

## Informative note

on the project: **“Supporting the development of the north region’s industrial sector through the rehabilitation and upgrading of water and sanitation infrastructure for the Industrial Park on the territory of Raut S.A., in the municipality of Balti”**

*The applicant:* City Hall of Balti.

*Priority 2:* “Supporting the development of the private sector”,

*Action 2.2:* “Strengthening the capacity of institutions for information, advice and support”

### I. General project data

**The overall objective of the project:** Improving the industrial sector of the Northern Development Region through the rehabilitation and upgrading of water and sanitation networks for the Industrial Park in the territory of SA Raut, in the city of Balti.

**The project it is expected to achieve the following major objectives:**

- Launching of the project
- Organization of project management
- Organizing the auction and purchase of building service networks
- Execution of construction works
- Putting into operation the objects constructed
- Ceremony of inauguration of the objects constructed
- Establishment of a Round Table at Industrial Park
- Organization of two informative seminars for participants of the platform to support the development of industry in the region
- Creation of advertising materials
- Information campaign in the local media and regional.

#### 1. Partner (partners):

1. Ministry of Economy of the Republic of Moldova.
2. District Council Edinet.
3. District Council Falesti

**2. The location of the project:** The Northern Development Region of the Republic of Moldova: municipality of Balti.

**3. The total amount of the project:** – 15,200,000.00 MDL, **amount requested from NFRD** – 14,440,000.00 MDL, what constitutes 95% of the total cost of the project.

**4. Duration of project implementation:** 18 months.

### II. Conceptual note

#### Explanation

The project addresses the recognized needs and difficulties in the development of industry in the north region and is based on the best practices of the sector in the municipality of Balti, where industry is the main sector of the economy. According to the feasibility study on building of the Industrial Park on the territory of S.A. RAUT detailed in 2011 at the request of the Ministry of Economy of the Republic of Moldova, more than 50% of the region’s value in industrial products is concentrated in the municipality of Balti. Because of this, Balti has a good foundation for developing value chains, with positive impacts on the industrial sector of the city, but also for the whole Northern Development Region. The external engineering for the water networks at the Industrial Park require a total reconstruction, and the internal system of water and sanitation is 70% dilapidated. It is clear that there is an urgent need to rehabilitate these utilities for the industrial park to work efficiently.

## **Potential beneficiaries of the project/target group**

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- approximately 59 residents (small, medium and large enterprises, both domestic and foreign) which, according to the Ministry of Economy scenario, will be active within the Industrial Park, including S.A. RAUT and S.A. RIF-ACVAAPARAT; of which 13 will operate in related fields of the basic activity of the Park – activities related to the automobile industry.
- 12 level II local public administrations of the Northern Regional Development,
- Decentralized public services in the territories of Balti and 11 districts of the Northern Development Region
- Administration of the Industrial Park and representatives of the Ministry of Economy of the Republic of Moldova responsible for industry development.
- 10 NGOs in support of business in the Northern Development Region

*Final beneficiaries* of the project are:

- 59 economic agents – potential residents of the Industrial Park and about 2,000 employees of the first 3 residents (S.A. RĂUT, S.A. RIF – ACVAAPARAT ÎCȘ, S.A. LOT) and their families
- 1 million inhabitants of Northern Development Region because of the improvement in the quality of life in the region.

## **Project products.**

A project implementation group, 1 file on the rehabilitation and modernization work, 1 specification, 1 signed contract for execution of works for the rehabilitation and modernization, approximately 1.5 km of external aqueduct rehabilitated, about 4.5 km internal water and sewer networks rehabilitated and upgraded, 2 informative panels drawn and placed, launch of the conference, ceremony of inauguration, 2 press releases developed and published, 2 lists of participants at the launch and at the closing of the project, 4 articles in the local media regarding major activities of the project, 3 local TV interviews, 1000 copies of flyers in A4 format, 10 posters in A3 format.

## **Results of the project**

- Improvement of the industrial sector in the Northern Development Region.
- External and internal infrastructure water and sewage of Industrial Park will be revitalized and modernized.
- A high level of interregional and intersectoral cooperation between governments and decentralized services of Balti and districts in the Northern Region (especially Falesti and Edineț) with capacities strengthened to support the development of industry in the North with the experience of creating the first industrial park of the region in Balti.

## **Multiple effects**

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As a result of the implementation of the project, professional experience in managing relationships with other districts and institutions will be gained. Through intersectoral and interregional cooperation, this project will serve as a model for best practices, and can be used by the RDA and the Ministry of Economy (the project partner) to streamline industrial development activities with other public administrations both in the northern region and in other regions. The experience in the implementation of this project will lead to faster approach to future projects and with far-reaching impact in this area.

## **III. Social and economic impact of the project**

Connecting the Industrial Park to secure sources of water and sanitation will allow to IP administration to fully utilize the capabilities of the IP and allow the available investment potential to be fully realized in the city of Balti, as well as the entire Northern Development Region.

The radius of influence of the free zone on the labor market will be felt in many neighboring districts, which will lead to the decline in real unemployment and will result in an improvement in the socio-economic situation in neighboring districts of the region.

At the same time, through this project the Local Public Authorities of these neighboring districts will have possibility to acquaint themselves with more information regarding the Raut Industrial Park activity, and will have the opportunity to take part in the supporting the development of industry in the Northern Regional Development.