

## Informative note

on the project: “Support for private sector development and increased investment in the Northern Region by building water supply and sewerage for subzone nr. 3 at the Free Economic Zone (FEZ) Balti”

### 1.1 . The number and the designation of priority

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*The applicant:* City Hall of Balti municipality

**Priority 2** „Supporting the development of the private sector”

**Action 1.2:**

#### I. General project data

**The overall objective of the project:** To facilitate the process of attracting investments in private sector of the Northern Regional Development through the construction of water and sanitation infrastructure for the subzone nr. 3 at the Free Economic Zone Balti.

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

1. Construction, for 18 months, the external aqueduct, property of Balti municipality, on a stretch of 56 km, in order to ensure required stable water quality and quantity of subzone nr.3 of the free economic zone Balti.
2. Creating the conditions needed to attract investors in subzone nr. 3 of the FEZ in Balti, by the construction of the internal water lines and sewage by the Ministry of Economy of the Republic of Moldova.
3. Strengthening of the cooperation between local public administrations, decentralized services, FEZ Balti, and civil society in the Balti municipality, districts and the Northern Development Region by organizing informative instructional activities to increase the planning capacity for actors for investment attraction in subzone nr. 3 during project implementation.
4. Informing citizens about the project activities and the importance of maintaining health security on the renovated route
  - Establishment of a round table to FEZ Balti.
  - Organization of the seminar for participants of the platform to support the attraction of investments for subzone nr. 3 of FEZ Balti
  - Advertising materials.
  - Information campaign in the local media and regional..

#### 1. Partner (partners):

Partner 1. Ministry of Economy for the Republic of Moldova

Partner 2. District Council Riscani

**The location of the project:** Northern Regional Development of the Republic of Moldova: mun. of Balti, district Riscani

**The total amount of the project:** – 15,592,430.00 MDL, **amount requested from NFRD** – 14,820,000.00 MDL, what constitutes 95% of the total cost of the project.

**Duration of project implementation:** 18 months

#### II. Conceptual note

##### Explanation

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The project will contribute to economic growth, because it creates conditions for attracting investment in the northern region, especially exporting industries, by strengthening these three pillars: quality assurance technologies with water and sanitation of the production sector, effective governance at the local level, and the regional basis of cooperation between the main regional actors with skills developed through proper awareness and information.

## Potential beneficiaries of the project/target group

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**Target-groups** Target groups of the project are:

- 12 LPAs (level II) from the Northern Development Region
- Decentralized services on the territory of Balti municipality and 11 districts of Northern Development Region
- Administration of FEZ Balti and representatives of the Ministry of Economy of the Republic of Moldova responsible for attracting investments.
- 10 NGOs in the field of business support in the Northern Development Region including:

**Final beneficiaries :**

- Economic agents – potential residents of the subzone nr. 3 and about 1000 prospective employees of the first residents to the subzone nr. 3 and their families.

-1 million inhabitants of NDR by the improvement in 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 completed, approximately 56 km of external aqueduct built, approximately 5 km of internal networks of water and sewerage constructed, 2 informative panels drawn and placed, the launch of the conference, inauguration ceremony, 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 flyers in A4 format, 10 posters in A3 format.

### Results of the project

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- External and internal water and sanitation infrastructure for subzone nr. 3 built.
- Increased attractiveness of investment for the FEZ Balti and Northern Development region as a whole, the possibility of employment for about 1000 people.
- An increased level of interregional cooperation between local public administrations, decentralized services, FEZ Balti and civil society of the municipality Balti and districts in the Northern Development Region especially related to attraction of investments for subzone nr. 3 of FEZ Balti.

### Multiple effects

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The project, and the activities proposed for completion, are the best solution to overcome the constraints and meet the needs of the NDR because it will increase the attractiveness of FEZ Balti in the region for domestic and foreign investors. Implementation of the proposed project, based on partnership between LPA, business, and civil society will allow the FEZ to launch the creation of a new industrial complex at subzone nr. 3 and can attract investors for its development, especially those investors interested in exporting. Of the objectives and activities planned for implementation for the project, the first required is the launch of activity at subzone No. 3, while ensuring and implementing environmental policy in terms of water and sanitation infrastructure.

## III. Social and economic impact of the project

The proposed project fits both the national strategy of regional development, which was approved by Government decision Nr. 58 of 04 March 2010, as well as in the regional development Strategy (RDS) of Northern Development Region (RDN), which is a main policy document for medium-term timeline for the region. The importance of the project is confirmed by the fact that primarily the municipality of Balti is shown in the SWOT analysis of the NDR as "a true pole of growth for the localities in the region, both in economic terms and in terms of educational and cultural ... that favors the growth of labour productivity and will lead to a higher level of human development in the NDR".