



## **COMMUNITY LOCAL ECONOMIC DEVELOPMENT PLAN**

Community: Yeghegnadzor  
Country: Armenia

Date: 20.09.2018

Yeghegnadzor, 2018

## **Preface from Mayor**

The Yeghegnadzor community's local economic development plan is a document reflecting the full range of steps to be taken from the community's targeted development point for 2018-2021, which implies the economic development of the community. Taking into account the fact that Yeghegnadzor community has available resources and opportunities that can be used to promote community development and employment, a strategy has been drawn up to attract investment for infrastructure development, to improve agriculture and activate youth's cultural life.

Considering that the city Yeghegnadzor has some resources and opportunities, which can effect on the progress and it can promote the progress of subconstruction, agriculture and be the impuls for activating cultural, scientific life among the youth.

*Community Mayor D. Harutyunyan*

For a copy of the Plan please contact:

*Name: Ani Grigoryan*

*Title: Person in charge of LED*

*Address: Vayots Dzor Marz, c. Yeghegnadzor, Shahumyan 1*

*Tel.: +374 44411124*

*E-mail: [grigoryan.annie@mail.ru](mailto:grigoryan.annie@mail.ru)*

## 1. Executive Summary

The Local Economic Development Plan of Yeghegnadzor community has been developed in the framework of Mayors for Economic Growth initiative. During the development of the Plan local economy and SWOT analyses have been carried out based on which the Community vision and key objectives have been set. Activities for 2018-2021 have been identified as well implementation of which will best contribute to the fulfillment of the set objectives. The plan consists of introduction and 11 points, which were planned and developed with three phases. First an analysis of interested sides was carried out and a partnership was made, in which local authorities, private part, CSO, community educational institutions and representatives of active citizens of the community were included. The community LED executive himself met with the chosen people, informing them about the problems and the aims of the programme. The first meeting of partnership was arranged, where the steps of LED led plan improvement were presented in details as well as a team was chosen to carry out the process of program development. Meetings were arranged by the team with enterprises, organisations, agencies to collect necessary information with the help of questions prepared and corrected beforehand to fulfil a structural analysis of economy of community. The municipality collected information on annual turnover of each organization and the number of employees for the last 5 years, as a result of which the classification of enterprises by size was made. Based on the gathered information, various analyses have been made and presented to the members of the partnership. Then an analysis was conducted on the seven key points: local cooperation, transparent and no business administration support, access to finance, land and infrastructure, regulatory institutional framework, skills and human capital inclusion, external positioning and marketing. Analysis of strengths and weaknesses has also been done on each point, as well as the analysis of the overall strengths, weaknesses, capacities and challenges. It should be noted that meetings of private sector representatives, public sector stakeholders were organized to analyse each pillar to clarify existing needs, requirements, situation, future needs. Taking into account the future plans, all the arguments and views have been taken into consideration. The partnership has defined a vision where community development is linked to tourism development, investment attraction and broad cooperation with the private sector. It also sets objectives that relate to the development of tourism infrastructure, tourism development, agricultural development, investment attraction and development of cooperation.

### **3. List of Tables and figures & Abbreviations**

Table 1. Presentational Table for Private Sector Companies

Table 2. Assessment of Local Cooperation

Table 3. Growth Sectors (Sub-sectors) & their Challenges

Table 4. Private Sector Needs in Area of Land and Infrastructure

Table 5. Regulatory and Institutional Framework

Table 6A. Skills Situation

Table 6B. How the Local Area is Organised to Balance Required Skills and Employment Opportunities – System Analysis

Table 7. How the Local Area is Perceived by Its Citizens

Table 8. Action Plan

Table 9. Financing Scheme

Table 10. Internal Monitoring Plan of the activities outlined in the Table 8

#### **Abbreviations**

EU – European Union

M4EG – Mayors for Economic Growth

ASUE - Armenian State University of Economics

NGO – Non-governmental organisation

CSO – Civil society organisation

MA – Municipal administration

LED – Local economic development

UNDP – The United Nations Development Programme

VDM- Vayots dzor Marz

GIZ - German Corporation for International Cooperation/Deutsche Gesellschaft für Internationale Zusammenarbeit

SWOT – Strengths, weaknesses, opportunities and risks

#### **4. Introduction to the Plan**

The community of Yeghegnadzor is situated in the south-eastern part of Republic of Armenia, it is far from the capital Yerevan nearly 120 km (1 hour and 45 mins), it is the centre of Vayots dzor marz. The nearest airport is 140 km far from the city. To the city and vice versa there are regular transportation. The population of the city is nearly 9686, from which 53,6 % of them are men, 46.4 % are women. Workable population are 3431 people. The official unemployment rate is 6%, but real unemployment is 30 %. The Yeghegnadzor Community Council on May 17, 2017 passed the decision N 31 on approving the Recommendation for the Community Leadership for the Economic Development Project.

A working group has been set up to implement the project activities, which once every two months has organized meetings with businesses in the community, NGOs and individual entrepreneurs. The Yeghegnadzor community attaches importance to its participation in the EDB, which is based on sustainable economic development. The goal of the initiative is to become an active initiator of economic development and job creation, through the development of own capacities, technical skills and cooperation with the private sector and civil society. The Yeghegnadzor community did not have the same opportunity to develop their skills, seek partnership and write a local economic development plan. Within the framework of the project the community has developed a local economic development program, in line with the principles of public-private dialogue, concrete steps to be taken to support growth, development and employment.

The LED plan is partly related to existing documents already in line with state normative acts as these documents contain social programs not economic that's they don't consider economic growth and job creation. The Community Leadership Development Initiative proposes a management approach to local economic development that has proven its importance throughout the world over the past three decades, particularly in the European Union. The main objective of participation in the project is to become an active initiator of job creation, as well as to provide economic, social and cultural development. By joining the project, the community has become a community professional network that offers economic, political benefits and enhancement to all participants.

Confirmation that the plan has been developed in collaboration with the private sector and civil society in line with the Community leaders for economic development initiative we assure that the costs of the plan will be partially covered by the community budget.

## **5. Process of Local Economic Development Plan Development**

The Yeghegnadzor community joined the Community Development Initiative for the sake of economic development in May 2017. Before proceeding to ADP development, the community has submitted to the EDB Secretariat the baseline data on the community and included in the list of 22 communities that participated in seminars organized by the EDT Secretariat.

A working group was formed under the initiative of Community Leader for Communities for Economic Development, with the order No. 03 of January 25, 2018, with the participation of the community administration, the private sector and civil society representatives. A working group was formed under the initiative of Community Leader for Communities for Economic Development. 03 January 25, 2018, with the participation of the community administration, the private sector, and civil society representatives. The five-year community development program that served as the basis for public discussion of the population was an important basis for the drafting of the plan.

In March, community representatives visited the community to discuss the problems facing the community with the community head, community economic development officer, and Vayots Dzor province administration staff development plans and audition department, and further action plans were identified.

The Local Economic Development Officer also had individual meetings with credit organizations in the community of financial institutions, which provided loan terms, terms and conditions. Based on the information received, a relevant analysis was required for the plan.

As a result of the separate discussions, the potential of hotels and guesthouses in the community was also adjusted, and the information was also used when designing the plan

