



USAID LINC Messenger

LOCAL INVESTMENT AND NATIONAL COMPETITIVENESS

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A WELL-PLANNED IMPROMPTU

For about a decade and a half, the huge, over 170-hectare, site of the former nuke plant project in Teplodar, Odesa Oblast, was dormant, abandoned by the original project and almost undisturbed by new ones. Though the local government did their best to change the situation, it was only after the USAID Local Investment and National Competitiveness Project (USAID LINC) had helped the city write an economic development strategy and created a conceptual design of the site that serious investors discovered Teplodar and its investment opportunities.

Mayor Leonid Pechersky calls it the

“city of dramatic fate.” He says that when he took over the mayoral office in 2002 the city was depressive – littered streets, water supply only two hours a day, frequent electric power breaks, and the heating season beginning in December and ending in January. The latter is an especially sad irony, since the city’s name – Teplodar – in Ukrainian literally means Heat-Giving.

The origin of Teplodar, now having a population of about 10,000, goes back to the early 1980s, when the Soviet government selected this territory for the Odesa Nuclear Power-and-Heating Plant project site, and started developing a settlement. In the late 1980s, following the Chernobyl Disaster – the world’s

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UKRAINIAN PUBLIC SERVANTS LEARN ECONOMIC DEVELOPMENT PRACTICES ON STUDY TOUR IN SCOTLAND

June 28 – July 1, 2011 – USAID LINC organized and conducted a study tour to Scotland for a group of Ukrainian local, regional and national-level public servants engaged in economic development matters to learn from the Scottish experience in promoting regional competitiveness and local economic development, and stimulating entrepreneurship and investment.

With the main focus on foreign direct investment attraction and regional development practices, the tour covered a much wider range of

topics including Scotland’s economic development model, development of industrial sites and innovation parks, citizen participation in decision making, environment protection, and the role of tourism in economy.

The participants also studied the role of the tour’s host organization – the Scottish Enterprise, a government agency in charge of regional development, investment promotion and tourism development.

A significant part of the study tour was dedicated to the issues of economic

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worst nuclear accident at the time — the project was suspended, and it was completely discontinued in 1997 in independent Ukraine.

“People came, hiving off, for the Nuclear Plant project from all over the Soviet Union. The best specialists — erectors, power engineers. And when the project ceased, they in fact were cut adrift,” recites Mr. Pechersky.

Since then, the “city of dramatic fate” has changed dramatically. “The city is not prosperous as yet, but it’s on its way to prosperity,” according to the Mayor, who cites the “arrival of business” and rocketed local budget own revenues. “One of our cries is to make the city all-sufficient, turn it from a subsidies recipient into a donor.”

USAID LINC intervened in this “way to prosperity” in October 2009 by signing with the city a protocol of intentions to develop and implement a Teplodar Economic Development Strategic Plan — after having broken the Mayor’s pessimistic stance toward the project, as he later confessed. An expert committee was formed in the city, which under the guidance of USAID LINC experts drafted the strategy, adopted by the City Rada in February 2010.

One month before the strategy adoption in Teplodar, the city had become a member of the Odesa-Teplodar-Yuzhne Sub-region — or Odesa Agglomeration — that had also set to drafting a common, sub-regional, competitiveness and economic development strategy with assistance from USAID LINC. By that time, Mr. Pechersky had become one of the most ardent advocates of the project as one “destined for success.”



On Oct. 13, 2009, Teplodar Mayor Leonid Pechersky (second from the right) and USAID LINC Chief of Party Howard Ockman (in the forefront) signed a Protocol of Intentions to develop and implement an economic strategy.

Today, Mr. Pechersky says that his city is experiencing the “high point with investments,” and thanks USAID LINC for the investment climate that has formed in Teplodar. “I’m very grateful to this organization [USAID LINC], which has actually brought us out to these positions — the international positions”



The meeting of the Qitele delegation with the Odesa Oblast leaders at the Odesa Oblast State Administration on June 22, 2011.

Odesa Oblast Governor Eduard Matviychuk: “Our region is Ukraine’s largest, and there are ample opportunities to invest here. The policy of the Odesa Oblast State Administration is to provide maximum promotion to investment into the region’s economy.”

Qitele Group Co., Ltd. Director General Zhang Jinfei: “We are very happy to have the opportunity of investing in the Odesa Oblast, and want to thank Odesa Oblast Governor Eduard Matviychuk for that he has done a lot for our collaboration, and has done it very fast”

Source: Odesa Oblast State Administration web site

In October 2010, USAID LINC developed a Conceptual Design of the Teplodar Industrial Park — based on the former nuke project site.

The first of the Teplodar strategy’s three critical issues is Investment Attraction. And indeed, the city has become investment-appelling. On June 20, 2011, in Kyiv, Odesa Oblast Deputy Governor Petro Khlytsov and China-based Qitele Group Co., Ltd. Director General Zhang Jinfei signed a \$600 million worth framework agreement on investment collaboration in creating in Teplodar what the agreement calls an “Innovation-Industrial Production Base.” It is expected that by December 2012 — the end of the project’s first phase — Qitele will have invested \$200 million, having created 2,000 jobs for Ukrainians on 50 hectares of the site.

Two days after the signing, the Qitele delegation visited Odesa to have a meeting with Governor Eduard Matviychuk, and then went to Teplodar in a company of several more potential investors from China.

The Teplodar Mayor also mentions other investment projects just launched in the city: construction of a state-of-the-art fats and oils plant, and modernization of the city’s outdoor lighting. The former project is expected to create 250 jobs in two years. The latter project, implemented by a Hungarian investor, must make the lighting energy-efficient, the resulting savings being equally divided between the city and the investor.

Mr. Pechersky links these recent successes



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to the results of USAID LINC work – the strategy itself along with the Teplodar Community Profile compiled as part of the strategic planning process, the conceptual design, and the fact that these documents were published on the Net in both Ukrainian and English. “We are very grateful to you [USAID LINC] for this work,” says the Mayor, stressing that it has been instrumental in achieving the successes. “I say this sincerely, and I’m ready to cry it all over the world.”

“Step by step, we are implementing the Strategic Plan. Your [USAID LINC’s] labors are being embodied. Nothing ever happens on a bare place, no manna falls from heaven. Any impromptu needs to be prepared,” Mr. Pechersky says.

Among other factors contributing to the favorable investment climate that has formed in Teplodar, he mentions the pro-investment position of the Governor, Mr. Matviychuk, at the Odesa Oblast level, and absolute intolerance of corruption in the city, whether actual or perceived. “I always position Teplodar as a corruption-free city. Wherever some or other element of corruption shows up, I burn it out with red-hot iron,” the Mayor states.

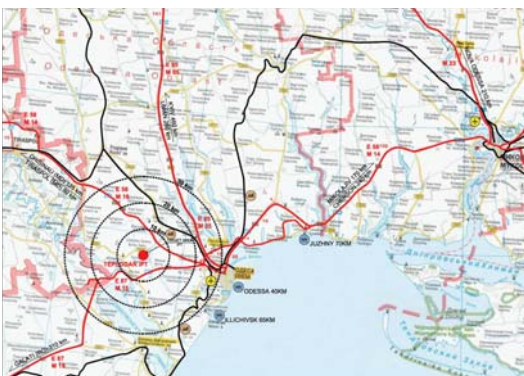
Telling about the anchor investment of Qitele – a manufacturer of plastic toys and playground equipment, whose web site is decorated with an iconostasis of various international quality and safety certificates, and whose products are sold in more than 20 countries including Italy, Japan, Korea, Singapore, United Kingdom, and

United States – Mr. Pechersky says, referring to his conversation with Mr. Zhang, that the “Chinese billionaire” owns other businesses that he intends to locate in Teplodar as well, namely the manufacture of cloths, footwear, and furniture, plus logistic warehouses.

The significance of the Qitele investment clearly goes beyond the boundaries of Teplodar and onto the Odesa Agglomeration – the planned 2,000 jobs after the first phase alone equal 20 percent of the city’s total population.

One month before the framework agreement signing in Kyiv, the Teplodar Mayor headed a delegation from the Odesa Oblast to China, where he had a number of meetings and was able to see Qitele’s manufacturing facilities and products. In Mr. Pechersky’s opinion, the Qitele playground equipment, though “fantastic,” was a bit too expensive for Ukrainian consumers, and he shared his doubts with Mr. Zhang. The latter, according to Mr. Pechersky, said that he didn’t care too much, viewing his future Ukrainian manufacturing facilities in the first place as a springboard for exports to Europe and Russia.

As of late July 2011, since its launch in April 2009, USAID LINC has helped 24 Ukrainian cities, raions and sub-regions develop their competitiveness and/or local economic development strategic plans. Twenty of these strategies have been adopted by respective Radas and are being implemented, and four are pending approval.



UKRAINIAN PUBLIC SERVANTS LEARN ECONOMIC DEVELOPMENT PRACTICES ON STUDY TOUR IN SCOTLAND

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regeneration of territories – in Glasgow, Ravenscraig, and Clydebank.

Glasgow – Scotland’s largest city – has recently managed to get rid of its former ill fame of a hard-drinking, gang-ridden, working-class town in a successful rebranding campaign to turn it into a tourist destination and an investment-appealing location.

Ravenscraig is an area in North Lanarkshire, once famous for its hot strip steel and now undergoing a major redevelopment after 1992, when the steel mill was shut down. In Clydebank, a town in West Dunbartonshire, the major employer, a shipyard, closed in 2001.

The three cases were used to exemplify different approaches to solving problems – publicly led rebranding and area regeneration projects including public-private partnerships.

Selection of Scotland for the study tour was due to the fact that, according to USAID LINC experts, Ukraine has a potential for developing a number of industries in which Scotland has competitive advantages.



A mere couple of weeks after the study tour, one of the participants – the Rivne Oblast State Administration Innovation & Investment Policy Department head, Oleksandr Osovets – has already begun implementing what he calls “certain local economic development mechanisms and tools” he learned in Scotland.

In particular, Mr. Osovets reported that the implementation of the ongoing Rivne Oblast Industrial Park project is being adjusted as a result of the visit to the Ravenscraig industrial park.

According to Mr. Osovets, the River Clyde brownfield regeneration experience can be applied to the abandoned areas of the Rivne Tractor Works, and the Scottish Enterprise tourism development tools can be used in the Rivne Oblast Sustainable Development Strategy, which is being currently drafted. “And the knowledge acquired during the visit to the University of Glasgow will be of use in the Central Volyn agglomeration strategy implementation,” he said.

Mr. Osovets said that the experience gained in the study tour will be disseminated at workshops to be conducted in the Rivne Oblast’s 16 raions in 2011–2012 under a regional enterprise development program. It will be also used in drafting a new Rivne Oblast Investment Development Program.



NEW OPPORTUNITIES ON OLD LAND

Professional USAID LINC counseling help Crimean farmer to diversify crops and create better conditions for business expansion.

Until almost two years ago, Andriy Bohomolov, a traditional Crimean farmer who managed to get a private land parcel in 2008 after redistribution of collectivized farmland to workers like himself, faced the problem of efficient land use. He never thought about new crops or new agro techniques. But after working closely with USAID LINC, Mr. Bohomolov became a recognized example of how enthusiasm and craving for new knowledge can make a huge difference in one's life.

Having a five-hectare piece of land at his disposal and relying solely on his family members to work his farm, Andriy Bohomolov used it mainly as a nursery-garden for growing horticultural seedlings. This was his main source of income. Although he had great ambitions as a farmer, he lacked modern knowledge and skills required for successful farming.

In 2009, USAID LINC began showing Andriy Bohomolov and other small farmers how to improve the efficiency of using small land parcels through various trainings and seminars. Inspired by his newly acquired knowledge, Mr. Bohomolov introduced a range of changes on his land plot. Together with financial support from USAID LINC he established a greenhouse to grow new crops such as grapes and strawberries, as well as started cultivating shallow cherry trees and table grapes.

In 2010, Andriy Bohomolov agreed to hold a Field Day on his land parcel to demonstrate some modern horticulture cultivation technologies and a cost-effectiveness analysis of various crops. This event attracted more than one hundred participants.

"Since the Field Day a lot of people keep coming to see the greenhouse, new crops and grapes growing patterns," Andriy said. "The orders for cherry seedlings have doubled. I have also received an offer and reached an agreement with Simferopol wholesale market on providing commercial space for horticulture products sales."

Inspired by his recent success, Mr. Bohomolov is making more plans on reinvesting his future profits and developing his farm.

"All the new cultivated crops need to enter into a fruit-bearing process which



"Cooperating closely with USAID LINC I can receive any necessary information. I attend all the events organized by the Project which inspire me to adopt the latest technologies."

**ANDRIY BOHOMOLOV,
Crimean farmer**

requires two-three years. Meanwhile, I want to install two additional greenhouses, as it is very promising and interesting. I would also like to invest money in constructing a refrigeration unit to preserve future crops."

As USAID LINC Specialist Oleksandr Lekhno described it, "When we first met Mr. Bohomolov he could not find the proper way of using his land. The proposal to make an experiment with his land plot was immediately accepted with great interest. Besides offering valuable experience, all the crops planted last year will bring the farmer stable guaranteed income over the next 10-20 years."

Today, thanks to his own initiative and USAID LINC's support, Andriy Bohomolov is one of the most advanced farmers in Crimea, who generously shares his best practices in farming and remains open to adopting the latest agricultural technologies.



Andriy Bohomolov, Crimean farmer is shown here in his greenhouse built with USAID LINC financial support in 2010. His greenhouse strawberry crop has proved its cost-efficiency. Mr. Bohomolov has recently started selling strawberries to a local restaurant. This should bring him a total of \$4,000 in income by the end of season.



USAID LINC EDUCATES CRIMEAN MEDICINAL HERBS PRODUCERS

July 8, 2011 — In the village of Zuya, Bilohirsk Raion, Crimea, USAID LINC carried out a workshop for medicinal herbs producers focused on the issues of growing, harvesting, and selling.

Over 20 sector representatives attended the event aimed at demonstrating the opportunities and prospects of medicinal herbs production in Crimea. USAID LINC experts provided an industry analysis and a cost-effectiveness analysis for different herbs, and gave practical recommendations on modern growing technologies.

USAID LINC expects that carrying out workshops like this — involving a medicinal herbs expert — will help raise the medicinal herbs business in Crimea to a higher quality level, making it more competitive.



"The medicinal herbs market is quite profitable all over the world — provided that production and sales are civilized. Unfortunately, in Crimea business related to medicinal herbs is in a sad plight, except for one and only state-owned enterprise. There are several producers, cooperatives that engage in gathering wild herbs; some grow raw stuff. However, the main problems are that the producers have neither knowledge nor money to produce a high-quality material from the raw stuff; they don't have a grasp of the medicinal herbs market situation; they lack experience in growing and selling their products"

OLEKSANDR LEKHNO,
USAID LINC Agribusiness Specialist



"The Bilohirsk and Bakhchysaray raions are regions that have been traditionally developing the herbs industry. That is why we opted for just this activity. It provides an income, and allows us to live and feel full-fledged members of society."

"Thanks to USAID LINC, we can receive regular consultations from the medicinal herbs expert. Last year, with his assistance we planted peppermint for seeds"

ESMA KHALILOVA,
Head of the 'Umyut' cooperative



USAID LINC TRAINS NORTHWEST LUHANSK CHEMICAL COMPANIES IN SALES & MARKETING

July 11-15, 2011 — In Severodonetsk, Luhansk Oblast, USAID LINC delivered a five-day training course on Sales & Marketing to 30 representatives from 26 companies, both state-owned and private, operating in the chemicals industry in the Northwest Luhansk Sub-region.

The event was targeted at companies planning to bring new products and/or services to market, or wanting to increase their sales and improve their exiting marketing programs. The training was organized and carried out through the Severodonetsk Community Development Agency, an NGO. The course aimed at familiarizing participants

with business tools and developing relevant skills that would help them create and implement successful customer relationship strategies.

The Northwest Luhansk Sub-region, also called “Innovative Donbas,” comprises the Luhansk Oblast’s cities of Lysychansk, Rubizhne and Severodonetsk, and raion of Kreminna. In December 2009, these communities united into the sub-region by signing a Protocol of Intentions with USAID LINC to develop and implement a common competitiveness and economic development strategy. The strategy was adopted by the member communities in late 2010 – early 2011.



ALUSHTA ADOPTS ECONOMIC DEVELOPMENT STRATEGY

July 29, 2011, Alushta, Crimea — The Alushta City Rada unanimously approved the economic development strategy drafted with assistance from USAID LINC.

Five action plans comprise the core of the document, called Big Alushta Reion Economic Development Strategic Plan until 2020. These include two action plans for main development direction, dealing with creating conditions for business growth and investment attraction, and three action plans for priority sectors,

namely resourts & tourism, transport & logistics, and sea economy complex.

Big Alushta includes the city of Alushta proper and the villages of Partenit, Izobilne, Luchyste, Maly Mayak, Malorichenske, and Pryvitne. The strategy was drafted by a local Expert Committee under the guidance of USAID LINC. The assistance was provided based on a Protocol of Intentions signed by the project with leaders of those communities in April 2010.



USAID LINC, IIFSQ DELIVER SECOND FOOD HYGIENE AND FOOD SAFETY MANAGEMENT COURSE FOR CRIMEAN RESTAURANTS

July 13-14, 2011 — In Yevpatoria, Crimea, USAID LINC and its partner International Institute for Food Safety and Quality conducted two-day training in food hygiene and food safety management for managers and staff of local catering facilities.

Thirty-one persons attended the course on “Developing and Implementing a Food Safety Management System at Restaurant Businesses Enterprises” — mostly managers and chefs of restaurants, caf ns, and sanatorium catering departments. The training focused on application of Good Manufacturing Practices

(GMP), food hygiene and Hazard Analysis Critical Control Point (HACCP) systems in the industry. The trainees were also familiarized with findings of the assessment of food safety impact on Crimea’s competitiveness carried out by USAID LINC in 2010, including tourist feedback on catering services in Crimea.

The course concluded in a certification examination, which was passed by all of the trainees.

The restaurant food hygiene and food safety management training in Yevpatoria was the second in a series launched in Sevastopol in late June 2011. One more such course is being planned for Yalta.



DZHANKOY LAUNCHES JOINT OSS FACILITY FOR CITY AND RAION PERMIT ISSUING

July 7, 2011 — Crimea's first joint city-and-raion permitting One-Stop Shop (OSS) facility, opened in Dzhankoy, is intended to optimize the permit-issuing process for both issuing authorities and entrepreneurs.

The inauguration of the joint office, which in fact is a USAID LINC's pilot project, was attended by Crimea Deputy Economic Development and Trade Minister Ihor Yahovdik, Dzhankoy Mayor Arkadiy Zaydman, Dzhankoy Raion Administration Head Oleksandr Sydorenko, USAID LINC Crimea Field Director Jeffrey Luebbe, and representatives from local authorities, public, and the media.

Remaining de jure two separate entities, the Rayon OSS and the City OSS will now serve entrepreneurs from one office, equipped with assistance from USAID LINC. The joint facility will optimize the operation of permit-issuing authorities, which will not have to send their representatives to the OSS offices located in different places in the city. And, for the same reason, it will certainly streamline the process of obtaining permits for entrepreneurs.

Speaking at the opening ceremony,

Mr. Zaydman called it an "important event in Dzhankoy's life." He also thanked USAID LINC for the computer equipment, supplied and installed in the joint OSS.

Mr. Yahovdik thanked leaders of the city and raion and "of course USAID LINC" for finding a possibility to open the joint OSS. He promised support from his ministry and the Crimean government for entrepreneurship development and for the authorities "in this hard task."

In return, Mr. Luebbe said he is happy that the Economic Development Ministry treats entrepreneurship, especially the problems of entrepreneurs, that seriously and actively. "They [the ministry] understand that entrepreneurship means economic growth, Crimea's future," he said.

The OSS operation improvement assistance — in Crimea in the first place — is one of USAID LINC's major efforts. This assistance, provided based on Protocols of Intentions signed to this effect by USAID LINC with 26 Crimean raions and cities including Sevastopol, includes training of representatives from permitting bodies, help in drafting regulations, and provision of equipment.



"The necessity to organize the operation of the two permitting one-stop shops in one office was dictated by time. This solution will, on the one hand, allow the local permit-issuing authorities to streamline their operation, and on the other hand, ensure the access of citizens to preliminary

consultation, permitting document negotiation within one building.

"It should be noted that all the participants in the OSS preparation process have done a huge job"

ARKADIY ZAYDMAN,
Dzhankoy Mayor



"Opening of one-stop shops, from our experience, allows entrepreneurs to half, at the least, their way to obtaining permits.

"We hope that the help like this, the solution like this will indeed allow the city and raion governments to receive an adequate response from

entrepreneurs, in particular new jobs and increased revenues"

IHOR YAHOVDIK,
Deputy Economic Development and Trade Minister of Crimea



"You all have worked well together. You treated the problem smartly and flexibly, and solved it perfectly. So I would like to congratulate you, and I'm looking forward to the first results"

JEFFREY LUEBBE,
USAID LINC Crimean Field Director



"A plus of this permitting OSS is that a united team of the city and the raion will work for the benefit of both villages and the city. I'd like to thank all the sponsors who came to help in realization of this project, and especially USAID LINC"

OLEKSANDR SYDORENKO,
Dzhankoy Raion Administration Head

SUCCESSFUL FESTIVAL PROMOTION BRINGS SELF-FULFILLMENT

USAID LINC boosts event tourism development in Crimea through enhancing individual entrepreneurial success.

Khalil Khalilov, a highly-motivated 33-year-old man from Simferopol, has been organizing and carrying out different live-music events in Crimea for two years already. When he was responsible for arranging and promoting pre-party tours of one of the largest “Live in Blue Bay” jazz festivals in the region, he faced a number of challenges.

“Organizing live events turned out to be a tough task since they were not properly supported and required a lot of effort,” explained Khalil, “I had the impression that nobody was interested in high-quality music and that all my efforts were senseless.”

In November 2010, Khalil began working closely with the USAID LINC project which helped him to popularize and promote the “Live in Blue Bay” festival. With this support Khalil managed to attract the attention of the mass media and local community to the great potential of the Crimean region in festival tourism development.

Although Khalil was working for promotion of the particular festival, he had never imagined he could become an independent event organizer. Despite his desire he lacked the knowledge to realize his ambition. With the help of USAID LINC, Khalil began receiving regular counseling on his future career prospects.

“USAID LINC provided me with great moral support by making me believe in myself and my plans. They helped me to choose the right direction and introduced me to representatives of the well-known Ukrainian event agency ‘ArtPole,’” he said. “We have managed to agree on further cooperation and,

thanks to USAID LINC, carried out a number of successful music events where Crimean people had a chance to hear popular music bands from Poland and Belarus.”

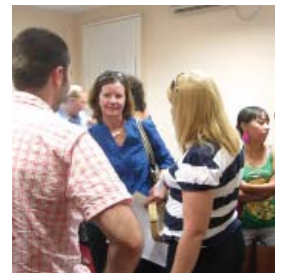
After his initial success, the Project suggested opening of an “ArtPole” branch in Crimea, and making Khalil the official representative of this agency. “ArtPole” readily agreed. Having obtained his official registration in March 2011, he has already started preparing a number of events, which will be followed by an ArtPole-Crimea music festival this Fall.

After becoming a representative of the event agency, Khalil continues to broaden his horizons with the Project’s help.

“Thanks to sponsoring my participation in the number of meetings related to festival tourism development, I could get professional counseling on cultural events organization, as well as establishing contacts with French embassy in Ukraine aiming at carrying out joint events in Crimea,” shared Khalil.

Today he sees his mission as developing and promoting festival tourism in Crimea through adopting best practices from “ArtPole” agency, which seeks to popularize folk and ethnic cultural events such as national festivals and celebrations, theatrical performances, gastronomic tours and music concerts.

USAID LINC Specialist Oleksandr Rybalko said, “We met Khalil when he was doing great things but at the same time he was disoriented by working on his own without any professional support from outside. It is a great pleasure for the Project to support such motivated people. We saw his aspiration to bring positive experience to Crimea and thus develop cultural and event tourism.”



Meeting at USAID LINC office with “ArtPole” representatives (L to R): Khalil Khalilov, Olha Mykhaylyuk, ArtPole Director, and Myroslava Hanyushkina, ArtPole Project Manager / Media Coordinator



“Thanks to the cooperation with USAID LINC I understood that I am engaged in the right activities and this has inspired me to continue what I have started,” says Khalil. “It would not be possible without the Project’s professional support.”

KHALIL KHALILOV,
Crimean representative of “ArtPole” Agency

USAID LINC supports various cultural events aimed at attracting more tourists to Crimea, extending tourist season and thus improves overall economic development of the region

NEW TOURIST INFORMATION POINT OPENS IN YEVPATORIA

July 8, 2011 — A new tourist information point of the Yevpatoria Tourist Information Center (TIC) in Crimea was opened on the city's seaside promenade in a ceremony attended by the city mayor and media people.

Yevpatoria TIC Director Yevhenia Kirkyina said that the TIC was established to improve services to tourists and promote the Crimean brand internationally. "Accordingly, our [tourist information] points will proliferate, and the center will be getting stronger," Ms. Kirkyina said. She also reported that the Yevpatoria TIC network currently registers

150 to 160 inquiries a day, of which 20 to 30 percent are from foreign citizens.

USAID LINC had provided the new TIP with information stands and various printed materials for tourists.

According to USAID LINC Tourism Specialist Svitlana Vozna, the project provides ongoing assistance in the establishment of tourist information centers and points in Crimea. "In collaboration [with the TIC] we developed and produced printed materials, that is, booklets on tourist routes, sights, healing tourism, and services provided to guests in Yevpatoria, as well as information signs and tablets," she said.



FESTIVAL DRAWS ATTENTION TO CRIMEAN MEDIEVAL HISTORY

July 24, 2011 — The Legends of Theodoro festival was held on July weekends in the Bakhchysaray Raion of Crimea near the historic fortress of Mangup-Kale.

The festival, supported by USAID LINC and organized on the site of Mangup, the former capital of the medieval Christian Principality of Theodoro, aimed at drawing

attention of visitors in Crimean to its history and particular historical objects by showcasing historical reconstruction from the 14th-15th centuries period of Theodoro. The event attracted both adults and children who were able to see how people had dressed in those times as well as try blacksmithing and using medieval weapons



USAID LINC HELPS PRESENT CRIMEA AT ARTPOLE FESTIVAL

July 13-16, 2011, v. Unizh, Horodenka Raion, Ivano-Frankivsk Oblast — Crimean musicians and craftspeople participated in ArtPole 2011. It was Crimea's first appearance in the history of this ethnic music and land art festival.

USAID LINC sponsored the participation of the Crimean delegation, which included the Crimean Romani & Tatar folk band Cezair and three artisans. The first Crimean appearance was received well by audience and other participants, which was actually an intent of

USAID LINC — present the Crimean culture to Ukrainian and foreign guests of the festival and make them interested in visiting Crimea.

The Cezair musicians, both jointly and separately, gave master classes and performed on the large stage, including joint projects with Hungarian Besh'o'Drom and Australian Wild Marmalade bands.

The artisans — all members of the USAID LINC-sponsored Crimean Style group — also delivered master classes, and sold their artwork as well.



USAID LINC SUPPORTS FESTIVAL OF ARMENIAN CULTURE IN CRIMEA

July 29-31, 2011, Stary Krym, Kirovsky Raion, Crimea — USAID LINC supported Surb-Khach 2011, the second pilgrimage festival of Armenian culture organized by Simferopol-based ArmEtnoTur company.

The USAID LINC sponsorship aimed at promoting the Armenian heritage in Crimea and attracting tourists.

The event was held in the Surb-Khach (Holy Cross) Monastery three kilometers from Stary Krym. Visitors came from various places not only in Crimea and other regions of Ukraine but also from abroad — Lebanon, France, and Russia.

According to experts, the festival has a potential of becoming known among Armenian Diaspora worldwide.

PRESIDENT SIGNS LAND CADASTRE BILL

August 2, 2011, Kyiv — President Yanukovich signed into law the land cadastre bill passed by the Verkhovna Rada on July 7, 2011.

The Law of Ukraine #3613-VI, "On the State Land Cadastre," lays down principles for maintaining the State Land Cadastre, specifies cadastral data on land plots, and outlines relevant

terms of reference of state agencies.

The bill was drafted by a task force formed by the Ministry of Agrarian Policy. A USAID LINC expert was a member of the task force.

Adoption of a land cadastre law was one of prerequisites for lifting the moratorium on introducing an agricultural land market in Ukraine.



"On the whole, the Law deserves a good mark. First, it is one of two legislative acts of which adoption clears the way for cancellation of the moratorium on sale of agricultural land. Second, this Law provides for creating a land data system that will be based on exact dimensions of the land surface ensured by electronic cadastral maps and plans of a territory. Third, the State Land Cadastre will be maintenance both on paper and electronically, furthering the use of cadastral information for e-Government implementation in Ukraine. For example, the Law provides for a possibility that general public will have access to certain cadastral information on the official web site of the State Agency for Land Resources. However, a number of provisions of the Law raise doubts. With its adoption, not one (unified) but two official state registers will actually exist for land in Ukraine: the State Register of real estate rights and encumbrances maintained by the State Registration Service of Ukraine, and the State Land Cadastre maintained by the State Agency for Land Resources. A good deal of data in the State Register will be duplicated in the State Land Cadastre. In addition, officers of both agencies will have the status of state registrars, and their services will be subject to fee. And finally, no land transaction will be possible without excerpts from not only the State Register of real estate rights and encumbrances but also from the State Land Cadastre"

PAVLO KULINYCH,
USAID LINC Land Market Reform Advisor, member of the task force

The USAID Local Investment and National Competitiveness (LINC) Project is a specialized economic growth project, meant to increase the competitiveness of regions and territories through improved business regulation, improved firm productivity, increased strategic investment by innovative firms, solidified industrial value chains, better conditions for market transactions in land, and improved national legislation to support such competitiveness enhancements. The Project concentrates on creation and implementation of strategic competitiveness plans in economic sub-regions throughout the country, improvement of specific regional industrial sectors with high likelihood of success, and reform of the legislative framework to ensure unhampered trade, rational government procurement, land reform and regulatory

efficiency. An increase in jobs and private sector investments in the Project's partner territorial communities is the measure by which USAID LINC evaluates its ultimate success.

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Local Investment and National Competitiveness

14-A Ihorivska St.
Kyiv 04655, Ukraine
Tel: +380-44-425-4747
Fax: +380-44-425-7333
www.linc.com.ua

12/4 Sergeeva-Tsenskogo St.
Simferopol 95011, Ukraine
Tel: +380-652 248-081
Fax: +380-652 248-036
linc@linc.com.ua

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