



**USAID**  
ВІД АМЕРИКАНСЬКОГО НАРОДУ

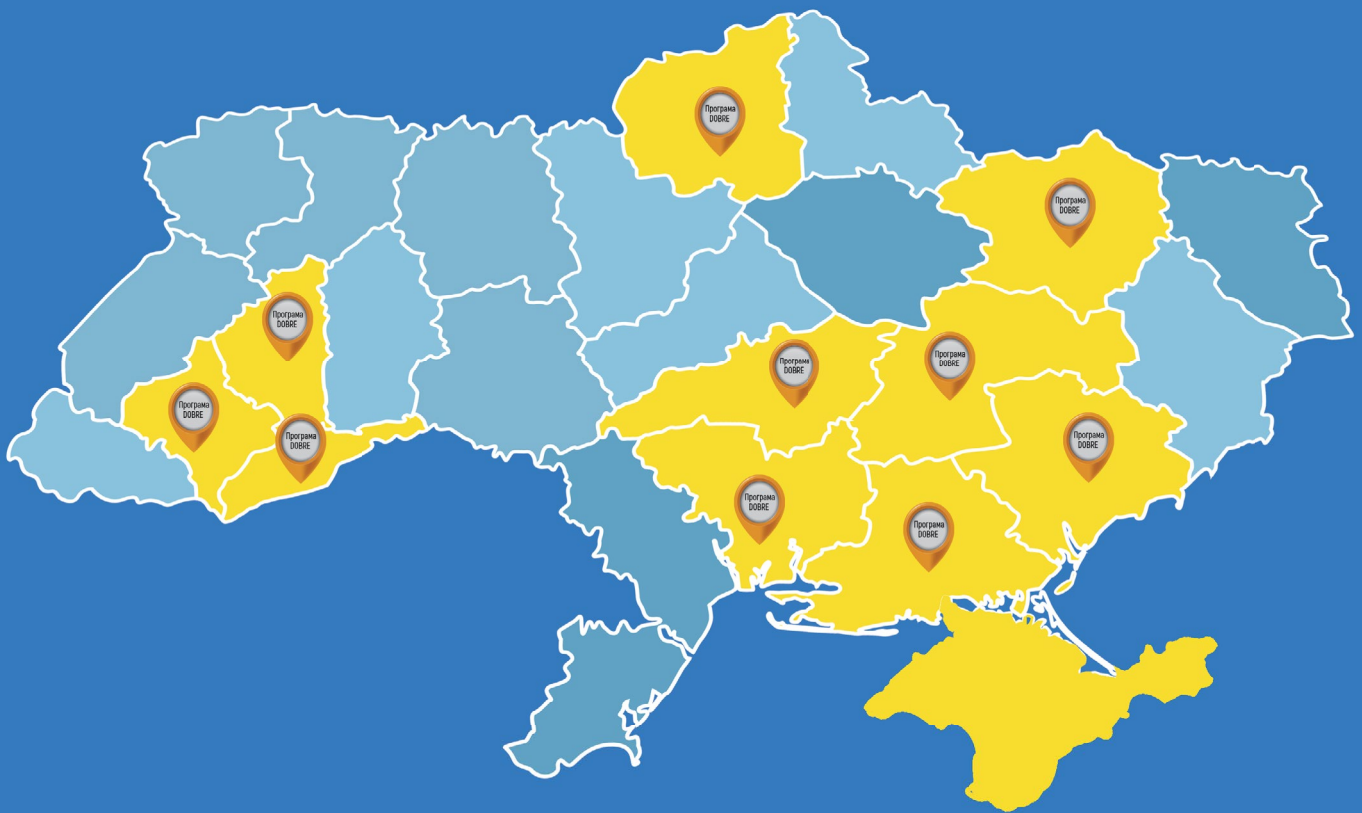


**Global  
Communities**  
Ukraine

# REPORT

**ON THE RESULTS OF USAID  
DOBRE PROGRAM**

**HOW CONSOLIDATED COMMUNITIES  
CAN IMPROVE ENGAGEMENT AND SUPPORT  
FOR LOCAL BUSINESS DEVELOPMENT**



**DOBRE PRACTICES**



**ДЕЦЕНТРАЛІЗАЦІЯ**

**ЦЕ ДОБРЕ**

Kyiv – 2022

**Prepared by:**

**Volodymyr Kryzhanivskyi**, USAID DOBRE’s Local Economic Development Consultant  
More than 10 years of experience working in institutions on economic development. Project portfolio includes 20 development projects implemented within the framework of American, European and Ukrainian programs.

**General Editorial Board:**

**Vitaliy Yurkiv**, USAID DOBRE’s Coordinator of Local Economic Development Programs and Projects

The USAID Program, “Decentralization Offering Better Results and Efficiency” (DOBRE), is a nine-year program, implemented by Global Communities and funded by the United States Agency for International Development. DOBRE has worked closely with territorial consolidated communities (TCs) in ten Oblasts of Ukraine to help them realize the benefits and meet the challenges brought by decentralization. DOBRE provides technical and material assistance to TCs to help them govern openly and accountably and meet the needs of their citizens; and supports citizens’ active engagement in decision-making and policy making. DOBRE’s support encompasses strategic planning; spatial planning; financial management; public service delivery; local economic development; capacity building; good governance practices; and gender- and youth-responsive policies.

In the period 2022 - 2025, DOBRE will be working directly with at least 60 TCs of Ukraine to help them cope with the consequences of the war, recover and rebuild, and resume their trajectory of positive, sustainable development. Partners with Global Communities in the DOBRE Program Consortium include the Ukrainian Crisis Media Center; the Jerzy Regulski Foundation in Support of Local Democracy (FSLD), and the Malopolska School of Public Administration at the Krakow University of Economics, Poland.

*© This report is made possible by the generous support of the American people through the United States Agency for International Development (USAID). The contents are the responsibility of Global Communities and do not necessarily reflect the views of USAID or the United States Government.*

# TABLE OF CONTENTS

<b>ACRONYMS AND ABBREVIATIONS</b>	<b>4</b>
<b>REPORT SUMMARY</b>	<b>5</b>
<b>INTRODUCTION</b>	<b>6</b>
<b>SECTION 1. ENGAGEMENT AND SUPPORT OF BUSINESS DEVELOPMENT WITHIN THE FRAMEWORK OF USAID DOBRE PROGRAM</b>	<b>7</b>
<b>SECTION 2. EXPERIENCE AND RESULTS OF USAID DOBRE’S PARTNER COMMUNITIES</b>	<b>15</b>
<b>SECTION 3. IMPROVING BUSINESS ENGAGEMENT AND SUPPORT OF LOCAL BUSINESS DEVELOPMENT: RECOMMENDATIONS</b>	<b>25</b>
<b>CONCLUSIONS</b>	<b>36</b>
<b>ANNEXES</b>	<b>39</b>
<b>ANNEX 1. FINAL EVALUATION OF BUSINESS ENGAGEMENT IN CORE ACTIVITIES BASED ON USAID DOBRE’S METHODOLOGY</b>	<b>40</b>
<b>ANNEX 2. SAMPLE BUSINESS SURVEY QUESTIONNAIRE</b>	<b>43</b>
<b>ADDITIONAL RESOURCES</b>	<b>48</b>

# ACRONYMS AND ABBREVIATIONS

Code	– Code of Good Practice for Civil Participation in the Decision-Making Process
LED	– local economic development
SMEs	– small and medium-sized enterprises
ITA	– international technical assistance
LSGB	– local self-government body
USAID DOBRE Program, DOBRE	– USAID Decentralization Offering Better Results and Efficiency Program
WG	– working group
LED WG	– Local Economic Development Working Group
TC	– territorial consolidated community

# REPORT SUMMARY

This Report was prepared as part of USAID Program DOBRE Program (Decentralization Offering Better Results and Efficiency).

The Report will be useful to local governments, implementers of international technical assistance programs and projects, and all stakeholders interested in improving business engagement in local decision-making and supporting the development of small and medium-sized enterprises.

The purpose of this Report is to present the results of the work and the experience gained during the implementation of the Local Economic Development Component of USAID DOBRE Program in engaging and supporting local business development, to draw conclusions based on the experience of the DOBRE Program, and to provide recommendations to representatives of local self-government bodies, the Government, donors, and implementers of international technical assistance programs and projects on engaging and supporting business development at local level.

To prepare the Report, the team:

- Analyzed USAID DOBRE Program materials on engaging local businesses in the planning and implementation of local economic development activities;
- Surveyed representatives of USAID DOBRE partner communities from five oblasts. The scope and representativeness of the survey were partially limited due to martial law in force in 2022;
- Conducted a series of interviews with USAID DOBRE experts who worked with partner communities, including program specialists, LED planning consultants, public space design consultants, tourism development consultants, cooperative creation and development consultants, business planning consultants, and property management consultants.

The Report summarizes the results and lessons learnt of USAID DOBRE Program in engaging local businesses in the planning and implementation of local economic development activities, and identifies key obstacles faced by DOBRE partner communities in engaging local businesses in the decision-making process. The Report presents conclusions based on the results of USAID DOBRE's Local Economic Development Component, as well as recommendations for improving business engagement in local decision-making.

# INTRODUCTION

USAID Decentralization Offering Better Results and Efficiency Program (hereinafter referred to as USAID DOBRE Program, the DOBRE Program) has two main goals: (1) to support good local government practices in territorial consolidated communities (TCs), and (2) to help stakeholders engage constructively with local self-government bodies (LSGBs) and build public demand for transparency in LSGB activities and quality service delivery.

USAID DOBRE Program aims to strengthen local self-government, deepen democracy, and promote community development as part of the Decentralization Reform process. USAID DOBRE Program supports the building of capable communities based on their internal needs, and introduces a participatory approach to working with LSGBs, taking into account the equality and interests of representatives of different population groups. The growing partnership between civil society, the private sector, and government is producing tangible results, creating new opportunities for economic development, improved municipal services, and rational budgeting and land use.

USAID DOBRE's Local Economic Development component of the Program aims to improve the capacity of LSGBs in the area of local economic development (hereinafter referred to as LED). The project provided support to the TCs to initiate an economic development planning process and to co-finance and implement selected priority projects aimed at ensuring sustainable economic growth at the local level and improving the quality of life of the population.

Working with local businesses was not the primary focus of the Local Economic Development component of USAID DOBRE Program. However, without the engagement of business, it is impossible to ensure the participatory nature of the LED process. It is also impossible to achieve sustainable economic growth at the local level without a developed and competitive local business sector. To ensure quality LED design, USAID DOBRE Program engaged local businesses and supported their development.

Business engagement in LED processes is important and necessary. However, TCs often face many challenges in working with business. Therefore, USAID DOBRE Program has prepared this Report to highlight the results of its work in engaging and supporting local businesses and the lessons learned during the implementation of the Local Economic Development component, and to provide recommendations to local communities, the Government, donors, and implementers of international technical assistance (hereinafter referred to as ITA) programs and projects on how to improve small and medium enterprise (SME) engagement and support based on the Program's experience.

# SECTION 1. ENGAGEMENT AND SUPPORT OF BUSINESS DEVELOPMENT WITHIN THE FRAMEWORK OF USAID DOBRE PROGRAM

Local Economic Development is a component of USAID DOBRE Program. To support the LED planning process in the TCs, USAID DOBRE Program prepared a manual entitled "[Local Economic Development in Consolidated Communities: Useful Advice and Best Practices](#)" [2]. It is based on USAID DOBRE's Program methodology of LED Planning and on the experience of consultants who worked with 75 communities to develop LED programs.

According to USAID DOBRE's methodology, **local economic development (LED)** is a participatory process of engaging community stakeholders to achieve sustainable economic growth at the local level and to improve the quality of life for population.

Under the Local Economic Development component, the Program focused its efforts on improving the LED capacity of LSGB officials, supporting the LED planning process, and co-financing the implementation of individual projects.

Sustainable economic growth at the local level is impossible without competitive and developed SMEs. Therefore, while the engagement of local businesses in the LED processes in the TCs was not the primary focus of the Local Economic Development component, the Program team worked with local businesses to ensure quality of LED planning and to provide the necessary support in creating a suitable economic environment in the communities.

The [Code of Good Practice for Civil Participation in the Decision-Making Process](#) (hereinafter referred to as the Code) [8], adopted by the Conference of International Non-Governmental Organizations of the Council of Europe in 2009, was utilized as the basic document defining the mechanisms of public participation and engagement in the policy implementation process. It was prepared by experienced civil society representatives, developed in detail through Europe-wide consultations, tested and commented on by members of national and international organizations, and used by activists and government officials.

This document defines the mechanisms of cooperation between government and civil society, but its basic principles can be extended to cooperation between local government and businesses.

**Note:** *This Report adapts the Code to the opportunities for business participation in local decision-making.*

According to the Code, the decision-making process consists of six steps, as shown in Fig. 1.

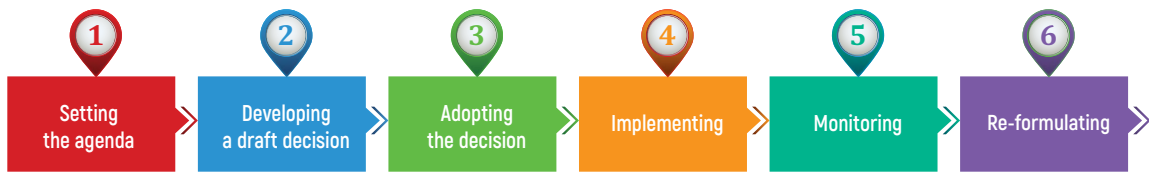


Fig. 1. Stages of the decision-making process

USAID DOBRE Program ensured the consistency of LED methodology with the Code, entailing the following steps at each stage of the decision-making process:

1. **Setting the agenda** – Analyzing the current situation in the TC and deciding on the need to improve the economic development.
2. **Developing a draft decision** – Holding meetings of the LED Working Group (hereinafter referred to as the LED WG) to prepare an LED program that includes actions to be taken to improve the economic development of the TC.
3. **Adopting the decision** – Obtaining LSGB’s approval of the LED program.
4. **Implementing** – Implementation of the LED program (project implementation).
5. **Monitoring** – Monitoring the implementation of the LED program to keep it updated and revising projects as needed.
6. **Re-formulating** – Analyzing the results of the LED program implementation and determining whether a new LED program needs to be developed.

Figure 2 shows the levels of business engagement in the decision-making process.

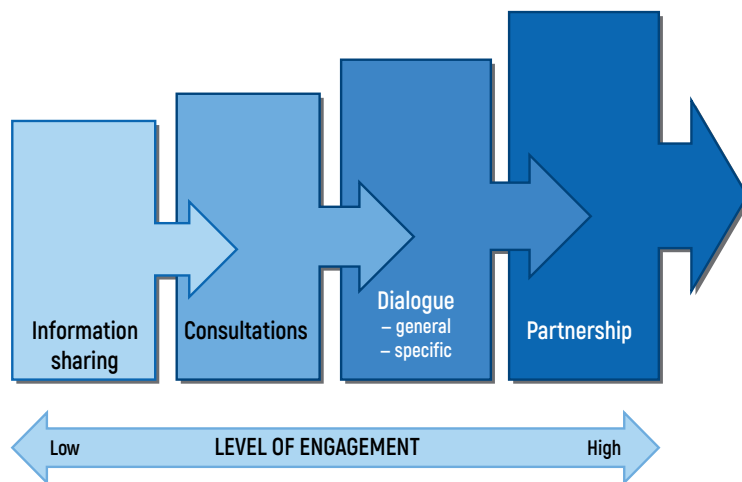


Fig. 2. Business engagement in decision-making process

Cooperation between local government and businesses takes place at all levels of the latter’s engagement in the decision-making process:

1. **Information sharing** – unilateral level where LSGBs provide businesses with information on policy development and implementation in a particular area, and on mechanisms for business participation. The relationship involves providing



information both at the initiative of the government and upon the request of businesses. This is a relatively low level of engagement, as businesses are not engaged in the decision-making and implementation.

2. **Consultations** – bilateral level of cooperation where LSGBs publish draft decisions to receive comments, observations and suggestions from the business community. At this level of cooperation, LSGBs can consult with businesses on the development and implementation of local policies.
3. **Dialogue** – LSGBs involve business representatives through working or thematic groups in drafting of decisions, documents, policies, etc. In this case, business representatives have full participation in the decision-making process, which culminates in a jointly developed decision.
4. **Partnership** – the highest level of cooperation, where LSGBs and businesses work together to design and implement policies in a given area. At this level, LSGBs and businesses work closely together, and may establish joint decision-making bodies (e.g., a business council). At the same time, the businesses remain independent and can operate independently of partnerships. The partnership may further entail delegation of certain tasks by the bodies.

USAID DOBRE partner communities adopted the LED methodology and worked with local businesses at multiple levels:

1. **Information sharing** – On their websites LSGBs published economic profiles of their communities, draft decisions related to LED programs, information on working group meetings and their outcomes, and other important information related to the LED process.
2. **Consultations** – LSGBs conducted two surveys of businesses, one to identify their problems and needs, and another one to collect ideas for projects that could be included in the LED program.
3. **Dialogue** – LSGBs set up LED WGs (a standing advisory body under the local council executive committee tasked with planning, implementation and regular review of LED activities in the community) with business representatives among members. LED programs were developed jointly during the WG meetings.
4. **Partnership** – During their participation in USAID DOBRE Program, LSGBs established no joint decision-making bodies. Businesses, however, participated in LED projects by providing co-financing and/or performing certain tasks within the projects. Accordingly, local government and business were often partners in the implementation of projects.

Section 2 of the Report presents the results of engaging local businesses in the LED process in USAID DOBRE partner communities.

## USAID DOBRE's LED process methodology consists of two stages:



Local businesses were involved at both stages of the LED process.

### Business engagement in LED planning

Each community established an LED WG. Rules and members of the WG were approved either by a decision of an LSGB general meeting or by an order of the community leader.

**Local Economic Development Working Group (LED WG)** is an advisory body established to plan, implement and periodically review LED activities in the community.

WGs included representatives of different target groups:

- Government
- Business community
- Public
- Youth councils (where available) or active youth
- Education sector representatives.

Each community independently decided on the quantitative and qualitative composition of LED WGs. There were no requirements for the number of representatives from different target groups, but it was mandatory to include representatives of each. Membership of LED WGs typically varied from 8 to 14 persons.

Members of LED WGs attended their meetings and worked on their tasks, which included:

- Assessing community readiness for economic development;
- Developing an economic profile of the community;
- Defining strategic vision and goals of economic development according to the available resources and capabilities of the TC as per its economic profile;
- Identifying LED tools to stimulate the local economy;
- Preparing projects for the LED program.

### Business engagement in LED program implementation

After an LED program had been approved, USAID DOBRE Program provided support to TCs in the form of co-financing for the implementation of individual projects and, where necessary, consultations with specialized experts. This support of project implementation within the framework of the Local Economic Development component was aimed at achieving the following goals:

- Supporting existing businesses
- Supporting the development of entrepreneurship
- Engaging new businesses and investments
- Stimulating human capital development.

To sum up, all projects supported by the Local Economic Development component of USAID DOBRE Program, aimed, to a varying extent, at supporting business development in TCs.

Implementation of individual projects could also involve and be co-financed by local businesses. Each project required responsible implementers to be identified. A business could be the main implementer or provide support during project implementation. Businesses were not required to provide co-financing for project implementation, so in most cases, funding was provided USAID DOBRE Program and local budgets.

As noted above, engaging businesses in community LED processes was not the primary focus of USAID DOBRE's Local Economic Development component. However, in order to create an enabling ecosystem for business development in the communities, the Program team tried to engage local businesses in LED planning and implementation as much as possible (through cooperation with LSGBs and directly), and to provide necessary support for their development.

### Types of business development assistance in USAID DOBRE Program

**1 Consulting support in LED planning.** The Program ensured for each TC a professional consultant to assist with the following LED tasks:

- Establishing an LED WG with different target groups represented on it;
- Preparing and publishing an economic profile of the community;
- Designing an LED program with a list of projects and an implementation plan.

**2 Co-financing of LED projects.** The TCs received co-financing for the implementation of LED priority projects to support existing businesses, develop entrepreneurship, engage new businesses and investment, and develop human capital.

The following were the most common types of business development projects in the Program's partner communities:

- Agricultural cooperatives

#### ***USAID DOBRE Partner Community Practices***

*Residents of Biloberizska TC, Ivano-Frankivsk Oblast, formed Hutsulski Gazdy, a berry cooperative, and residents of Mykolayivska TC, Dnipropetrovsk Oblast, formed Pasichnyky Prysamarya, a honey cooperative.*

- Business support institutions: Business support centers and local development agencies

#### ***USAID DOBRE Partner Community Practices***

*Merefyanska TC, Kharkiv Oblast, created a Business Support Center, and Slobozhanska TC, Dnipropetrovsk Oblast, and Losynivska TC, Chernihiv Oblast, created a local economic development agency.*

- Co-working spaces

**USAID DOBRE Partner Community Practices**

*Velykohayivska TC, Ternopil Oblast, created PavuTyna Co-Working Center, and Starobohorodchanska TC, Ivano-Frankivsk Oblast, created woodwork and confectionery co-working workshop.*

- Workshops

**USAID DOBRE Partner Community Practices**

*Petrykivska TC, Dnipropetrovsk Oblast, renovated its woodworking workshop and opened an art workshop, and Halytsynivska TC, Mykolaiv Oblast, opened a sewing workshop.*

- Public spaces with infrastructure for SME trade

**USAID DOBRE Partner Community Practices**

*Domanivska TC, Mykolaiv Oblast, opened a trade and exhibition hall, and Askania-Nova TC, Kherson Oblast, opened a local market.*

The Program did not provide direct financial assistance for the implementation of projects but rather purchased the necessary machinery, equipment, materials, etc. and transferred them to LSGBs. Under the terms of USAID DOBRE Program, a specific business could not receive direct assistance. The projects were designed to create a favorable economic environment in the communities allowing any local business to benefit from the results on a competitive and contractual basis. The exception were the projects supporting cooperatives, where the equipment purchased was transferred to LSGBs, which in turn transferred it to cooperatives and/or provided access to it. The cooperatives, on the other hand, did not restrict access for new members or partners to the equipment or services.

**3 Guidance.** USAID DOBRE experts produced a series of manuals and training materials on how to create an enabling economic environment for businesses in the communities:

- [Local Economic Development in Consolidated Communities: Useful Advice and Best Practices](#) [2]. This manual covers in detail the LED planning methodology and process, lists typical LED projects and stages of their implementation, and provides real-life examples of how similar project were implemented.
- One of the main obstacles to running and developing a business is the lack of financial resources. For this reason, USAID DOBRE Program developed a manual entitled [“Financial Support by Local Self-Government Bodies of Local Business Development and Entrepreneurship Stimulation”](#) [9]. The goal of the manual is to help LSGBs design effective programs which can address the problem in question. The manual provides an overview of Ukrainian legislation and best practices related to the implementation of financial assistance programs for businesses. It describes in detail the process of development and adoption of financial assistance programs for businesses; provides recommendations on the support mechanism and examples of documents required to launch a program of financial assistance for business development and entrepreneurship stimulation, with financing coming from local budgets.

- To encourage the development of local businesses, LSGBs can transfer to them and/or provide them with access to community property. LSGBs may, at their own expense or at the expense of ITA programs and projects, purchase machinery, equipment, materials, etc. for businesses. All property, as required by law and/or the donor, must be transferred to the businesses. Property purchased by USAID DOBRE Program was intended to support cooperatives in the communities. In many cases the transfer of property into the ownership of the cooperatives was followed by numerous questions from LSGB officials. In view of that, the Program developed a manual entitled “Tools for Management of Communal Property in Consolidated Communities” [7]. It provides answers to the key questions related to the mechanisms for transferring and/or providing access to property owned by LSGBs. The manual describes the mechanisms for LSGBs to control the use of the transferred property and to mitigate any associated risks.

**4 Individual consultations with specialists.** In addition to general consulting support for the LED planning process, the DOBRE Program organized individual consultations on specific LED areas for TC representatives:

- Design and planning of public spaces with infrastructure for SME trade;
- Tourism development;
- Creation and development of cooperatives;
- Business plan development;
- Property management;
- Financial assistance for businesses;
- Ensuring better preparedness of the community to attract new investors.

Individual consultations were provided at the request of community representatives. USAID DOBRE Program took into account the needs of the communities and provided the necessary expert assistance to those communities that needed it most in a given area.

***An LSGB official:***

*“Providing individual consultations at the request of the communities is a useful and necessary form of support, as not all communities have the same needs and not all need the same consultations. It’s good to be able to engage an expert in the area where the help is needed.”*

**5 Training.** The Program included a series of conferences, forums, seminars and workshops. As part of the Local Economic Development component, all partner communities received a series of trainings on LED. To foster cooperation between local government and businesses and to increase their capacity in LED, the trainings were specifically designed for and delivered to those representatives of the government and the businesses, who were also members of LED WGs.

**6 Study visits to share experiences and learn best practices.** USAID DOBRE Program arranged visits to other communities in Ukraine and abroad, including to Poland, the United States, and Canada. TC representatives had the opportunity to learn about the experience of other countries in LED and business support.

During 2017-2019 international visits were mostly organized for LSGB officials and some local business representatives. The Program further arranged for them a series of visits to successful communities in Ukraine to learn about the latter's experiences to be later adapted and applied back in their home TCs. Some of the visits were focusing on the cooperatives and tourism development, mainly the visits by business representatives. These study visits allowed the SMEs to learn from the experiences of their counterparts, develop ties, and apply the information gained to their own businesses.

***A business representative:***

*"During my visit to Poland, I was impressed by the effectiveness of their agricultural practices. It inspired me to start a cooperative in my community."*

- 7** **Publicity.** USAID DOBRE Program is regularly publishing news regarding its own and its partner communities' results. When it comes to highlighting the latter, it often shares the achievements of successful local businesses. This helps these businesses promote themselves and obtain recognition outside their community.

For more information on the benefits of each of these types of assistance, see "How Consolidated Communities Can Plan Their Sustainable and Inclusive Economic Development: A Report on the Experience of Applying the Local Economic Development Methodology in USAID DOBRE Program."

## SECTION 2. EXPERIENCE AND RESULTS OF USAID DOBRE PARTNER COMMUNITIES

The evaluation of the results USAID DOBRE partner communities achieved in engaging local businesses and supporting their development is based on the following interviews that were conducted by the Program team:

- Interviews with 46 representatives of communities in Ivano-Frankivsk, Kirovohrad, Ternopil, Chernivtsi and Chernihiv Oblasts. The evaluation was performed in 2022 in the context of martial law, meaning that its representativeness and scope were partially limited as partner communities from other targeted regions (Dnipropetrovsk, Zaporizhzhia, Mykolaiv, Kharkiv, Kherson) were affected by hostilities or were at high risk of hostilities and so were not included in the survey.
- Individual interviews with 20 experts who worked with USAID DOBRE partner communities, including program specialists and consultants assisting with LED planning, public space design, tourism development, cooperative development, business plan preparation, and property management.

Further breakdown of respondents surveyed is presented below:

- 12 representatives of Chernivtsi Oblast, 9 representatives of Ivano-Frankivsk, Ternopil and Chernihiv Oblasts and 7 representatives of Kirovohrad Oblast;
- 18 representatives of city TCs (TC's center is a city), 18 of town TCs (TC's center is a town/urban type settlement), and 10 of village TCs (TC's center is a village);
- 20 TCs from the fourth cohort, 9 TCs from the third and second cohorts each, and 8 TCs from the first cohort;
- 43 LSGB officials, 3 business representatives, including 1 head of a cooperative;
- All participants were members of LED WGs. Of these, 35 respondents indicated that they were very involved (attending all or most of their LED WG meetings and preparing the LED programs) and 11 indicated that they were involved (attending some of the LED WG meetings and discussing LED projects).

The results cannot be considered fully representative as it was not possible to include representatives from all USAID DOBRE partner communities in the survey. However, the respondents are familiar with the methodology and, having participated in the work of LED WGs, are aware of the current situation with LED in their respective TCs. In this sense, and given the scope of the individual expert interviews, we can consider the research to be sufficiently reflective of the experiences of USAID DOBRE partner communities.

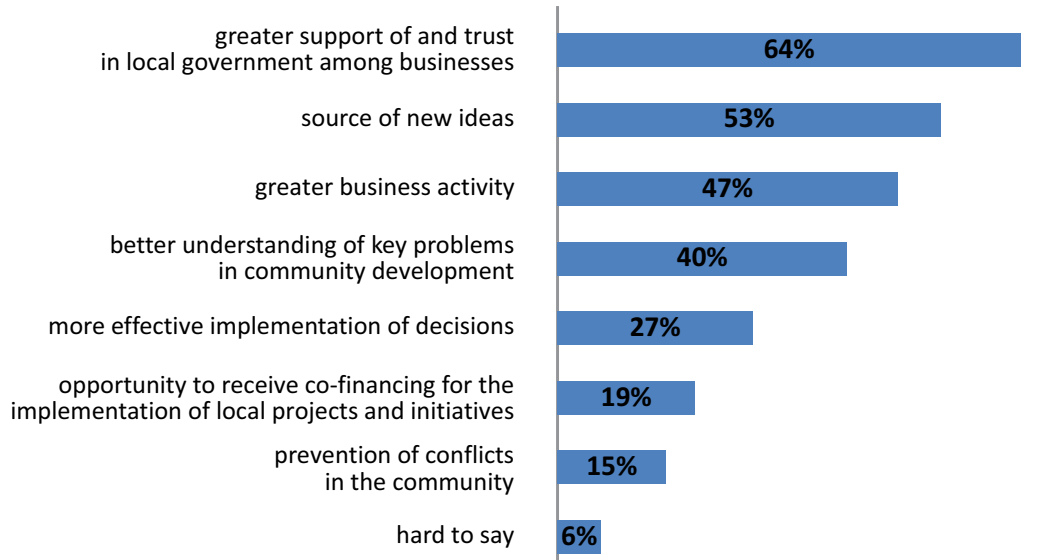
**Note:** *Further in the text we will show the % of the total number of responses to the question instead of the number of responses.*

The results of the survey show that TC representatives understand the need to engage business in local development processes and the benefits of business participation.

**An LSGB representative:**

*“By engaging businesses, we obtain a good insight into their problems and needs. This allows us to work and communicate towards achieving effective cooperation and results.”*

The respondents highlighted the following benefits of engaging businesses:



Each of the experts interviewed similarly mentioned the importance of engaging businesses and the significant benefits it entails. In their opinion, WGs having business representatives among its members are an important and successful mechanism for working in the communities.

**Expert:**

*“Engaging all stakeholders, especially businesses, allows us to get to know the community better and encourages cooperation and networking in the community. By participating in the working group, businesses and other stakeholders have been able to see that the government is open, willing to listen and make the necessary decisions. Without this cooperation, it is impossible to build a successful community.”*

The survey results show that in all of USAID DOBRE partner communities, businesses in general are engaged in local decision-making at varying levels. None of the respondents reported that the government is not cooperating with businesses. The figures below illustrate the level of business involvement in the decision-making process:

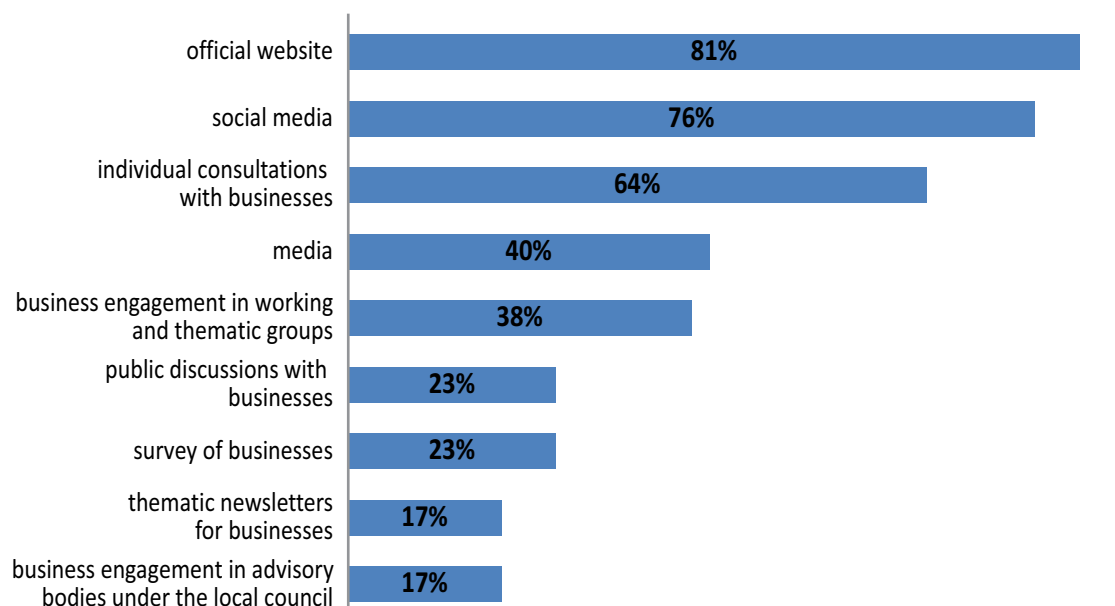
- **In 76% of the TCs, business representatives are members of local councils or executive committees.** This is the highest level of local business engagement in the decision-making, as business representatives are directly involved in the process. However, this indicator does not reflect the level of cooperation between local government and businesses per se, since in this case businesses themselves are also a part of the government;



- **Information is shared with businesses in 100% of TCs.** This is the lowest level of engagement, where the government simply informs businesses without asking for their opinion on the decisions it plans to make;
- In **47% of the TCs, business representatives are members of working and thematic groups** where decisions on specific local development issues are drafted and adopted;
- In **42% of the TCs, business representatives are invited to participate in consultations** (discussions, meetings, etc.) where decisions on specific local development issues are drafted;
- In **25% of the TCs, business representatives are members of advisory bodies under the local council** (e.g. Council of Entrepreneurs, Public Council, etc.). The engagement of business representatives in advisory bodies under local government is one of the highest levels of business engagement in decision-making. These bodies are established under LSGBs and operate according to approved regulations. They consult local government on policy implementation, prepare advisory decisions for the government to take into consideration, however the latter retains the discretion as to whether incorporate them in their final decisions. These bodies may also be tasked with the implementation of the decisions.

LSGBs need to further their work with local businesses and not only inform them about draft or final decisions but also involve them in the decision development or implementation. Recommendations for improving business engagement are provided in Section 3 of the Report.

According to the survey, the following channels were preferred by TCs for communication with businesses:



Respondents were also asked to rate the level of communication between local government and businesses in the community. The results are reflected in Fig. 3.

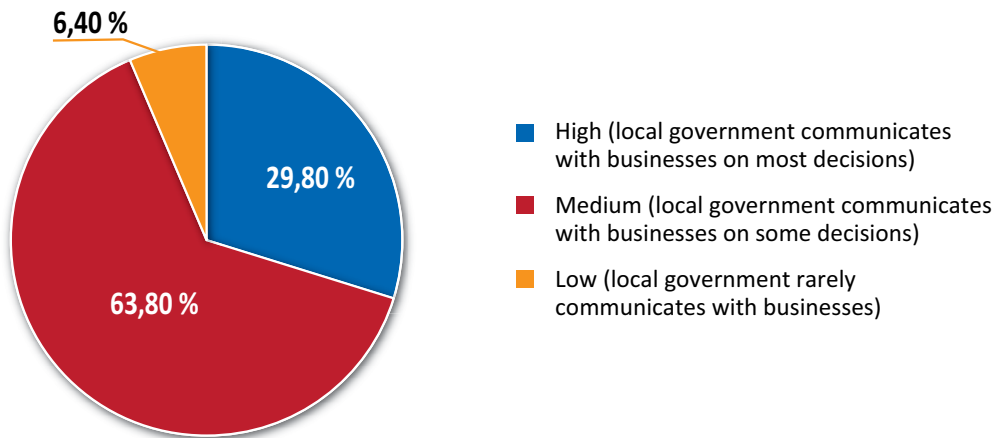
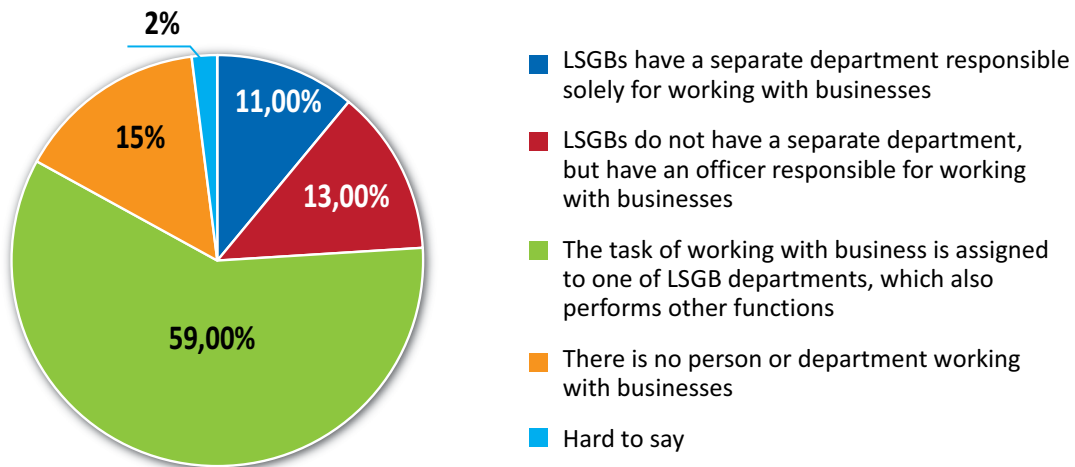


Fig. 3. Level of communication between local government and businesses

Responses to these questions revealed the preference among TCs towards simpler communication channels. Joint discussion, development and implementation of decisions is common only in a smaller part of TCs. In general, most TCs scored at the medium level of communication with local businesses, when the government communicates with businesses on some decisions. Communication on all important local development issues is still rare in the communities.

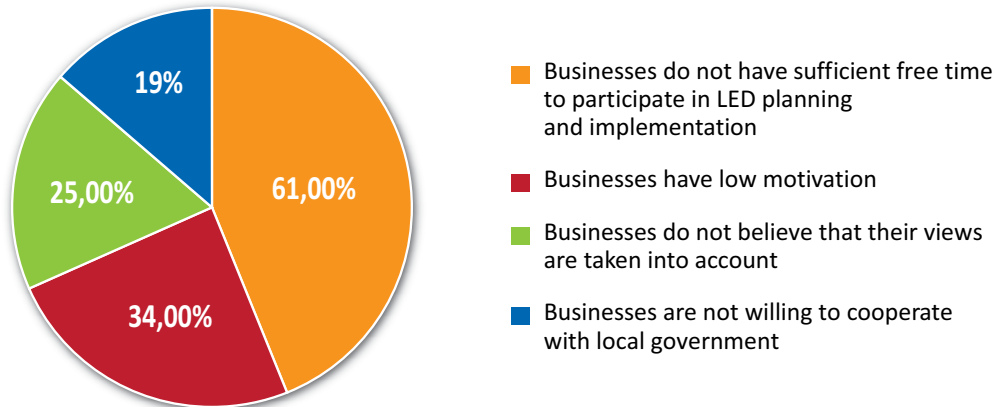
An important part of effective communication between local government and businesses is having focal points for this communication. The communities' results are presented below:



According to the results, most TCs have staff responsible for working with businesses. However, only 24% of the communities surveyed have officers or departments specifically tasked with working with businesses, while 15% of the TCs have no such person or department at all.

It is further important to consider the level of the initiative local businesses demonstrate towards decision-making. Local government can employ various engagement tools, but if businesses do not have the capacity and/or are not willing to be involved in local affairs, achieving cooperation becomes challenging. According to the survey findings, in 49% of the TCs business initiative toward LED policy planning and implementation was at the medium level, in 40% it was at the low level, whereas only 9% of the respondents indicated that the level of local business initiative is high.

When engaging businesses in LED, communities had cases where entrepreneurs did not come to WG meetings. The survey revealed the following key problems:



### Business engagement in LED implementation under USAID DOBRE Program

As part of the Local Economic Development component, USAID DOBRE team and local government sought to engage business as much as possible in the design and implementation of LED. Survey results illustrating business engagement level are shown in Figs. 4 and 5.

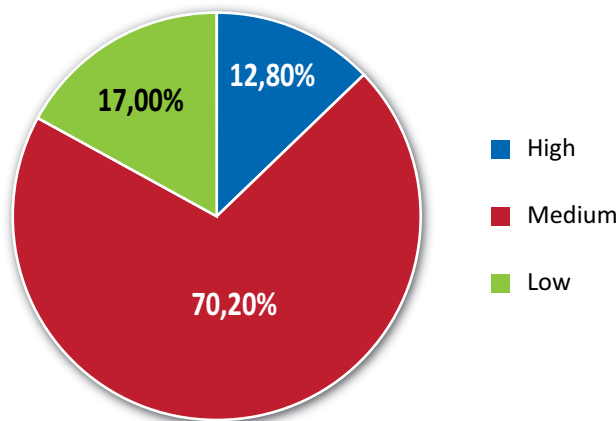


Fig. 4. Business engagement level in LED planning

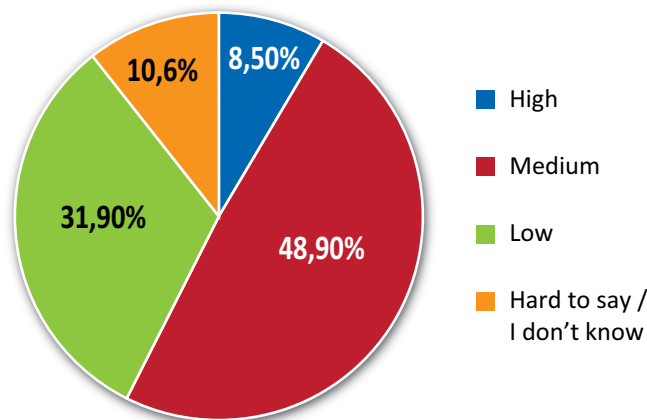


Fig. 5. Business engagement level in LED implementation

Responses indicate that higher level of business engagement level was observed in LED planning. When developing LED programs, LED WGs held series of workshops and meetings with the engagement of local businesses. On the other hand, the implementation of LED program projects was assigned to specific implementers, and mostly they were LSGB officials. At the same time, the implementation of projects on creation and/or development of cooperatives was usually assigned to business representatives. During the implementation stage, LED WGs did not need to meet; instead, the projects were implemented by the project team, which did not always include business representatives. This explains why the local business engagement level was lower at the LED implementation stage as compared to the planning stage.

### Business engagement in LED planning

The LED planning methodology under USAID DOBRE Program required the establishment of an LED WG that would be meeting to prepare the LED economic profile and program.

In general, 59% of respondents indicated the lack of business and/or public initiatives as an obstacle to LED planning. This is the second most important problem. 44% of respondents said that the lack of positive experience of cooperation between the government and business is another barrier to LED planning.

A selection of LED planning methodology and business engagement tools is provided below.

#### 1.1. LED WG

In general, local governments, together with USAID DOBRE team, were successful in engaging businesses to participate in LED WGs. In 78% of the cases, entrepreneurs attended LED WG meetings.

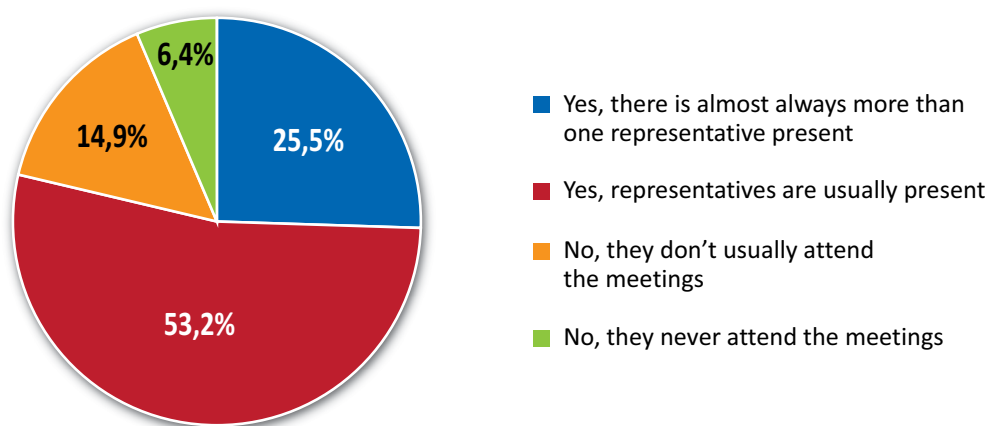


Fig. 6. Participation of business representatives in LED WG meetings

First to third cohort partner communities received no specific requirements for the establishment of WGs. Members of WGs were most often suggested by community leaders or their specialized deputy. This often led to positive outcomes since they knew local businesses and residents well, thus being able to recommend competent

could include the “right people” just to comply with the formal requirements of having business representation on the WGs. As a result, businesses often either did not attend WG meetings or were unable to suggest ideas. Most experts agreed that the WG members should not be handpicked. Working groups need motivated and competent people who are able and willing to participate in its work.

After several meetings in the form of an initiative group, the partner communities of the fourth cohort received recommendations as to the final membership of their WGs. The meetings were attended by representatives of various stakeholder groups, which enabled them to gain a better understanding of the nature and objectives of LED WGs. Those who had the opportunity and motivation to work in the WGs were selected as their final members.

**Експертка:**

*“A good example is the establishment of the LED WG in Nedoboivska TC, Chernivtsi Oblast. We held several online meetings with the community before approving the composition of the group. This allowed people to get to know each other better, understand the goals of the working group, and involve those who were really motivated to work. Only then the community’s working group was finalized and officially established.”*

The experience of several communities shows that it is advisable to include SME representatives on WGs, as representatives of large businesses generally did not attend the meetings. The LSGBs and USAID DOBRE team sought to engage representatives of large businesses in LED WGs, including an international automotive equipment manufacturer, one of Ukraine’s largest agricultural companies, a national grocery chain, and others. Large companies were mostly unmotivated to spend time on matters that did not directly benefit them. Thus, they did not join LED WGs.

The experts that we interviewed listed the following problems that they encountered while working with the members of LED WGs as the most common:

- Poor planning and late announcement of WG meetings by local government. The latter would often announce the meetings shortly before the date they were scheduled for. As a consequence, many entrepreneurs found it difficult to adjust their plans to attend the meeting. In addition, meetings were often scheduled for the time that was inconvenient for business.
- Business representatives were often reluctant to participate in the work, even though they were WG members. They were not willing to spend time on activity that would have little short-term benefit for their business. This confirms the earlier idea that it is not necessary to strictly follow the formal approach toward WG membership just to meet certain requirements, focusing instead on involving motivated people.
- Lack of prior positive experience of cooperation between local government and business. In the past most often the real needs of business were not considered, while most of the focus was on the vision of local government.

In general, according to the experts, the most useful initiatives from the perspective of community development came from business representatives. This re-iterates the

essential importance of business engagement in LED. Recommendations regarding the solutions to the problems that impede cooperation between local government and businesses can be found in Section 3 of the Report.

## 1.2. Economic profile and LED program designing

The vast majority of interviewed experts reported that entrepreneurs were not being involved in the preparation of communities' economic profiles or in the design of the LED programs. Instead, this part was performed by local council officials. Considering the structure of the economic profile, business engagement is impractical as it can rarely provide the information that is sought. The same can be said about the design of LED programs. These should be the responsibility of local council officials, while the role of the businesses is to suggest project ideas and make recommendations.

The majority of the interviewed experts further reported that their most successful part was helping communities engage local businesses in LED planning. Businesses became very active and involved in the planning of projects when they were able to see their benefits.

### **Expert:**

*"The DOBRE Program helped the government and business in many communities better to understand each other and the opportunities that can be created by working together. By cooperating we were better able to define the vision for the future development of the community."*

## Business engagement in LED program implementation

Because most LED program projects were focused on creating an enabling environment for community development rather than on supporting specific businesses, in most cases businesses were not engaged in project implementation. This role was assigned to LSGB officials. An exception were projects that sought to launch and develop cooperatives. These were implemented together by the government and cooperative members.

The implementation of LED projects did not require co-financing from the businesses. Nevertheless, **38% of respondents reported that local businesses co-financed LED projects**. This is a positive fact that demonstrates the support and interest of businesses in the community development.

While the implementation was ongoing, the government had been continuously communicating the progress of this phase. **49% of respondents said that the positive impact of LED projects was precisely this improvement of communication between local businesses and government**. According to respondents, the improved communication is the most important of the positive effects that LED projects had on the community.

To summarize the results of the survey and interviews, we can conclude that USAID DOBRE team has been largely successful in helping local government officials establish communication with local business representatives. They believe that government and businesses are more united and understand each other better.

However, in most TCs communication with businesses is still at the medium level, with the government communicating only with regard to some decisions. Communities still lack the practice of communicating on all important business-related decisions. And businesses are not always engaged in the decision-making process.

**Expert:**

*“Success in supporting communities depends on people and their motivation. If the working group consists of motivated and competent people, the results will undoubtedly be achieved. The DOBRE Program helped to “train” such people in the communities.*

The experts also reported misunderstandings occurring between local government and businesses. The following are among some of the common examples of these misunderstandings:

- Different understanding of who the final beneficiaries of the project implementation are. Often, individual entrepreneurs wanted to personally benefit from the project (by receiving equipment, materials, etc.), and local government proposed projects that would instead purchase equipment for municipal companies. For example, local government proposed projects such as a community bakery and café. In reality, these examples (a bakery or a café as well as some other projects proposed) are a very uncommon trade for municipal companies and normally are much more efficiently managed by private businesses.
- Local government in LED projects prioritized the use of funds on infrastructure rather than directing them to businesses. For instance, one of the types of projects implemented by communities was the creation of public spaces with spots for SMEs. In many cases local government would rather opt in favor of spending most of the funds on paving the area of the space, buying benches and garbage cans, setting up children’s playgrounds and sports grounds. At the same time, it allocated fewer funds for business needs (purchasing retail booths and providing lighting for their locations, etc.). This often led to lengthy discussions between local government and businesses, where they were trying to agree on how the project should be configured.

USAID DOBRE team often acted as a facilitator in such situations, helping to resolve misunderstandings between government and individual entrepreneurs.

**Expert:**

*“DOBRE team launched a ‘peacebuilding mission’ to establish cooperation between local government and businesses.”*

In general, it is difficult to say with certainty to what extent USAID DOBRE team succeeded in helping local government establish regular bilateral communication with business representatives. This would have been possible if the level of cooperation between government and business had been measured at the beginning and end of the program activities.

Nonetheless, the majority of the interviewed experts agreed that the most important thing to come out of the implementation of the Local Economic Development component of USAID DOBRE Program was a change in the attitudes of LSGBs and businesses toward each other. Many experts reported that at the beginning of their work, businesses were rather unmotivated to participate in WGs. The government, on the other hand, did not try to engage business as much as possible because it did not see the need for or benefit of doing so.

**Experts:**

*“At the beginning of our work, businesses had very little motivation to engage in cooperation. They did not believe in the sincerity of local government to do anything for businesses. There were cases where we ourselves had to take contacts and go to meet local entrepreneurs in person. We collected their project ideas and presented them at a working group meeting. Once individual project ideas were approved, we invited entrepreneurs to discuss them. When the businesses saw that their opinion was taken into account, they became motivated and joined the work later on.”*

*“Initially, local government did not see the need to engage businesses in the working group. The government would often say ‘We are the government, and we know better.’ However, when we finally convinced them to invite more entrepreneurs to the working group meetings, the government realized that businesses have many nontrivial and interesting ideas that can really benefit the community. The authorities realized that businesses are not only interested in ‘making money’ but are also willing to contribute to the development of the community.”*

Experts say that thanks to the effort of the USAID DOBRE team, communities became more aware of the importance and needs of businesses.

**Expert:**

*“The Program helped to bridge the gap and launch the cooperation between the communities and businesses. Through this engagement, businesses saw that community leaders want to listen to them, are interested in their development, and are willing to consider their ideas.”*

It is worth noting that in each community USAID DOBRE also had a team of Community Engagement component working with residents to increase their participation in and active stance toward discussions and decision-making. Some manuals on this subject can be found on the links below:

- [Active Stance among Youth and Their Engagement in Community Development.](#)
- [Budget for Citizens 101.](#)
- [Roadmap for Implementing Participatory Budgeting.](#)
- [From Anti-Corruption to Integrity: Effective Tools for TCs.](#)



## SECTION 3. IMPROVING BUSINESS ENGAGEMENT AND SUPPORT OF LOCAL BUSINESS DEVELOPMENT: RECOMMENDATIONS

The recommendations on how to improve business engagement and support of local business development were made drawing on the following:

- Code of Good Practice for Civil Participation in the Decision-Making Process;
- Survey conducted among 46 representatives of USAID DOBRE partner communities in Chernivtsi, Ivano-Frankivsk, and Ternopil Oblasts;
- Interviews with 20 experts of USAID DOBRE Program;
- Experience of the Report's author, who has been working with 18 communities as a consultant on LED planning and with two partner communities as a consultant on the development of business financial assistance programs under USAID DOBRE Program.

Business engagement in decision-making is a complex but necessary process. Entrepreneurs are usually busy people who value their time and want to see results of their work. This underscores the need for cooperation with businesses to be well organized. It is important to choose time efficient tools that would also allow the entrepreneurs to feel the impact of their participation as well as see the results. Entrepreneurs volunteer to participate in the design and implementation of local policies, so their time shall be used to maximum advantage.

As part of the survey, respondents were asked questions to gauge their opinions on what needs to be done to improve the planning and implementation of LED initiatives in communities. A third of respondents pointed to the need for better cooperation with businesses. This speaks of the willingness of local government to work with businesses and of its understanding of the benefits such cooperation can bring.

Below are presented the recommendations on how to improve local business participation in decision-making and support for SME development. These recommendations will be most useful for LSGBs, the Government, donors, and implementers of ITA programs and projects.

### **Recommendations for engaging and working with businesses in TCs**

The types of support for SME development need to be determined through discussions and consultations with local business representatives. It is important that all decisions to support business development are made with due input from the businesses themselves.

A survey of local businesses should be completed before commencing any work on any decision. This will serve as the basis for identifying the real problems and needs of SMEs in the community. The survey can be arranged as a questionnaire distributed to entrepreneurs or through Google forms.

The practice of conducting similar surveys is common among the majority of TCs that worked on the Community Development Strategy and conducted surveys of residents and businesses to find out their perceptions of current problems and priorities for the community development. The survey questionnaire was designed to assess all areas of the community life. For survey of businesses, it is necessary to prepare other questions related to the specific needs of their development.

LSGBs are further recommended to perform an annual survey of businesses to identify their problems and development needs. An example of how to conduct such a survey is [Urban Competitiveness Index](#) [6], a Research Methodology Manual of USAID Competitive Economy of Ukraine Program. The methodology should be simplified for small TCs. An example of a questionnaire for the annual survey of businesses is provided in Annex 2 of the Report.

**Expert:**

*“Focusing on the business needs is always necessary. It is worthwhile to conduct surveys to gauge opinions of businesses at all stages of decision planning and implementation. It doesn’t have to mean large sociological surveys. Even short surveys on a website or in social media will serve the purpose.”*

**Business engagement is important at all stages of the decision-making process, and the following tools can be used at each stage:**

- 1. Setting the agenda.** At this stage, it is necessary to develop and maintain transparency in the decision-making process and provide the business with relevant and timely information in a simple form. It is necessary to keep the business motivated and to ensure they regularly provide feedback. The following tools can be used:
  - Survey/research to identify problems that need to be addressed;
  - Outreach campaigns to identify the problems and priorities of local businesses and ways to address them;
  - Easy, open access to critical, timely information about planned decisions and communications;
  - Consultations and discussions, both in-person and online, to gather input/suggestions from businesses;
  - Public events (roundtables, discussions) to identify and analyze the interests of different parties;
  - Advisory bodies – working groups and thematic groups – for consultations and priority setting. The bodies are recommended to have an approved membership and regulations laying down their procedures.
- 2. Developing a draft decision.** At this stage, it is necessary to provide timely and comprehensive information to businesses about the decision-making process and to organize public consultations ensuring business participation. The following tools can be used:

- Easy and open access to important and relevant information on draft decisions, results of public consultations, etc.;
- Public events (roundtables, discussion sessions) to develop draft decisions. These can be formal events as well as informal meetings such as “Coffee with the Chairman,” “Business Buffet,” etc. The format is optional as the key goal is to collect ideas and suggestions for drafting decisions;
- Meetings of advisory bodies – working and thematic groups – to develop draft decisions.

**3. Adopting the decision.** At this stage, it is necessary to:

- Provide access to information regarding the decisions to be made;
- Ensure that public consultations, discussions, debates, etc. are held to discuss draft decisions;
- Respond to suggestions before adopting a decision.

**4. Implementing.** At this stage, it is important to keep businesses informed about the decision implementation, meet implementation deadlines, and respond to any concerns that may arise in the process. To further support this stage, supervisory boards may be established for coordination purposes. It is important to ensure maximum engagement of businesses in the implementation of projects and activities.

**5. Monitoring.** At this stage, it is necessary to communicate and publish the results of the decision implementation and respond to any questions or concerns that businesses may have. The following tools can be used:

- Gather facts and statistics on the outcome of decision implementation;
- Evaluate the progress and results of decision implementation;
- Obtain feedback through surveys, opinion polls, etc.;
- Set up a working group to evaluate the decision implementation and its results.

**6. Re-formulating starts a new decision-making cycle.** At this stage, it is necessary to inform businesses about possible decision revising and the changes envisioned, to ensure the participation of businesses and to respond to their suggestions. The tools recommended for this stage are the same as for at the agenda setting.

To achieve maximum effectiveness in decision development process, it is necessary to engage **motivated entrepreneurs** who are willing and able to participate. The practice of USAID DOBRE partner communities shows that in those of them which had little experience of local government and business working together, entrepreneurs were quite unmotivated. On the other hand, when the government engages with businesses, when entrepreneurs see the results of their work and that their opinions are taken into account, their motivation level rises. Business motivation further depends on the level of support they receive from local government. When businesses feel supported, when local government listens and responds to their problems and solves them, they are in turn motivated to cooperate.

Entrepreneurs are used to seeing results, so working with businesses should be well organized. The experience of USAID DOBRE partner communities shows that the advisory bodies – working and thematic groups established to deal with critical problems of local development – are an important tool for generating solutions to these problems. The following recommendations may be useful in engaging motivated entrepreneurs and organizing advisory bodies:

- Make a public announcement regarding an advisory body being established so that entrepreneurs can volunteer to participate on it. The announcement should include the information regarding the nature, tasks, and format of such body and expectations for its work. The announcement should be posted on all possible community resources (official website, social and conventional media, bulletin boards, etc.).
- Inform entrepreneurs individually about the body being established. Useful in this regard would be to have a database with contacts of local entrepreneurs in order to send them individual mailings inviting to participate in the work of the advisory body. The task of informing the businesses, where possible, should be assigned to community leader or their deputy. It is important to explain in detail the need for business involvement, justify the benefits, and explain the expected outcomes.

**Expert:**

*“The experience of many communities, especially rural and small-town ones, speaks of the importance of keeping businesses informed by community leadership. It is very good if the community leader or a specialized representative personally informs ] businesses about work getting started on an initiative, if this is possible, of course. Businesses often are unlikely to respond to messages from non-leadership LSGB officials and website notifications regarding planned activities. It is important for businesses to understand that the initiative comes from the leadership, who are responsible for the final decisions, and it’s the community leadership that is interested in working with businesses.”*

- Hold a meeting of an initiative group, ensuring participation of the entrepreneurs who agreed to join the advisory body. At the meeting discuss the expectations for the body as well as the draft regulations governing its work, such as goals, responsibilities and rights of members, the format of its work, etc.
- Proceed to officially establishing the advisory body by a decision of the local council, approve its regulations and membership. This will ensure the required “status” and influence for the body. It will further help entrepreneurs understand that they have the authority to develop draft decisions, that local government is interested in their work, and that it will consider their suggestions when making the final decision.
- Create a work plan for the advisory body and adhere to it as closely as possible. It is important for entrepreneurs to understand their level of engagement in order to plan their time.

- Ensure effective operation of the advisory body: keep minutes of meetings, record their outcomes, identify responsible parties, and set deadlines for tasks. Review their implementation status at each subsequent meeting. It is critical for the meetings of the advisory body not to become a “discussion club” for discussing problems, but to produce decisions and address important matters of local development.

An important aspect of cooperating with businesses is **planning and holding events** (consultations, discussions, meetings of working and thematic groups, etc.). Entrepreneurs are usually busy people who value their time and plan their work in advance. Thus, it is necessary to ensure they have the opportunity to participate. Below are some recommendations that are drawing on the experience of working with USAID DOBRE partner communities in planning and conducting events:

- Set up a convenient schedule of events. This is particularly important in rural areas, where it is difficult to engage farmers during planting or harvesting seasons. Finding the right time for an event that would be convenient for every entrepreneur might be challenging, of course, and plans are often prone to change. Nevertheless, the experience indicates that the best time to plan for in advance is the beginning or the end of the working day, while avoiding scheduling for the middle of the working day.
- Communicate the date and time of meetings to businesses in advance. They should normally be notified at least 2-3 business days prior to the date of the meeting.
- Prepare an agenda in advance. It is important for businesses to understand what will be discussed at the meetings so that they can think about their suggestions.
- The recommended duration of the event is 1-2 hours. Experience shows that it is difficult for entrepreneurs to find more time. Furthermore, the effectiveness of meetings after two hours starts falling.
- The recommended frequency is at least once per quarter, but not more often than once per month. Events can be held more frequently where decisions need to be made quickly.

Another recommendation is to maintain continuous operational communication with local entrepreneurs at every stage of the decision-making process to gather their opinions and suggestions. Working chats (on Telegram, Viber, WhatsApp, etc.) will be useful where faster communication is necessary. Typically, such chats are created and managed by a person responsible for working with businesses or, in their absence, by an Economic Development Department employee.

## Recommendations for LSGBs on the support of local businesses

### Important

.....  
*The [Law of Ukraine "On Development and State Support of Small and Medium-Sized Enterprises in Ukraine"](#) [1] governs the legal and economic framework of state policy in the sphere of SME support and development and lays down the types of support available. It can help LSGBs identify tools for supporting local businesses.*  
.....

1. Designate persons responsible for working with local businesses. For LSGBs it is important to establish a separate department for supporting local SMEs or at least appoint a person to be responsible for this area. It could be a business coordinator or a local business advocate. In small communities where there are not many businesses and little capacity to have a separate person working with these businesses, the functions in question may be assigned to an LSGB official, usually from the Economic Development Department. It is important that at least 50% of the official's time is allocated to working with businesses. Having someone at local government responsible for working with businesses will help establish better communication between them and will help meet their needs. Officials responsible for working with businesses can perform the following tasks:
  - Conduct surveys, analyze their results, and produce recommendations to address problems of businesses;
  - Organize and host meetings and consultations with businesses;
  - Provide information on problems related to the operation and development of SMEs;
  - Provide consulting support to businesses;
  - Design and implement local SME development programs;
  - Prepare and implement projects on bidding for external funding of business development.
2. **Adopt local SME development programs with specific support tools:**
  - **Financial assistance.** LSGBs can provide both refundable and non-refundable financial assistance to businesses, both directly and through local business support funds. Financial assistance may be provided as vouchers, subsidies, grants, loans and credits, partial or full reimbursement of interest on loans, guarantees and payments for the use of loans, and other types of financial assistance not prohibited by law.
  - **Information support.** Access to current information is essential for business development and management decision-making. According to the experience of working with businesses in USAID DOBRE partner communities, entrepreneurs from small communities often have limited access to information. This is especially acute for small businesses or for individual entrepreneurs who are directly involved in business operation and do not have enough other managers on staff to fill in for them. They are interested in information about

support opportunities (financing, education, consultations, etc.); changes in legislation; marketing and new markets available for entry; SME support institutions that can provide business support.

In view of that, among other things, LSGBs are also recommended to inform businesses through their official websites, social media pages, working chats, newsletters, etc. to ensure the functioning and development of SMEs.

- **Consulting support.** To increase the number of SMEs in the community, local government can encourage business activity and provide residents with information and advice on how to start their own business. It is also important not only to inform existing businesses about opportunities and news, but to provide them with further guidance and advice. LSGBs, through their designated persons, should be the focal point for entrepreneurs to contact when they need help or consultation. Of course, it is impossible for these designated persons to know answers to all possible questions. It is thus important to also know and have contacts of experienced consultants and SME support institutions that local businesses can turn to for consultation. SME development programs should include funding to cover the cost of these consultations.

The following resources will be useful in helping to find qualified SME consultants: [Diia. Business](#) [3], [MERZHA Online Platform of Expert Decisions](#) [12], [National Small and Medium Enterprises Platform](#) [11], [Network of Business Information Support Centers](#) [10], [EU4Business Initiative of the European Union](#) [5], etc.

- **Support in employee training, retraining, and professional development.** To this end, LSGBs may establish business incubators, training workshops, and training and practice centers at educational institutions and enterprises; foster cooperation between businesses and educational institutions in the development of training curricula with due consideration of national education standards; and promote participation in international experience sharing programs.
- **Development of SME support institutions,** such as business support organizations, entrepreneur associations, business centers, business incubators, advisory bodies, entrepreneur support funds, etc. The main goal of these institutions is to promote the development of SMEs. Such institutions work directly with businesses, are flexible and can respond quickly to business problems and needs. Therefore, LSGBs may delegate some of its powers to them, for example, in implementing certain measures of local SME development programs.

***From USAID DOBRE Program experience:***

*“The experts we interviewed, among other LED tools implemented by the Program partner communities, highlighted the cooperatives, public spaces with infrastructure for SME trade, and co-working workshops as having the greatest contribution to local business development.”*

3. **Arrange visits to other communities for experience sharing.** This will allow entrepreneurs to measure whether their ideas are realistic, to learn about the successes and challenges of their counterparts, to network, and to implement best practices in their operations. Such visits often inspire new approaches to business development.

4. **Promote local businesses.** Support for the development and promotion of local products would be useful, helping to open new markets and increase sales.
5. **Simplify the procedures for permits and approvals as much as possible** so that entrepreneurs spend less time obtaining them.

The types of support should be selected based on the survey of local businesses and should be developed with their involvement. This approach will ensure that tools are relevant to local entrepreneurs. When providing support, it is necessary to ensure equal opportunities and procedural transparency.

### **For the Government the following is recommended as priority actions in supporting business development in the TCs:**

1. **Develop a comprehensive government policy for SME development support**, allowing for better coordination of efforts between different levels of government. To that end it is necessary to:
  - Develop and approve the National Strategy for SME Development in Ukraine and reconcile it with the National Strategy for Regional Development for 2021-2027;
  - Develop and approve sector-specific national business support programs to implement and achieve the goals of the National SME Development Strategy;
  - Provide funding for sector-specific government programs of support for businesses. Such programs may entail the following:
    - a) Providing direct financial assistance to businesses, primarily non-refundable;
 

***While work on this Report was in progress, the Cabinet of Ministers of Ukraine approved the eRobota program of non-refundable grants for new and existing businesses [4].***
    - b) soft business support measures: information sharing, training, consulting support, etc. USAID DOBRE Program experts prepared a number of manuals and training materials on creating a favorable economic environment for businesses in communities:
    - c) Providing funding to LSGBs to implement local SME development programs.

To ensure fair competition for funding and equality of opportunities for the bidders, it is vital to develop transparent competition procedures. It is further necessary that state program funds are provided in the form of co-financing and cover 50-90% of the applicants' expenses.

2. **Harmonize planning levels and planning documents.** As of now in Ukraine there is no unified and coordinated system of planning documents in place. Many communities rely on the so-called traditional package: the strategy, the socio-economic development program, and targeted programs. The format and structure of these documents vary from one TC to another. They are often uncoordinated, being developed only to meet regulatory requirements or to attract external funding.



In addition, TCs participating in ITA programs and projects develop other planning documents. Different donors may often have different requirements for the same document. Communities spend a lot of time preparing these documents but not always understand their purpose. Agreeing on the levels of planning and clarifying planning documents for each of the levels can help bring the required harmony. The results will ensure unified and well-coordinated national, regional and local policies. Planning levels and corresponding planning documents can be envisioned as follows:

- Strategic level: 7-year planning horizon. Planning documents at this level may include a mandatory general community development strategy and strategies for the development of specific areas (e.g., SME, tourism, education, etc.), which may be optional;
- Operational level: 3-year planning horizon. Planning documents at this level may include a socio-economic development program and/or a sector-specific development program for a particular area (e.g., SMEs, tourism, etc.). These documents should correspond to the documents at the strategic level, serving their implementation and achievement of goals, and should have provisional amounts and sources of funding clearly defined;
- Tactical level: 1-year planning horizon. Planning documents at this level may include local target programs and/or plans for the implementation of sector-specific programs. Such programs are designed to provide a specific amount of funding for a given year. These documents are adopted to implement and achieve the goals and objectives of the operational level planning documents.

**3. Provide guidance support for LSGBs.** The Government should be tasked with preparing guidance and manuals for LSGBs on the policy of engaging local businesses in decision-making and supporting SME development. The recommendations to achieve this end are as follows:

- Prepare guidance on the development, approval, implementation, monitoring and evaluation of planning documents, as well as on their structure. This will help significantly decrease the number of additional planning documents TCs develop, ensuring also that all of them work with the same standard documents. The primary focus should be on program documents, as the Ministry of Community and Territorial Development of Ukraine already has guidance on TC development strategies. Planning documents should be simple enough and contain only actually required information;
- Develop manuals on the implementation of various types of business support outlined in the Law of Ukraine "On Development and State Support of SMEs in Ukraine." Particular importance should be given to financial assistance for businesses, as LSGBs are often afraid of providing it since errors may be considered violation of law;
- Develop and approve the Model Regulations on the Council of Entrepreneurs under LSGBs. This will further help to improve engagement of businesses in decision-making.

- 4. Ensure that obtaining permits and licenses is deregulated, simple and fast.**  
Businesses should be freed from lengthy dealing with state authorities and instead spend more time on their development.

## **Recommendations for attracting businesses and supporting their development in TCs for donors and implementers of ITA programs and projects**

For donors and implementers of ITA programs and projects the priority should be on helping LSGBs and the Government in the support of local business development. Recommendations on how to make this support more effective and tailored are listed below.

### **1. Recommendations for the support of businesses in TCs:**

- When working on business development projects in TCs, set up advisory bodies with both LSGB and business membership. These bodies will coordinate the planning and implementation of projects at the community level;
- Tailor the support of businesses in TCs to their needs as identified through a survey. The support mechanism should be developed with the involvement of both LSGB officials and local entrepreneurs. This is an important precondition to ensure that the choice of support is relevant and useful for businesses;
- ITA programs and projects often mean only the so-called soft business support in the form of information sharing, training, consultations, study visits for experience sharing, etc. At the same time, hard business support is required too and is recommended, including the direct financial assistance. This can be either co-financing for the implementation of specific business development projects or assistance in the form of materials, machinery, equipment, etc.

### **2. Recommendations for the implementation of ITA programs and projects:**

- The experience of USAID DOBRE Program shows that community representatives often lack ideas for development projects, or vice versa, project ideas in some communities are too ambitious. In light of that, experts assisted the program participants with suitable examples. Exchange study visits may be further useful for inspiring ideas and ensuring project feasibility. Best international and Ukrainian practices need to be adapted to the situation on ground in each particular community. Models that work should be used as much as possible;
- Many ITA programs and projects put most of the focus on the development of planning documents and less emphasis on their implementation. At the same time, the latter should receive more support as this is where more difficult challenges arise;
- Avoid introducing too many new planning documents in communities and try complementing existing policies or programs with new developments as much as possible. This is where flexibility is very important;

- All ITA programs and projects have predefined activities and expected results. At the same time, during the implementation it is important to continuously monitor community needs. Avoid opting for simple decisions in this regard. Any modification should be introduced only after the situation in a particular community has been analyzed. This is an important part and project plans need to be adjusted according to the community needs if some preselected activities become unnecessary;
- Engage external consultants as facilitators for project planning and implementation in TCs. Having no interest in advocating some specific project over others, they can help identify the most realistic and viable ones. In addition, LSGB officials do not always have the necessary knowledge and competencies to resolve all the problems they face, thus further highlighting the need to seek the assistance of external specialists;
- Optimize procurement procedure to make it faster as prices for goods, work, or services are prone to dynamic changes in view of currency fluctuations and other factors. These can result in the need for budget modification, which can delay project implementation and reduce the motivation of community representatives.

It should be noted that these recommendations on how to improve engagement and support for local business development were designed for the time of peace. The question of business support during a war and post-war reconstruction was beyond the scope of this Report. Nevertheless, some recommendations can still be useful and can serve as a foundation to develop mechanisms for supporting businesses during and after the war.

# CONCLUSIONS

The main purpose of the Local Economic Development component of USAID DOBRE Program is to build the capacity of LSGB officials in LED. Partner communities were supported in LED planning and in the implementation of individual projects on creating an enabling ecosystem for business development.

Although engagement of local businesses was not the primary goal of the component in question, the Program team sought to engage and support local entrepreneurs in the LED processes as much as possible. Planning quality LED without involvement of local businesses, especially without SMEs, is impossible. The Program also provided support to communities in the implementation of projects aimed at the establishment of enabling business environment. These projects have little value if the opinions and suggestions of businesses are left unheeded.

USAID DOBRE Program provided comprehensive support to partner communities in creating an enabling ecosystem for business development, including consulting support in the LED planning process; co-financing for LED projects; guidance, training, and information; individual expert consultations at the request of LSGBs, etc.

Engaging local businesses according to the methodology of the Local Economic Development component of USAID DOBRE Program entailed their involvement at two stages:

- ④ LED planning. Each community established an LED WG with local business representatives among its members. The WG's role was to develop the LED program and perform other tasks in accordance with the methodology.
- ④ Implementation of LED programs. Entrepreneurs were involved in the implementation of certain priority projects of the program. Local businesses could also provide co-financing for project implementation.

The survey results show that the level of business engagement at the LED planning stage was higher than during the implementation. LED planning took place during meetings of the working groups where businesses were represented, whereas the implementation stage of the LED program did not entail WG meetings. Instead, the projects were implemented by the project team, which was composed mainly of LSGB officials and not always included entrepreneurs.

In general, the results of the survey of TC representatives show that USAID DOBRE team has been successful in helping local government to involve businesses in the LED, with 78% of respondents reporting that entrepreneurs participated in the work of the LED WGs.

However, 40% of the respondents reported that businesses demonstrated poor level of initiative in the LED process, and 59% of respondents further noted that this was an obstacle to LED planning. This leads to a conclusion that local government understands the importance of business engagement in LED as well as the benefits of having entrepreneurs participating in the process.

While 40% of respondents reported that the entrepreneurial initiative in the LED process was low, as mentioned above, almost the same number (38%) stated that local businesses provided co-financing for LED projects. Since co-financing by businesses was not a precondition for participating in LED projects under USAID DOBRE Program, this fact may mean that businesses are in fact interested in community development and are ready to contribute to the implementation of useful initiatives.

Another interesting finding is related to the cooperation between local government and entrepreneurs: 44% of respondents indicated that the lack of positive experience of such cooperation is an obstacle to LED planning. And now this experience has been accumulated through the involvement of businesses in WGs. Furthermore, nearly half of the respondents (49%) reported that the positive impact of LED projects also improved communication between local businesses and government. From here we can draw a conclusion that the implementation of LED projects enabled the communities to develop better cooperation with local entrepreneurs.

This view is supported by the results of interviews with experts who worked with the Program's partner communities. They believe that government and businesses are now more united and understand each other better. The majority of the experts interviewed agreed that the most important effect observed from the implementation of the Local Economic Development component of USAID DOBRE Program was the shift in the attitude of LSGBs and businesses toward cooperation. At the beginning, the business community was rather unmotivated to participate in the LED. The government too was reluctant to engage businesses as much as possible as it did not see the need or benefit of such engagement. These obstacles were eliminated with the help of USAID DOBRE team's work. The government and businesses were able to understand that they could do a better job of planning and implementing initiatives if they worked together.

In general, most of the Program's partner TCs maintain their communication with businesses regarding the latter's engagement in the decision-making process at the medium level, communicating only with regard to some decisions. In all communities, local government uses a variety of channels to inform businesses about the decision-making matters. Only a small number of TCs practice consultations and joint decision-making. Communities do not maintain regular communication regarding all of the important business-related decisions. Businesses are further not always engaged in the decision-making process.

LSGBs need to develop better cooperation with local businesses and not only inform them about projects or decisions after the fact but also involve them in their discussion and implementation. Further attention should be devoted to the use of such tools as consultations with businesses, public events and establishment of advisory bodies for joint preparation and implementation of decisions.

The system of cooperation with businesses needs to be organized more efficiently. It is important to choose tools that are not too time consuming and at the same time that allow the entrepreneurs to feel the impact of their participation and see results. The experience of USAID DOBRE partner communities shows that when businesses feel supported, when local government heeds and responds

to businesses' needs and solves them, entrepreneurs are more motivated to cooperate.

LSGBs are recommended to maintain continuous communication with local entrepreneurs and design specific support for them into each business development program. It is important to determine the types of support based on the survey of local businesses and consult with them during the design. Diligence at this stage will mean that the entrepreneurs will have at their disposal only relevant tools of support.

# ANNEXES

## USAID DOBRE Program Final Evaluation of Business Engagement in Key Activities Based on LED Methodology

Task / Measure	What worked well and what should be replicated or expanded to other communities?	Why did this activity work well?	What results were achieved by this activity?	What did not work and why?	What changes should be made to improve results?
<b>Business engagement in key activities at the LED planning stage</b>					
Establishment of LED WGs	LED WGs with business members proved to be a useful and necessary tool at the disposal of TCs.	Business engagement in LED WGs allowed to: <ul style="list-style-type: none"> <li>Improve cooperation between local government and businesses;</li> <li>Generate more ideas for economic development projects;</li> <li>Spur more active participation of local businesses in the development and implementation of LED.</li> </ul>	An inclusive LED WG with local business representatives established in each TC. 78% of survey respondents reported that local entrepreneurs had been attending LED WG meetings.	Of all the target groups, business representatives are the most difficult to engage into the working group. In most TCs, WGs were able to engage only a few entrepreneurs, mostly two or three persons. The following are the most common challenges in engaging businesses: <ul style="list-style-type: none"> <li>Entrepreneurs do not have enough time to work on WGs;</li> <li>Businesses have low motivation for joining WGs.</li> </ul>	To improve business engagement in LED WGs, it is necessary to: <ul style="list-style-type: none"> <li>Make the process of WG forming public;</li> <li>Inform local entrepreneurs personally about a WG being formed;</li> <li>Officially establish the WG and approve its membership.</li> </ul> It is further necessary to ensure efficiency of how LED WGs work and to schedule their meetings in advance.
Preparation of community's economic profile	Economic profiles were prepared by LSGB officials. They collected the necessary information and consolidated it into an economic profile template. Economic profiles should be prepared without entrepreneurs.	Preparing an economic profile is necessary as it allows to collect and consolidate within a single document all information on TC's key resources and capabilities. This process was simplified by the use of an economic profile template.	All TCs prepared an economic profile.	Business representatives were not part of economic profile preparation. This work doesn't require their involvement. Instead, it should be done by LSGB officials.	The economic profile template should be further simplified. It should include only the information that can be used by potential investors in deciding whether to invest. Business engagement in the economic profile preparation is recommended only when collecting information on available land and premises that can be used for economic activity.
Design of LED programs and economic development projects	Ideas for economic development projects under LED programs were collected during meetings of WGs, while further design of the projects and programs was managed mostly by LSGB officials alone.	The process of designing LED programs, where businesses provide ideas and recommendations and LSGB officials prepare the program, has proven to be effective. Further efficiency of the work was accomplished by the use of a simple and clear LED program template.	All TCs prepared an LED program that included a list of economic development projects. The survey results disclosed the following levels of business engagement in LED planning in TCs: <ul style="list-style-type: none"> <li>High – 13%;</li> <li>Medium – 70%;</li> <li>Low – 17%.</li> </ul>	In most cases, entrepreneurs could not be directly involved in the design of projects for LED programs as they were not among the project implementers.	Survey the representatives of all local businesses to identify more project ideas for LED programs. Entrepreneurs who are not members of LED WGs should have the opportunity to suggest ideas or to participate in the identification of projects that can be implemented by the WGs.



Task / Measure	What worked well and what should be replicated or expanded to other communities?	Why did this activity work well?	What results were achieved by this activity?	What did not work and why?	What changes should be made to improve results?
<b>Залучення бізнесу до основних активностей на етапі виконання програми МЕР</b>					
Implementation of individual LED program projects	<p>The focus of LED program projects is not on supporting specific businesses but rather on creating an enabling ecosystem for business development in TCs. For this reason, businesses for the most part were not involved in the implementation of projects. They were implemented by LSGB officials. An exception where the projects on the creation and development of cooperatives: these were implemented by local government and members of cooperatives together.</p>	<p>Part of LED program projects were implemented by providing consulting support and financial assistance. Both types were described as useful by 62% and 60% of respondents respectively. Without such support, many TCs would not have been able to implement their projects.</p>	<p>The survey results disclosed the following levels of business engagement in LED implementation in TCs:</p> <ul style="list-style-type: none"> <li>High – 9%;</li> <li>Medium – 49%;</li> <li>Low – 32%.</li> </ul> <p>38% of respondents further reported that businesses provided co-financing for the implementation of individual LED program projects. Considering that this co-financing had not been a precondition for implementing projects under the Program, the final figure can be qualified as quite high.</p>	<p>In most cases, businesses were not involved in project implementation. The beneficiaries were LSGBs, whose officials were the main implementers of the LED projects.</p>	<p>The motivation of entrepreneurs towards participating in the implementation of projects can be raised by conducting a survey in order to identify the priority projects to be implemented in the first place.</p> <p>This will ensure that local businesses will receive only the most relevant and useful projects.</p> <p>To increase the engagement of entrepreneurs in project implementation, it is necessary to ensure the possibility for businesses to be the beneficiaries of the support.</p> <p>Greater effectiveness of project implementation could be further achieved by creating project teams to coordinate the implementation processes.</p>
Creation and development of cooperatives	<p>Representatives of local businesses were best able to participate in the implementation of the projects on creation and development of cooperatives because under these projects they received direct support. The key value of these projects for the cooperatives was in the possibility to receive both soft (consulting support during registration and business plan development) and hard support (machinery, equipment, materials, etc.).</p>	<p>Most of the experts interviewed stated that projects on creation and development of cooperatives became the most effective support tool under USAID DOBRE Program. Such effectiveness is based on following factors:</p> <ul style="list-style-type: none"> <li>Support was provided to specific businesses of cooperative members;</li> <li>Cooperatives received extensive support (consultations, machinery, equipment, materials, etc.);</li> <li>Cooperatives were the beneficiaries of the financial assistance.</li> </ul>	<p>14 projects implemented to create and/or develop cooperatives.</p>	<p>The most difficult task during the implementation of the cooperative projects was uniting the residents of TCs into cooperatives. Mostly they were hesitant regarding the feasibility and effectiveness of such association as they had little mutual trust and experience of working together.</p> <p>The duration of the implementation stage also became protracted as all purchased machinery, equipment, materials, etc. needed first to be transferred to LSGBs, and only then to the cooperatives.</p>	<p>Organize awareness-raising campaigns for TC residents to inform them about the possibility of forming cooperatives.</p> <p>Highlight the financial and economic benefits of establishing such associations. Machinery, equipment, materials, etc. purchased under ITA projects and programs should be transferred directly to cooperatives.</p>

Task / Measure	What worked well and what should be replicated or expanded to other communities?	Why did this activity work well?	What results were achieved by this activity?	What did not work and why?	What changes should be made to improve results?
<p>Development of local financial assistance programs for businesses</p>	<p>The process of developing local financial assistance programs for businesses involved:</p> <ul style="list-style-type: none"> <li>• Establishing a WG, with LSGBs and business representatives as members, to develop the program;</li> <li>• Surveying local businesses to determine their needs and expectations for financial assistance;</li> <li>• WG meetings (3 to 5) to develop a draft program.</li> </ul>	<p>The process of developing local financial assistance programs for businesses was effective because business involvement was ensured at various stages. Businesses were interested in being engaged in the development as the programs meant they could receive the support they required.</p>	<p>Two TCs were able to draft the program on financial support for businesses.</p>	<p>The government failed to approve financial assistance programs for businesses. In one TC, the reason for rejecting a program was stated as limited financial resources available in the local budget. In view of the relatively small amount of funding required, the real reason for not approving the program may be the lack of political will to support the private sector. The other TC finalized the development of the program when martial law was already in force and is planning to approve it after the law is lifted.</p>	<p>Survey local entrepreneurs as closely as possible to determine their needs and expectations for financial assistance. This will help identify the most pressing business needs and select matching support tools.</p>

## Sample business survey questionnaire

Dear Entrepreneur,

\_\_\_\_\_ Council sincerely appreciates your contribution to the development of our community.

Supporting and developing entrepreneurship is among our key priorities. Our goal is to create a favorable ecosystem for businesses in our community so that they could do better and face fewer obstacles.

To achieve this, we perform surveys that help us identify the problems and development needs of businesses. The results of the survey will be used to design and adopt decisions aimed at supporting business development in our community.

Thank you in advance for your time and suggestions!

### SECTION 1. COMPANY/ENTREPRENEUR DETAILS

1.1. What is the legal form of your business?

\_\_\_\_\_

1.2. What year was your company founded?

\_\_\_\_\_

1.3. What industry is your company working in?

\_\_\_\_\_

1.4. How many employees does your company have?

- Less than 10
- 11 to 50
- 51 to 250
- More than 250

1.5. Where are the markets for the goods, works, or services you provide mainly concentrated?

- Within the community
- Within the district
- Within the oblast
- In other oblasts of Ukraine
- In other countries

### SECTION 2. COOPERATION BETWEEN LOCAL GOVERNMENT AND BUSINESSES

2.1. Assess the level of communication between local government and businesses with regard to preparation and adoption of decisions that affect or may affect the businesses.

- High
- Medium
- Low
- Hard to say

- 2.2. Assess the level of engagement of local businesses in the preparation and/or adoption of decisions that affect or may affect the business.
- High
  - Medium
  - Low
  - Hard to say
- 2.3. Have you used the services of your local council within the past two years?
- Yes
  - No
- 2.4. If yes, please rate the quality of the service you received from your local council.
- High
  - Medium
  - Low
  - Hard to say
- 2.5. Which services of your local council do you use most often?
- 
- 2.6. Rate the level of business support provided by local government.
- High
  - Medium
  - Low
  - Hard to say
- 2.7. How would you prefer to receive information and news about decisions that could affect your business?
- Official community website
  - Social media
  - Local conventional media
  - Specialized newsletters or postcards
  - Thematic mailings
  - At public events
  - Not interested in receiving community information and news

### SECTION 3. LOCAL ECONOMIC ENVIRONMENT

- 3.1. How would you rate the community as a place to do business? (from 0 to 5, where 5 is the highest, 0 is the lowest)
- \_\_\_\_\_
  - Hard to say
- 3.2. List top three strengths of the community as a place to do business.
- 
-

3.3. List top three weaknesses of the community as a place to do business.

---

3.4. Do you have any information on unused community property (land and premises) that may be available for business use?

- Yes
- No
- Hard to say

3.5. Is there any information available on local regulations?

- Yes
- No
- Hard to say

3.6. Are you a member of a business association?

- Yes
- No

3.7. If yes, have you used the services of the business association in the past two years?

- Yes
- No

3.8. In the past two years, have you come across any cases of unofficial payments being demanded by local council officials?

- Yes
- No
- Hard to say

3.9. Do you think your competitors are operating legally?

- Yes
- No
- Hard to say

3.10. Mark the top five obstacles to doing business.

- Tax and fee management
- Lack of qualified workforce
- Lack of funding
- High cost of raw materials, equipment and components
- High local taxes and fees
- High utility rates
- Outdated equipment
- Government corruption
- Local government corruption
- Lack of information about opportunities to attract business development support

- Not enough knowledge for doing business
- Insufficient employee qualifications
- Low consumer purchasing power
- Limited availability of land plots and/or business premises
- Cumbersome procedures for obtaining permits
- Cumbersome legislation
- Difficulty in obtaining documents for ownership or lease of land and/or premises
- Difficulty of connecting to engineering infrastructure systems
- Other (please specify)
- No obstacles

#### SECTION 4. BUSINESS NEEDS AND EXPECTATIONS

4.1. What type of local government support is most important to you?

- Information
- Consulting
- Upgrading of engineering infrastructure
- Training
- Financial
- Other (please specify)
- No support required

4.2. What kind of workers do you need the most?

---

4.3. What types of information support are the most important to you?

---

4.4. What consultations are most acutely needed?

---

4.5. Which engineering infrastructure requires upgrading the most?

- Power supply
- Water supply
- Drainage system
- Gas supply
- Heating
- Waste management

4.6. What types of training support are the most important to you?

---

4.7. What types of financial assistance are the most important to you?

- Non-refundable financial assistance
- Refundable financial assistance

- Reimbursement of part of the interest rate on loans
- Other (please specify)
- No financial assistance required

4.8. What are your expectations for your business in the next two years?

- Business expansion
- Continue working at the current level
- Reduction in activity
- Closing
- Hard to say

4.9. What do you see as the priorities for the development of the community?

---

4.10. Closing comments or suggestions (*optional*)

---

---

---

---

---

---

---

---

*Thank you for your responses!*

*All responses will be analyzed and used in preparing and adopting decisions to support business development in our community.*

## ADDITIONAL RESOURCES

1. Verkhovna Rada of Ukraine (2012). Law of Ukraine “On Development and State Support of Small and Medium-Sized Businesses in Ukraine”: <https://zakon.rada.gov.ua/laws/show/4618-17#Text>
2. V. Vorobey (2021). Local Economic Development in Consolidated Communities: Useful Advice and Best Practices. USAID DOBRE Program: [https://decentralization.gov.ua/uploads/library/file/717/MER\\_2021\\_WEB.pdf](https://decentralization.gov.ua/uploads/library/file/717/MER_2021_WEB.pdf)
3. Diia.Business: <https://business.diia.gov.ua/>
4. eRobota: <https://diia.gov.ua/services/categories/biznesu/yerobota>
5. EU4Business Initiative of the European Union: <https://eu4business.org.ua/>
6. Institute for Economic Research and Policy Consulting (2021). Competitiveness index of Ukrainian cities. USAID Program “Competitive Economy of Ukraine,” Info Sapiens, Institute for Economic Research and Policy Consulting: <http://www.ier.com.ua/ua/mci>
7. V. Kozina, I. Bakunchyk, Yu. Bodashevskaya, L. Fedchenko, O. Lebedynska, A. Serbina, T. Stankus, M. Bondar, M. Kolpovska, O. Ilchenko (2021). Tools for Managing Communal Property in Consolidated Communities. USAID DOBRE Program: <https://donors.decentralization.gov.ua/advice/14508>
8. Conference of International Non-Governmental Organizations of the Council of Europe (2009). Conference of International Non-Governmental Organizations of the Council of Europe (2009): <https://rm.coe.int/16802eeddb>
9. V. Kryzhanivskiy (2021). Financial Support for Local Self-Government Bodies to Develop Local Business and Stimulate Entrepreneurship. USAID DOBRE Program: <https://decentralization.gov.ua/uploads/library/file/775/DOBRE.pdf>
10. Network of Business Information Support Centers: <https://bisc.org.ua/>
11. National Platform for Small and Medium-Sized Enterprises: <https://platforma-msb.org/>
12. MERZHA Online Expert Solution Platform: <https://www.merezha.ua/>









