



LOCAL ECONOMIC DEVELOPMENT PLAN

Municipality: Sharkovshchina District, Vitebsk Oblast

Country: The Republic of Belarus

Sharkovshchina district – the area welcoming economic initiatives and open for investments and cooperation.

July 16, 2018

Table of contents

Section/Subsection	Page
List of Abbreviations, Tables & Annexes	3
Preface from the Chairman of the Sharkovshchina District Executive Committee	4
Executive Summary	5
Introduction	6
1. Process of developing Local Economic Development Plan	7
2. Local Economic Analysis	7
2.1. Analysis of Local Economic Structure	7
2.2. Local Cooperation and Networking	9
2.3. Business-friendly, Transparent and Corruption-Free Administration	10
2.4. Access to Finance	10
2.5. Land and Infrastructure	11
2.6. Regulatory and Institutional Framework	11
2.7. Skills and Human Capital, Inclusiveness	12
2.8. External Positioning and Marketing	12
3. SWOT analysis	13
4. Vision and Objectives	13
5. Action Plan	14
6. Financing Scheme	14
7. Monitoring Indicators and Mechanisms	14
Table 1. Action Plan	16
Table 2. Financing Scheme	20
Table 3. Monitoring plan in the context of the activities	22

List of Abbreviations, Tables & Annexes

List of Abbreviations

Abbreviation	Complete form
M4EG	- The EU Initiative "Mayors for Economic Growth"
LEDP	- Local Economic Development Plan
LEDO	- Local Economic Development Officer
SMEs	- Small and medium-sized enterprises
CSO	- Civil Society Organization

List of Tables

Table 1.	Action Plan
Table 2.	Financing Scheme
Table 3.	Monitoring plan in the context of the activities

Annexes

Annex 1.	The Decision on joining the EU Initiative "Mayors for Economic Growth"
Annex 2.	Map of the district
Annex 3.	The Decree on the Creation of a Working Group and on the Appointment of a Local Economic Development Officer
Annex 4.	The Decree on the Creation of a Drafting Team
Annex 5.	Private sector enterprises
Annex 6.	Structure of private enterprises by place of registration
Annex 7.	Sectoral structure of businesses
Annex 8.	Sectors (subsectors) of growth and their challenges
Annex 9.	Evaluation of cooperation at the local level
Annex 10.	Access to Finance
Annex 11.	The private sector needs in land resources and infrastructure
Annex 12.	Regulatory and Institutional Framework
Annex 13.	The situation with Skills and Human Capital
Annex 14.	Ways to achieve a balance between the demand for Skills and Human Capital and the employment opportunities in the municipality – system analysis
Annex 15.	Perception of the territory by residents
Annex 16-27.	Description of activities

The official rate of the Belarusian ruble against the foreign currencies set by the National Bank of the Republic of Belarus, as of 01.01.2018

1 EUR = 2.3553 BYN

Preface from the Chairman of the Sharkovshchina District Executive Committee

Sharkovshchina is a land of kind, hospitable, wise, and talented people, modest and tireless workers sharing good intentions and faith in a better life.

The history of our district goes back to the 10th-12th centuries. At different times, the district was part of Minsk and Vilnius provinces. On January 15, 1940, Sharkovshchina district appeared on the map of Vitebsk Oblast.

A part of the famous Yelnya hydrological reserve – the largest complex of raised moor in Europe – is located in the district. The endless forests occupy about 20% of the entire territory. There are 11 picturesque lakes, the Disna River and its tributaries Mnuta, Berezovka and Yanka in the district. Sharkovshchina is one of the most beautiful areas of Vitebsk Oblast.

Sharkovshchina district is the birthplace of many outstanding people: Gennady Titovich — people's artist of the Soviet Union, folklorist, and founder of the State Academic Choir of the BSSR, Pavel Dubashinsky — people's artist, Pyotr Kostyukevich — artist and poet, Mikhail Mashara — poet and writer, Yazep Drozdovich — artist and ethnographer, and Lazar Perelman, a man who revived Hebrew. The rural way of life gave our area a subtle charm of a remote place, where time flows steadily, where agricultural work is highly appreciated, where every harvested crop is of importance, where people do not boast of successes, and where guests are most sincerely welcomed.

Modern and developing, Sharkovshchina district today is primarily an agricultural area with a great industrial potential and a landscaped and comfortable district center. This is a land with a fascinating historical and cultural heritage.

Sustainable economy is a prerequisite for preserving its historical heritage, maintaining good conditions and improving quality of life of the residents of the district. To date, there are no large production facilities in the district, and the list of enterprises is short, which limits budgetary revenues and social development of the territory. Today, the district Administration is open for cooperation and considers the private sector and investments the main source for economic growth and job creation. It is important that all organizations and individuals are maximally involved in these processes.

In the long term, the development of the district is associated with the development of promising economic activities and industries, production of goods and services demanded on the market, and effective use of the conditions and resources of the local environment.

It was for these purposes that this Local Economic Development Plan was elaborated. We hope that the implementation of this LEDP will give a new impetus to the growth of business initiative, become a platform for integrating efforts of the authorities, businesses and the community for the progressive economic development.

We are sure that having visited us at least once, you will love our land just as we love it!

Sincerely Yours,

Dmitry Lomako, Chairman of the Sharkovshchina District Executive Committee

In order to get a copy of this Plan, please contact:

NAME	Tatiana Mechal
Position:	Head of the Economic Department of the District Executive Committee
Address:	The Republic of Belarus, Vitebsk Oblast, Sharkovshchina, ul. Komsomolskaya, 15
Phone:	+375 215 441342
Fax:	+375 215 444035
Email:	shark_rikok@mail.ru
Web-site:	http://sharkovshchina.vitebsk-region.gov.by

Executive Summary

Sharkovshchina district joined the EU initiative "Mayors for economic growth" because of sharing goals and local development landmarks for the economic growth and job creation, increasing incomes and standards of living. These goals fully comply with the Belarusian economic policy, which is reflected at the local level in the district Program of Social and Economic Development for 2016-2020 and other plans of the territory. The LEDP was developed within the commitments of Sharkovshchina district as a signatory of the M4EG and in interconnection with the existing plans of the district, but is focused on supporting business initiatives and developing entrepreneurship. The objectivity of this Plan is confirmed by the use of national and departmental statistics and expertise in the process of its development.

The representatives of local authorities, business community, and civil society took part in the development of the Plan, and their opinions were taken into account during regular discussions.

As a result of the analysis, including SWOT analysis, the main competitive advantages of the district were determined, a vision, objectives and activities were developed in support of their implementation based on current development priorities of the district and the business sector.

Competitive advantages:

Sharkovshchina district is an ecologically clean area with rich tourism potential, available natural resources, free land plots and unused real estate for the organization of production in the sphere of woodworking and other types of business activities.

Vision:

Sharkovshchina district is a territory of stable economic development ensured by the growth of the private sector, and investment attraction to the promising production sectors and services.

Strategic objectives and activities in support of their implementation:

1. Support for small and medium-sized businesses, and self-employment:

1.1. Creation of a catalog of unused property assets and land plots to implement investment projects in soft and hard copy;

1.2. Organization and provision of training for potential entrepreneurs and craftsmen under the support of regional Centers of support of Entrepreneurship;

1.3 Creation of model sets of documents for launching business activities and handicrafts;

1.4. Establishment of a business consulting office.

2. Improvement of the investment attractiveness of the district, and investment attraction in woodworking industry and services:

2.1. Investment attraction in woodworking industry and creating new production facilities;

2.2. Investment attraction in services and creating a new retail facility;

2.3. Evaluation of the investment potential of the district, publishing and distribution of a booklet on investment proposals;

2.4. Promotion of the youth entrepreneurship through the creation of a school business incubator.

3. Strengthening the district potential of ecological tourism:

3.1. Development of the Concept for the ecological tourism development in Germanovichi and Luzhki rural councils;

3.2. Development of ecological tourist routes "On the headstream of the Disna River", "Yelnya, and a journey into the lungs of Europe" and publishing the appropriate tourist guide;

3.3. Creation of advertising materials for the promotion of the district as a destination of ecological tourism, and establishing cooperation with major tour operators of the Republic;

3.4. Organizing and holding the ecological festival "Yablochny Spas" (*Savior of the Apple Feast Day*).

Private business, local budget, and extra-budgetary funds of the District Executive Committee are the main sources of financing for the LEDP for 2019-2020. The total budget of the LEDP is 628,840 euro; the budget deficit is planned at 43,590 euro, and is considered an incentive for the search of additional funds to implement the planned activities. Monitoring of implementation will be carried out on a half-year period basis.

Introduction

Sharkovshchina district joined the EU Initiative "Mayors for Economic Growth" (M4EG) on August 18, 2017 on the basis of the decision of the Sharkovshchina District Council of Deputies of July 20, 2017, No.151, according to which the Chairman of the Sharkovshchina Regional Executive Committee Dmitry Lomako signed up the M4EG Membership Form and took on the responsibility for fulfilling the obligations presented in the Mayors for Economic Growth Concept. Participation in the M4EG will allow to determine the development prospects and overcome many negative trends in the district development as a result of the mobilization of the entrepreneurial potential on the basis of public-private dialogue. The greatest attention will be paid to improving the business environment, promoting the development of small and medium-sized enterprises (hereinafter – SMEs), developing infrastructure and support to SMEs, and creating a positive attitude of residents towards entrepreneurship.

Sharkovshchina district is located in the west of Vitebsk Oblast and borders Glubokoye, Postavy, Braslau and Miory districts. The administrative center is the urban settlement of Sharkovshchina. It is located 210 kilometers away from the city of Vitebsk and 195 kilometers away from the city of Minsk (Annex 2). The district covers the area of 1189 km².

There are 6 rural councils and 253 rural settlements in the district. There are 14.8 thousand people living in the district, including 6.2 thousand people living in the urban settlement of Sharkovshchina (45.2% men and 54.8% women). The district features the negative trends in demography. In light of a general significant reduction in the population, the population of the district is decreasing annually. The share of the working-age population declined from 54.8% in 2011 to 50.8% in 2017, and the share of the population under working age declined from 15.9% to 15.7%. By 2020, the projected population of the district will be less than 14 thousand people, and by 2030 – less than 11 thousand people (a reduction of 31%). The share of working age population will decrease by 10.5%. According to the National Statistics Committee of Belarus, the average age of the district's population is 40.3 years, including men – 38.4 years, and women – 41.6 years.

According to the data for 2017, more than 500 people left Sharkovshchina district. The ongoing migration from rural to urban areas results in a large number of sparsely populated settlements: out of 253 settlements 32 have a zero population. The population density of the district is 12.4 people per km². An important role in the migration process belongs to the lack of large industrial enterprises in the district, and, consequently, low wages. For the second year, the average wage in the district is the lowest in the Republic. So, based on the results for 2017, the average monthly wage in the district was 473.5 rubles (201 euro), while in the Republic of Belarus it was 822.8 rubles (349 euro), and in Vitebsk Oblast – 687.3 rubles (292 euro).

There is a developed network of public roads in the district. 3.2% of public roads of the Oblast cross the district. The key road is the road R-3 "Logoyisk – Zembin –border of the Republic of Latvia", which connects the urban settlement of Sharkovshchina with the towns of Glubokoye and Braslau, gives access to the city of Minsk and the border of the Republic of Latvia. There is a railway branch with access to the industrial centers of the Oblast and the Republic of Latvia.

The main highly-demanded resource today is the forest, which covers 20% of the district.

There is a unique natural complex of raised moor, which is a part of the reserve of international importance, belonging to the Ramsar territories – Yelnya, the so-called "Lungs of Europe". The district has 11 lakes with the total area of 470.5 hectares and four artificial lakes totaling 35 hectares; the Disna River with tributaries flows from west to east. There are also 4 ancient parks of 18th-19th centuries and 36 reserves of regional and local importance with the total area of 6800 hectares. Three species of birds (osprey, pigeon hawk, and black stork) are listed in the Red Book of the Republic of Belarus and protected.

There are a number of objects of cultural and historical value, including the white-stone church (1912) in the center of the urban settlement of Sharkovshchina, the Holy Assumption Church on the bank of the Disna River, and the Annunciation Church in the village of Germanovichi (1787). 18 cultural sites of the district are granted the special status of historical and cultural value.

Local economic development is important for creating new jobs, stopping migration, increasing the incomes of the population and improving the social environment. For these purposes, the Local Economic Development Plan (hereinafter – LEDP) has been elaborated within the Initiative. The LEDP was developed in line with the Social and Economic Development Program of the Sharkovshchina District for 2016-2020, the Development Plan for 2018, and the Concept of the Area-Based Development

of Sharkovshchina district (elaborated within the EU/UNDP project "Support to Local Development in the Republic of Belarus", 2016).

In turn, the LEDP, unlike other plans, is most focused on the development of the small and medium-sized businesses. It promotes the equitable economic growth, increase in employment, broader participation of citizens in economic, social and cultural spheres, as well as increase in their welfare and quality of life. According to the M4EG Concept, the Plan was developed and will be implemented involving all the stakeholders from the local community.

The funding for the LEDP implementation will be provided partially by the businesses, local budget, and extra-budgetary funds of the District Executive Committee. The shortage in financing is envisaged due to the difficult economic situation in the district.

1. Process of developing Local Economic Development Plan

To ensure participation of both the public and private sectors in developing the LEDP, a working group (Annex 3) and a drafting team (Annex 4) were created by the decree of the Sharkovshchina District Executive Committee. The working group consists of four members and the drafting team consists of 6 members including those representing the District Executive Committee – 4 members, the business – 1 member, and the CSO – 1 member. Tatiana Mechal, Head of the Economic Department of the District Executive Committee, who was appointed by the Chairman of the District Executive Committee as a Local Economic Development Officer within the M4EG (Annex 3), and who received four-stage training under the M4EG Initiative, provided methodological support and coordinated work on developing the LEDP.

The LEDP was developed in view of the principles of participativity, inclusiveness, integration, consistency, and flexibility. Regular meetings were held with various target groups, governmental and non-governmental organizations and SMEs representatives in order to get a real picture of the social and economic situation in Sharkovshchina district. All the meetings were held in a constructive manner. The proposals, challenges, needs, and vision discussed at the meetings were analyzed, systematized and taken into account while developing the LEDP.

The LEDP development was initiated in October 2017. At the early stage of the LEDP development, a meeting was held with the representatives of the Council for Entrepreneurship Development, which consists of 8 members, including 4 representatives of the private business, 2 representatives of the District Executive Committee, and 2 representatives of the public associations. At a later stage, the established drafting team continued to work, and 3 working meetings have been held by now.

While developing the Plan, the data of both national and district Administration statistics were used. As required, the consultations were held with the specialists of the governmental organizations (the Labor Office, sports and tourism department, statistical department, banks and others).

The most complex and important issue during the discussions was the funding of the planned activities within the LEDP.

2. Local Economic Analysis

2.1. Analysis of Local Economic Structure

There are 6.2 thousand people employed in the district. The proportion of employed in industry is 12.6%, agriculture – 40.6%, and services – about 40%. The private sector employs more than 1.7 thousand people or 27% of the total employed, the share of budget revenues received from this sector is 28%.

The basis of the economic potential of the district is the agricultural sector which is represented by 9 agricultural enterprises and 17 private farms. The basis of agriculture is meat and dairy livestock breeding, production of grain, rapeseed, potatoes, and vegetables. The share of livestock production in gross agricultural output is more than 60 percent. According to the Ministry for taxes and levies of the Republic of Belarus, there were 213 individual entrepreneurs, 61 microenterprises, 11 small and 7 medium-sized enterprises in Sharkovshchina district in 2017. There are no large enterprises in the district. 4 agroecofarmsteads, 22 farms and 22 craftsmen operated in the district (Annex 5).

The analysis of the distribution of small and microorganizations and individual entrepreneurs shows that most of them are concentrated in the urban settlement of Sharkovshchina (75.6%) (Annex 6).

The sectorial structure of small entrepreneurship is heterogeneous. The largest share of the employed in the private sector accounts for wholesale and retail– 46% of the total, agriculture –11.7 %, and industrial enterprises– 4.7 % (Annex 7). Industry is represented mainly by small and microenterprises.

There are examples of successful operation of small businesses in the manufacturing sector in the district. The woodworking enterprise Komplekt-M PTUP has been operating since 1996. It produces wooden pallets and pallet covers. The products are exported. The company employs 62 persons.

The woodworking enterprise Drev-Invest OOO produces wooden pallets. The products are exported. The enterprise employs 26 persons. In order to organize a non-waste production, the enterprise plans to produce pellets from sawdust. The expansion of production will create new jobs.

The enterprise Brizant Resources UP has implemented the investment project "Construction of a plant for processing peat and producing noble substrates for agricultural purposes"; 100% of products are exported.

About 46% of medium-sized, small, microenterprises and individual entrepreneurs accounting for 35% of the total revenue from the sales of products of the district are engaged in trade and services.

The consumer cooperative enterprises are the main retail enterprises in the district, and to date, this system proves its non-viability and cannot compete with retail chains. As a consequence, development of the trade sector is required.

The services sector is not sufficiently developed, namely, public catering and accommodation. There are 7 public catering facilities in the district - 6 of them are consumer cooperation facilities and only one is a private entity. Accommodation in the district is provided by the unitary communal enterprise of Sharkovshchina district and 4 agroecofarmsteads.

There are 21 establishments of a club type and 2 children's art schools in the district - Sharkovshchina and Luzhki art schools with a branch in Germanovichi. There are 2 museums in the district: the arts and ethnographic museum n.a. Ya.N. Drozdovich in Germanovichi and the memorial museum of the grower-breeder I.P. Sikora in Alashki. 17 libraries operate in the district. The number of readers is about 10 thousand people. 43 remote villages are served by mobile library (bookmobile).

Given the rich historical and cultural heritage (59 monuments of culture and architecture), favorable environment (emissions of pollutants is 0.7 % of the Oblast volume), and rich natural potential (11 lakes with a total area of 470.5 hectares and 4 ponds with a total area of 35 hectares, the Disna River, and the hydrological reserve Yelnya) tourism could play an important role in the economy of the district and is considered one of the leading sectors of the economy in the future.

Today, 1 individual entrepreneur, and 4 farmsteads are engaged in tourism. There is also a tourist information point, which performs the following functions: the collection, accumulation and dissemination of information among the residents and visitors about attractions, monuments of history and architecture, protected natural territories, objects of rural tourism, tours, and other information necessary for tourism actors. The district has one camping site. 17 tourist routes have been developed, which however are not sufficiently integrated in the national tourist network.

The district festival "Holly Apple Savior – Sikora's soul particle" is gaining popularity. The village Alashki was chosen for the festival because the garden, which was laid in Vitebsk Oblast by the known breeder I.P. Sikora is located there. Apple has become the brand of Sharkovshchina. In 2014, in the framework of the "Image of Belarus" forum, the festival "Apple Savior" and the brand Sharkovshchina won the third place among the 40 participants of the contest of creative works on territory marketing. In 2017, the festival was visited by over 2 thousand tourists.

Efforts are being made for the development of ecological tourism. In order to increase environmental awareness of schoolchildren and the local population, the project "Improving the educational opportunities of the established eco-education center in Germanovichi high school of Sharkovshchina district in relation to sustainable management of water resources for the protection of the Yelnya moor" with the support of UNDP and the Coca-Cola Foundation has been implemented. Within the framework of the project, an ecological path 2 km long has been steered and equipped for observation. There are no large industrial enterprises in the district, and this fact also has a positive impact on the environment of the district. The Sharkovshchina canning factory – the branch of the Polotsk Universal Depot– produces the fruit wine of improved quality which is sold in local and Vitebsk Oblast retail. The produced agricultural products are the raw material for industrial enterprises in the town of Glubokoye – the unitary production enterprise Glubokoye Milk Canning Plant OAO and Glubokoye Meat-Processing

Plant OAO.

The trade is the backbone of the private sector today; the private industrial woodworking enterprises are steadily functioning; the development of tourism is gaining popularity— these sectors are selected for further development.

There are 3 **sectors of growth**: industry, trade and services and tourism. The main problems that can be solved with support and business development:

in industry – employment, investment attraction, growth in production and exports, tax revenues, and improvement and development of adjacent areas. Today, the natural potential is not fully utilized. The development of industries based on the use of local natural resources may become the basis for the development of the district economy and income growth of its population in the future.

in trade and services – the creation of conditions conducive to the improvement of quality of trade service of the population of the district and tourists, employment growth, tax revenue, landscaping, growth of trade and public catering. Currently, there are no big shopping centers with the full range of services in the district. The construction of such facilities will create new jobs, allow for continued upgrade of the workforce, and increase budget revenues;

in tourism – providing the main and additional employment, developing and improving public spaces, increasing diversity of attractions for tourists and cultural and leisure activities for the population, preserving historical heritage and increasing tax revenue of the local budget (Annex 8).

2.2. Local Cooperation and Networking

The cooperation between the private enterprises has not been established. There are no cooperative ties between the enterprises located in the district (Annex 9).

Recently, the enterprises have been actively developing cooperation with public associations, in particular with trade unions. In addition, small business is actively helping charitable voluntary associations.

There are no business incubators for small businesses, a chamber of commerce and industry, an entrepreneurial support center and other business environment organizations in the district. 90% of enterprises know little about the existence of such associations and do not understand how they can support the development of their business. In turn, business associations, with the exception of the Polotsk and Novopolotsk Centers of support of Entrepreneurship, do not show interest in business entities of Sharkovshchina district. The main reason for the low activity of establishing cooperation between entrepreneurs and business associations is the remoteness of the latter. Basically, they are located near cities and towns (Vitebsk, Polotsk, and Orsha) where a great number of business entities are concentrated.

The cooperation between the district's entrepreneurs and the Polotsk and Novopolotsk Centers of support of Entrepreneurship is, as a rule, one-time when registering a business entity, or, if necessary, developing a business plan. The local authorities also invite them to participate in meetings with entrepreneurs from time to time.

The district administration holds quarterly meetings with the representatives of the business community. If necessary, unscheduled meetings are organized to address emerging issues. These meetings are initiated mainly by the authorities, not by business entities. This is due to the fact that private enterprises lack initiative and try to limit their involvement in the life of the district.

Often, on the initiative of the Executive Committee, the Polotsk and Novopolotsk Centers of support of Entrepreneurship participate in the meetings. The business representatives have the opportunity to receive free consultation on issues of interest.

In order to address issues related to the development of entrepreneurship, the Sharkovshchina District Executive Committee has set up the Council for Entrepreneurship Development, which ensures interaction between local government and business organizations. The Council consists of the representatives of SMEs, the Deputy corps and the departments of the Executive Committee.

In order to build successful cooperation in the district, a mutual interest in collaboration is needed (for example, implementation of a joint project or creation of a cluster involving public enterprises and private businesses), as well as a private business leader, who will make both the State and private businesses interested in cooperation.

The development of cooperation in the district is expedient and promising in industry (for

example, creation of a woodworking cluster), trade and services (creation of a trade and logistics center), and tourism.

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

The local government priority is to make its activity open and transparent, which will contribute to the growth of the civil and private sectors and to development of business partnership.

The following optimal conditions are created for private business in the district:

- the one-stop-shop service is operating, the registration of small and medium-sized businesses and individual entrepreneurs is carried out on an application basis with a minimum set of documents (the passport, application, and Charter) within five days;
- the Economic Department of the Executive Committee assists in selection of unused premises for rent;
- the Office for Labor, Employment and Social Protection of the District Executive Committee allocates budget subsidies to the unemployed for opening own business, training and retraining.

The issues considered at the meetings of the District Executive Committee and the District Council of Deputies are discussed with the participation of local media and reflected in the local newspaper. The local newspaper publishes the actual information that can be useful for the private business on its official website. Information on tenders organized by the Administration is published on the website, and any stakeholder can apply.

However, the Administration does not have experience in providing information and business services to enterprises in an active mode. The Administration works only with those representatives of the business community who apply themselves and not with everyone equally. In order to improve communication with the business community and to timely provide and exchange all necessary information, it is expedient to create a single e-business newsletter, involving the specialists of the Polotsk and Novopolotsk Centers of support of Entrepreneurship in this process. New entrepreneurs lack information on the financial resources and existing business organizations that can support them.

2.4. Access to Finance

Access to finance remains a key obstacle for the SMEs growth, in particular, the access to funding from the local sources and longer-term funding is insufficient in general. In recent years, the government has given priority to the development of the sector and began to implement a series of support mechanism, however, SMEs still rely on bank lending as their main source of funding, while the banks offer a limited number of products for SMEs or lending practices tailored to the needs of small businesses (Annex 10).

There are various schemes for supporting small businesses, developed at the state level. There is an opportunity to develop investment projects for the tender within the State Program for Support of Small and Medium-sized Entrepreneurship for 2016-2020. The company winning the tender will be subsidized by the government (via the Vitebsk Oblast Executive Committee) in the form of repayment of a part of interest on bank loan. This information and data on the measures to support entrepreneurship are posted on the Administration website. However, entrepreneurs do not want to take part in such tenders because investment projects are required. They are interested in easier ways to get concessional loans.

Unemployed persons who are registered with the Office for Labor, Employment and Social Protection of the District Executive Committee, subject to registration for organizing their own business, may receive a gratuitous subsidy. In 2017, 2 persons benefited from this support measure. The demand for this support is growing, but the amount of funds allocated by a higher funding body.

Belagroprombank offers concessional loans to individuals to launch agroecofarmsteads. The Development Bank of the Republic of Belarus which operates in the Republic of Belarus, has developed a new line in support of regions and women's entrepreneurship. The private funds and the State Belarusian Fund for Financial Support to Entrepreneurs can also provide financial resources, but the funds deal mainly with certain segments of the economy. The Public Association "Community of Business Angels and Venture Investors" (BAVIN) is also active in Belarus. It finances new companies, but the selection criteria are high – a company should have the potential for rapid growth and be attractive for investors.

Funding can also come from the donors of international technical assistance (the main donor is

the European Union), from the funds and specialized agencies within the United Nations programs, but these resources are also allocated only to certain segments of the economy.

One way of financing private enterprises in all spheres can be establishing a state guarantee fund to ensure entrepreneurs' access to financing which is the exclusive competence of the state.

2.5. Land and Infrastructure

In Sharkovshchina district, there are a sufficient number of unused real estate and land plots available for lease and purchase. A list of unused real estate of all forms of property planned for sale or lease is posted and regularly updated on the website of the Sharkovshchina District Executive Committee and the Property Committee of Vitebsk Oblast Executive Committee. The list includes 65 assets. There is also information on the websites about the land plots offered to legal entities and individual entrepreneurs for the construction of trade, production and tourism facilities.

Investment proposals aimed at the development of unused property primarily through construction of industrial enterprises and tourism facilities are developed and posted on the Sharkovshchina District Executive Committee website.

However, due to the fact that all the unused plots are mainly located in rural area, in unpromising localities remote from the nationwide roads and the offered premises of social sphere (schools) have large area (over 1000 m²), these plots are not suitable for SMEs and they remain untapped (Annex 11). The Sharkovshchina district Administration actively offers the private entities to take the unused real estate free of charge for the implementation of investment projects, but there are no takers.

The decision of the Executive Committee approved the list of land plots for the implementation of investment projects. The list includes 7 land plots, one of which involves the construction of a shopping center in the framework of the concluded investment agreement.

Currently, the real estate items located in the urban settlement of Sharkovshchina are in great demand. It is planned to place production and service facilities there (for the expired period of 2018, 5 real estate items were sold at auction (for example, in 2017, only 1 item was sold)).

The private business is also interested in land plots to accommodate farmsteads, i.e. aimed at the agrotourism development. The creation of a catalog of unused property assets and land plots to implement investment projects in soft and hard copy will allow investors to have more clear and coherent approach to the selection of the necessary property and land plots.

2.6. Regulatory and Institutional Framework

The one-stop-shop service of the Sharkovshchina District Executive Committee provides state registration of business entities. The documents are accepted both personally from applicants, and in electronic form. The procedures for registering individual entrepreneurs or companies, making changes and additions to certificates, statutes and other documents are quite simple and do not require the applicant to have much knowledge and time. State registration is carried out on the day of application. According to the system of the Uniform State Register of Legal Entities and Independent Entrepreneurs of the Republic of Belarus, information on the registration of a business entity is transferred to all stakeholders (local tax office, insurance company, etc.) for registration. Thus, the applicants don't need to conduct these operations themselves. During the registration, the applicant is given explanations on the issues that are of interest to him/her.

The one-stop-shop service accepts and issues documents on design, construction, and reconstruction of facilities by business entities. This service is effective, since it requires minimal participation of the applicants in the procedure, and the timeline is limited by the law. The coordination is established between the institutions to avoid delays, and all the services of the District Executive Committee are located in the same building. There is a gradual transition to electronic communication with all state organizations in order to introduce "electronic government"

In the Republic of Belarus, individual entrepreneurs and private businesses have an opportunity to choose the tax system (single tax, simplified taxation system, on a common basis, etc.). In 2017, the list of activities for which one doesn't need to be registered as an individual entrepreneur was expanded.

The district Administration conducts free seminars, informs about new legislative acts and mechanisms for their work on the Internet and in the local media. The Office for Labor, Employment and

Social Protection conducts the free training "Basics of Entrepreneurship".

The negative impact is exerted by a great number of rules, regulations and legislative barriers, as well as long lists of required documents and lengthy consideration, especially in construction, procurement, licensing and certification. Insufficient independence of local managers in decision-making and management of budgetary funds is also a problem. The local administration can only influence the situation by reducing taxes and fees which are the responsibility of administration, such as land and real estate tax (Annex 12).

2.7. Skills and Human Capital, Inclusiveness

There are 14.8 thousand people living in the district, including 6.2 thousand people living in the urban settlement of Sharkovshchina (45.2% men and 54.8% women). In 2017, the average monthly wage in the district was 473.5 BYN (201 euro). The average income in large cities is much higher than in the district. This is one of the main reasons for the outflow of youth and qualified personnel in Minsk, other major cities and in the Russian Federation. As a result, there is a deficit of labor force in the rural area of the district.

As of January 1, 2018, housing and communal services, trade, culture, education and sport, and social security sectors are fully staffed. The professionals with secondary special and higher education are in demand in agriculture, construction, and health care. There is a deficit of doctors, nurses, nutritionists, agronomists, and veterinary doctors in the district (Annex 13, 14).

The Labor Office of the district constantly identifies vacancies. Today, there are 71 vacancies, half of which are in agriculture. The information on vacancies is provided mainly by the state enterprises of the district. However, the private businesses are also informed about the need to provide this kind of information. Private entities mainly publish their job offers in the district newspaper and social networks, bypassing the Labor Office, arguing that the unemployed people who apply to the Office do not meet their requirements.

The Labor Office conducts trainings, retrainings, as well as provides grants for the establishment of businesses. Information on available vacancies is published by the Office for Labor, Employment and Social Protection of the District Executive Committee on the website of the District Executive Committee and in the district newspaper.

The district has 1 primary, 2 basic and 7 secondary schools, including 3 educational and pedagogical kindergarten-school complexes.

Currently, the most effective form of replenishing organizations with highly qualified personnel is employing young professionals. In 2017, 62 young specialists came to work in the district following a mandatory allocation, 41 of them stayed in the district. The planned demand for personnel for 2018-2020 is about 116 specialists, including more than 80 agricultural specialists.

The main problem in terms of training human resources for all economic sectors and social sphere is the lack of own higher education institutions, secondary specialized and vocational schools. The nearest higher education institutions are located in Novopolotsk and Vitebsk, secondary specialized and vocational schools – in Polotsk, Glubokoye, Vidzy, and Postavy. When leaving the district for education, most of the young people never return. Young specialists don't return because of low wages in the district, lack of modern social infrastructure, lack of opportunities for decent development of children and youth.

There is no need in personnel in the certain sectors of growth selected for further development. Currently, the consumer cooperation facilities employing trade professionals are being closed in the district. These professionals will find new jobs subject to attracting investors in this sphere. The production sector can employ specialists who work in shifts outside the district (the family remains in the city, while they leave to work in other locations). A shortage of qualified personnel remains an unsolved issue today. Targeted training of the most promising students customized to the needs of specific SMEs could be a solution.

2.8. External Positioning and Marketing

In the process of developing the LEDP, it was equally important to take into account public opinion and understand how local residents perceive their district. According to the report on the results of the national study, carried out within the EU project "Support to Local Development in the Republic of

Belarus" (2016), Sharkovshchina district is considered as environmentally friendly and safe area with favorable natural conditions, comfortable for living and recreation. (Annex 15).

The cultural and historical past, natural potential of the district and, most importantly, the highest level of the population's readiness to participate in activities increasing the sustainable development of the territory were referred to as the main competitive advantages of the district by its residents.

For investors, Sharkovshchina district can be interesting as a territory with both natural resources and a great number of unused real estate assets, free land plots, railways and, most importantly, the readiness of local authorities to implement initiatives in all spheres.

The Administration of Sharkovshchina district carries out a purposeful policy for the promotion of local products organizing various events at the local level and participating in events at the national level, widely disseminating information on the district (via the Internet, printed products, handouts, handbooks, etc.). At the same time, these measures are not always systemic, due to the lack of a coherent marketing policy and promotion of the territory and local products.

3. SWOT analysis

Strengths:

- ecologically clean area;
- availability of natural resources suitable for the organization of production in woodworking and development of handicrafts;
- rich tourism potential;
- great number of land plots, and real estate assets not involved in economic turnover;
- availability of railway communication with the capital of the Republic of Belarus (Minsk), the Oblast center (Vitebsk) and the Baltic States.

Weaknesses:

- lack of industrial and other large enterprises capable of supporting employment and generating local economic growth;
- low level of utilization of available natural resources;
- worsening of the demographic situation and small population size;
- low incomes of the population;
- low level of competence and motivation of the residents and enterprises in doing business;
- insufficient number of facilities and weak service sector and tourism infrastructure.

Opportunities:

- increased demand for wood products;
- increased interest of tourists in ecotourism;
- trend towards liberalization of business conditions in the country;
- visa-free entry for foreign nationals into the Republic of Belarus.

Threats:

- changes in legislation;
- competition with other districts for resources, including human;
- changes in the financial and credit system, increase in tax rates or increase in their number;
- competition with other districts, including in tourism;
- out-migration of youth to major cities;
- introduction of temporary restrictions on the supply of industrial products to foreign markets.

Main competitive advantages:

Ecologically clean area with rich tourism potential, available natural resources, free land plots and unused real estate for the organization of production in the sphere of woodworking and other types of business activities.

4. Vision and Objectives

In the long view, the development of the district should be aimed at solving existing problems and increasing the use of the district's potential.

Vision. Sharkovshchina district is a territory of stable economic development ensured by the

growth of the private sector, and investment attraction to the promising production sectors and services.

By the end of 2020, Sharkovshchina district is focused on achieving the following objectives:

1. Support for small and medium-sized businesses, and self-employment;
2. Improvement of the investment attractiveness of the district, and investment attraction in woodworking industry and services;
3. Strengthening the district potential of ecological tourism.

The district sets the strategic objectives and appropriate actions from the point of view of the analysis of the current situation, experience, challenges of today, needs and opportunities for the local economic development.

5. Action plan

To achieve the strategic objectives, a list of activities has been developed (Table 1):

1 Support for small and medium-sized businesses, and self-employment.

1.1 Creation of a catalog of unused property assets and land plots to implement investment projects in soft and hard copy;

1.2 Organization and provision of training for potential entrepreneurs and craftsmen under the support of regional Centers of support of Entrepreneurship;

1.3 Creation of model sets of documents for launching business activities and handicrafts

1.4 Establishment of a business consulting office.

2. Improvement of the investment attractiveness of the district, and investment attraction in woodworking industry and services.

2.1. Investment attraction in woodworking industry and creating new production facilities;

2.2. Investment attraction in services and creating a new retail facility;

2.3. Evaluation of the investment potential of the district, publishing and distribution of a booklet on investment proposals;

2.4. Promotion of the youth entrepreneurship through the creation of a school business incubator.

3. Strengthening the district potential of ecological tourism.

3.1. Development of the Concept for the ecological tourism development in Germanovichi and Luzhki rural councils;

3.2. Development of ecological tourist routes "On the headstream of the Disna River", "Yelnya, and a journey into the lungs of Europe" and publishing the appropriate tourist guide;

3.3. Creation of advertising materials for the promotion of the district as a destination of ecological tourism, and establishing cooperation with major tour operators of the Republic;

3.4. Organizing and holding the ecological festival "Yablochny Spas".

The description of activities is presented in Annexes 16-27.

6. Financing Scheme

The development of Sharkovshchina district is largely determined by the activities of local authorities and the amount of budgetary financing allocated for the implementation of the planned activities within the social and economic development of the district. To date, the district's budget is subsidized. 61.3% of the budget expenditures of the district in 2017 were covered by subsidies. In the context of a decrease in budgetary financing, a number of issues related to the development of Sharkovshchina district require new mechanisms and tools that help mobilizing and effectively using the region's domestic potential.

The main sources of funding the LEDP are: the funds of the private business, local budget, and extra-budgetary funds of the District Executive Committee. In addition, there is a financing gap for funding activities (about 7% of the total budget).

The financing scheme is presented in Table 2.

7. Monitoring Indicators and Mechanisms

The possible risks were taken into account when developing the LEDP. These are primarily financial risks. The financial risks of ensuring the implementation of the LEDP activities are associated with the possibility of failure of investors to implement projects, as well as with reducing the amount of

budget financing. These issues can be solved through external sources of financing in the form of direct investments, as well as technical and sponsorship assistance, including various specialized intermediary organizations (crowdfunding platforms).

There are other implementation risks:

– economic (sharp currency fluctuations, significant increase in prices for raw and other materials, and energy resources). Qualifying for preferences and benefits provided by the law for their mitigation;

– demographic (unfavorable age pattern of the population, and the contraction in labor market participation). Establishing new businesses will attract personnel.

The district Administration will look for ways to overcome risks and monitor the implementation of the Plan every half-year in accordance with the indicators and periodicity provided in Table 3.

Table 1. Action Plan

Building Blocks	Key Objectives	Actions / project ideas	Duration (start/end)	Participating Partners	Estimated costs, Belarusian ruble (euro)	Monitoring indicators / Indicators of an output and their target values	The results, indicators and their target values
1. External Positioning and Marketing 2. Business-friendly, Transparent and Corruption-Free Administration 3. Local Cooperation and Networking	1. Support for small and medium-sized businesses, and self-employment	1.1. Creation of a catalog of unused property assets and land plots to implement investment projects in soft and hard copy	01.03.2019-31.12.2019	Administration, business, enterprises and organizations of the district, media	12,000 BYN (5100 euro)	The catalog of unused property assets and land plots for investment projects has been developed, published and posted on the website of the District Executive Committee; The catalog includes 65 property assets and 7 land plots at least; At least 2000 copies have been published and distributed; Website statistics – at least 20 views per month	The result: Awareness of potential investors about investment opportunities in the district has been raised Monitoring indicators of the result and their target values: At least 5 investors expressed interest in cooperation by concluding 2 agreements of intent. 8 meetings have been held
		1.2. Organization and provision of training for potential entrepreneurs and craftsmen under the support of regional Centers of support of Entrepreneurship	At least twice annually	Administration, Council for Entrepreneurship Development, Centers of support of Entrepreneurship, business, media	4710 BYN (2000 euro)	4 seminars have been held each hosting 20 potential entrepreneurs and craftsmen	The result: The knowledge on regulatory and legal documents in entrepreneurship has been obtained, as well as the ability to apply them in practice Monitoring indicators of the result and their target values: A survey was conducted. Based on its results, the knowledge of at least 80 potential entrepreneurs and craftsmen was improved.
		1.3. Creation of model sets of documents for launching business activities and handicrafts	01.01.2019-31.12.2020	Administration, business, residents, Council for Entrepreneurship Development	5000 BYN (2100 euro)	A model set of documents for launching business activities and handicrafts has been created. 300 people have taken part in the survey; 1000 copies of each set have been printed and distributed	The result: Awareness of potential entrepreneurs has been raised. Monitoring indicators of the result and their target values: 300 business entities have improved their knowledge in entrepreneurship. At least 30 individual entrepreneurs and

Building Blocks	Key Objectives	Actions / project ideas	Duration (start/end)	Participating Partners	Estimated costs, Belarusian ruble (euro)	Monitoring indicators / Indicators of an output and their target values	The results, indicators and their target values
							handicrafts registered annually
		1.4. Establishment of a business consulting office	01.01.2019-31.12.2020	Administration, business, residents, Council for Entrepreneurship Development	73,000 BYN (31,000 euro)	The office has been established and become fully operational. At least 50 actors advised monthly during the year.	The result: Legal support for existing businesses provided Monitoring indicators of the result and their target values: The growth rate of budget revenues from entrepreneurial activity is 5% per year at least
1. External Positioning and Marketing 2. Business-friendly, Transparent and Corruption-Free Administration 3. Local Cooperation and Networking 4. Land and Infrastructure	2. Improvement of the investment attractiveness of the district, and investment attraction in woodworking industry and services	2.1. Investment attraction in woodworking industry and creating new production facilities	01.01.2019-31.12.2020	Administration, business, residents, Council for Entrepreneurship Development	141,318 BYN (60,000 euro)	A new woodworking enterprise has been established. The enterprise has been registered and started operation. 100% of investments have been implemented.	The result: A framework for the growth of production volumes and exports has been created Monitoring indicators of the result and their target values: At least 50 new jobs have been created; increase in exports – 30% at least
		2.2. Investment attraction in services and creating a new retail facility	01.01.2019-31.12.2020	Administration, business, residents, Council for Entrepreneurship Development	1,200,000 BYN (510,000 euro)	A land plot has been allocated and the construction of the commercial facility has been completed. The commercial facility has started operation. 100% of investments have been implemented.	The result: The conditions for the quality improvement of trade services for residents and visitors of the district have been created Monitoring indicators of the result and their target values: At least 30 new jobs have been created; increase in retail turnover –5% at least
		2.3. Evaluation of the investment potential of the district, publishing and distribution of a booklet on investment proposals	01.03.2019-31.12.2019	Administration, business, residents, media	5000 BYN (2100 euro)	A booklet on investment proposals has been developed and produced. At least 2000 copies of the booklet have been printed and distributed	The result: The basis for increasing the investment attractiveness of the district has been created Monitoring indicators of the result and their target values: At least 10 people have applied for consultations after the distribution of the booklet. One investment agreement has been signed

Building Blocks	Key Objectives	Actions / project ideas	Duration (start/end)	Participating Partners	Estimated costs, Belarusian ruble (euro)	Monitoring indicators / Indicators of an output and their target values	The results, indicators and their target values
		2.4. Promotion of the youth entrepreneurship through the creation of a school business incubator	01.01.2019-31.12.2020	Administration, students, teachers, Council for Entrepreneurship Development, experts, residents	20,000 BYN (8490 euro)	A school business incubator has been created. 25 schoolchildren have been trained, at least 10 business ideas have been identified	The result: The conditions have been created for obtaining knowledge and skills in starting one's own business in the future. Monitoring indicators of the result and their target values: More than 1000 schoolchildren and residents have become familiar with the activities of the school business incubator
1. External Positioning and Marketing 2. Business-friendly, Transparent and Corruption-Free Administration 3. Local Cooperation and Networking 4. Land and Infrastructure	3. Strengthening the district potential of ecological tourism	3.1. Development of the Concept for the ecological tourism development in Germanovichi and Luzhki rural councils	01.01.2019-31.12.2020	Administration, business, residents, media	2000 BYN (850 euro)	The concept of area development has been elaborated and discussed in local communities with the involvement of experts. At least 15 activities have been included in the concept. At least 1000 people have visited the district.	The result: The database on the prospects for the area development has been created Monitoring indicators of the result and their target values: The area is developing, the number of tourists has increased by 20%
		3.2. Development of ecological tourist routes "On the headstream of the Disna River", "Yelnya, and a journey into the lungs of Europe" and publishing the appropriate tourist guide	01.01.2019-30.06.2020	Administration, business, residents, media	2350 BYN (1000 euro)	The routes have been developed; a tourist guide has been produced and published. 2 new tourist routes, 1 tourist guide	The result: The conditions for ecotourism have been created, the routes are used by tourists Monitoring indicators of the result and their target values: The number of tourists visiting the area has increased by 20%, the growth rate of tourism services increased 1.5 times
		3.3. Creation of advertising materials for the promotion of the district as a destination of ecological tourism, and establishing cooperation with major tour operators of the Republic	01.01.2019-30.06.2020	Administration, business, residents, media	2350 BYN (1000 euro)	Booklets about the district reflecting the attractiveness of its tourism potential have been developed and published. 1000 printed copies of the booklet; the information has been posted on the website of the Executive	The result: Awareness of tourists about the attractiveness of the district has been raised Monitoring indicators of the result and their target values: The number of tourists visiting the district has increased by 20%

Building Blocks	Key Objectives	Actions / project ideas	Duration (start/end)	Participating Partners	Estimated costs, Belarusian ruble (euro)	Monitoring indicators / Indicators of an output and their target values	The results, indicators and their target values
						Committee; website statistics – at least 100 views per year	
		3.4. Organizing and holding the ecological festival "Yablochny Spas"	01.01.2020-31.12.2020 (during the year)	Administration, business, residents, media, invited stakeholders	11,800 BYN (5000 euro)	Two festivals have been held. At least 500 people took part in each festival. At least 10 displays of local businesses	The result: Attractiveness of the district and its tourism potential have been increased Monitoring indicators of the result and their target values: The growth rate of retail turnover and the number of participants is 104% at least

Table 2. Financing Scheme

Actions	Estimated costs	National programs	Source of funding, euro					Funding gaps	Remarks
			Local budget	Upper level budgets	Business	Donors	Other (extra-budgetary funds)		
1. Support for small and medium-sized businesses, and self-employment									
1.1. Creation of a catalog of unused property assets and land plots to implement investment projects in soft and hard copy	5100		1000		2000			2100	
1.2. Organization and provision of training for potential entrepreneurs and craftsmen under the support of regional Centers of support of Entrepreneurship	2000						2000		
1.3. Creation of model sets of documents for launching business activities and handicrafts	2100				1100		1000		
1.4. Establishment of a business consulting office	31,000		1500					29,500	
TOTAL	40,200		2500		3100		3000	31,600	
2. Improvement of the investment attractiveness of the district, and investment attraction in woodworking industry and services									
2.1. Investment attraction in woodworking industry and creating new production facilities	60,000		10,000		50,000				
2.2. Investment attraction in services and creating a new retail facility	510,000		20,000		490,000				
2.3. Evaluation of the investment potential of the district, publishing and distribution of a booklet on investment proposals	2100						2100		

Actions	Estimated costs	National programs	Source of funding, euro					Funding gaps	Remarks
			Local budget	Upper level budgets	Business	Donors	Other (extra-budgetary funds)		
2.4. Promotion of the youth entrepreneurship through the creation of a school business incubator	8490		500				1000	6990	
TOTAL	580,590		30,500		540,000		3100	6990	
3. Strengthening the district potential of ecological tourism									
3.1. Development of the Concept for the ecological tourism development in Germanovichi and Luzhki rural councils	850						850		
3.2. Development of ecological tourist routes "On the headstream of the Disna River", "Yelnya, and a journey into the lungs of Europe" and publishing the appropriate tourist guide	1000						500	500	
3.3. Creation of advertising materials for the promotion of the district as a destination of ecological tourism, and establishing cooperation with major tour operators of the Republic	1000		500					500	
3.4. Organizing and holding the ecological festival "Yablochny Spas"	5000				1000			4000	
Total	1,249,436		500		1000		1350	5000	
TOTAL	628,640		33,500		544,100		7450	43,590	

Table 3. Monitoring plan in the context of the activities

Actions / project ideas	Duration (start / end)	Expected results Months 1-6	Expected results Months 6-12	Expected results Months 12-18	Expected results Months 18-24
1.1. Creation of a catalog of unused property assets and land plots to implement investment projects in soft and hard copy	01.03.2019-31.12.2020	- the information on 65 unused property assets and land plots has been collected	- the information has been systematized and brought up for discussion; 6 representatives of Administration, 2 representatives of business and mass media participated in the discussion	- the information has been sent to the printing house for production of the catalog of unused property assets and land plots	- 2000 copies of the catalog have been published and distributed; the catalogue has been posted on the website. At least 5 requests monthly. The catalog is used by potential investors. Completed 31.12.2020
1.2. Organization and provision of training for potential entrepreneurs and craftsmen under the support of regional Centers of support of Entrepreneurship	At least twice annually	- the opinion of 50 representatives of the business community and residents regarding the most relevant current issues of launching and doing own business has been studied; - a training has been held; - 20 potential entrepreneurs and craftsmen have obtained knowledge and ability to apply this knowledge in practice	- the opinion of 50 representatives of the business community and residents regarding the most relevant current issues of launching and doing own business has been studied; - a training has been held; - 20 potential entrepreneurs and craftsmen have obtained knowledge and ability to apply this knowledge in practice	- the opinion of 50 representatives of the business community and residents regarding the most relevant current issues of launching and doing own business has been studied; - a training has been held; - 20 potential entrepreneurs and craftsmen have obtained knowledge and ability to apply this knowledge in practice	- the opinion of 50 representatives of the business community and residents regarding the most relevant current issues of launching and doing own business has been studied; - a training has been held; - 20 potential entrepreneurs and craftsmen have obtained knowledge and ability to apply this knowledge in practice. Completed 31.12.2020
1.3. Creation of model sets of documents for launching business activities and handicrafts	01.03.2019-31.12.2020	- a questionnaire has been developed for different categories of citizens (students, youth, working-age population, and pensioners) to study issues of interest in starting one's own business	- the questionnaire has been distributed and posted on the website of the District Executive Committee 300 people have taken part in the survey	- survey data analysis and systematization have been made; - based on the survey, 4 model sets of documents (launch of production, trade and service facility, agricultural enterprise, and agroecofarmstead) for start-uppers, including craftsmen have been developed	- 1200 sets have been published and distributed; 300 business entities have improved their knowledge in entrepreneurship. At least 30 individual entrepreneurs and handicrafts registered annually. Completed 31.12.2020
1.4. Establishment of a business consulting office	01.03.2019-31.12.2020	- premises for the business consulting office has been found and equipped	- an analysis has been conducted and a database has been created for launching the business consulting cabinet	- the business consulting office is established and fully operational. - at least 50 actors advised monthly	- support to the existing businesses has been provided. Completed 31.12.2020

Actions / project ideas	Duration (start / end)	Expected results Months 1-6	Expected results Months 6-12	Expected results Months 12-18	Expected results Months 18-24
Cumulative % of the total budget per each objective		10	50	80	100
2.1. Investment attraction in woodworking industry and creating new production facilities	01.01.2019-31.12.2020	- the information on free land plots and real estate assets suitable for establishing the woodworking production has been collected - potential investors have been found	- business meetings with potential investors have been held	- premises for rental to a potential investor has been found and an investment agreement has been concluded. Preparatory work has been initiated. 20% of investments have been implemented.	- a new woodworking production has been created, registered and started operation. 100% of investments have been implemented. 50 new jobs have been created Completed 31.12.2020
2.2. Investment attraction in services and creating a new retail facility	01.01.2019-31.12.2020	- the information on free land plots and real estate assets suitable for the construction of facilities in the service sector; - potential investors have been found	- business meetings with potential investors have been held	- a land plot for the construction of a commercial facility has been selected, an investment contract for construction has been concluded, and the construction work has started. 40% of investments have been implemented.	- the commercial facility has been constructed and started operation. At least 30 new jobs have been created; 100% of investments have been implemented. Completed 31.12.2020
2.3. Evaluation of the investment potential of the district, publishing and distribution of a booklet on investment proposals	01.03.2019-31.12.2019	- a working group has been established to study the investment potential of the district; - evaluation of the investment potential of the district; - development of investment proposals; - consideration and discussion of the draft investment proposals	- at least 5 new investment proposals have been developed. - a booklet with information on investment proposals has been designed and published; 2000 copies have been distributed Completed 31.12.2019	At least 10 people have applied for consultations after the distribution of the booklet.	One investment agreement has been signed
2.4. Promotion of the youth entrepreneurship through the creation of a school business incubator	01.01.2019-31.12.2020	- schoolchildren and teachers from 10 schools have been selected for the training on the ways to find business ideas at school, developing business plans and marketing strategies to promote one's ideas	- the following trainings have been provided: "How to find a business idea", "How to develop a plan", and "Marketing is the future of a business idea"; - conducting a contest and summarizing its results	- conditions for sustainable operation of the business incubator and transfer of experience to other educational institutions and local residents have been created	- the school business incubator is operating, conditions for acquiring knowledge and skills in setting up one's own business have been created. More than 1000 schoolchildren and local residents have become acquainted with the school business incubator Completed 31.12.2020

Actions / project ideas	Duration (start / end)	Expected results Months 1-6	Expected results Months 6-12	Expected results Months 12-18	Expected results Months 18-24
Cumulative % of the total budget per each objective		3	40	80	100
3.1. Development of the Concept for the ecological tourism development in Germanovichi and Luzhki rural councils	01.01.2019-31.12.2020	- a working group has been established to study the prospects for the development of ecological tourism in Germanovichi and Luzhki rural councils with the involvement of experts, local population, business community, and administration; - the information has been collected and presented to the working group for discussion	- meetings of the working group were held at least once a quarter; activities for the concept have been developed	- meetings of the working group were held at least once a quarter; activities for the concept have been developed	- the database on the prospects for the area development has been created, and the Concept for the ecological tourism development in Germanovichi and Luzhki rural councils has been elaborated, including at least 15 activities. The implementation of the planned measures has started. At least 1000 people have visited the district. The area is developing; the number of tourists has increased by 20% Completed 31.1.2020
3.2. Development of ecological tourist routes "On the headstream of the Disna River", "Yelnya, and a journey into the lungs of Europe" and publishing the appropriate tourist guide	01.01.2019-30.06.2020	- the information on the tourism industry facilities and resources has been collected	- the collected data have been systematized; ecological and tourist routes and the tourist guide have been developed; 2 new tourist routes have been created; 1 travel guide has been developed	- the routes and tourist guide have been published and posted on the website of the District Executive Committee Completed 30.06.2020	the number of tourists visiting the area has increased by 20%, the growth rate of tourism services increased 1.5 times
3.3. Creation of advertising materials for the promotion of the district as a destination of ecological tourism, and establishing cooperation with major tour operators of the Republic	01.01.2019-30.06.2020	- the information on the potential of the district in the ecological tourism has been collected	- the collected information has been systematized, and a booklet has been designed	- promotional products have been published and posted on the website of the District Executive Committee. 1000 printed copies of the booklet; the information has been posted on the website of the Executive Committee; website statistics – at least 100 views per year Completed 30.06.2020	the number of tourists visiting the district has increased by 20% Promotional products are being used.
3.4. Organizing and holding the ecological festival "Yablochny Spas"	01.01.2020-31.12.2020	- a working group for the festival was established;	- the festival has been held; - at least 500 participants	- a working group for the festival was established;	- the festival has been held;

Actions / project ideas	Duration (start / end)	Expected results Months 1-6	Expected results Months 6-12	Expected results Months 12-18	Expected results Months 18-24
		- the festival program was developed; - the list of participants of the festival has been created	of the festival; - at least 10 displays of local businesses	- the festival program was developed; - the list of participants of the festival has been created	- at least 500 participants of the festival; - at least 10 displays of local businesses Completed 31.12.2020 The growth rate of retail turnover and of the number of participants is 104% at least
Cumulative % of the total budget per each objective		5	60	90	100
Cumulative % of the total budget per all objectives		6	52	83	100