

## TOR for Regional Expert

### Head Office / Secretariat of the Regional Rural Development Standing Working Group in South-Eastern Europe (SWG) – Skopje

#### Terms of Reference (ToR) for Regional expert for Investment models analysis of regional value chain products and services in Cross-border regions Drina-Tara, Drina-Sava and Krsh

## 1. Introduction

The Regional Rural Development Standing Working Group (SWG), as a platform for networking and regional co-operation, has been established during the Agricultural Policy Forum 2005 (“Rural Development Opportunities for Co-operation in the SEE”) held in North Macedonia and Serbia in June 2005.

With the International Agreement in March 2009, the SWG is registered as an International Intergovernmental Organization, with its managing and coordinative body – SWG Head Office/Secretariat based in Skopje, North Macedonia. On September 7<sup>th</sup> 2009, the Law on Ratification of the SWG Agreement has been decisively completed by the Parliament of the Republic of North Macedonia.

The main SWG strategic framework is composed of the following elements:

*SWG vision* is to promote innovative and sustainable agriculture and rural development through regional cooperation, to improve rural livelihoods in the SEE countries.

*Mission* - to increase horizontal cooperation among respective countries and territories of South Eastern Europe, by coordinating regional initiatives related to agriculture and rural development and supporting the process of social and economic development of rural areas in SEE region.

*General objective* of SWG is to facilitate close cooperation between the Ministries of Agriculture and other stakeholders in the field of agriculture and rural development and to support EU integration in SEE. The SWG has *four specific objectives* on which the organization has focused its work:

- To improve the common understanding on agriculture and rural development policies;
- To assist the improvement of implementing structures and systems for agriculture and rural development, with specific emphasis on cross border cooperation;
- To improve the understanding and use of implementation tools for agriculture and rural development;
- To identify and share information and application of good practice in agriculture and rural development to broaden the rural agenda.

## 2. Background

In September 2018 the German Federal Ministry for Economic Cooperation and Development approved the realization of a 3-years regional programme with the title **“Support to economic diversification of rural areas in Southeast Europe (SEDRA)”**.

The project aims at strengthening the institutional capacities of selected stakeholders in Southeast Europe for supporting EU-compliant economic diversification in rural areas. The renewed EU accession process is the main incentive for harmonisation and adaptation of the rural development policies and instruments of the six Southeast European countries (Albania, Bosnia and Herzegovina, Kosovo\*, North Macedonia, Montenegro and Serbia) to the needs of their rural regions and the people living there. An explicit aim of the EU is to strengthen economic and social cohesion through its structural policy, its common agricultural policy (CAP) and their accompanying instruments.

The project contributes to improvement of the technical, methodological and implementation capacities for evidence-based rural development policies for economic diversification, facilitates community-led area-based development, as well as, value chain development.

The regional project includes the Southeast European countries/territories and the lead executing agencies are the ministries competent for agriculture and rural development, through their membership in the regional organisation Standing Working Group for Regional Rural Development (SWG RRD), which at the same time is the main implementing partner.

The three central project outputs are:

- 1) Regional cooperation and policy advice,
- 2) Sustainable business models, and
- 3) Community-led and area-based development strategies.

## 3. Specific situation

The project strengthens the regional and national capacities in SEE states and the whole region through facilitating theme-specific policy dialogues and providing technical expertise on issues related to the economic diversification as a key strategy for rural development.

The target group of the project is the rural population in the selected project countries, especially in border areas, which is especially affected by poverty, due to the structural weakness of such areas as well as stakeholders (public, private and civil society) involved in the realisation of rural development policies and programmes. The SWG RRD has already established regional cooperation structures and networks in the seven cross-border regions Sharr (Albania, Kosovo and North Macedonia), Prespa (Albania and North Macedonia), Drina-Tara (Bosnia and Herzegovina, Montenegro and Serbia), Drina-Sava (Bosnia and Herzegovina, Croatia and Serbia), Krsh (Bosnia and Herzegovina, Croatia, and Montenegro),

\* This designation is without prejudice to positions on status, and is in line with UNSCR 1244/1999 and the ICJ Opinion on the Kosovo declaration of independence

Prokletije-Bjeshket e Nemuna (Albania, Kosovo, and Montenegro), and Pcinja-Krajshte (Bulgaria, North Macedonia, and Serbia) within the framework of an EU supported area-based development approach.

The project also aims to develop sustainable business models in structurally weak border regions. This includes improvement of the production and marketing of agricultural and wild products, local crafts and culinary traditions, digitalization, and sustainable tourism. The support is realized through capacity building and targeted investments for relevant key stakeholders from the private sector that will facilitate the cooperation and networking process.

Purpose of this assignment is (i) to explain various techniques aimed for potential improvements in adding value at the small farms by processing the plant and animal origin products at the farm, as well as (ii) to explain, agree and to test a methodology for assessment / mapping that can be used for identifying and assessing needs for implementation of analytics tools aimed for improvement of investment analyses at the small farms.

Foreseen specific objective of the assignment is to improve the business knowledge and provide economic analytic tools for small business operators in order to increase the competitiveness and provide better position on the market in relation to the value chain development in products and services being offered in the Drina-Tara, Drina-Sava and Krsh cross-border regions.

The main outcomes of this assignment are:

- Development of initial training set including lectures and presentations for evaluation of stakeholder's capacities in area of business calculations
- Development of specific analytic investment tool based on the evaluation of the stakeholder's capacities and on-line communication with stakeholders.
- Development of second training set to present the analytic tool for the small business operators in the Drina-Tara, Drina-Sava and Krsh cross-border regions.

#### 4. Scope of work

Regional expert should have a solid understanding of small businesses in the rural areas of the Cross-border regions of Drina-Tara, Drina-Sava and Krsh, with specific focus on two selected value chains – Rural Tourism and Traditional Production. In particular, the tasks of the assignment are as follows:

##### 4.1 Development and delivery of initial training set for evaluation of stakeholder's capacities and needs in area of business calculations.

The purpose of the evaluation is to assess and understand economical aspects and needs of small business operators in the rural areas of the Cross-border regions of Drina-Tara, Drina-Sava and Krsh, especially in two selected value chains – Rural Tourism and Traditional Production.

Assessment will take into consideration following:

- Achieving and maintaining of the competitiveness in rural tourism from the aspect of economical, ecological and social sustainability within small rural households.
- Calculation of cover margin in production and processing of traditional agriculture products in small rural households.
- Management of investments in sectors of rural tourism, milk, meat, fruit and vegetable production and processing, through economic evaluation of operations in small rural households.
- Survey on current situation, problems and priorities of sustainable business development in respective sectors in Cross-border regions of Drina-Tara, Drina-Sava and Krsh.

#### 4.2 Development of specific investment analytic tool

During the initial training set, regional expert should select a group of interested business operators for further on-line consultation and work on development of analytic tool which will provide the following:

- Analytic overview of investments in rural tourism business at small rural households.
- Analytic overview of investments in production and processing of meat and milk at small rural households.
- Analytic overview of investments in production and processing of fruit and vegetable at small rural households.

#### 4.3 Develop and deliver second training set to small business operators to use delivered analytic tool

The Contractor might be required to perform additional tasks that are deemed necessary for the completion of the defined assignment.

All activities will be closely coordinate with SWG, within the programme “Support to economic diversification of rural areas in Southeast Europe (SEDRA)”.

The working language for the reporting is English.

### 5. Reporting and deliverables

The expert reports to the SWG Secretary General – Mr. Boban Ilic and to the SWG Regional Manager – Mr. Aleksandar Damnjanovic.

The following deliverables are foreseen for the expert within this ToR:

Deliverable	Timeframe/Deadline in 2020
Final report with all activities implemented (Presentations and timesheet)	September 30 <sup>th</sup> 2020

## 6. Place of assignment

The place of assignment of the expert is in targeted cross border regions with up to 2 travels to places where workshops will be organized

Due to COVID - 19 pandemic in the region, and in close communication with SWG, regional expert might organize all respective activities on-line, depending on the health situation in the region and measures and recommendation of authorized institutions/ governments. This should be elaborated and approved in written by SWG Secretariat.

## 7. Timeframe

The expert should accomplish the deliverables from the date on which the last party signs the contract until 30<sup>th</sup> September 2020.

## 8. Reimbursement

For the performance of services the expert shall be remunerated as follows:

Item	Description
1.1	Engagement of regional expert for desk work, up to 8 days.
1.2	Engagement of regional expert for filed missions in the targeted regions, up to 16 days.
	Total: up to 24 days

The foreseen fee rate includes the personal income tax. Payment of the personal income tax is a responsibility of the expert.

All other taxes and levies that may arise from the engagement of the expert (as social and pension insurance and health insurance, old age and life insurance, unemployment, job related injuries, accident and illness, loss of earnings insurance, etc.) are in full responsibility of the expert.

SWG will be responsible for accommodation and transport cost during the field missions.

All costs incurred in connection with the performance of the services are deemed settled herewith.

## 9. Payments

The payments for realization of this Contract shall be effected following the submission of all deliverables and confirmation of approval by SWG, in one final installment.

The payment of the agreed remuneration shall be effected upon submission of original invoices to the SWG Head Office/Secretariat, accompanied by the above mentioned deliverables.

## 10. Other provisions

The travel and accommodation costs for the expert for participation on the events organized within the project will be covered by the SWG Head Office/Secretariat.

The expert shall not use for own purposes or transfer to third persons any information related to the engagement and work, considered to be a business secret of the Head Office /Secretariat of the Regional Rural Development Standing Working Group in South-Eastern Europe (SWG) – Skopje.

The expert, besides the agreed remuneration, will have no other claims from the Head Office/Secretariat of the Regional Rural Development Standing Working Group in South-Eastern Europe (SWG) – Skopje.