiansk	01.01.2020-31.12.2020	BCC EC Investment & International Section, business sector, NGOs, mass media	UAH 7,415,600 (EUR 242,482)	The Tourist Information Centre has been established and functions.	1) Number of trained TIC staff members – at least 5. 2) Seasonal info points – at least 5. 3) Number of tourists served at TIC – at least 5,000 per year. 4) Number of employees of health resort and tourist sectors who received certificates after attendance of workshops, trainings and seminars – at least 100.
		1.2. Implementation of the hospitality policy in the city's tourism sector	01.01.2019-31.12.2020	BCC EC Resort & Hotel Section, business sector, NGOs, city residents, mass media	UAH 330,000 (EUR 10,791)	The Hospitality Concept has been developed.	Number of trainings for servicing staff – at least 4.
		1.3. Development of business, event, medical/health tourism	01.01.2019-31.12.2020	BCC EC Resort & Hotel Section, business sector, NGOs, mass media	UAH 325,000 (EUR 10,627)	Two event plans have been developed	Number of conferences held – at least 4.
		1.4. Establishment of the system for designing and manufacture of information products based on key messages for target groups	01.01.2019-31.12.2020	BCC EC Resort & Tourism Advertising Section, business sector, NGOs, mass media	UAH 650,000 (EUR 21,254)	The leaflet layout has been designed; 4 promos have been made.	1) Number of promo video broadcasts – at least 80 per year. 2) Number of leaflets distributed – at least 5,000.
		1.5. Development of various channels to inform about city's health resort services and tourist potential at the regional and national levels	01.01.2019-31.12.2020	BCC EC Resort & Tourism Advertising Section, business sector, NGOs, mass media	UAH 1,070,000 (EUR 34,988)	At least 4 channels have been used for the advertising campaign to raise awareness of the city's resort, health and tourist potential.	1) Number of promo video broadcasts in mass media – at least 1,000. 2) Number of promo video broadcasts in hypermarkets media in various cities throughout Ukraine – at least 20,000. 3) Number of promo video broadcast on TV – at least 80. 4) Number of posts in social media – at least 100.
		1.6. Organisation of media tours to the city and forums for tour operators	01.01.2019-31.12.2020	BCC EC Resort & Tourism Advertising Section, business sector, NGOs, mass media	UAH 670,000 (EUR 21,908)	At least 4 events have been held.	Number of representatives of tour operators and mass media who attended the events – at least 160.

¹ The first partner is responsible for the implementation of the measure and must submit interim progress reports to the LEDP Monitoring Committee by 07.07.2019, 07.01.2020, 07.07.2020, and 07.01.2021.

² At the exchange rate of the National Bank of Ukraine as of July 02, 2018 (EUR 100 = UAH 3,058.2017).

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Thematic area	Main objectives	Actions / project ideas	Timespan (beginning – end)	Participating partners ¹	Estimated costs, UAH (cash equivalent in EUR ²)	Monitoring indicators / Result (product) Indicators and goals	Results / (outcomes) Indicators and goals
		1.7. Organisation of the Day of Berdiansk in other cities throughout Ukraine	01.01.2019-31.12.2020	BCC EC Resort & Tourism Advertising Section, business sector, NGOs, mass media	UAH 160,000 (EUR 5,232)	At least 4 large cities of Ukraine have hosted this event.	Number of events held – at least 4.
Regulatory and Institutional Framework	To promote business development and attract investments	2.1. Development and approval of the Investor's Roadmap	01.01.2019-31.12.2020	BCC EC Investment & International Section, business sector, NGOs, mass media	UAH 3,000 (EUR 98)	The Investor's Roadmap has been developed, approved and posted on the BCC's website.	Number of unique visitors of the BCC webpage with the Investor's Roadmap – at least 200 per year.
Land resources and infrastructure		2.2. Development of the City's Investment Passport	01.01.2019-31.12.2020	BCC EC Investment & International Section, business sector, NGOs, mass media	UAH 4,000 (EUR 131)	The City's Investment Passport has been developed and posted on the BCC's website and is kept updated.	1) Number of unique visitors of the BCC webpage with the City's Investment Passport – at least 200 per year. 2) Number of updates of the City's Investment Passport – at least 4 per year.
Business-friendly, Transparent and Corruption Free Administration		2.3. Development of land use documents at the local level	01.09.2018-31.12.2020	BCC EC Land Resources Section, Berdiansk District State Administration, Zaporizhia Regional Council, Zaporizhia Regional State Administration, the Verkhovna Rada of Ukraine	UAH 1,000,000 (EUR 32,699)	Land use documents have been developed and approved, including in particular: land use project establishing (changing) boundaries of Berdiansk, technical documents for the monetary evaluation of lands within the territory of the city, technical documents for land use to take inventory of Berdiansk lands.	Number of free land plots available to launch new businesses – at least 10.
Local Cooperation and Networking		2.4. Development of the Local Manufacturer Support Programme	01.01.2019-31.12.2020	Social & Economic Development and Regulatory Affairs Section of the BCC EC Economic Development Department, business sector, NGOs, mass media	–	The Local Manufacturer Support Programme 2019-2021 has been developed and approved by the BCC EC resolution.	Number of training and organisational events held – at least 10.
		2.5. Development of the SMB Competitiveness Programme	01.01.2017-31.12.2020	Entrepreneurship & Consumer Protection Section of the BCC EC Economic Development Department, ITA project "Partnership for Local Economic Development and Democratic Governance" (PLEDDG Project), business sector, NGOs, mass media	–	The Programme Enhancing SMB Competitiveness has been developed and approved.	1) Number of projects developed to support and enhance entrepreneurship environment – at least 10. 2. Number of business entities involved in the implementation of projects – at least 5.
		2.6. Made in Berdiansk Project	01.01.2019-31.12.2020	Entrepreneurship & Consumer Protection Section of the BCC EC Economic Development Department, business sector, NGOs, city citizens, mass media, BSMB	UAH 50,000 (EUR 1,635)	The business catalogue has been designed and posted on the web portal and is being supported.	1) Number of local manufacturers whose business profiles are available on the web portal – at least 30. 2. Number of types of products made by local manufacturers and businesses promoted through the web portal

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Thematic area	Main objectives	Actions / project ideas	Timespan (beginning – end)	Participating partners ¹	Estimated costs, UAH (cash equivalent in EUR ²)	Monitoring indicators / Result (product) Indicators and goals	Results / (outcomes) Indicators and goals
		2.7. Fostering entrepreneurship by using assets of the Berdiansk territorial community	01.01.2019-31.12.2020	Lease, Privatisation, HR & Record Management Section of BCC Housing Property Department, business sector, NGOs, mass media	UAH 200,000 (EUR 6,540)	The web-based resource fostering entrepreneurship by using assets of the Berdiansk territorial community has been developed and put into operation.	– at least 90. Number of users of the web resource (legal entities and individual SMB) – at least 500
Regulatory and Institutional Framework Business-friendly, Transparent and Corruption Free Administration Local Cooperation and Networking	To make administrative services more accessible and build trust in the community through the efficient business – government – community communication	3.1. State-of-the-art Centre for Administrative Services	01.01.2019-31.12.2020	One-Stop-Shop-Service – BCC EC Administrative Services Section, business sector, NGOs, mass media	UAH 12,467.110 (EUR 407,661)	Premises have been reconstructed to use as office space for the Centre for Administrative Services and the range of services have been expanded.	The number of requests per time unit (including e-services) has grown from 18 to 25
		3.2. Communication strategy for the city of Berdiansk	01.07.2018-31.12.2020	Press Service of the City Council and Berdiansk City Council Executive Committee, ITA project “Partnership for Local Economic Development and Democratic Governance” (PLEDDG Project), business sector, NGOs, mass media	UAH 30,000 (EUR 981)	The communication strategy for the city of Berdiansk has been developed and approved.	1) Number of info campaign completed – at least 2. 2) Number of organisational and training events held – at least 5.
		3.3. State-of-the-art website for Berdiansk City Council	01.01.2019-31.12.2020	BCC EC Information & Communication Section, NGOs, mass media	UAH 249,000 (EUR 8,142)	The state-of-the-art website for Berdiansk City Council is in operation.	Number of unique visitors of the website of Berdiansk City Council – at least 5,000 per year.
		3.4. City Resident’s Webroom	01.01.2019-31.12.2020	BCC EC Information & Communication Section, NGOs, city residents, mass media	UAH 500,000 (EUR 16,349)	The City Resident’s Webroom is in operation.	Number of online services provided through the City Resident’s Webroom – at least 1,000 per year.

The LEDP measures cover six thematic areas:

- 1) Business-friendly, Transparent and Corruption Free Administration;
- 2) Local Cooperation and Networking;
- 3) Legal and institutional framework;
- 4) Land resources and infrastructure;
- 5) Qualified human resources, inclusiveness; and
- 6) External positioning and marketing.

10. Financial scheme

The total funding for all LEDP measures is UAH 25,123.710 thousand (EUR 821.519 thousand). The local budget will cover 36% of the total funding required, while donors are expected to cover 62% and top-level budgets and the private sector are expected to provide 1% each. The financing gap is UAH 15,762.600 thousand or 63% (see *Table 2* below).

Table 2: Financing scheme

Actions	Estimated costs, UAH / EUR	Sources of financing, UAH / EUR ³				Financing gaps, UAH/EUR	Remarks
		Local budget	Upper level budgets	Business	Donors		
1.1. Establishment of the Tourist Information Centre in Berdiansk	7,415,600 / 242,482	1,448,000 / 47,348	–	385,000 / 12,589	5,582,600 / 182,545	5,582,600 / 182,545	–
1.2. Implementation of the hospitality policy in the city's tourism sector	330,000 / 10,791	330,000 / 10,791	–	–	–	–	–
1.3. Development of business, event, medical/health tourism	325,000 / 10,627	325,000 / 10,627	–	–	–	–	–
1.4. Establishment of the system for designing and manufacture of information products based on key messages for target groups	650,000 / 21,254	650,000 / 21,254	–	–	–	–	–
1.5. Development of various channels to inform about city's health resort services and tourist potential at the regional and national levels	1,070,000 / 34,988	1,070,000 / 34,988	–	–	–	–	–
1.6. Organisation of media tours to the city and forums for tour operators	670,000 / 21,908	670,000 / 21,908	–	–	–	–	–
1.7. Organisation of the Day of Berdiansk in other cities throughout Ukraine	160,000 / 5,232	160,000 / 5,232	–	–	–	–	–
2.1. Development and approval of the Investor's Roadmap	3,000 / 98	3,000 / 98	–	–	–	–	–
2.2. Development of the City's Investment Passport	4,000 / 131	4,000 / 131	–	–	–	–	–

³ At the exchange rate of the National Bank of Ukraine as of July 02, 2018 (EUR 100 = UAH 3,058.2017).

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2.3. Development of land use documents at the local level	1,000,000 / 32,699	1,000,000 / 32,699	–	–	–	–	–
2.4. Development of the Local Manufacturer Support Programme	–	–	–	–	–	–	–
2.5. Development of the SMB Competitiveness Programme	–	–	–	–	–	–	–
2.6. Made in Berdiansk Project	50,000 / 1,635	50,000 / 1,635	–	–	–	–	–
2.7. Fostering entrepreneurship by using assets of the Berdiansk territorial community	200,000 / 6,540	20,000 / 654	180,000 / 5,886	–	–	180,000 / 5,883	–
3.1. State-of-the-art Centre for Administrative Services	12,467,110 / 407,661	2,467,110 / 80,672	–	–	10,000,000 / 326,990	10,000,000 / 326,990	–
3.2. Communication strategy for the city of Berdiansk	30,000 / 981	30,000 / 981	–	–	30,000 / 981	–	–
3.3. State-of-the-art website for Berdiansk City Council	249,000 / 8,142	249,000 / 8,142	–	–	–	–	–
3.4. City Resident’s Webroom	500,000 / 16,349	500,000 / 16,349	–	–	–	–	–
Total	25,123,710 / 821,519	8,976,110 / 293,509	180,000 / 5,886	385,000 / 12,589	15,582,600 / 509,535	15,762,600 / 528,010	–

Fourteen projects (78% of the total number of projects) are expected to be financed from the local budget only. The city has already found a donor organisation willing to support the Development of the Communication Strategy Project. Two projects require no financing. Donor’s funds and funds from top-level budgets will be used to implement capital repairs projects (3 projects, 17% of the total number of projects).

11. Monitoring indicators and mechanisms

To implement the LEDP measures, 9% and 7% of the total funding are expected to be spent in the first and the second halves of 2019, respectively, while the remaining 84% will be split between the first and second halves of 2020 (see *Table 3* below).

Table 3: Monitoring indicators

Actions / project ideas	Timespan (beginning (DD.MM.YYYY) – end DD.MM.YYYY))	Expected results			
		Months 1 to 6	Months 7 to 12	Months 13 to 18	Months 19 to 24
1.1. Establishment of the Tourist Information Centre in Berdiansk	01.01.2020- 31.12.2020	-	-	The Tourist Information Centre has been established; the staff has been selected and trained; seasonal info points have been organised; trainings have been completed for those who work in the city's health resort and tourism sector.	The information support to the TIC has been provided; trainings have been completed for those who work in the city's health resort and tourist sector.
1.2. Implementation of the hospitality policy in the city's tourism sector	01.01.2019- 31.12.2020	The Hospitality Concept has been developed.	The information support to the implementation of the Hospitality Concept has been provided.	Two training events have been held.	Two training events have been held.
1.3. Development of business, event, medical/health tourism	01.01.2019- 31.12.2020	Conditions/events have been established/held to develop tourism. The plan for fests, conferences, contests and other events has been developed.	The information support to the plan for fests, conferences, contests and other events has been provided.	The implementation of the tourism event plan has been started.	The tourism event plan is implemented.
1.4. Establishment of the system for designing and manufacture of information products based on key messages for target groups	01.01.2019- 31.12.2020	Brochure and leaflet layouts have been developed. The terms of reference for the promo video have been developed. Tenders have been held. Brochures and leaflets have been published, videos have been shot.	Draft brochure and leaflet layout have been developed. The terms of reference for shooting promo videos have been developed.	Brochure and leaflet layouts have been designed. The terms of reference for shooting promo video have been developed; a tender has been held; Brochures and leaflets have been printed; promo video has been shot.	Brochure and leaflet layout have been designed. The terms of reference for shooting promo video have been developed ⁴ .
1.5. Development of various channels to inform about city's health resort services and tourist potential at the regional and national levels	01.01.2019- 31.12.2020	The thematic concept of the advertising campaign has been developed; tender procedures have been held.	The advertising campaign in mass media, the Internet, public transport and metro has been completed.	The focus of the advertising campaign has been developed; tender procedures have been completed.	The advertising campaign in mass media, the Internet, public transport and metro has been completed.

⁴ For the season 2021

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Actions / project ideas	Timespan (beginning (DD.MM.YYYY) – end DD.MM.YYYY))	Expected results			
		Months 1 to 6	Months 7 to 12	Months 13 to 18	Months 19 to 24
1.6. Organisation of media tours to the city and forums for tour operators	01.01.2019-31.12.2020	The event plan has been developed; representatives of the tourism sector and mass media have been involved.	Promo support has been provided. The event has been held.	The event plan has been developed; representatives of the tourism sector and mass media have been involved.	Promo support has been provided. The event has been held.
1.7. Organisation of the Day of Berdiansk in other cities throughout Ukraine	01.01.2019-31.12.2020	The event plan has been developed; negotiations with mayors of hosting cities have been held.	Tender (bidding) procedures have been completed. Event promo campaign has been completed; Events have been held.	The event plan has been developed; negotiations with mayors of hosting cities have been held.	Tender (bidding) procedures have been completed. Event promo campaign has been completed; Events have been held.
2.1. Development and approval of the Investor's Roadmap	01.01.2019-31.12.2020	The Investor's Roadmap has been developed and approved.	The Investor's Roadmap is updated (as appropriate).	The Investor's Roadmap is updated (as appropriate).	The Investor's Roadmap is updated (as appropriate).
2.2. Development of the City's Investment Passport	01.01.2019-31.12.2020	The City's Investment Passport has been developed and posted on the BCC website.	The City's Investment Passport is kept updated.	The City's Investment Passport is kept updated.	The City's Investment Passport is kept updated.
2.3. Development of land use documents at the local level	01.09.2018-31.12.2020	Tender procedures have been held; contracts have been awarded.	Land use documents have been developed and approved.	Land use documents have been approved.	Land use documents have been supported by managerial decisions.
2.4. Development of the Local Manufacturer Support Programme	01.09.2018-31.12.2020	A working group for the development of this Programme has been established; the Programme has been developed.	The Programme has been approved at the BCC EC session.	The Programme implementation has been launched.	The Programme implementation is underway.
2.5. Development of the SMB Competitiveness Programme	01.01.2017-31.12.2020	The Programme Enhancing SMB Competitiveness has been approved at the session of the City Council.	The implementation of the Programme has been started.	The Programme implementation is underway.	The Programme implementation is underway.
2.6. Made in Berdiansk Project	01.01.2019-31.12.2020	The information on business entities operating in Berdiansk has been collected and summarised.	The development of the business catalogue has been started.	The development of the business catalogue is underway.	The business catalogue has been compiled and posted on the web portal.
2.7. Fostering entrepreneurship by using assets of the Berdiansk territorial community	01.01.2019-31.12.2020	Terms of reference have been developed.	Tender (bidding) procedures have been completed; the contract has been awarded.	The operation of the web resource is started in the test mode; malfunctions have been identified, documented and fixed.	The web resource Fostering entrepreneurship by using assets of the Berdiansk territorial community has been put in full operation.
3.1. State-of-the-art Centre for Administrative Services	01.01.2019-31.12.2020	The tender for the development of design documents and estimates has been held. The development process has been started.	The design documents and estimates have been developed and approved.	The reconstruction of the premises for the Centre for Administrative Services has been started.	The reconstruction of the premises has been completed. The Centre for Administrative Services started to render expanded range of services in the new premises.

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Actions / project ideas	Timespan (beginning (DD.MM.YYYY) – end DD.MM.YYYY))	Expected results			
		Months 1 to 6	Months 7 to 12	Months 13 to 18	Months 19 to 24
3.2. Communication strategy for the city of Berdiansk	01.07.2018-31.12.2020	Three organisational and/or training events have been held; the situational analysis of the BCC – BCC EC communication system has been completed.	One organisational and/or training event has been held. The communication strategy for the city of Berdiansk has been developed and approved.	One organisational and/or training event has been held. The communication strategy for the city of Berdiansk has been implemented. The awareness campaign has been completed.	The implementation of the communication strategy for the city of Berdiansk is underway. The awareness campaign has been completed.
3.3. State-of-the-art website for Berdiansk City Council	01.01.2019-31.12.2020	The terms of reference for design services have been developed.	Tender procedures have been completed; the new design has been developed.	The terms of reference for HTML design have been developed; the tender procedure to award the contract has been completed.	The HTML design of the BCC website and HTML design of the BCC website into the software platform (cms) have been completed.
3.4. City Resident’s Webroom (web portal)	01.01.2019-31.12.2020	The terms of reference have been developed.	Tender procedures have been completed; the tender winner has been determined.	The system operation has been started in the test mode; malfunctions have been identified, documented and fixed.	The City Resident’s Webroom has been launched in full operation.
% of the total budget for all LEDP measures (estimated)	UAH 34,603,708 (EUR 1,131,505)	9%	7%	42%	42%

In order to control the implementation of the Local Economic Development Plan for the city of Berdiansk, the LEDP Working Group has established the LEDP Monitoring Committee. This Committee consists of six members: two representatives from each party – the BCC Executive Committee, the business sector and civil society organisations. The Committee will meet on the second Thursday of the quarter following the reporting one.

Officials responsible for the implementation of LEDP measures will submit intermediate progress reports to the LEDP Monitoring Committee by 07.07.2019, 07.01.2020, 07.07.2020 and 07.01.2021 at the latest.

Based on the results of its meetings, the LEDP Monitoring Committee will make and submit LEDP Progress Reports to the National Office of the Mayors for Economic Development Initiative on a semi-annual basis and will post these reports on the website of the Berdiansk City Council.

