

# RGD – Making a Difference

## A Cross-Border Industrial Park for Beregovo, Zakarpattia Region

### From Little Acorns...

The village of Dyida is located on the border between Ukraine and Hungary and like many settlements of its kind has a serious unemployment problem, especially among younger people. The idea of establishing a cross-border industrial park and logistics centre was a grass-roots community initiative fully backed by the local authority. Things moved quickly and before long the active citizens of Dyida managed to interest leading political and business figures from the town of Beregovo and from the neighbouring Sabolch-Satmar-Beregovo district on the Hungarian side of the border. All agreed that the proposed site, straddling the border between the two countries, had great strategic potential.

Contacts and cooperation between active citizens of Dyida and leading political and business figures from Beregovo and the Hungarian side contributed/put forward the further development

of the idea, taking advantage of its strategic positioning of the oblast.

Sensitive to the views of local communities about the inevitable disruption to their way of life, local governments on both sides of the border carried out an extensive program of public hearings to test the acceptability of the idea. The park's potential impact on local job opportunities, with much improved employment prospects of young people in both countries, was a decisive consideration in the strongly positive response to the public consultation.

When the RGD project publicized its programme in the Project Management Training (PMT), the Beregovo District Administration was among the first to put forward a proposal and to nominate participants for the 9-month program including the representative from Zakarpattia oblast Agency for promotion of investments and development of territories.



Rendering of Beregovo Industrial Park

### Context

The Beregovo Industrial Park, with its planned location straddling the Ukraine- Hungary Border, is a great example of a genuinely grassroots initiative of Zakarpattia region that is capturing the imagination of regional and national government and of local, national and even international business interests. While the major credit for this lies with the originators of the project, RGD's Zakarpattia team and its regional experts have been instrumental in helping to translate a good idea into a promising and viable investment prospect which will have a major impact on the region as a whole.

# The Beregovo Industrial Park



Loading docks – a key component to an industrial park

During the PMT project offered expert guidance in the practical planning and design of complex projects. This included the preparation of financial projections

development who was willing to provide short-term advice on a cost-free basis and to help them make contact with a similar facility on the Hungarian border with Austria.

As a result of RGD, the originators of the Beregovo Industrial Park concept now have a clear project design, including realistic and professional financial projections, ready to be presented to serious donors and investors. An application to the European Union's Hungary-Romania-Slovakia-Ukraine cross-border program was completed and submitted in mid-September of 2009. The park, once fully operational, is estimated to create an additional 5000 jobs to Beregovo district that will focus on ecologically cleaner hi-tech production in the electronics and computer fields. It will extend to an area of around 200 hectares and its estimated final cost is in the region of \$10 million (US).

and the identification of key stakeholders whom it was essential to involve as early as possible in the project cycle. Importantly also, two participants were shown how to compile a convincing funding application to major donor programs like the European Union's Cross-Border 'Neighborhood Instrument', for which the Industrial Park was an obvious candidate. The RGD program was also able to put the Beregovo district administration in touch with an international specialist in industrial park

## Key Impacts

Most importantly, the project team that developed around the core of the two participants who attended RGD's 9-month program learned the importance of approaching projects in a step-by-step manner. This of course includes building a strong base of support for the idea not only locally but also at the regional and national levels. While the Beregovo project has not only found support in local businesspeople, the Dyida Village Council and the District Administrator, but has also attracted the interests from the Regional Administration and Oblast Council. Connections with these have in turn led to contacts with possible business partners in France, Germany and Sweden. As well as local businesspeople brought on side by the Dyida Village Council and the Beregovo District Administration, the project has attracted interest at a Regional Administration and Council level and this in turn has led to contact with possible business partners in France, Germany and Sweden. RGD's good relations with the Ministry of Economy, one of the key partners, have played a significant part in the Beregovo team receiving an invitation to present to the Annual Innovations and Investment Forum in Kyiv in early October.

## Project Information

The Regional Governance and Development (RGD) Project is a five-year (2005-2010) cooperation project of the Canadian Urban Institute, supported by the Canadian International Development Agency. The Project promotes civic engagement in regional governance, providing opportunities for Ukrainian citizens and communities to shape their common future and to put their region on the path towards sustainable development.

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