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Sectoral Factsheet:

EU-funded initiatives on Local Economic Development



EU-Moldova

Stronger Together

EU-FUNDED INITIATIVES

Short description of the sector and EU assistance provided for the sector of intervention

Title of the Programme

ENI/2020/416-147

Mayors for Economic Growth (M4EG Facility) Phase II

Location: EaP countries (Moldova, Ukraine, Belarus, Armenia, Azerbaijan)

Duration: 48 months/4 years: 1 Jan 2021- 31 Dec 2024

Key results:

1. Accelerating structural transformations through more effective governance systems
2. Municipal pilot projects building on existing LEDPs are successfully implemented

10 more cities have signed up to the M4EG Facility
10 additional LEDPs formulated
30 additional staff/partners been trained on innovative learning approaches, systems thinking, portfolio development (gender disaggregated as minimum)
10 knowledge exchange and networking events organized
25 advocacy and outreach initiatives to increase awareness of citizens about EU support to local authorities in selected countries
3 small scale local level pilot projects on specific issues (e.g. innovation, gender equality) implemented in Ceadir-Lunga, Calarasi and Cahul

Pilot projects selected under the call for proposals
EuropeAid/170157/DH/ACT/Multi (direct management)

Budget: €10,294,364 (without the amount allocated for pilot projects)

Implementing partners: UNDP, Carpineni Mayoralty Ungheni City Hall Causeni City Hall Soldanesti City Hall

□ **ENI/2021/430-373 (EC) Sustainable Actions for Economic Growth through Tourism, implemented by Ungheni City Hall**

Budget: 686.026 EUR

Started 01/01/2022, 30 Months

The overall objective of the project: To promote through tourism and culture Ungheni region, its economic growth by developing tourism sector, raising and improving the living standards, creating new jobs, improving the quality of the environment, increasing region's attractiveness, providing new possibilities of agreement and restoration for internal and external visitors and tourists.

□ **ENI/2021/430-371 (EC) Multi-Dimensional Partnership for Inclusive Sustainable Economic Development in Cărpineni Commune, implemented by Carpineni Mayoralty**

Budget: 277,778.00 EUR

Started 15/01/2022, 24 months

General objective – creating an inclusive framework for a sustainable economic development of Cărpineni commune based on three main pillars: performant human resource, infrastructure, partnership.

- **ENI/2021/430-362 (EC) Șoldănești Agricultural Regional Market (SARM), implemented by the Soldanesti City hall**

Budget: 619.803 EUR

Started 1 March 2022, 24 months

Overall objective: Improving the quality of life by creating the premises for entrepreneurship development and marketing of agricultural products

- **ENI/2021/430-358 (EC) “Causeni Agri-Hub: Community Cooling and Processing Fruits and Veggies Infrastructure” Causeni City Hall**

Budget: 660.000 EUR

Started: 01/01/2022, 30 months

Overall objective: To enhance economic growth and stable job creation in Causeni, Moldova by supporting the creation of added value of agricultural production in the region, foreseen in the Local Development Economic Plan.

In addition to the implementation of 4 pilot projects, UNDP will ensure the secretariat of the initiative. UNDP will collaborate closely with the local authorities and will focus on strengthening their capacities in designing and financing local development. The support will consist of trainings, exchange of practices and consultancy services. The selected municipalities will go through a transformation process. UNDP will provide 3 small grants to other 3 localities from Moldova.

Call for interest – portfolio journey, was selected Ceadir-Lunga (250 000 EUR)

- Call for proposals – innovation grants were selected Cahul and Calarasi (65 000 EUR)

ONGOING PROGRAMMES

PREVIOUS INITIATIVES

Title of the Programme

Mayors for Economic Growth Phase I

ENI/

Location: Location: EaP countries (Moldova, Ukraine, Belarus, Armenia, Azerbaijan)

Duration: 48 months/4 years: 1 Jan 2017- 31 Dec 2020

Budget: 4,979,800 EUR (without the budget allocated for Pilot projects)

Implementing partners:

Ecorys Netherlands
Cimişlia District Council
Edinet City Hall
Executive Committee of Gagauzia

Short description of the programme and overall objectives

- South Open Gate of Moldova for Businesses and Investments Promotion”, – EUR 336,121.00 (Started April 2018, 18 Months)
- Edinet – Economic Growth Pole in North region of Moldova – EUR 643,545 (started January 2018, 24 months)
- Establishing Regional Business Information and Support Centre for the Gagauzia Region of the Republic of Moldova – EUR 516,172 (started April 2018, 24 months)

Key results:

3. Following a Call for proposals in 2018, a number of pilot projects were launched, including three projects in the Republic of Moldova. The aim of the projects were to improve local capacities and business infrastructure in order to stimulate the creation of new businesses in the regions, with an impact on inclusive economic growth in Moldova.
4. Over 200 new jobs were created in Edineţ due to the construction of an industrial hall of over 1000 m2 and a business incubator, which in 2020 registered 10 new residents.
5. With the support of the Cimişlia project were created information centers for entrepreneurs in the southern districts of the country.
6. The project implemented in Gagauzia provided support to over 670 entrepreneurs in the region, and over 2,000 residents of ATU Gagauzia benefited directly or indirectly from the project.
7. All these projects contribute to the initiation of a systemic change at local level and have a significant impact on the local economic development, contributing to the creation of new jobs and new opportunities for the inhabitants of these localities.

SYNERGIES WITH OTHER PROGRAMMES

NEAR-TS/2020/421-644 (EC)
Edinet - Insights into tomorrow cities

Budget of the project: 4 358 886.00 EUR
EU contribution: 4,140,186.00 EUR
Co-financing: Edinet City Hall: 193 000.00 EUR
Alba-Iulia Municipality: 25 700.00 EUR

Implementation period: 48 months

Specific Objective - Shift towards inclusive, safe, resilient and sustainable urban development in Edinet using innovative smart solutions to improve outcomes for the inhabitants and future generations, by way of the 48 months of project

Outputs:

STO 1. Improved capacities of Edinet municipality to ensure smart urban governance through a participatory and collaborative approach of territorial planning

STO 2. Optimize min. 5 public urban services using innovative smart solutions tailored to the specific needs in Edinet

STO 3. Promoted smart living in urban area for better assimilation of innovations and future city infrastructure for sustainable usage of urban space in Edinet municipality

STO 4. Improved education in Edinet by creating and testing scalable intelligent education models for schools and kindergartens for smart and creative thinking for future generations.

BACKGROUND

INEQUALITY IN ACCESS TO SERVICES

OPPORTUNITIES

LPAs improved their capacities to understand and identify opportunities to cooperate with the private sector and other local actors.

The Initiative was implemented in parallel with various EU projects that addressed LED-related aspects and the role of LAs (EU4Moldova: Focal Regions, EU4Local Communities etc, Bugetul meu.)

CHALLENGES

Low capacity of LPAs to manage funds;
The overall sustainability prospects for project results are not fully satisfactory, mostly because of the difficulty in securing the much-needed institutional capacity of signatories and financial resources for LEDPs.