By January 1, 2018 in municipality there are seven units of the hotel, 15 units of family type hotel / hospitality, and more then hundred places to eat (restaurants, café bars, fast food, etc.).

Also, the main factors that hinder the development of local business export potential were revealed:

- 1. Lack of information on export markets and insufficient analysis;
- 2. Low awareness of local produce;
- 3. Improper Qualification of Employees;
- 4. Improperly developed connections and relevant services;

Particularly important is that most of the workingforces are employed in the above mentioned small and medium-sized enterprises, retail and wholesale merchants. As well as in aesthetic services, individual sewage, auto technical service, public nutrition and other areas.

In the development of the municipality economy it is important to carry out socio-economic direction projects under the local budget. However, due to the current legislation, the Municipality's own revenues amount to only 35% of the budget, while the rest - 65% comes from different types of transfers. According to this, municipality's budget is not enough for the development of the local economy.

Revealed that development of small and medium business is going slowly, there are many facts when new enterprises closes soon. This is often caused with not adequate knowledge and awareness of beginner enterprises. There is no systematic retraining of private sector employers, both within the country and outside the Republic, there are few cases of implementation of highly developed technologies at the municipality level and sharing successful experiences; There is no search for new markets, lower quality of cooperation of domestic and foreign companies, enterprises, even then when on municipal level there is agreement.

State and local finances are not enough to deal with these problems independently. Therefore, it is necessary to see the joint efforts of stakeholders to overcome existing challenges.

## 6.2. Local Cooperation and Networking

In the recent years important steps have been taken by the Municipality to improve the relationship with the private sector. Example of this is even the process of preparing this plan.

Local cooperation was traditionally carried out by sectoral spheres (Metallurgical production with each other, automotive products and relevant service operators with each other, wine producers with each other and so on). Moreover, these relationships did not have the kind of systematic and purposeful relationships, more often it happened because of the different types of necessities or critical circumstances. It should also be noted that from 2013 agricultural information-consulting centers established by municipalities (initiated by the Ministry of Agriculture), Which have made positive changes in the systematic nature - including the convergence of farming industries, the training of their employees and the establishment of cooperatives; This process itself is based on the development of cooperation and business relationships, but we believe that the situation need to be improved. Must be developed high quality and efficient network connection.

Taking into consideration this, we believe that it is necessary to build modern, technological and efficient communication networks and ensure their functioning (promotion) for the different sectorsBuilding such a network will facilitate the establishment of a healthy and successful partnership, as well as understanding of the need for cooperation, also creating bank of important information, business proposals and business ideas which will be available for all interested sides.

As a positive phenomenon in this direction is that while the meetings held within the framework of Local Partnership, the idea was identified and by large part of partners the initiative group "Zestafoni Municipality Development Fund" was established. One of the main functions of ZMDF will be the development of business communication network.