



Annual Report of the Cherkasy Regional Development Agency

December 2017

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Goals of 2017

Create a team

Launch the office

Elaborate a list of RDA projects and services

Reach self-repayment of the RDA



Ivan Podolian

Director



Liubov Ropalo

Project Manager



Cortney Copeland

Volunteer



Nataliia Saiun

Accountant



Anton Niemiets

Project Manager



Yuliia Parker

Communication Manager



Tamara Turcheniak

Project Manager



Anna Okrepka

Lawyer

The only ones in Ukraine funded by business (825000 UAH)

The most powerful and most expensive RDA team in Ukraine

The only ones in Ukraine with strategy and energy experts in the team

The only ones in Ukraine with a foreign expert in the team

Fluent business English, German, Polish

Unique team = unique results

ІВАН ПОДОЛЯН

ЛЮБОВ РОПАЛО

КОРТНІ КОУЛЕНД

НАТАЛІЯ САЮН

АНТОН НА

ПРОЕКТНИЙ МЕНЕДЖЕР

ЛЮБОВ РОПАЛО

МЕНЕДЖЕР З КОМУНІКАЦІЙ

КОРТНІ КОУЛЕНД

ПРОЕКТНИЙ МЕНЕДЖЕР

ЮРИСТКА

ЮРИСТКА



The first and only one in Ukraine!

**Regional office for export
and investment support**

**Office equipment from the
Polish partners of the value
of 200 000 UAH.**



Projects 2017

1. Operational plan for the regional strategy 2018-2020 implementation
2. Small and medium-sized business development strategy
3. United territorial communities strategies
4. Training in project management of local authorities
5. Regional competition for development projects
6. Energy monitoring
7. Attracting investment in energy modernization of municipal property objects (service)
8. Program of regional energy efficiency improvement
9. Regional school of energy managers
10. Cherkasy investment forum 2017
11. Support for export operations (service)
12. Exporter's school
13. Support of foreign investors (service)
14. School of rural entrepreneurship
15. Business school
16. Business development center
17. Entrepreneurship development fund



Recognition and transfer of experience

Selected by the U-LEAD team as a model RDA for copying the experience for other regions of Ukraine.

2 all-Ukrainian delegations and 1 internship

The applying for a consultation: Poltava, Kharkiv, Kherson, Zaporizhzhia, Chernivtsi, Zhytomyr, Chernihiv, Kyiv, Kropyvnytskyi

Project Managers: Liubov Ropalo, Tamara Turcheniak

Operational plan for the Strategy 2020

The process was coordinated by the RDA **for the first time in Ukraine.**

Cluster training in project management for 120 participants from 18 districts of the region **for the first time in Ukraine.**

The highest rating of project quality from U-LEAD experts

Manager - Liubov Ropalo

Key partners: Department of Regional Development

SMEs development strategy

A key drafter - Department of Regional Development
RDA was included at the stage of project proposals
forming

The Agency is the executor or co-executor of **20** projects
out of 30 included in the implementation plan for 2018-
2020.

Participants from the RDA: Tamara Turcheniak, Liubov
Ropalo, Ivan Podolian.

United territorial communities development strategies.



RDA accompanies communities in the formation of development strategies **for the first time in Ukraine.** Thanks to the Agency's fruitful partnership with the Center for Local Self-Government Development: Cherkasy region is **the only region in Ukraine** where 7 united territorial communities' strategies are being developed and 4 of them will be formed in 2017 while in other regions there are only 1-2 communities.

Project Manager: Liubov Ropalo



Regional competition for development projects

Cherkasy region is 3-5 years behind other regions. In the Lviv region the contest budget is 70 million.

We have developed and submitted our version of the competition regulations to the Department. The next steps are approval and voting.

Project Manager: Liubov Ropalo



Project management training

17 training sessions - more than 300 people. Topics: strategy and project management.

Individual consultations: more than 20 SFRD projects for 20 000 000 UAH.

Tasminsky canyon (Kamianka - 7 345 000 грн.)

Small cities - great experiences (Talne) - 3 579 000 грн.

Project Manager: Liubov Ropalo

Energy monitoring

7 software developers have been selected who are ready to provide the program and train users.

Expected savings of 10-20% from transparent accounting and avoiding embezzlement/theft.

Next steps: selecting developers and implementing.

Project Manager: Anton Niemiets

Investments in energy modernization

Invested objects

- 1. Korsun-Shevchenkivskyi, School №5**
- 2. Nabutivska united territorial community, Derenkovets village, School.**
- 3. Horodyshe district, Valiava village, School**
- 4. Korsun-Shevchenkivskyi district, Harbuzyn village, School.**

Project Manager: Anton Niemiets

Investments in energy modernization



Total investment sum 6 000 000 UAH.

Budget savings 1 201 500 UAH.

The only RDA in Ukraine that has attracted private investment in rural schools

Project Manager: Anton Niemiets



Energy management school

Certified trainer in the RDA team

Training participants are about 200 people

Including representatives of all united territorial communities

Energy modernization projects have been included into:

Regional development strategy

Development strategies of 4 united territorial communities

Project Manager: Anton Niemiets



Support for exporters

8 manufacturers applied for services

RDA provided:

6 business visits of foreign customers to Cherkasy.

2 contracts at the signing stage.

The only RDA in Ukraine that is engaged in export development

Project Manager: Yuliia Parker



Exporter's school

E-Export School from Ukrainian Postal Service (Ukrposhta) -
27 participants

One-day training from **Export Promotion Office** (37
participants)

Senior Expert Service (Germany) weekly visit of an expert to
improve the skills of 2 furniture manufacturers

Project managers: Tamara Turcheniak, Yuliia Parker

Support of investors

Business meetings have been organized for 2 foreign investors

HIRSCH Groupe - factory of foam products. The decision is made!

Sumitomo Groupe - factory for the production of electrical equipment for cars. In process.

Responsible from the RDA: Ivan Podolian

School of rural entrepreneurship

9 villages, 86 participants

A pilot project was implemented with the support of Ukravit and successful rural entrepreneurs.

Goal: to motivate farmers to develop their own business, even without significant land plots.

Funding is required to continue the project.

Project Manager: Tamara Turcheniak



Business school

The first session of 13 people was completed

The pilot project will start in January 2018

Goal: to develop a full-fledged incubation program. The project requires funding.

Project Manager: Tamara Turcheniak

Financial result



Investments in RDA

Business	825 000 UAH.
Regional budget	500 000 UAH. where 300 thousand of them are for the transparent office (investment and export support)
TOTAL	1 325 000 UAH.

Financial result

The results of work measured by money

Attracted investments	6 000 000 UAH.
Budget savings	1 201 500 UAH.
OVERALL RESULT	7 201 500 UAH.

Financial result



Per 1 UAH of funds invested in the RDA, the region received 5.44 UAH of investment and savings

General conclusion



During the year, we managed to form an effective team that is able to implement unique tasks for Ukraine and bring projects to results. However, it was not possible to achieve stability.

Failures and mistakes in 2017

Financial imbalance

Since September, the need for funds is closed in an unpredictable and emergency way.

The fundraising campaign in September and November did not solve the problem.

The delay of payments for November.

Till the end of December, the RDA budget deficit is 103,000 UAH.

Self-repayment

Provided services for business for the sum of 26 000 UAH.

We refused this goal for 2 reasons:

- A) our European partners believe that we are creating unfair competition for business. Their experience - budget financing of the RDA;
- B) We focused on earning money, not on strategic regional development projects.



Self-repayment

2 unsuccessful grant applications. 1 of which is won, but not implemented.

A first-year organization cannot apply for part of the grant programs.

An organization without a grant history cannot apply for major projects.

Projects without intermediate and final results



Energy efficiency program

Business development center

Entrepreneurship support fund

Poor communication

The deputies and the Supervisory Board are not aware of our results, despite the weekly / monthly reports.

Communications Manager has been re-qualified as an Export Project Manager

The communication strategy has not been finalized and is not being implemented

Verbal and unclear agreements with co-founders and service customers

Unfulfilled or unrecognized financial obligations of Co-founders - 245 000 UAH.

Customers - 60 000 UAH.

The contract has not been taken by the RDA, due to the lack of available human resources and the customer's unwillingness to form and record clear requirements - 30 000 UAH.



Weak export direction

Not enough successful experience with a foreign specialist. Refusal of paid cooperation after 6 months.

Quite a slow progress of projects due to lack of focus and experience.

Team management

Director's lack of focus

Situational control of processes and projects

**Unsuccessful implementation of management tools
(Trello, CRM)**



Lack of the RDA development strategy

The RDA was created without a clear overall vision of the role and tasks on the part of the co-founders and without an effective financial model.

The package of projects and services was formed by the Director in collaboration with individual members of the Supervisory Board and without a strategic vision.

Arbitrary addition to the list of projects.

The lack of quick wins

The strategy of the first year of work of the ARR does not include quick projects that would help to create an image, and those that were pledged did not work 100% (Exports, Investments).

Most of the projects have a 2-3-year perspective of deployment and implementation.

Supervisory Board

The control function doesn't work.

The Director initiates the meeting of the Supervisory Board.

Only a part of the Supervisory Board members is able and interested in the financial and intellectual support of the Agency, which is not typical for strong organizations.



Suggestions

Suggestions

Develop and record an unambiguous and reliable financial model.

Regional State Administration offer:

A) direct budget financing of the administrative team (Director, Deputy, Accountant).

**B) financing the team through a government order:
The Agency receives funds as a performer of budget programs and projects.**



Suggestions

In January, together with the members of the Supervisory Board, the strategy for the RDA development has been developed and approved.

A grant has been won for a two-day strategic session and financial planning training.

Coach - Ruslan Kraplich.

Suggestions

Based on the results of the strategic session, determine and approve:

- list of projects**
- team composition, depending on the list and scope of projects**
- model and sources of funding**

To restart the work of the Agency

Suggestions



Increasing the ability and motivation of the Supervisory Board by attracting specialists in regional development at the national level.

Open questions

The Agency is incorporated as a performer/co-performer in more than 20 regional development projects.

In our opinion:

- A) the current team that is not able to perform this volume efficiently.**
- B) the funds invested in these projects will not be enough neither for the existing team provision nor for its expansion.**