



Report

MM-5 Local Economic Development Period: January – May 2002

O V E R V I E W

Article 22, Paragraph 3 of the Law on Local Self-Government, enacted 22 January 2002, provides that local economic development is under the jurisdiction and authority of the municipal government. In response to this new responsibility, a program was designed as a partnership between Prisma and LGRP, later with CSHI as a partner, that would build the local government capacity and create a community-based system. To develop the community involvement, the program would use existing Prisma local teams as the core of the community board. Day to day management of the activities would be conducted by a local economic development coordinator working for the municipality, with leadership provided by the mayor. Continuing technical assistance is provided by LGRP. The use of the Prisma teams as the core of the board was intended also to give those teams an existence beyond the end of the Prisma grant program in each locality.

Implementation began in December 2001 on the Local Economic Development activities with the selection process for municipalities. This was done jointly by Prisma and LGRP. Criteria included size, location, ethnicity, success of the Prisma project and commitment of the mayor.

The first training workshops were held over 2 weeks in February 2002. These provided the basic economic development instruction to 2 representatives from each of the 12 pilot municipalities, together with 1 representative each from 9 additional localities to which training but not continuing technical assistance has been offered. 4 mayors attended the entire 2 week program. After this first training cycle, pilot municipalities began to establish community planning boards. This began with the invitation to the local Prisma teams and the regional Prisma representatives to form the core of the board. The newly formed boards worked on gathering data for a community profile, which is a foundation for analyzing resources and potentials in municipality. Many of LED pilot cities during their work invited and took in consideration opinion and needs of the smaller and newly formed municipalities.



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The participation and cooperation by members of existing Prisma teams has varied greatly among the pilots. In some there have been very good relations, with Prisma members actively participating; in others, Prisma team members have chosen not to stay with the process. In all cases, the local Prisma teams continue to be invited to community board meetings.

The 12 pilot coordinators have established a support network among themselves and on their own initiative, sharing ideas on data gathering and on planning.

The Municipal Management team have linked pilot mayors and ED coordinators with numerous Donors and grant opportunities. The level of enthusiasm and effort are extremely high and the program is on schedule.

S U M M A R Y

The MM team analyzed and summarized the achieved results in the period January 2002 to May, 2002 and have prepared this mid-term evaluation of the LED program.

1. **Community planning teams:** In all twelve municipalities they are established and working on a voluntary basis. The LED coordinators have an important role in coordination of the teams and are essential to success. The community planning teams generally consist of experts, consultants and representatives from different areas such as Local Government (City architect, Secretary of Councils, Councilors, Communal Public Enterprises, Funds for local roads...) agriculture, infrastructure, industry, regional Ministries, Bureau for Employment, loss making companies, private businessmen...
2. **The Community Profile:** All pilot municipalities have already drafted the first version. The community planning boards value the Profile as one of the most important documents for presentation of the municipality in front of all potential donors and investors as well as a basic document for when the Law on Local Finance will be adopted. They request additional funding for printing this material on hard copy and recording on CD. We will provide funds for printing these profiles together with the strategic plans, along with preparation of CD-Rom versions.
3. **Strategic Planning workshops:** 4 regional strategic planning workshops were held using an expert facilitator. These were evaluated as very important and a key part of the Local Economic Development program. It was considered especially helpful that those workshops were held regionally so the regionally placed municipalities had the opportunity to share mutual experiences. Although the workshops were quite successful, future technical



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assistance will be necessary and it is planned by the MM team. Generally the workshops were evaluated as highly informative.

4. **Additional T/A requested:** Community planning boards have asked for additional capacity building on : Marketing plans, Marketing campaign, Fund raising, Donor relations etc... Also additional office supplies were requested like photocopy machine , Color printer A3 format, fax machine, bookshelf...These equipment requests are being evaluated and some may be met.

Municipality of Kriva Palanka

1. **Community planning team** consists of representatives from Local Government, LED coordinator, Councilors in City Consul, Assistant to the Mayor, Unemployed representative.
2. **Community profile** process is in the phase of collecting data and up to now everything is going smoothly. Very good cooperation has been established with NEPA (regional association of small and medium enterprises) and in the future empowering small and medium enterprises will be one of the priorities in strategic planning.
3. On the **Strategic Planning Workshop, 11 May 2002 Saturday**, seven team members including Mayor, LED coordinator, Councilors in City Consul, Assistant to the Mayor, Unemployed representative attended. Among priorities which need to be solved are:
 1. **Defining status of loss making companies**
 2. **Water supplies of a city**
 3. **Building a water treatment plant**

Evaluating the work on this subject several concerns occur and one of them was financing sources. Many of the programs and projects which will be developed are medium and large and budgets for the implementation of the activities at this stage can't be covered from the Municipality. At this stage when the Local Government has only responsibilities and is still missing the Law for Financing, this issue will be real challenge.

Municipality of Sveti Nikole

1. **Community planning team** consists of representatives from Local Government, LED coordinator, Mayor, Public Communal Enterprise, Councillor of City Council.
2. **Community profile** process is going smoothly except for problems with gathering data from Telecommunication company. Although official request was submitted to the company there is no reply until today. Other problems



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are occurring in the area of social affairs like child aid for the social case families, structure of employed by ages, migration percentage from the municipality etc.. The problem is that that kind of data can't be found in present databases. The data are gathered by categories from the team members who are professionally working in the specific area. One of the team members suggested to record Community profile on CD Rom. This will be very good presentational material for the municipality. Also hard copy material like brochures and leaflets will be necessary for presentation and promotion of the city.

3. On the *Strategic Planning Workshop, 11 May 2002 Saturday*, attended 5 (five) team members including Mayor, LED coordinator, Mayor, Public Communal Enterprise, Counselor of City Council. Among priorities which need to be solved are:
 1. **Improving water supplies of a city**
 2. **Improving city's sewage system**
 3. **Define the river flow**

Financing sources like credit lines and possible donors and investors could be potential issue.

Municipality of Kocani

1. *Community planning team* consists of representatives from Local Government, LED coordinator, private businessmen, agriculture, Water company, medium, Health sector, Electro power company, Telecommunication company.
2. *Community profile* process is still in phase of gathering data, which is a big part of the whole process. The LED coordinator said that the Director of the Bureau for Employment officially announced that they don't want to cooperate with the Local Government on this issue After the Mayor and his cooperatives realized that local PRISMA team members didn't what to be part of this Community planning board, the newly formed team took responsibility for the process. However, Prisma representatives are still invited to each meeting. Until now the Local Government worked on identifying problems in municipality and defining priorities so the team is already aware of possible weaknesses and strengths of municipality.
3. On the *Strategic Planning Workshop, 11 May 2002 Saturday*, attended 7 (seven) team members including Mayor, LED coordinator, representatives from Local Government, private businessmen, agriculture, Water company, medium, Health sector, Electro power company, Telecommunication company. Priorities which need to be solved are:
 1. **Finishing the Water Bottling Plant**
 2. **Improving infrastructure plans for the industrial zone**
 3. **Establishing agency for Development of Small and Medium Enterprises**

Issue on financing sources was mentioned like one of the possible problems.



Municipality of Negotino

1. **Community planning team** consists of representatives from Local Government, LED coordinator, private businessmen, agriculture, private wineries, local PRISMA staff.
2. **Community profile** process is already completed. Almost all data are entered in the database but it is necessary to analyze and to regroup them in aim to have more comprehensive and consistent profile. A unique way of gathering data was implemented here and it was forming sub-committees on different areas like agriculture, infrastructure issues etc...

After the meeting was held MM team visited one of the biggest wineries in Negotino – Bovin. In informal conversation with the principals of the company MM team was introduced to the main weaknesses and potentials of the company. Also support that they receive from the Local Government, with low percentage of interest of credits, were mentioned like one of the positive examples how the Local Government cooperate with private sector.

On the **Strategic Planning Workshop, 13 May 2002 Monday**, attended 4 (four) team members including LED coordinator, Director of Bureau for Employment, counselor of the City council, representative from loss making company.

Municipality of Karpos

1. **Community planning team** consists of representatives from Local Government, LED coordinator, Chief of the Mayor's cabinet, fourteen secretaries of neighborhoods units, Bureau for Employment, media representative.
2. **Community profile** process is completed and first draft version was submitted to MM team. Data are gathered by neighborhoods units, as well as from Bureau for Employment, Electro power company, Post office... Appendixes will be attached to the original community profile, that will mean that Karpos municipality will have community profile by neighborhoods units.
3. On the **Strategic Planning Workshop, 13 May 2002 Monday**, attended 6 (six) team members including LED coordinator, media representative, external consultants, unemployed, counselor of the City council, representative from loss making company.

Municipality of Centar

1. **Community planning team** consists of LED coordinator, representatives from Local Government, external consultant, local PRISMA staff.



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2. **Community profile** process is in final stage. The database on business companies is very detailed so the planning board agreed to attach this database to the profile. The community profile needs to be printed as hard copy as well as on CD. Also English version on profile and strategic plan is required. Financing on this will be hoped for.
3. On the **Strategic Planning Workshop, 13 May 2002 Saturday**, attended 5 (five) team members including LED coordinator, counselors of the City council.

Municipality of Struga

1. **Structure of the community planning team.** The Community Planning Team in municipality of Struga consists of representatives from Local Government (LED coordinator, Secretary of Council, Director of Fund for Local Roads), representative from Regional Ministry of Economy (PRISma local staff), representative from Ministry of Communication and Transport, representative from Employment Bureau (PRISma local staff) and other members.
2. **Community profile.** The process of preparing the community profile involved all members of the community planning team. They did not have problems collecting data from different institutions, except from the telecommunication company; however they hope to solve this issue very soon.
3. **Strategic planning.** Seminar on this topic was attended on 8 May in Struga. It was attended by 8 representatives from LED team from Struga and facilitated by Besim Nebiu from ISC (Institute for Sustainable Community). In this seminar, several issues like "Overview of process (Strategic planning)" "Introduction on strategic planning" "Assessment of issues" "Prioritizing of issues" "SWOT analysis" "Vision" etc. were presented. The LED team from Struga were very happy with materials and knowledge received in that workshop and they expressed hearty thanks to us (LGRP) and to facilitator.
4. **Next steps.** Compilation of strategic planning and action planning.
5. **Other.** LED officer received equipment (computer, printer, desk), but they have some additional needs like color printer-ink jet A/3 or A/2 format etc.

Municipality of Tetovo

1. **Structure of the community planning team.** The Tetovo community planning team consists of representatives from Local Government (LED officer, Secretary of Council, 2 members of the City Council, Director of Fund for Local Roads, Director of the Communal Public Enterprises), representative



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from Regional Ministry of Economy (PRISma local staff), representative from Employment Bureau (PRISma local staff) and other members.

2. **Community profile.** In the process of preparing the profile of the city all members of the LED team and mayors from rural municipalities (Tearce, Bogovine and Bervenica) were involved. They did not have problems collecting data from different institutions, except from Telecommunication Company, however they solved this problem, and they have draft of their community profile.
3. **Strategic planning.** Seminar on this topic was attended on 7th May in Gostivar. It was attended by 4 representatives from LED team, and facilitated by Besim Nebiu from ISC (Institute for Sustainable Community). In this seminar, several issues like “Overview of process (Strategic planning)” “Introduction on strategic planning” “Assessment of issues” “Prioritizing of issues” “SWOT analysis” “Vision” etc. were presented. The LED team from Tetovo were very happy with materials and knowledge received in that workshop and they expressed hearty thanks to us (LGRP) and to facilitator.
4. **Next steps.** Compilation of strategic planning and action planning.
5. **Other.** LED officer received equipment (computer, printer, desk).

Municipality of Bitola

1. **Structure of the community planning team.** The community planning team in municipality of Bitola consists of representatives from Local Government (LED officer, member of the City Council), representative from Regional Ministry of Economy (PRISma local staff), representative from Employment Bureau (PRISma local staff) and other members.
2. **Community profile.** Process is in final stage, the community profile needs to be printed as hard copy. They had some problems collecting data from different institutions, (Bureau for Employment, Electro power company, Post office...), however they had confirmation from them, and they will get this data very soon.
3. **Strategic planning.** Seminar on this topic was attended on 8th of May in Gostivar. It was attended by 2 representatives from LED team, and facilitated by Besim Nebiu from ISC (Institute for Sustainable Community). In this seminar, several issue like “Overview of process (Strategic planning)” “Introduction on strategic planning” “Assessment of issues” “Prioritizing of issues” “SWOT analysis” “Vision” etc. were presented. The LED team from Struga were very happy with materials and knowledge received in that workshop and they expressed thanks to us (LGRP) and to facilitator.



4. **Next steps.** Compilation of strategic planning and action planning.
5. **Other.** LED officer received equipment (computer, printer, desk). Members of community profile requested daily pay for their work. This, of course, was not provided.

Municipality of Debar

1. **Structure of the community planning team.** The community planning team in municipality of Debar consists of representatives from Local Government (LED officer, City Architect, Director of Fund for Local Roads), representative from Regional Ministry of Economy (PRISma local staff), representative from Employment Bureau (PRISma local staff), Director of Center for social work, representatives from business sector and other members. They establish very good cooperation with PRISma members in Debar also with representatives from business sector.
2. **Community profile.** In this process of preparing the community profile all members of the team and mayor Mr. Imer Ologu were involved. They did not have problems collecting data from different institutions and they already had draft version of their community profile.
3. **Strategic planning.** Seminar on this topic was attended on 7th of May in Gostivar. It was attended by 7 representatives from community profile including mayor Mr. Imer Ologu, and facilitated by Besim Nebiu from ISC (Institute for Sustainable Community). In this seminar, several issues like “Overview of process (Strategic planning)” “Introduction on strategic planning” “Assessment of issues” “Prioritizing of issues” “SWOT analysis” “Vision” etc. were presented. The LED team from Tetovo were very happy with materials and knowledge received in that workshop and they expressed hearty thanks to us (LGRP) and to facilitator.
4. **Next steps.** Compilation of strategic planning and action planning.
5. **Other.** LED officer received equipment (computer, printer, desk).

Municipality of Krusevo

1. **Structure of the community planning team.** The community planning team in municipality of Krusevo consists of representatives from Local Government (LED officer, representative of the Communal Public Enterprises), representative from Regional Ministry of Economy (PRISma local staff), representative from Employment Bureau (PRISma local staff), representative from Electro Power Company and other members. They have established a



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very good and cooperative team; they have very good cooperation with PRISma team.

2. **Community profile.** In the process of preparing the profile of the city all members of the community board were involved. They did not have any problems collecting data from different institutions, and they have draft of their community profile.
3. **Strategic planning.** Seminar on this topic was attended on 8th of May in Gostivar. It was attended by 4 representatives from LED team, and facilitated by Besim Nebiu from ISC (Institute for Sustainable Community). In this seminar, several issues like “Overview of process (Strategic planning)” “Introduction on strategic planning” “Assessment of issues” “Prioritizing of issues” “SWOT analysis” “Vision” etc. were presented. The LED team from Struga they were very happy with materials and knowledge received in that workshop and they expressed thanks to us (LGRP) and to facilitator.
4. **Next steps.** Compilation of strategic planning and action planning.
5. **Other.** LED officer received equipment (computer, printer, desk).

Municipality of Gostivar

1. **Structure of the community planning team.** The community planning team in municipality of Gostivar is formed by representatives from Local Government (LED officer, Secretary of Council, City Architect, Director of Fund for Local Roads, Director of the Communal Public Enterprises), representative from Employment Bureau (PRISma local staff), representative of the Union of NGO in Gostivar and other members.
2. **Community profile.** In the process of preparing the profile of the city all members of the community board were involved. They did not have problems collecting data from different institutions, except from Telecommunication company, Electro power company and Ministry of Health, however they have solved these problems and they have a draft of their community profile.
3. **Strategic planning.** Seminar on this topic was attended on 7th of May in Gostivar. It was attended by 7 representatives from LED team, and facilitated by Besim Nebiu from ISC (Institute for Sustainable Community). In this seminar several issues like “Overview of process (Strategic planning)” “Introduction on strategic planning” “Assessment of issues” “Prioritizing of issues” “SWOT analysis” “Vision” etc. were presented. The LED team from



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Tetovo were very happy with materials and knowledge received in that workshop and they expressed hearty thanks to us (LGRP) and to facilitator.

4. *Next steps.* Compilation of strategic planning and action planning.
5. *Other.* LED officer received equipment (computer, printer, desk).