



**International Link and Services for
Local Economic Development Agencies**

for a fair, human, sustainable and inclusive development

Instruction Manual for the use of ILS LEDA RESCO Method

**RESCO: Resources for Economic
Sustainable Competitiveness**

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This manual is aimed at facilitating the use of the ILSLEDA RESCO method for assessing the economic endogenous resources of a territory, having potential for competitive and sustainable development.

It is composed by 4 parts:

- I. ASSESSMENT OF THE TERRITORIAL COMPETITIVE ADVANTAGE
- II. ANALYSIS OF COMPETITIVE POTENTIAL ON THE MARKETS
- III. ASSESSMENT ON THE OBSTACLES TO THE FULL VALORIZATION OF TERRITORIAL RESOURCE
- IV. DEFINING STRATEGIC GUIDELINES FOR FAIR, COMPETITIVE AND SUSTAINABLE ECONOMIC DEVELOPMENT

and 13 questions, including the way to answer to each one of them, through:

- i) guidance
- ii) main and most common difficulties in the responses and suggestions
how to face them
- iii) examples of responses

This package shall be used for each resource/value chain one wants to analyze.

Write in the following box what resource you're going to assess.

RESOURCE

PART 1

ASSESSMENT OF THE TERRITORIAL COMPETITIVE ADVANTAGE

Question 1: Specify what are the main product/service characteristics that can be competitive advantage

What

The competitive advantage characteristics are those for which the users or consumer prefer that product instead of similar ones.

If products or services have some competitive advantage, they have more chances for competing on the markets and maintain this competitiveness at medium large terms.

The table 1 lists a set of possible characteristics for competitive advantage.

How

STEP 0: All starts from the STEP 0, when the facilitator organizes FOCUS GROUPS, one for each resource to analyze (apple, cereals, dairy, artisans, tourism, etc.)

STEP 1: **Using the TOOL SHEET 1** the participant to the focus group shall select only those characteristics (among the ones on the list) that really can differentiate the selected product or the service from similar ones.

The differential characteristics are those responding to the question:

“ Why a consumer should buy my product (for example cheese) instead of the similar one (for example cheese) from my competitors?”

He/she can do it asking each component to indicate the characteristics according to his/her opinion. Each participant can select not more than three elements.

STEP 2: The facilitator sums how many remarks each one of the characteristics has got.

STEP 3: The characteristics that have got a score above the average number of participants will be identified as competitive advantage.

Table 1: Possible competitive advantages

Agriculture: SPECIFY THE PRODUCT	Possible competitive advantages
Special product	It is unique in its sector (ex: the fruit <u>marula</u> in South Africa, the Parmisan cheese in Parma, the Bourdeaux wine in Bordeaux, the Labneh yogurt il Lebanon, the Sharri cheese in Kosovo, etc.
Organoleptic characteristics	Taste, smell, good sensation in the mouth, etc.
Multi harvest	More than once in a year
Healthy	It does not damage or improve health
Ecologic	It is made trough organic process
Abundance	Produced volume
Organization	Specific and innovative farmers or territorial organization, that produce high productivity (ex: the Italian industrial districts or the Spanish Mondragon cooperative)
Infrastructure	Presence of specific productive infrastructure, that do not exist in other parts (ex:the Netherland dam)
Self-Security	People is accustomed to use local products; Proximity of local markets to producers
Industry-arts and craft: SPECIFY THE PRODUCT	
Special product	It is unique in its sector (ex: the Basque hat, the Turkish carpets, the high fashion in Italy, the Carpi ceramic, etc.)
Utilization of specific raw material	Ex: The Champagne grape
It responds to specific needs of the local population	Ex: The Chinese cousin or the Neapolitan pizza
Productive technology or methodology	Ex: The Cuban way of stabilizing milk (Stabilak) or the presence of specific patent
Organization	The presence of special incubators, or clusters
Design	Attractive and unique product design (ex: the Mac Intosh computers, or the Italian fashion)
Others	
Tourism: SPECIFY THE TARGET	
Specialization in the offer	Ex: Miami for the retired American people
Diversification in the offer	Such a combination of historic, cultural, and relax tourism
Good hospitality	Population behavior to establish warm and affectionate relationships
Natural environment	Unique presence
Infrastructure	Ex: Presence of water pools, sport facilities, health facilities, mountain paths, museums, parks, markets, etc.
Culture	Presence of a very special culture, which does not exist elsewhere
Historical and archaeological patrimony	Special and unique
Food	Special and unique
Special services	Such as health services, training, guides, equipment rentals, etc.
Special events	Fairs, concerts, festivals, carnivals, etc.
Others	

TOOL SHEET 1: Identifying Competitive Advantage

Product/Service (specify)	Competitive Advantage
Agriculture:	
Special product	
Organoleptic characteristics	
Multi harvest	
Healthy	
Ecologic	
Abundance	
Organization	
Infrastructure	
Food security	
Industry	
Special product	
Utilization of specific raw material	
It responds to specific needs of the local population	
Productive technology or methodology	
Organization	
Design	
Others	
Tourism	
Specialization in the offer	
Diversification in the offer	
Good hospitality	
Natural environment	
Infrastructure	
Culture	
Historical and archaeological patrimony	
Food	
Special services	
Special events	
Others	

Difficulties

1. Selection of the resource.

Collocation of the resource in the proper sector.

A fresh fruit or vegetable or other agriculture products, including fishery (apple, berries, mushrooms, fishery, coffee, tea, potato, cereals, etc.); breeding (cows, sheep's, bees, horses, ostriches, fishes, pepper, olives, grape, etc.); are agriculture resources.

Any other natural resource that can be sold as such on the market (precious or semi precious stones, iron, oil, copper, tin, marble, etc.) are other primary sector products.

Any product that is a transformation of a primary resource (jam, cheese and dairies juices, meat, bakery, canned tuna, wine, olive oil, jewelry etc.) is industrial products, as well as the product of other industrial branch (textile, mechanics, chemical, cosmetics, etc.)

Any natural resource that could generate tourism attraction is in the service sector, as tourism.

2. Misunderstanding about the resource

Selection of the resource for the exercise.

Avoid confusing a part of the resource with the all:

- The hotel business is part of tourism, because the competitive advantage is the local attraction for tourists. If there are no tourists, any hotel is useless. What is important is the tourist target: familiar, businesses adventure, natural, sport, etc., to which correspond different types of hotel businesses.
- Honey is only a part of the beekeepers businesses. Although many beekeepers produce only honey, this belongs to the competitive resource that is beekeeping.
- Manufacturing *per se* is not a value chain, but it belongs to a more inclusive value chain: for instance the sweater production is part of the wool value chain, as well as the furniture production is part of the wood value chain.

Avoid confusing the all with the part:

Arts and crafts are not a resource or value chain *per se*: any specific economic activity has different competitive advantages: carpets (wool), bakery, jewelry, textile, copper or wood products, etc. The specific economic activity shall be treated as a separate resource, taking also in account the aforementioned considerations about manufacturing.

3. **Examples** (the group is of 7 people and the red back-grounded characteristics were prioritized as competitive advantages).

Table 1 b: Example of identification of competitive advantages

<i>Product:</i>	MILK	<i>Competitive Advantage</i>
<i>Special product</i>		
<i>Organoleptic characteristics</i>		••
<i>Multi harvest</i>		•
<i>Healthy</i>		•••••
<i>Ecologic</i>		•••
<i>Abundance</i>		•
<i>Organization</i>		•
<i>Infrastructure</i>		•
<i>Food security</i>		•••••
<i>Product:</i>	BEEKEEPING	<i>Competitive Advantage</i>
<i>Special product (Berry mountain Honey)</i>		•••••
<i>Organoleptic characteristics</i>		••
<i>Multi harvest</i>		•••
<i>Healthy</i>		•••
<i>Ecologic</i>		•••••
<i>Abundance</i>		••
<i>Infrastructure</i>		•
<i>Food security</i>		•
<i>Service:</i>	TOURISM	<i>Competitive Advantage</i>
<i>Specialization in the offer</i>		•
<i>Diversification in the offer</i>		••
<i>Good hospitality</i>		••••
<i>Natural environment</i>		•••••
<i>Infrastructure</i>		••
<i>Culture</i>		•••
<i>Historical and archaeological patrimony</i>		••
<i>Food</i>		•
<i>Special services</i>		•••
<i>Special events (snow festival)</i>		•••••
<i>Others</i>		
<i>Product:</i>	MOUNTAIN FRUIT	<i>Competitive Advantage</i>
<i>Special product</i>		
<i>Organoleptic characteristics</i>		•••••
<i>Multi harvest</i>		•
<i>Healthy</i>		•••
<i>Ecologic</i>		•••
<i>Abundance</i>		•
<i>Organization (Territorial cooperative)</i>		•••••
<i>Infrastructure</i>		•
<i>Food security</i>		••
<i>Product:</i>	WOOD PRODUCTS	<i>Competitive Advantage</i>
<i>Special product</i>		
<i>Utilization of specific raw material</i>		•••••
<i>It responds to specific needs of the local population</i>		•••••
<i>Productive technology or methodology</i>		•
<i>Organization</i>		••
<i>Design</i>		•
<i>Others</i>		
<i>Product:</i>	TEXTILE	<i>Competitive Advantage</i>
<i>Special product</i>		
<i>Utilization of specific raw material</i>		•••
<i>It responds to specific needs of the local population</i>		•••
<i>Productive technology or methodology (Traditional hand made)</i>		•••••
<i>Organization</i>		•
<i>Design</i>		•

Question 2: What of the following element determines the aforementioned competitive advantage?

What

The competitive advantage is due to some specific reasons that often rely to territory in its environmental or human expression.

It is important to recognize what are these factors for using them as differential attraction element for suing/consuming the products.

These factors are, at the end, what can guarantee long-term competitiveness.

The **TOOL SHEET 2** shows the main ones of these factors.

Tool sheet 2: Causes of competitiveness

Cause of competitiveness	Mark
Climate	
Land	
Knowledge	
Entrepreneurial attitude	
Support from research	
Business networks	
Geographic position	
Population character	
Social Culture	
Services	
Good Governance	
Other	

How

Step 1: **Using TOOL SHEET 2**, each one of the participants selects what is the cause of the competitiveness in his/her opinion, as with the method used for tool sheet 1.

It can do it asking each component to indicate the characteristics according to his/her opinion. Each participant can select not more than three elements.

Step 2. The facilitator sums how many scores each one of the characteristic has got, and divides it by the number of the participant for obtaining the average

Step 3. The characteristics that have got a score above the average number of participants will be identified as competitive advantage.

Difficulties

Lack of understanding

For making it easier read the following table 2

Table 2: Guidelines for identifying the cause of competitive advantage

Cause of competitiveness	Guidelines for identification of causes of competitive advantage
Climate	It derives from special micro climatic conditions
Land	It has to do with the characteristics of the soil, or the hydro geological asset
Knowledge	It corresponds to the specific knowledge local people has accumulated in realizing their economic activities, in terms of processes, techniques and technologies, organization
Entrepreneurial attitude	It has to do with the aptitude of local people and entrepreneurs in working their products or services, with a permanent vision on marketing them and make incomes out of it.
Support from research	It corresponds to the presence of applied research resources (internal or external to the enterprises), able to realize continuous innovation
Business networks	It corresponds to the ability or habit of local people or entrepreneurs in working in cooperation each other, and establishing formal or informal networks
Geographic position	It corresponds to specific position of the area, for instance on boarders (facilitating trading), on the coast (with presence of harbors or wonderful coastal attractions), in strategic corridors, in high mountains (for tourism or hydric centrals), on strategic rivers (as transport node), etc.
Population character	It correspond to specific attitudes, such as openness (for attracting human resources or tourists), cooperation (for networks), precision (for specific jobs), working capacity (for complex and hard activities), long habit in the rural environment (for agriculture and livestock), etc.
Social Culture	It corresponds to the people attitude or sensitiveness or efforts towards social needs, such as, for instance, primary and secondary education, health, support to child-older-disadvantaged people. It means, for instance business social responsibility, social enterprises, funding of social programs.
Services	It corresponds to the presence of financial and non financial business services, able to support the enterprises or the establishment of new businesses
Good Governance	It corresponds to the capacity of local government of providing a favorable environment for businesses: allowing participation of the population and the private sector in planning, providing services, responding to the demands and needs of the population and entrepreneurs, realizing sound infrastructures for economic activities, assuring transparency on its decisions, etc.
Other	

Examples

Table 3 shows an example of compilation for a group of 7 people

Table 3: Example of responses for identifying the causes of the competitive advantage
Taking the factors above the average the resulting factors are the green ones

Cause of competitiveness	1	2	3	4	5	6	7	TOTAL
People								
Climate	X		X	X			X	4
Land	X	X	X			X		4
Knowledge						X		1
Entrepreneurial attitude					X	X	X	3
Support from research								
Business networks								
Geographic position	X		X					2
Population character					X			2
Social Culture		X						1
Services								
Good Governance								
TOTAL								17
AVERAGE= SUM/7								2,43

Question 3: How the resources are exploited? (economic sustainability)

What

Competitiveness, as above-mentioned, does not mean only capacity of competing today, but also the capacity of competing to-morrow.

This has to do with the “sustainability” of the resource development.

This specific question refers to the following related question.

Is it right that “if the analyzed resource is spread enough in the area and it is able to build a chain of related businesses” (for instance transformation of food products and packaging, or events from the tourism system, or treatment of water, etc.), it reinforces the capacity of the economic system”?

This is kind or territorial economic impact of that economic activity, or economic sustainability.

How

Step 1: **Using the TOOLS SHEET 3**, the facilitator stimulates a discussion within the focus group, until agreeing about each of the issues included in the sheet, and mark the results with a “X” in the correspondent square for the first two rows, specifying the activities in the other ones.

Tool Sheet 3: Economic sustainability

	Very few or scattered	A good number	Many
People/Enterprises which uses the resource			
Of which women			
	Current activities	Potential activities	
What other relative activities of the agriculture sector the identified resource is generating or it has the potential to generate (specify)			
What other relative activities of the industrial sector the identified resource is generating or it has the potential to generate (specify)			
What other relative activities of the service sector the identified resource is generating or it has the potential to generate (specify)			

Difficulties

Lack of knowledge

The following table 3 could help in compiling the sheet 3

Table 3: Typology of activities related to the resource

Agriculture resource	Typology of activity
What other relative activities of the agriculture sector the identified resource is generating or it has the potential to generate	Diversification of the product Example for Beekeeping: from mono.flower honey to multi-flower honey, propoli, to wak. Example for shippers: from milk to meat, to wool
	Organic production
	Seed Production
What other relative activities of the industrial sector the identified resource is generating or it has the potential to generate	Processing for food products (jam, juice, etc.)
	Processing for no food products (cosmetics, medicines, etc.)
	Waste processing (for alternative energy)
	Equipment production
	Packaging and labeling
What other relative activities of the service sector the identified resource is generating or it has the potential to generate	Services for fighting against diseases
	Veterinary service
	Commercialization services
	Food markets
	Laboratory for controlling the quality and certification

Industrial resource (Textile)	Typology of activity
What other relative activities of the agriculture sector the identified resource is generating or it has the potential to generate	Increasing production
	Improvement of the quality of the production
	Organic production
	Recovery of old production, like silk, cotton, etc.
What other relative activities of the industrial sector the identified resource is generating or it has the potential to generate	Diversification of products and markets (for instance towards high quality or specialized niche products)
	Equipment production
	Packaging and labeling
	Increasing the number of businesses for the same or similar products
What other relative activities of the service sector the identified resource is generating or it has the potential to generate	Equipment maintenance
	Business Consultancy
	Marketing services (including fairs)
	Specialized financial services
	Applied research for innovation

Tourism	Typology of activity
What other relative activities of the agriculture sector the identified resource is generating or it has the potential to generate	Increasing production due to the demand of local products
	Improvement of the quality of the production
	Organic production
	Diversification
What other relative activities of the industrial sector the identified resource is generating or it has the potential to generate	Arts and crafts
	Equipment production
	Construction (hotel, restaurant, coffee shops, signs, paths, tourist installations, etc.
	Food processing
What other relative activities of the service sector the identified resource is generating or it has the potential to generate	Hotelier School
	Info Centers
	Web management (on-line booking, promotion, etc.)
	Events and Fairs

Examples:

The following table 3b shows an example.

Table 3b: Examples of territorial sustainability

MILK	Very few or scattered	A good number	Many
People/Enterprises which uses the resource			
Of which women			
	Current activities	Potential activities	
What other relative activities of the agriculture sector the identified resource is generating or it has the potential to generate (specify)	Meat	Leather	
	Milk pasteurization	Alternative Energy form the cows' shit	
What other relative activities of the industrial sector the identified resource is generating or it has the potential to generate (specify)	Dairy	Cosmetics	
		Yogurts	
		Butter	
		Packaging	
What other relative activities of the service sector the identified resource is generating or it has the potential to generate (specify)	Veterinary	Transportation and Distribution	
		Milk fair	
		Quality Control	
TEXTILE	Very few or scattered	A good number	Many
People/Enterprises which uses the resource			
Of which women			
	Current activities	Potential activities	
What other relative activities of the agriculture sector the identified resource is generating or it has the potential to generate (specify)	Wool Production	Increasing wool production	
What other relative activities of the industrial sector the identified resource is generating or it has the potential to generate (specify)	Buttons	Diversification of the niche market	
	Cerniere lampo	Equipment	
What other relative activities of the service sector the identified resource is generating or it has the potential to generate (specify)		Center for skills improvement	
		Center for design	
		Brand	
TOURISM	Very few or scattered	A good number	Many
People/Enterprises which uses the resource			
Of which women			
	Current activities	Potential activities	
What other relative activities of the agriculture sector the identified resource is generating or it has the potential to generate (specify)	Food Production	Increase the traditional food production	
What other relative activities of the industrial sector the identified resource is generating or it has the potential to generate	Arts and crafts	Increase the traditional arts and crafts	

(specify		
What other relative activities of the service sector the identified resource is generating or it has the potential to generate (specify	Sky plant	Natural Tourism
	Hotels, Restaurants	Bed and Breakfast Traditional music festival
		Tourism center Hostelry school

Question 4: What the social impact of the economic activity? (social sustainability)

What

This specific question is related to the correspondent question

Is it right that “if the economic activity provides a fair distribution of its benefit” contributes to a social equality and cohesion, it avoids social conflicts and improves the economic environment”?

This is the social sustainability of the economic activity

How

Step 1: **Using TOOL SHEET 4**, the facilitator stimulates a discussion within the focus group, until agreeing about each of the issues included in the sheet, and mark the results with a “X” in the correspondent square for the first two rows, specifying the activities in the other ones.

Tool Sheet 4: Social sustainability

	Very Low	Not Bed	Good	Very Good
Capacity of employment				
Capacity of employing poor people				
Potential of creating other businesses				
Capacity of employing women				

Difficulty

Lack of information

In this case a consultation with a sectorial expert is needed

Question 5: What the environmental impact? (environmental sustainability)

What

This specific question correspond to the question:

Is it right that “if the economic activity does not destroy the environment, this preserves the natural basic resources and also human health”?

This means the environmental sustainability.

How

Step 1: **Using the TOOL SHEET 5**, the facilitator stimulates a discussion within the focus group, until agreeing about each of the issues included in the sheet, and mark the results with a “X” in the correspondent square for the first two rows, specifying the activities in the other ones.

Tool Sheet 5: Environmental sustainability

Capacity of Protecting the environment or not contaminating it	It disturbs the environment	No effect on environment	It protect better the environment
Capacity of generating green businesses	No	Few	Many

Difficulties

Lack of information

In this case a consultation with a sectorial expert is needed

Question 6: What the attention of institutions? (institutional sustainability)

What

This specific question is related to the following question

Is it right that “if the economic activity is supported by the public administration and is part of the territorial plans, it helps its development”?

This is the institutional sustainability.

How

Step 1: **Using the TOOL SHEET 6**, the facilitator stimulates a discussion within the focus group, until agreeing about each of the issues included in the sheet, and mark the results with a “X” in the correspondent square for the first two rows, specifying the activities in the other ones.

Tool sheet 6: Institutional sustainability

There are plan of local/national government in favor of the development of the resource? (specify)	
There is an attention of local/national government in favor of the development of the resource? (specify)	

Difficulties

Misunderstanding the question

The following table 4 could orientate in the answer

Table 4: Examples for compiling the tool sheet 6: Institutional sustainability

There are plan of local/national government in favor of the development of the resource? (specify)	Regional strategic plan that include the resource development (examples: apple, livestock, textile, tourism, etc.) as one of the main priorities, and foresees a number of investment, credit facilities, training) at its support. National development strategies of one or more Ministries include specific measures (technical assistance, training, etc.) at support of the development of the resource
There is an attention of local/national government in favor of the development of the resource? (specify)	During a national workshop the government announced that specific measures in favor of the development of the resources will be taken into consideration in the next national budget. The regional government realized a study, showing the importance of this resource for the territorial development.

Question 7: What is the situation of the value chain? (Territorial sustainability)

What

A value chain is a series of interlinked activities (businesses), each one of them is related with others, and so they add value to the others.

The relationship could be of different type:

- One use other ones as inputs for its activity (for instance milk is input for dairy, or waste for alternative energy, or product packaging, or transportation)
- One is a service for other ones (for instance maintenance for equipment, or a commercialization service, or laundry for hotels)
- One provides tools for other ones (for instance tractors, or towel sheet for restaurants)
- One takes advantage for the presence of the other ones (for instance arts and crafts for other tourist industry-hotel, events, etc.-, sanitary equipment from construction industry or hotels, tourist industry from events, events from the tourist industry)

In order to facilitate a more sustainable and beneficiary development, in terms of business increase and job creation, it is important valorize the identified competitive resource and get out of it all the possible related businesses.

At this aim, it is needed to identify what element (businesses) of the value chain is already present in the area, and what the other ones are lacking.

The first one perhaps needs to be reinforced (productivity and quality), the other ones to be introduced (internal and/or external investment, or joint ventures)

Look at the figures of following pages for having an idea on value chains.

How

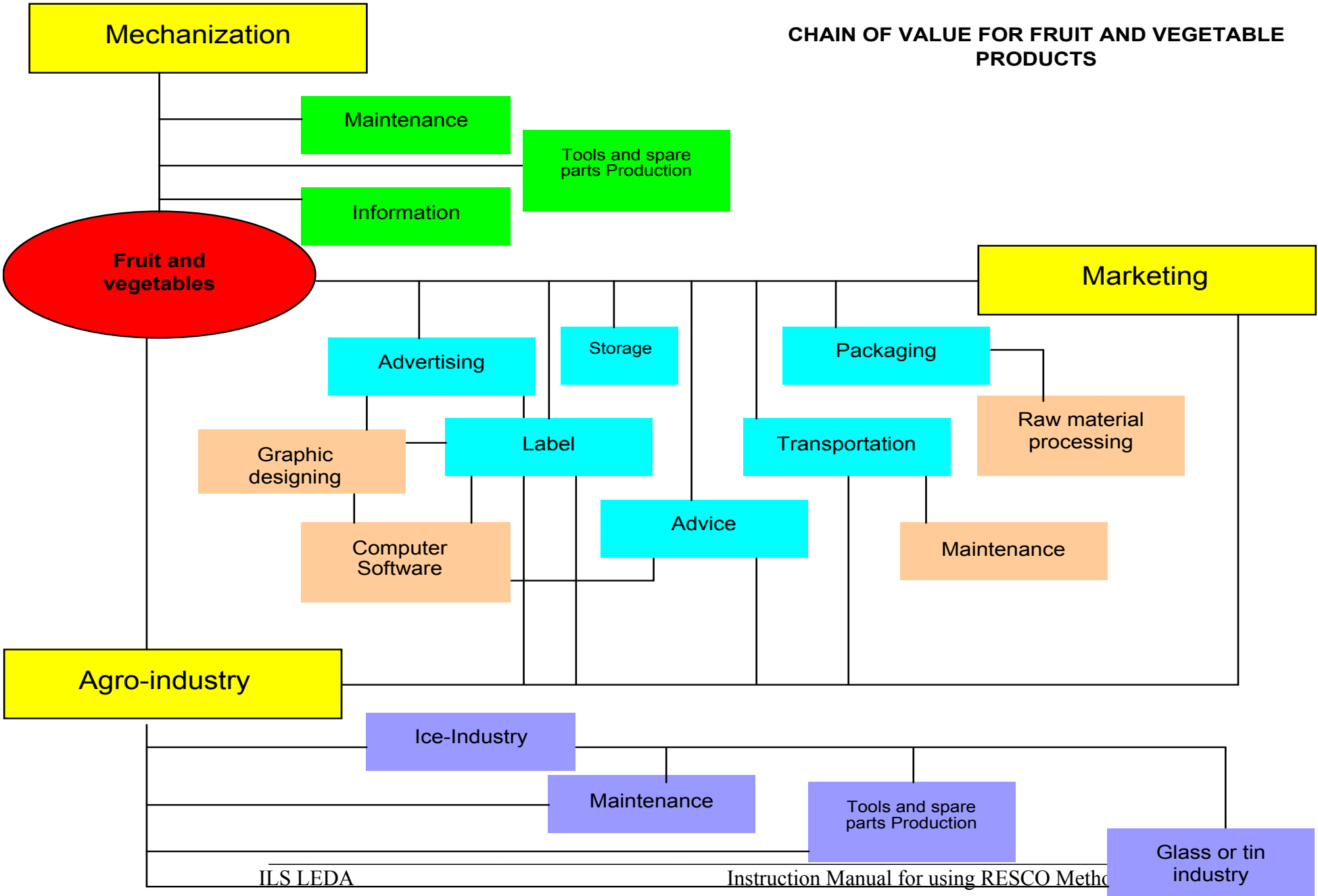
Use the information included in Tool Sheet 3, and report them in the following **TOOL SHEET 7**. Use one sheet for each resource value chain.

Tool Sheet 7: Value chains

Resource Value chain:	
Lacking activities/businesses in the agriculture sector	
Lacking activities/businesses in the industrial sector	
Lacking activities/businesses in the service sector	

Examples: look at the following examples for a complete value chain analysis

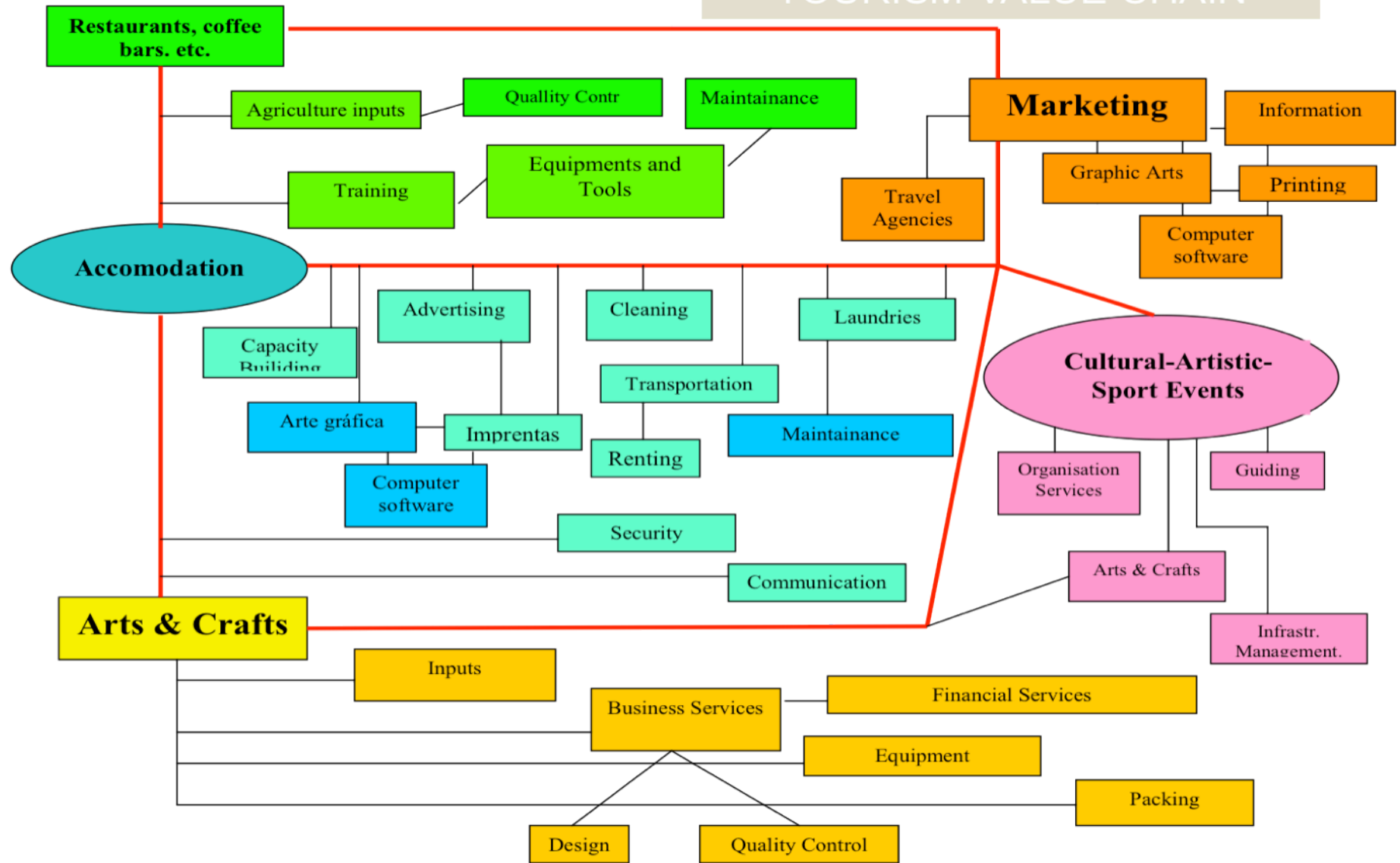
CHAIN OF VALUE FOR FRUIT AND VEGETABLE PRODUCTS

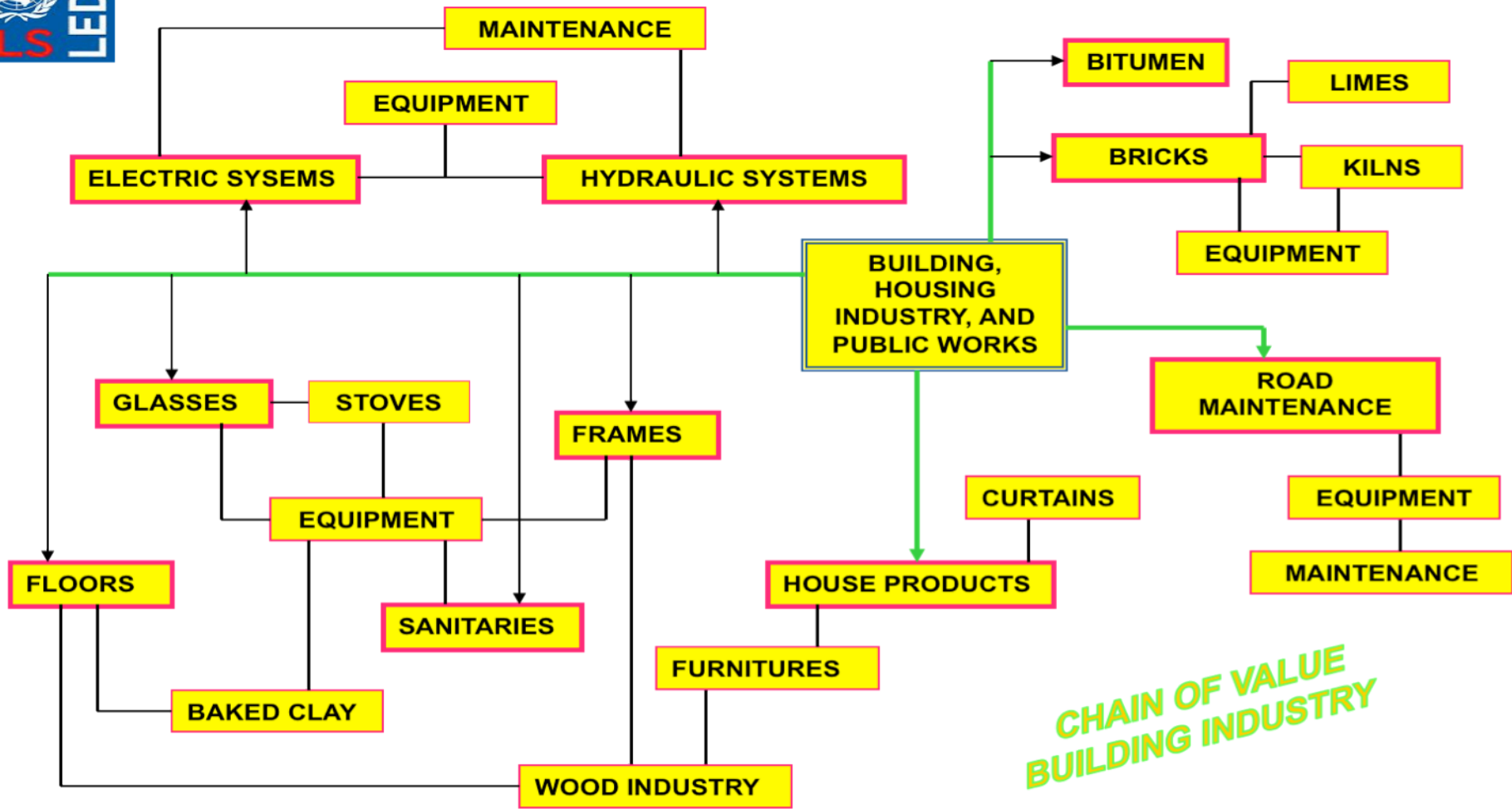


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Instruction Manual for using RESCO Methodology

TOURISM VALUE CHAIN





Question 8: What are the markets for the analyzed resources?

What

It is important to verify if the resources have markets and what is this market: mainly local, mainly national, mainly regional (Balkans, Middle East, Mercosur, Central America etc.), or Global.

How:

STEP 1: The facilitators compile for each focus group the following **TOOL SHEET 9** indicating the dominance of each market, according to the following indicators:

- a) More than the 70% of the resource is sold to that market
- b) About the 50% of the resource is sold to that market
- c) Less than 30% is sold to that market

Tool Sheet 9: Market assessment

Resource	Local	National	Regional Global

Difficulties

Quantitative analysis

This is still a qualitative analysis.

The producers should have the capacity of appraising where they sold their products.

The following PART II will analyze better the market conditions and situations.

Example

The following example shows the market assessment for the milk value chain of the example shown in the table 3b

Table 5: Example of market identification

Resource	Local	National	Regional Global
Milk	X		
Milk pasteurization		X	
Meat	X		
Dairy		X	
Veterinary	X		

Question 9: What resources have sustainable competitive advantage?

What

According to the previous analysis we have now the parameters for assessing what are the resources that have **sustainable competitive advantage (SCA)** in the area.

The analysis shall be completed with the PART II, but we are able to make this first selection.

How

STEP 1: The facilitator synthesizes the results of tool sheets 1,2,3,4,5,6 of the each focus group in the following **TOOLSHEET 10**

For each parameter the facilitator assign the following alternative assessments

- Excellent
- Good
- Sufficient
- Scarce

Only signs YES or Not for the parameter of “Uniqueness”

STEP 2. The facilitator gives priorities to those value chains that have the best performance in the **TOOLS SHEET 11**

The best value chains are those with no scarce assessments for the competitive advantage and value chain potential, and not more than one scarce for the sustainability assessment.

Tool Sheet 10: Value Chain assessment

Value chain	Uniqueness	Other Competitive Advantages	Territorial Sustainability	Soc. Sustain	Envir. Sustainability.	Inst. Sustainability.	Vale chain Potential

Tool Sheet 11: Prioritization of the Value chain

Difficulties

Knowledge

The facilitator is not prepared enough for the assessment.
In this case, he/she can send the tool sheets to ILS LEDA (ilsleda@ilsleda.org) and ask for support.

Example

See the following table 6.

Table 6: Example of a value chain assessment

Value chain	Uniqueness	Other Competitive Advantages	Territorial Sustainability	Social Sustainability	Environmental Sustainability.	Institutional. Sustainability.	Vale chain Potential
Apple	YES	GOOD	SUFFICIENT	SUFFICIENT	GOOD	SCARCE	GOOD
Beekeeping	NOT	EXCELLENT	SCARCE	SCARCE	SCARCE	GOOD	SUFFICIENT
Milk	NOT	GOOD	GOOD	GOOD	SCARCE	SUFFICIENT	EXCELLENT
Fishing	YES	SUFFICIENT	SUFFICIENT	GOOD	SCARCE	SUFFICIENT	GOOD
Carpets	YES	EXCELLENT	SUFFICIENT	EXCELLENT	GOOD	SCARCE	GOOD
Tourism	YES	GOOD	EXCELLENT	EXCELLENT	GOOD	SCARCE	GOOD
Trade	NOT	SCARCE	GOOD	GOOD	SCARCE	SUFFICIENT	SUFFICIENT
Pottery	YES	EXCELLENT	SCARCE	GOOD	GOOD	SUFFICIENT	SUFFICIENT
Car maintenance	NOT	SUFFICIENT	SUFFICIENT	SCARCE	SCARCE	SCARCE	SCARCE

The territory has two Star resources/value chains: Carpets and Pottery

One good product: apple

One no competitive: trade

And one emerging resource: fishery

Table 7: Example of prioritization

CARPETS
POTTERY
APPLE
FISHERY
TOURISM

The development strategy will be based mainly in these resources, provided the part II confirm the assessment

PART II

ANALYSIS OF COMPETITIVE POTENTIAL ON THE MARKETS

Question 10: What are the markets where the resource could be sold and at what conditions?

ILS LEDA will analyze this part, through a desk analysis and come out with the result of assessing if:

- a) The resource is already competitive in the new target markets
- b) The resource is not competitive
- c) The conditions that will allow the resource to be competitive

PART III

ASSESSMENT ON THE OBSTACLES TO THE FULL VALORIZATION OF TERRITORIAL RESOURCE

Question 11: What the obstacle to the full valorization of the resource?

What

In order to valorize the capacity of the resource in contributing to the territorial economic development, understanding what are the obstacles to its full valorization is very relevant.

These obstacles are of different type and related to standard typology, as shown in TOOL SHEET 12.

Once we know it, it will be easier to proceed to the assessment of a strategy for removing them and making sustainable development possible.

How

For each selected value chain, the aim of the exercise is identifying specific obstacles

Step 1: The facilitator invites each participant of the focus group to express what are the obstacles in his/her opinion, and lists all of them in the **TOOL SHEET 12**

Step 2: Each one of the participants receives the so compiled TOOLS SHEET 12 and, gives a score from 1 to 5, according to his/her opinion on the relevance of the obstacle to the economic development of the value chain.

Step 3: The facilitator sums the scores given by the participant for each obstacle

Step 4: The facilitator calculates the average score of the sum (dividing the total by the number of the obstacles)

Step 5: The facilitator highlights those obstacles that have had a score above the average (for instance if the average is 15, all the obstacles with a score from 16 on. Those will result as the prioritized obstacles and will be used in the following phases.

Tool Sheet 12: Analysis of the obstacles to the full valorization of the resource

Typology of Obstacles	DESCRIPTION OF OBSTACLES	Prioritization Score (1-5)
Infrastructure		
Information		
Services to production		
Access to credit		
Entrepreneurs Behavior		
Entrepreneurs Know how		
Businesses' Networks		
Commercialization		
Technological Capital		
Regulatory Framework		
Productive system		
Total		
Average		

PRIORITISE ONLY THE SCORE ABOVE THE AVEARAGE!

Difficulties

Prioritization

It is important to give a greater score to the obstacle that really constrains the development of the resource.

Good indications for the score assignment could be the following one:

- 5: If the obstacles are not removed no development is possible, on the contrary there is a serious possibility of failure of any business trying to exploit this resource.
- 4: If the obstacle is not removed, the development of the resource is maintained, but without possibility of impacting on job creation, and/or social equity, and/ or environmental protection
- 3: If the obstacle is not removed, there is a serious risk of decline in the medium term.
- 2: If the obstacle is not removed, a certain growth is possible, but without significant job creation
- 1: If the obstacle is not removed, a certain growth is possible, but without exploiting all the potentialities that the related value chain has

Misunderstanding

For facilitating the description of the obstacles by typology see the following table

Table 8: Examples of obstacles by typology

Typology of Obstacles	DESCRIPTION OF OBSTACLES
Infrastructure	Roads, Railroads, Rural roads
	Electricity, Energy
	Market Places
	Industrial Zones
	Tourism Infrastructure, including Hotels, Restaurants, Tourist Paths and restoration areas, etc.
	Fair Areas
Information	Information on markets' trends
	Information on new technologies
	Information on national and international programs and opportunities
	Information on business support programs
Services to production	Technical assistance (business plans, production and productivity, etc.)
	Veterinary
	Commercialization and export
	Access to finance
	Technology Transfer and Management
	Capacity Building
	Regulations
	Business Administration
	Design
	Service for improving the quality (Quality control-Certification)

Access to credit	Information about the opportunities
	Accompaniment to the access
	Guarantee Funds
	Seed capital
	Franchising
	Leasing
Entrepreneurs Behavior	Individualism
	Short term entrepreneurial vision
	Resistance to growth
	Local vision of the markets
	Family conduction of the enterprise
	Attitude to imitate what others do
	Scarce attitude to innovate
Entrepreneurs Know how	Scarce occasions of learning more
	Traditional not updated know how
	Scarce links with other experiences
Businesses' Networks	Absence of associations
	Absence of coordination with other entrepreneurs of the same sector or value chain
	Lack of incentives to form networks
	Lack of service for the establishment and the management of networks
	Lack of opportunities for international networks
	Scarce entrepreneurial attitude to work together
Commercialization	Absence/Insufficiency of market places
	Absence/insufficiency of services for commercialization
	Lack of brand
	Lack of fairs
	Lack of opportunities to participate to national/international fairs
	Lack of a good packaging
Technological Capital	Technology out of date
	Difficulty to introduce innovations
Regulatory Framework	Lack/inadequacy of the regulations for the sector
	Lack of incentives to produce more and better
	Lack of protection of local products
	Lack of protection of the regular businesses towards the irregular ones
	Too much complicate regulations for establishing a new businesses
	Too much complicated regulations for administrating a businesses
Productive system	Too much fragmented production
	Smmes' dependent on one leader enterprises
	Informal sector dominant on the formal one
	Absence of links among businesses of the same value chain
	Dominance of external capital

Examples

The following table 9 shows an example for a focus group with 5 participants

Table 9: Examples of identification of the main obstacles to the value chain development

Typology of Obstacles	DESCRIPTION OF OBSTACLES	P1	P2	P3	P4	P5	TOT
Infrastructure	Roads, Railroads, Rural roads	4	3	4	4	3	18
	Market Places	2	1	3	2	2	10
	Fair Areas	1	1	2	3	1	8
Information	Information on markets' trends	3	4	4	3	5	19
	Information on new technologies	2	2	1	5	3	13
	Information on national and international programs and opportunities	4	4	3	3	4	18
	Information on business support programs	2	2	1	2	3	10
Services to production	Technical assistance (business plans, production and productivity, etc.)	4	5	4	4	3	16
	Access to finance	2	5	5	5	5	22
	Technology Transfer and Management	3	3	4	4	2	16
	Capacity Building	2	2	2	2	2	10
	Service for improving the quality (Quality control-Certification)	5	4	4	4	5	22
Access to credit	Information about the opportunities	1	1	3	2	2	9
	Accompaniment to the access	1	5	4	5	3	18
Entrepreneurs Behavior	Individualism	4	4	5	4	4	21
	Short term entrepreneurial vision	2	2	3	2	4	13
	Local vision of the markets	4	4	4	3	3	18
	Scarce attitude to innovate	4	4	3	3	5	19
Entrepreneurs Know how	Scarce occasions of learning more	5	4	5	5	5	24
	Scarce links with other experiences	4	4	3	5	3	19
Businesses' Networks	Absence of associations	2	3	5	5	4	19
	Absence of coordination with other entrepreneurs of the same sector or value chain	1	1	2	3	3	10
	Lack of service for the establishment and the management of networks	1	1	2	1	2	7
Commercialization	Absence/Insufficiency of market places	1	3	2	2	2	10
	Absence/insufficiency of services for commercialization	4	5	4	4	3	20
	Lack of brand	4	4	4	4	4	20
	Lack of fairs	1	2	4	3	3	13
	Lack of a good packaging	3	3	2	4	4	16
Technological Capital	Technology out of date	3	4	5	4	4	20
Regulatory Framework	Lack/inadequacy of the regulations for the sector	2	3	2	3	3	13
	Lack of incentives to produce more and better	4	4	5	4	4	21
	Lack of protection of local products	4	4	5	5	5	23
Productive system	Too much fragmented production	5	5	4	5	5	24
	Informal sector dominant on the formal one	1	2	2	2	3	10
	Absence of links among businesses of the same value chain	5	5	4	5	4	23
Total							572
Average	= 572 divided by 35 obstacle						16,34

The prioritized obstacles are the ones from 17 on (backgrounded in dark)

Question 12: How to assess and prioritize the causes of the obstacles

What

The problem is that removing an obstacle in permanent way implies understanding what is the deep cause generating it.

For instance the lack of infrastructure is because there are no funds, or because indeed local people do not have capacities of prioritization, or of lobbying?

Or the access to credit is because there are no available funds, or because there is no knowledge of alternative credit mechanisms?

The following table 9 provides e description of the most common causes of to obstacles to a fair, competitive and sustainable development.

Table 9: Description causes of obstacles

Causes of obstacles	Symbol	Description
Institutionalized structures	ST	Structures providing support services information, training etc. such as government departments, research or training centers, service centers, banks, structures for fairs etc. do not exist or are very weak
Governance	Go	The mechanism of relationship between local actors, between them and the national or international institutions, for joint decision-making, pressure to decision-making institutions, optimization of resources, concerted planning and prioritization do not exist or it is weak.
Information	In	The mechanism for collecting and disseminating information are not useful or unsatisfactory
Behavior	Be	The behavior of local actors as the resistance to change or in looking for innovative solutions, or the poor education in collective work, or the sensitivity to the Millennium Development Goals is a cause of obstacle.
Services	Se	Services needed to support territorial economic development initiatives, whether they are missing, or inappropriate or ineffective or inefficient.
Access to capital	Ca	There is a poor possibility of accessing to credit or financing the economic development initiatives
Market Structure	Es	The production characteristics of the area, such as companies size, ownership of capital, marketing mechanisms, relationship between formal and informal etc. does not allow a sound sustainable development
Knowledge	Kh	The level of knowledge in local actors in promoting and supporting local economic development in all its general and specific aspects is scarce and there are not mechanisms or institutions for facilitating it
Regulations	Re	The regulations that facilitate the economic development (incentives, promotions, financing etc. through laws and initiatives at local and national level) are not satisfactory.

How

- Step 1: the facilitator builds the **TOOL SHEET 13**, reporting the results of the Tool Sheet 8, and distributes these sheets to each participant.
- Step 2. Each one of the participants, individually, marks in this compiled **SHEET 13** what are **the main three** causes of the prioritized obstacles, according to his/her opinion, and to the table 9.
- Step 3: The facilitator put the scores given by the participant for each cause for each obstacle in one only sheet.
- Step 4: The facilitator calculates the sum of the scores so obtained and calculates the average, dividing the total by 9 (the number of the causes of obstacles)
- Step 5: The facilitator highlights those causes of obstacles that have had a score above the average These ones will result as the prioritized causes of obstacles and will be used in the following phases for setting up the development strategy. The prioritization is reported in **TOOL SHEET 14**.

Tool Sheet 13: Causes of the Obstacles

OBSTACLES	DESCRIPTION	CAUSES									Total
		St	Ca	Go	Se	Re	Be	Es	In	Kh	
Infrastructure											
Information											
Service to production											
Access to credit											
Entrepreneurs Behavior											
Entrepreneurs Know how											
Businesses' Networks											
Commercialization											
Technological Capital											
Regulatory Framework											
Productive system											
TOTAL											
		Average = Total/9									

Tool Sheet 14: Prioritisation of causes of obstacle

PRIORITIZATION		

Difficulties

Misunderstanding on compiling the sheet

It is outstanding each participant does not to put more than three remarks (correspondent to different causes for each obstacles, as shown in the example of table 9)

Table 10: Being right or wrong in answering to sheet 9

OBSTACLES	DESCRIPTION	CAUSES									
		St	Ca	Go	Se	Re	Be	Es	In	Kh	
Infrastructure	Roads, Railroads, Rural roads		X	X					X	X	Wrong!
Information	Information on markets' trends	X		X	X		X			X	Wrong!
	Information on national and international programs and opportunities	X		X						X	Right!
Services to production	Access to finance		X		X						Right!

The first two answers are wrong, because there are 4 choices

The third and the fourth are right (up to 3 choices)

Need for deep reflection

Often there is a need of a deeper reflection on the causes for each obstacle

Look on the following table11 for the most common problems

Table 11: Most common causes of obstacle

OBSTACLES	
Infrastructure	<p>The first reaction generally is identifying the <u>capital</u> as the unique or first cause</p> <p>Question if it could depend also on</p> <ul style="list-style-type: none"> a) <u>Governance</u>: because the local actors do not lobby enough towards national institutions responsible for infrastructure program; or because there is no local planning for prioritizing, or because the local administration do not have administrative autonomy. b) <u>Institutions</u>: because local administrations do not have an office for local planning and infrastructure development c) <u>Know how</u>: because at local level there is no capacity for managing the problem

Information	<p>The first reaction generally is identifying the <u>lack of information</u> as the unique or first cause</p> <p>Question if it could depend also on</p> <ul style="list-style-type: none"> a) <u>Governance</u>: because there is no coordination among institutions that have information but they do not share it b) <u>Institutions</u>: because local administrations do not have an office for local planning and infrastructure development c) <u>Know how</u>: because at local level there is no capacity for managing the problem d) <u>Institutions</u>: because there are not institutions organizing data banks
Service to production	<p>The first reaction generally is identifying the <u>lack of services</u> as the unique or first cause.</p> <p>Question if it could depend also on</p> <ul style="list-style-type: none"> a) <u>Governance</u>: because there is no coordination among institutions that provide services, or competition, or overlapping b) <u>Know how</u>: because at local level there is no skills, and no exposure to best practices c) <u>Behavior</u>: because the entrepreneurs do not rely in external structure for entering into contact with their businesses d) <u>Capital</u>: because the services cost and local administrations do not have money, there are little funds for establishing financing (credit, seed capital, joint ventures, etc.) the enterprises e) <u>Market structure</u>: because the service provision is privatized and the entrepreneurs have difficulty to pay their services f) <u>Regulations</u>: because there are no incentives or support from national laws and programs g) <u>Information</u>: because service exist, but nobody knows what they do. h) <u>Behavior</u>: because the entrepreneurs do not like use external institutions at their service
Credit	<p>The first reaction generally is identifying the <u>lack of capital</u> as the unique or first cause.</p> <p>Question if it could depend also on</p> <ul style="list-style-type: none"> a) <u>Governance</u>: because there is no lobbying for channeling or attracting external funds (national government, local government, international cooperation) for establishing new credit mechanisms b) <u>Behavior</u>: because the entrepreneurs are accustomed to grant and assixtentialism, or do not like relationships with the banks c) <u>Services</u>: because the entrepreneurs do not have assistance in the relationship with financial institutions (preparation business plans, accompaniment, etc.) d) <u>Market structure</u>: because financial institutions and bank request heavy conditions for credit (collaterals, interests, etc.) e) <u>Regulations</u>: because there are no incentives or support from national laws and programs f) <u>Know how</u>, because at local level there is no exposure to best practices g) <u>Information</u>: because financial support exist, but nobody knows how to use it

Entrepreneurs Behavior	<p>The first reaction generally is identifying the <u>traditional habits and culture (behavior itself)</u> as the unique or first cause.</p> <p>Question if it could depend also on</p> <ul style="list-style-type: none"> a) <u>Governance</u>: because there is no mechanism that facilitates networks and collective learning b) <u>Institutions</u>: because the educational system does not reverse this culture c) <u>Services</u>: there is not support for clustering the entrepreneurs d) <u>Market structure</u>: it is too much fragmented e) <u>Regulations</u>: because there are no incentives to clustering or working in value chains f) <u>Information</u>, because at local level there is no exposure to best practices
Entrepreneurs Know how	<p>The first reaction generally is identifying the <u>know how</u> as the unique or first cause.</p> <p>Question if it could depend also on</p> <ul style="list-style-type: none"> a) <u>Governance</u>: because there is no mechanism that facilitates collective learning b) <u>Institutions</u>: because the educational system is not orientated to improve the entrepreneurs know how, or there not appropriate training centers c) <u>Services</u>: there is no support for improving the skills, or difficulty to use them d) <u>Market structure</u>: it is too much fragmented and/or the training centers are private and apply fees for their services e) <u>Information</u>, because there is no exposure to best practices f) <u>Behavior</u>: because of the conviction the traditional know how is enough ends the resistance to learn more.
Businesses' Networks	<p>The first reaction generally is identifying the <u>traditional habits and culture</u> as the unique or first cause.</p> <p>Question if it could depend also on</p> <ul style="list-style-type: none"> g) <u>Governance</u>: because there is no mechanism that facilitates networks and collective learning h) <u>Institutions</u>: because of the lack or weakness of producers associations i) <u>Services</u>: there is no support for networking the entrepreneurs j) <u>Market structure</u>: it is too much fragmented k) <u>Regulations</u>: because there are no incentives to clustering or working in value chains l) <u>Know how and information</u>, because at local level there is no exposure to best practices m) <u>Behavior</u>: because of the individualism

Commercialization	<p>The first reaction generally is identifying the <u>lack of services</u> as the unique or first cause.</p> <p>Question if it could depend also on</p> <ul style="list-style-type: none"> a) <u>Governance</u>: because there is no mechanism that facilitates scale economy, for instance common commercialization and marketing units per sector, no product or sectorial, or territorial brands b) <u>Institutions</u>: because there are not market places, or local fairs c) <u>Market structure</u>: it is too much fragmented, and there are not local market places. d) <u>Regulations</u>: because there are no certain rules for certification and food securities e) <u>Know how</u>, because at local level there is no skills for commercial or marketing strategies f) <u>Information</u>, because there is no information on market trends and consumers' habits g) <u>Credit</u>: because of lack of money for anticipating the cost of the sold products before they are paid
Technology	<p>The first reaction generally is identifying the <u>lack of services</u> as the unique or first cause.</p> <p>Question if it could depend also on</p> <ul style="list-style-type: none"> a) <u>Governance</u>: because there is no mechanism that facilitates collective learning b) <u>Institutions</u>: because of the lack of research centers or laboratory for prototypization or quality control and improvement c) <u>Services</u>: there is no support to application of new technology or technological transfer d) <u>Market structure</u>: it is too much fragmented, with a lot of micro and small entrepreneurs, who do not have resources for experimenting new products or processes, or buy new technologies e) <u>Regulations</u>: because there are no incentives to technological innovation f) <u>Know how</u>, because at local level there is no exposure to best practices g) <u>Behavior</u>: because the entrepreneurs like to use traditional process h) <u>Credit</u>: Because of the lack of financial mechanisms fort buying new technologies
Regulatory Framework	<p>The first reaction generally is identifying the <u>lack of official rules</u> as the unique or first cause.</p> <p>Question if it could depend also on</p> <ul style="list-style-type: none"> a) <u>Governance</u>: because there is no capacity of a collective lobby action for generating the rules b) <u>Institutions</u>: because of the lack of capacities in governmental institutions in creating or updating the rules c) <u>Services</u>: there is no capacity on the rules' demand analysis d) <u>Know how</u>, because at local level there is no exposure to best practices e) <u>Behavior</u>: because the entrepreneurs don't rely on governmental, or governmental institutions feel rules useless for free market competition

Productive system	<p>The first reaction generally is identifying the <u>market structure</u> as the unique or first cause.</p> <p>Question if it could depend also on</p> <ul style="list-style-type: none"> a) <u>Governance</u>: because there is no mechanism that facilitates common actions and support b) <u>Institutions</u>: because of the lack of associations c) <u>Services</u>: because there not sufficient or capable services for improving the productive system d) <u>Capital</u>: because the enterprises are under-capitalized e) <u>Regulations</u>: because there are no incentives or clear regulation and governmental programs for smme's, farmers and cooperatives f) <u>Know how</u>, because there is little entrepreneurial, managerial, and technological level g) <u>Behavior</u>: because the entrepreneurs individualism or dependence on external businesses, and/or government, and/or leading enterprises. h) <u>Credit</u>: Because of the lack of financial mechanisms
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Example

The following table 13 is an example for a group of 5 participants: P1, P2, P3, P4, and P5

Table 12: Example of assessment of causes of obstacle

OBSTACLES	DESCRIPTION	CAUSES									Total
		St	Ca	Go	Se	Re	Be	Es	In	Kh	
Infrastructure	Roads, Railroads, Rural roads	P1,P2,	P1,P3, P4,P5	P1,P2, P5	P3		P3			P2	
Information	Information on markets' trends				P1,	P3				P2	
	Information on national and international programs and opportunities			P1,P2	P1,P2, P3						
Service to production	Access to finance		P1,P3	P1,P2	P1,P2, P3						
	Service for improving the quality (Quality control-Certification)				P1P2, P3				P1,P2, P3	P1,P2	
Credit	Accompaniment to the access			P1,P2	P1,P2, P3						
Entrepreneurs Behavior	Individualism						P1,P2			P1,P3	
	Local vision of the markets				P1,P3		P1,P2	P1,P2, P3			
	Scarce attitude to innovate	P1,P3		P1,P2	P1,P2, P3						
Entrepreneurs Know how	Scarce occasions of learning more	P1,P2, P3		P1,P2, P3	P1,P2						
	Scarce links with other experiences			P1						P1,P2 ,P3	
Businesses' Networks	Absence of associations			P1,P2			P1,P2, P3			P1,P2	
Commercialization	Lack of brand	P1,P2, P3		P1,P2						P1,P2 ,P3	
Technology	Technology out of date	P1,P2,			P1,P3					P3	
Regulatory Framework	Lack of incentives to produce more and better	P1,	P1,P2, P3			P1,P2, P3					
	Lack of protection of local products			P1,P2		P1,P2, P3				P1,P2	
Productive system	Absence of links among businesses of the same value chain			P1,P2, P3	P1,P2, P3						
TOTAL		13	9	24	29	7	8	3	3	17	110
		Average = 110 / 9									12,2
PRIORITIZATION		Services									29
		Governance									24
		Know How									17
		Institutions									13

PART IV

DEFINING STRATEGIC GUIDELINES FOR FAIR, COMPETITIVE AND SUSTAINABLE ECONOMIC DEVELOPMENT

Question 13: What the strategic actions for removing the obstacles?

What

Once identified the causes of the obstacles we are ready to step on the identification of the guidelines for a strategy for full valorizing the resources, according to a fair, competitive and sustainable development

How

STEP 1: The facilitators show and distribute the **TOOLASHEET 15** to each one of the participants of the focus group.

STEP 2: Each one of the participant reports on a little piece of paper his/her proposal, and sticks it on the wall.

STEP 3: The facilitators groups the pieces of paper for categories.

STEP 4: The facilitators synthesize in few sentences the proposals for each category.

STEP 5: The facilitator solicits a discussion within the focus group upon the proposals, and reports them in the **TOOL SHEET 15**

Difficulties

Lack of Knowledge

Table 14 shows the most common examples of strategic guidelines

Tool Sheet 15: Identification of strategic guidelines

Causes of obstacles	Strategic Guidelines
Governance	
Information	
Access to capital	
Services	
Know How	
Economic structure	
Behavior	
Institutions	
Regulations	

Table 14: Possible Strategic Guidelines

Causes of obstacles	Strategic Guidelines
Governance	<ol style="list-style-type: none"> 1. To strengthen joint working between local actors and their relationship with national authorities. 2. To strengthen the capacity to identify, prioritize, develop and implement strategic plans and projects for development. 3. To strengthen the capacity to develop a territorial marketing strategy and the realization of economic partnerships. 4. To maintain a good relationships system with National Government, through agreements, task forces, joint programs, 5. To establish a territorial Public Relations Entity or Office 6. To promote implementation instrument (LEDA, finance, capacity building, Employment Center, etc.) in order to deliver results from the new governance
Information	<ol style="list-style-type: none"> 1. To organize an efficient information system and strategy (web sites, brochures, communication, information desk for the population and entrepreneurs) 2. To create specific local medias (newspapers, reviews, radio, TV channel, Internet Social Groups, etc.) 3. To organize periodic big events 4. To promote and participate to international networks (Smmes, Ledas, Local Administrations, NGOs, etc.) 5. To establish links with national and international networks
Access to capital	<ol style="list-style-type: none"> 1. To improve capacity in project management and access to financing. 2. Creation of an institutional unit for project financing 3. Creation of mutual guarantee fund 4. Creation of a special fund for transport infrastructure, alternatives energy, and irrigation system. 5. Organise the local savings for being used for local investment
Services	<ol style="list-style-type: none"> 1. To identify the best option to optimize a coordinated system of services to economic development. 2. To establish own structures for governance and implementation, such as Territorial Development Council, Territorial Development Agency, Development and Employment Observatory, Territorial System for Innovation, etc. 3. To identify a system to link the university and the productive sector to support innovative processes (quality control, patents, research, innovative business incubation, etc.) 4. To realize transparent monitoring system on the results and impact of the development programs and initiatives, in order to increase the awareness on successes and failures and adjust correspondently and collectively 5. To promote joint task forces for big events and projects (formulation, organization and implementation 6. To organize efficient Territorial Marketing Strategies and Territorial Brand 7. Look for a system aimed at financing the development actions (guarantee fund, seed capitals, business angels, etc.)
Know How	<ol style="list-style-type: none"> 1. To realize training (vocational, entrepreneurial managerial) 2. To form development agents 3. To realize links between universities (also at national level) and local actors 4. To establish an observatory on demand and offer of employment
Economic structure	<ol style="list-style-type: none"> 1. To incentivize clustering of Semmes and cooperatives, possibly organizing value chains 2. To organize a comprehensive system for supporting smmes and cooperatives, including access to credit 3. To promote a territorial system for innovation 4. To promote and incentivize entrepreneurship 5. To improve productivity, quality, food security, specialization and diversification of the products and services 6. To introduce a certification systems (ISO Quality, HACCP, and Organic Certification) 7. To promote fairs and participation to international fairs 8. To realize infrastructure for production (including waste management, water, energy and raise funds for implementation
Behavior	<ol style="list-style-type: none"> 1. To organize sensitization campaigns 2. To stimulate discussions in the schools (pupils and families), and universities 3. To diffuse best examples and practices 4. To organize study tours
Institutions	<ol style="list-style-type: none"> 1. To improve the capacities of the existing structure and the coordination among them. 2. To articulate or decentralize governmental structures at local level (including high school, professional schools, financial institutions, universities, etc.) 3. To constitute inter-municipal coordination mechanisms for a better, effective, and efficient administration of public services
Regulations	<ol style="list-style-type: none"> 1. Constitute a task force for revising the current regulatory frameworks and make proposal for improvement. Submit these proposal to government 2. Establish a desk for providing information about all the regulations and procedures for economic activities, and take it updated

Examples

Table 15 shows the example of defined strategic guidelines, according to the results of table 12.

Table 15: Example of strategic guidelines

1.	Services	<ol style="list-style-type: none"> 1. To establish a LEDA 2. To identify a system to link the university and the productive sector to support innovative processes (quality control, patents, research, innovative business incubation, etc.). 3. To realize transparent monitoring system on the results and impact of the development programs and initiatives, in order to increase the awareness on successes and failures and adjust correspondently and collectively 4. To organize an annual traditional music festival 5. To organize Territorial Brand 4. Look for a system aimed at financing the development actions (guarantee fund, seed capitals, business angels, etc.) 5. To promote and constitute value chains
2.	Governance	<ol style="list-style-type: none"> 1. To strengthen joint working between local actors and their relationship with national authorities, through forming sectorial and value chain associations 2. To strengthen the capacity to identify, prioritize, develop and implement strategic plans and projects for development. 3. To maintain a good relationships system with National Government, through agreements, task forces, joint programs, etc. 4. To establish a territorial Public Relations Entity or Office
3.	Know how	<ol style="list-style-type: none"> 1. To realize training (vocational, entrepreneurial managerial) 2. To form development agents 3. To realize links between universities (also at national level) and local actors 4. To establish an observatory on demand and offer of employment
4.	Institutions	<ol style="list-style-type: none"> 1. To improve the capacities of the existing structure (University, Chamber of Commerce, LEDA, Laboratory for Agriculture development) and the coordination among them. 2. To articulate or decentralize governmental structures at local level (including high school, professional schools, financial institutions, universities, etc.) 3. To constitute inter-municipal coordination mechanisms for a better, effective, and efficient administration of public services