

### ON THE PLANNING OF THE SOCIO-ECONOMIC DEVELOPMENT OF THE MUNICIPALITY OF TVARDITSA (BULGARIA)

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#### **Abstract:**

Guided by the belief that local socio-economic development is the result of planned actions requiring the involvement of a wide range of stakeholders as well as the definition of a common framework for community development through mobilization of the existing resources, the main goal behind the methodology that is proposed in this paper refers to the determination of such a general framework within which to carry out activities in support of local development with the participation of all stakeholders in the Municipality of Tvarditsa (Bulgaria) to ensure the unification of action and coordination of efforts in terms of real local development.

The use of the method “learning by doing” mentioned in the work has been proven effective in the training of municipal employees. Its use will increase the capacity of local communities in planning and promoting the municipality as a good place for doing business.

**Keywords:** *planning; socio-economic development; local development; legislation*

### SOBRE LA PLANIFICACIÓN DEL DESARROLLO SOCIOECONÓMICO DEL MUNICIPIO DE TVARDITSA (BULGARIA)

#### **Resumen:**

Guiados por la creencia de que el desarrollo socioeconómico local es el resultado de acciones planificadas que requieren tanto la implicación de un amplio abanico de grupos de interés como la definición de un marco de trabajo común para el desarrollo de la comunidad mediante la movilización de los recursos existentes, el principal objetivo tras la metodología propuesta en este artículo se refiere a la determinación de dicho marco general, dentro del cual llevar a cabo actividades que apoyen el desarrollo local con la participación de todos los grupos de interés en el Municipio de Tvarditsa (Bulgaria) para asegurar la unidad de acción y la coordinación de esfuerzos en términos de verdadero desarrollo local.

La utilización del método de “aprendizaje a través de la acción” mencionado en el trabajo se ha demostrado efectivo en la formación de empleados municipales. Su uso incrementará la capacidad de las comunidades locales para planificar y promover el municipio como un buen lugar para hacer negocios.

**Palabras clave:** *planificación; desarrollo socioeconómico; desarrollo local; legislación*

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## 1. Introduction

Guided by the belief that local socio-economic development is the result of planned actions requiring the involvement of a wide range of stakeholders as well as the definition of a common framework for community development through mobilization of the existing resources, after the analysis of the current situation in any municipality it is necessary an offer involving render of a service defined within a number of components (Yarkova and Stoykova 2008). In the specific case of the Bulgarian Municipality of Tvarditsa<sup>1</sup> it would include:

- The research and development of institutional capacity within the municipal administration to create, implement and update the strategic documents for local socio-economic development.
- The research, analysis and development of a municipal regulatory framework, improved to facilitate the servicing of business and preparation of both global and sector programs primarily to stimulate the economic development by uniting the efforts of the entire community.
- The expert support to the local community in various stages of the strategic and operational planning of local development in the municipality.
- The development of a municipal program to boost the labour market, training and pre-qualification of the workforce to support the efforts of the Labour Office and create conditions for reducing the migration:
- The training for municipal officials and councillors on priority thematic modules in order to provide the foundations for a permanent program for improving the qualifications of employees of the municipal administration and municipal councillors.
- The facilitation of the process of strengthening local NGOs and their cooperation, and strengthening relationships with local businesses and other key organizations and institutions in the community and their involvement in the planning process in the municipality.

Regarding current situation, Tvarditsa has been strongly affected by changes in the Bulgarian economy after 1989, specifically due to the strong dependence of the local economy on mining, but the municipality also shows clear opportunities in terms of production facilities, industrial sites and buildings, all of them ready for the development of an improvement strategy based on local potential and a concerted effort to attract investors, which can lead to a growth of the local economy and an increase of demand in the labour market, then providing employment and increasing purchase power in the municipality. The presence of several companies suggests that the potential development of a diversified economy requires making an effort to determine the target investors to supplement and support the activities of companies already operating there and to create products with greater added value.

The research methodology involves the implementation of a method based on the active participation of all social partners in the phase of defining services, and even more intensive in other phases as “gathering information” and “real planning” (Gorzela 1996, Corulobu 1998). In this sense our team provides a key role towards social partners in providing information to analyze the existing situation, views on trends and directions in the development. Determining factors of local development in the design stage of the SWOT analysis and setting the vision and priorities for development of common social partners will be in collective training workshops for capacity building to plan and improve the understanding of the local community in the process of economic development. Moreover, early in the planning process representatives of the Sliven Regional Administration will be invited to assist the compliance of local development plans with national policy to promote investment, reduce unemployment and stop migration.

The determination of local partners within Tvarditsa will be done through field studies and consultations with the Municipal Administration. Representatives of the local government, town councils, business and banking sector, NGOs, academics and opinion leaders will be included in working groups according to their planning skills according to the principle of maximum and balanced representation of institutions to ensure active participation in the process of local forces, thus taking into consideration a plurality of interests as well as aiming a common synchronization of the vision, priorities and objectives of local development. The activities of working groups will be coordinated with local government representatives responsible for planning and implementation of plans in the field of economic development.

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<sup>1</sup> The Municipality of Tvarditsa is located in the Sliven Province (Southeastern Bulgaria), on the Southern slopes of Stara Planina, a mountain range in the Eastern part of the Balkan Peninsula. Its administrative centre is the homonymous City of Tvarditsa, with a population of 5,669 inhabitants by December 2009.

## 2. Regulation of the planning process

The main purpose behind our proposed methodology is to create a general framework within which to carry out activities in support of local development with the participation of all stakeholders in the municipality to ensure the unification of action and coordination of efforts terms of local economic development. Methods that will be used for the successful development of all strategy documents include:

- providing greater public participation in the planning process;
- the use of the method “learning by doing” in the work, as it has been proven effective in the training of municipal employees (which use will likely increase the capacity of local communities in planning and promoting the municipality as a good place for doing business);
- well-adjusted and phased planning activities based on an analysis of the situation and specifically including the last four years facts and results;
- preparation of analyses;
- involvement of experts with practical experience and a solid knowledge of local economic development and strategic planning;
- integrated development activities in line with resources, traditions and national and regional development framework;
- identifying the particularities and peculiarities of the municipality and orientation activities and resources towards its development;
- coordination of the teams in implementing the service at each stage of implementation of activities, including feedback provision from the direct beneficiaries and participants in training activities; and
- a continuous monitoring of the activities under the service in view of timely corrective measures in case of necessity and effectiveness of the activities carried out under specific conditions on the ground.

This approach is based on information and aims ensuring transparency of the process in order to persuade stakeholders that their input and perspective are essential issues in order to ensure a well-adjusted and stable economy based on the efforts and vision of the whole community. The role and participation in the process of carrying out the activities will depend on the stage of work. A leading principle to be followed is that one stating that the degree of intervention by the experts will be more consultative and complementary aimed at implementation of quality activities and while enhancing the capacity of the involved participants.

The team will rely on the assistance of the Municipal Administration’s on the announcement of the starting point of the process and for making contacts and meetings with stakeholders at local level (business structures, SMEs, NGOs working in the field of economic and regional development, corporations and organizations, banks, educational bodies and District Administration). Stakeholders’ involvement in the process and their motivation for participation will be achieved through private and public meetings to enforce the principle of partnership with the Municipality of Tvarditsa.

Planning services for local economic development will be provided in several phases, each one including several stage. So, in a first phase of initial studies and building local capacity for planning the economic development of the community:

- we will examine the documents for strategic planning in the municipality and statistical information will be collected;
- we will check the capacity of municipal authorities and will be planning talks with potential local partners;
- we will identify local regulations that are relevant to local economic development which improvement will create opportunities for a greater economic development in Tvarditsa;
- we will assess the capacity of local partners in planning; and
- training programs will be conducted in order to increase their skills, then facilitating the determination of the thematic working groups.

Secondly, in a phase of detailed studies of local economic potential:

- there should be a discussion on major trends in the municipality’s strategic objectives and priorities;
- we will set up an informed opinion on the vision, priorities and objectives of the plan;
- we will evaluate the products of working groups and will ensure timely coordination of activities planned in the strategy;
- we will prepare a preliminary plan, each working group will develop its part of the project plan and the project team will be tasked to prepare coherent and integrated document, the plan being subject to

- prior consultation by the Council after recording the observations and recommendations (if any) and being revised in the Final Plan and resubmitted for formal adoption; and
- the package of proposals to improve local regulations that affect local economic development will be presented to the City Council of Tvarditsa for approbation.

Thirdly, in the phase of preparation of a communication strategy and production of marketing materials for Tvarditsa:

- planning will organize targeted promotion policies and determine priorities for resource development in order to stimulate investment activity in the municipality;
- practical training plans for key municipal officials will be carried out in order to ensure successful implementation of economic development strategy; and
- we will prepare diverse campaign materials for the municipality to meet the needs of potential investors.

### 3. Phases for planning the economic development of the community

The main purpose behind our proposed methodology is to create a general framework to carry out activities in support of local development with the participation of all the relevant stakeholders in the municipality to ensure the unification of action and coordination of efforts terms of local economic development. A specification of phases and activities would be as follows:

- Phase 1. *Initial studies and building local capacity for planning the economic development of the community*: the intended purpose is to analyze the situation in terms of economic potential according to the documents produced to date to mobilize this potential and build local capacity for planning economic development in the municipality of Tvarditsa. It includes up to six stages that lead to the achievement of goals and to create the conditions for transition to implement the second phase of the service:

1. Organizing the project, i.e. conducting a workshop with the authorities of the Municipality of Tvarditsa (Major, Deputy Major of Line, Councillors), local professionals and key experts who will work on the project. The main purpose of the meeting will specify the parameters of the project, the role of municipal administration and city council, and identification of all potential stakeholders;

A workshop with local partners identified and representative of the Sliven District Administration will also be organized for familiarization with the project objectives, the stages towards its implementation, the expected results and the importance of a broad public participation in both the design and implementation of such a plan for economic development.

2. Stakeholder analysis, which will forecast structure and roles and responsibilities of each participant in the process of developing a strategy for local economic development. Here we envisage:
  - an analysis of the capacity of the municipal authorities in the field of planning; and
  - an analysis of the capacity of the local partners.

A meeting between the project team and responsible staff of Local Administrations is also expected, in order to elaborate rules for optional features, performance and anticipated products of the thematic (working) groups; Individual meetings with all the stakeholders will contribute to identify the level of their willingness to participate in the process as well as potential needs regarding additional training in planning;

3. Organizing and conducting training to improve skills of local partners and municipal authorities in local economic development planning and local economic development.
4. Collecting and structuring the basic information that will provide a basis for effective process of analysis and planning.
5. Analyzing local legislation related to local economic development.
6. Evaluation and reporting of the phase result. This will include:
  - conducting internal team discussion and analysis of the effectiveness of the activities undertaken during the first phase;
  - training evaluation based on processed feedback from participants and speakers; and
  - evaluation of primary structured information and analysis.

- Phase II. *Detailed studies of local economic potential*: the aim now is to analyze the processes and trends in the local economy over the past four years, opportunities to attract investment and to identify concrete measures and actions for strengthening the labour market.

Within this phase the basic policy document and plan for its realization will be arranged. Three different stages are included:

1. Processing of collected information, that is, development of analytical and strategic part, which will provide the basis of the real part from:

- processing of the collected information from the working groups of the executive group with project consultants;
- analysis of trends over the past (and specifically in the last four years) by investigating the local potential for development;
- defining the structure and scope of economic development strategy;
- realization of a SWOT analysis with the participation of a maximum number of representatives of interested parties; and
- discussing the vision and the priorities in the Plan for Economic Development of the executive group.

2. Developing a strategy for local economic development and realization of its plan. At this point we expect to develop a strategy for local economic development, using the analysis discussed and adopted as well as taking into consideration the vision and priorities of the municipality.

3. Developing a package of proposals to improve local legislation related to the local economic development by:

- preparing a package of proposals to improve the local regulations on the basis discussed and accepted legal analyzes of existing local regulations of the municipality; and
- discussion and adoption of the package of proposals to improve local legislation related to the local economic development of the Municipality of Tvarditsa.

- Phase III. *Preparation of a communication strategy and production of marketing materials for Tvarditsa*: this will provide practical approaches and activities to promote investment opportunities in the municipality and will include:

1. Forming a working group to draft a communication strategy and marketing plan.
2. Developing a communication strategy and the related marketing plan.
3. Preparation of a marketing brochure on the Municipality of Tvarditsa.
4. Preparation of a program for workforce development in Tvarditsa, with:
  - an analysis of the status and trends in the labour market; and
  - a program for workforce development specifically designed by uniting the efforts of the municipality, local businesses, educational backgrounds and job centres.

#### 4. Conclusion

The expected final result and effects of the local implementation of the activities described above will be threefold and include:

- The development of a partnership between relevant socio-economic forces sharing the common aim of a long-term economic development and an increased capacity for strategic planning of the local community as a whole.
- The design and implementation of a general framework in which different activities will be carried out in support of local development goals and with the participation of all significant stakeholders in the Municipality of Tvarditsa with a clear delimitation of procedures, tasks and responsibilities.
- The encouragement of all the local potential to promote socio-economic development and the improvement of conditions required to properly activate the labour market in the long term.
- The identification and implementation of modern regulatory policies and instruments.

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