



Support to Economic Diversification of Rural Areas in Southeast Europe - SEDRA



43rd SWG Assembly, Kremmen, Germany
December 05th, 2018



Support to economic diversification of rural areas in Southeast Europe

SEDRA

Commissioned by:

German Federal Ministry for Economic Cooperation and Development (BMZ)

Budget | Duration

4 Million | 3 years (09/2018 – 08/2021)

Main partners

SWG / Ministries of Agriculture in SEE

Target countries

Albania, Bosnia and Herzegovina, Kosovo*, Macedonia, Montenegro and Serbia



Module Objective:
The institutional capacities of selected stakeholders in Southeast Europe for supporting EU-compliant economic diversification in rural areas are strengthened.

Output 1:
Regional recommendations for evidence-based and EU compliant policy on diversification in rural areas adopted by national authorities responsible for implementation in SEE countries.

Output 2:
Selected value chains are strengthened in SEE rural cross-border regions.

Output 3:
The capacities of local and sub-regional actors for supporting rural development in SEE have been strengthened.





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Module Indicator 1:

In 4 of 6 SEE States, one **strategic action** under the flagship initiatives “Connectivity” or “Competitiveness” of the “SEE 2020 Programming Document 2017-2019” has been supported by a **legislative** or **administrative** measure.

Module Indicator 2:

The **gross value added** in 4 selected value chains in 4 peripheral, cross-border areas **increased by 10%** in each and a total of 35 full or part time **jobs** (at least 30% women) created.

Module Indicator 3:

70% of 150 **people** from Stakeholder Groups (SHG), Local Action Groups (LAG) and Rural Development Networks supported by **capacity development** measures, of which 35% women and 25% persons under 40, have made "some progress" or "large progress" in the **application** of the newly acquired competencies in supporting EU-compliant economic diversification.



0 General Aspects

- Implementation Agreement signed
- SWG Grant Agreement Inception Phase – 125.000 EUR
- Joint strategic planning
- SWG Grant Agreements for the implementation of:
 - Output I. Regional cooperation and policy advice – 505.000 EUR
 - Output II Sustainable business models - 600.000 EUR
 - Output III Community-led and area-based development - 290.000 EUR
- Steering structure and functions defined
- Expertise recruited (in process)
 - PR and visual communication
 - Strategic and conceptual support
 - Result based Monitoring
 - Monitoring of Agricultural Policies in SEE
 - Digitalisation





SEDRA Steering Structure and Partnership Principles

The partnership principle between GIZ and SWG RRD is defined as a relationship resembling a legal partnership and involving close cooperation between equal parties having specified and joint rights and responsibilities.

The SWG Assembly (SWG delegates from all of the participating institutions and countries/territories-members of the SWG) acts as the Steering Group for the SEDRA project. The Steering Group will advise and monitor the GIZ-SWG SEDRA Project on implementation and adjustment of the project activities. The Steering Group will meet three times a year for the occasion of the SWG Assembly meetings.

The Steering Group will entail a transparent process of consultation and will facilitate access to information, raise the awareness about results and will support up-scaling and recommend on aspects for continued cooperation projects.





SEDRA steering structure and functions



Politico-normative level

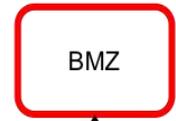
Objectives and fundamental values and rules of conduct are laid down; achievement of objectives is monitored; fundamental conflicts of interest or violation of shared values are dealt with.



Meeting of Ministers of Agriculture of West Balkan are briefed by the Assembly members about progress in implementation



Implementation Agreement



BMZ is informed by GIZ about progress in implementation

Commission / Reporting



Strategic level

Defines the path the project will take in order to achieve the objectives, overview about progress, reflection on strategic options, agreement on milestones, dealing with management challenges.



SWG Assembly
SWG Assembly meetings take place 3 times a year.
GIZ-SWG SEDRA is reporting on the progress in implementation and facilitates and exchange on strategic options and management challenges



Regular meetings of SWG and GIZ for regular coordination of strategic and operational issues.

Operational level

Day-to-day decisions to implement activities within the strategic framework, decision-making basis for the strategic level.



Meetings on demand of SWG or GIZ with individual beneficiaries / partners to coordinate operational issues in all three outputs.





Module Objective:
 The institutional capacities of selected stakeholders in Southeast Europe for supporting EU-compliant economic diversification in rural areas are strengthened.

I. Regional cooperation and policy advice

The regional project: **Support to Economic Diversification of Rural Areas in Southeast Europe (SEDRA)** involves the countries: Albania, Bosnia and Herzegovina, Kosovo*, Macedonia, Montenegro, and Serbia. SEDRA is jointly implemented by the Standing Working Group for Regional Rural Development in South Eastern Europe (SWG RRD) and the Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ).

Objective

The overall objective of the SEDRA project is to strengthen the institutional capacities of selected stakeholders in Southeast Europe for supporting EU-compliant economic diversification in rural areas.

Regional cooperation and policy advice

The project aims to formulate regional recommendations for evidence-based and EU-compliant policies for economic diversification in rural areas to be implemented on a national level. The regional and national capacities in Southeast European (SEE) countries are strengthened through facilitating theme-specific policy dialogues and providing technical expertise on issues related to the economic diversification as a key strategy for rural development. This leads to accelerated harmonisation of the appropriate laws, regulations, and procedures with the EU *acquis communautaire*, progress in the respective chapters of the SEE 2020 Strategy, and improved capacities of the potential beneficiaries in SEE countries.

Project name	Support to Economic Diversification of Rural Areas in Southeast Europe (SEDRA)
Commissioned by	German Federal Ministry for Economic Cooperation and Development (BMZ)
Project region	Southeast Europe (SEE): Albania, Bosnia and Herzegovina, Kosovo*, Macedonia, Montenegro, and Serbia
Project partner	Standing Working Group for Regional Rural Development in South Eastern Europe (SWG RRD)
Duration	01.09.2018 – 31.08.2021

Expected results:

- Support to measures under the flagship initiatives "Connectivity" or "Competitiveness" of the SEE 2020 Strategy;
- Strengthening of the regional coordination structures and mechanisms in respect to more intensive and broader cooperation and a higher share of self-financing;
- Strengthening of regional stakeholders' competencies and expertise through building relevant working groups;
- Exchanging good practices within the SEE region, as well as between the region and other European countries;
- Development of policy recommendations on the topics of economic diversification in rural areas to assist the EU accession process.



Output 1:
 Regional recommendations for evidence-based and EU compliant policy on diversification in rural areas adopted by national authorities responsible for implementation in SEE countries.

* 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.



Output 1:

Regional recommendations for evidence-based EU-compliant policies in respect to rural economic diversification have been endorsed by the authorities responsible for implementation in SEE states.

Activities:

- Further develop the regional coordination structures and mechanisms in respect to more intensive and broader cooperation and a higher share of self-financing.
- Contribute to strengthening the support structures, strategies and mechanisms to enable IPA rural development measures in SEE states;
- Set up working groups for the economic diversification in rural areas, to harness a broad spectrum of knowledge and experiences for the regional and national level.



Output 1:

Regional recommendations for evidence-based EU-compliant policies in respect to rural economic diversification have been endorsed by the authorities responsible for implementation in SEE states.

Indicator 1.1:

75% of the approximately 450 participants of regional dialogue fora and technical policy meetings demonstrate by one concrete example from their day-to-day work how the regionally agreed approaches and recommendation for the topics that they work on have been useful.

Activities:

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- Set up working groups for the economic diversification in rural areas, to harness a broad spectrum of knowledge and experiences for the regional and national level.

Indicator 1.2:

The political representatives of the six SEE States in the Standing Working Group on Regional Rural Development (SWG RRD) have endorsed three resolutions/ policy recommendations regarding EU-compliant rural diversification



Module Indicator 1:

In 4 of 6 SEE States, one **strategic action** under the flagship initiatives “Connectivity” or “Competitiveness” of the “SEE 2020 Programming Document 2017-2019” has been supported by a **legislative** or **administrative** measure

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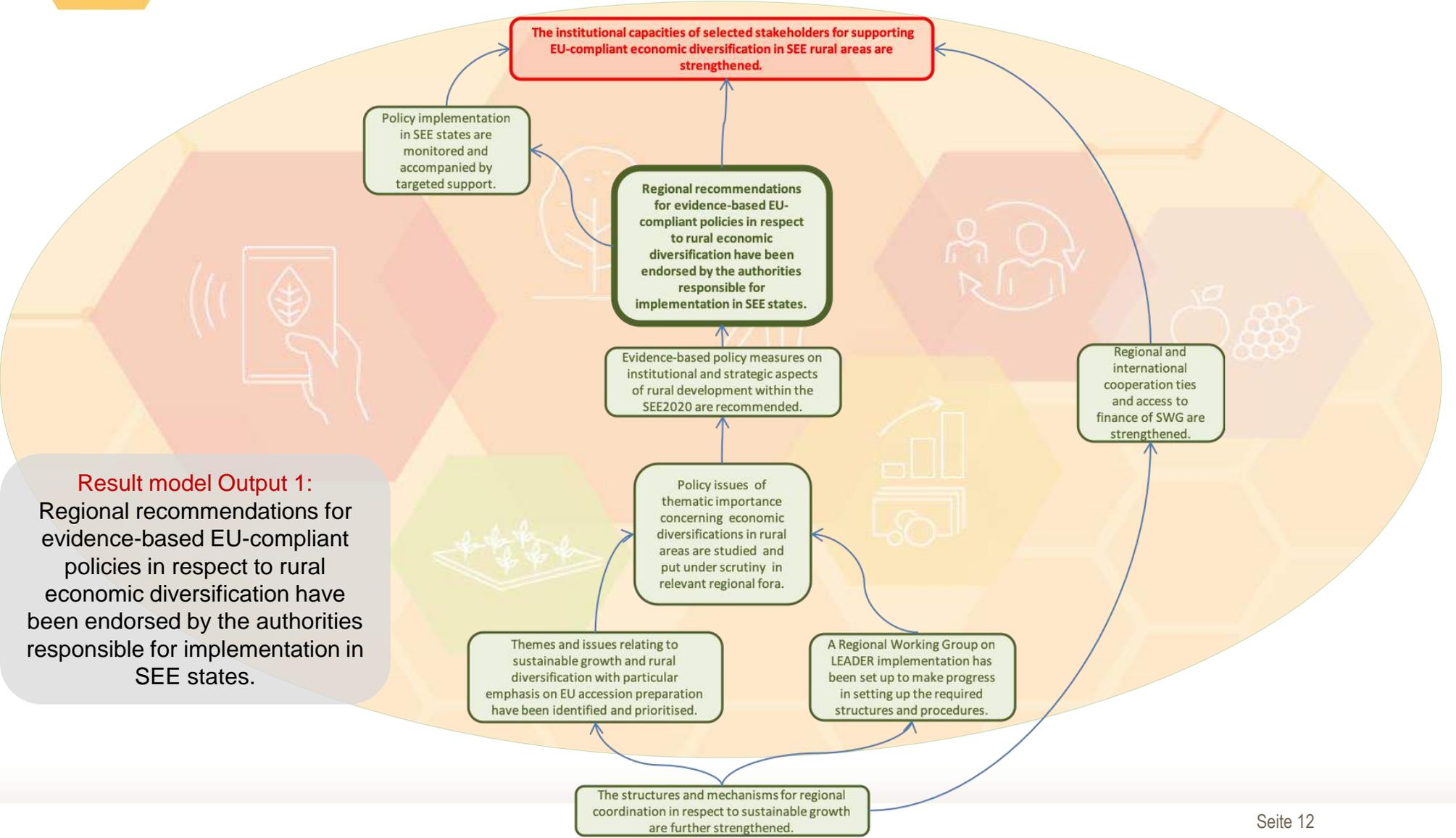
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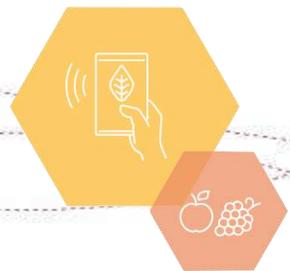


Result model Output 1:
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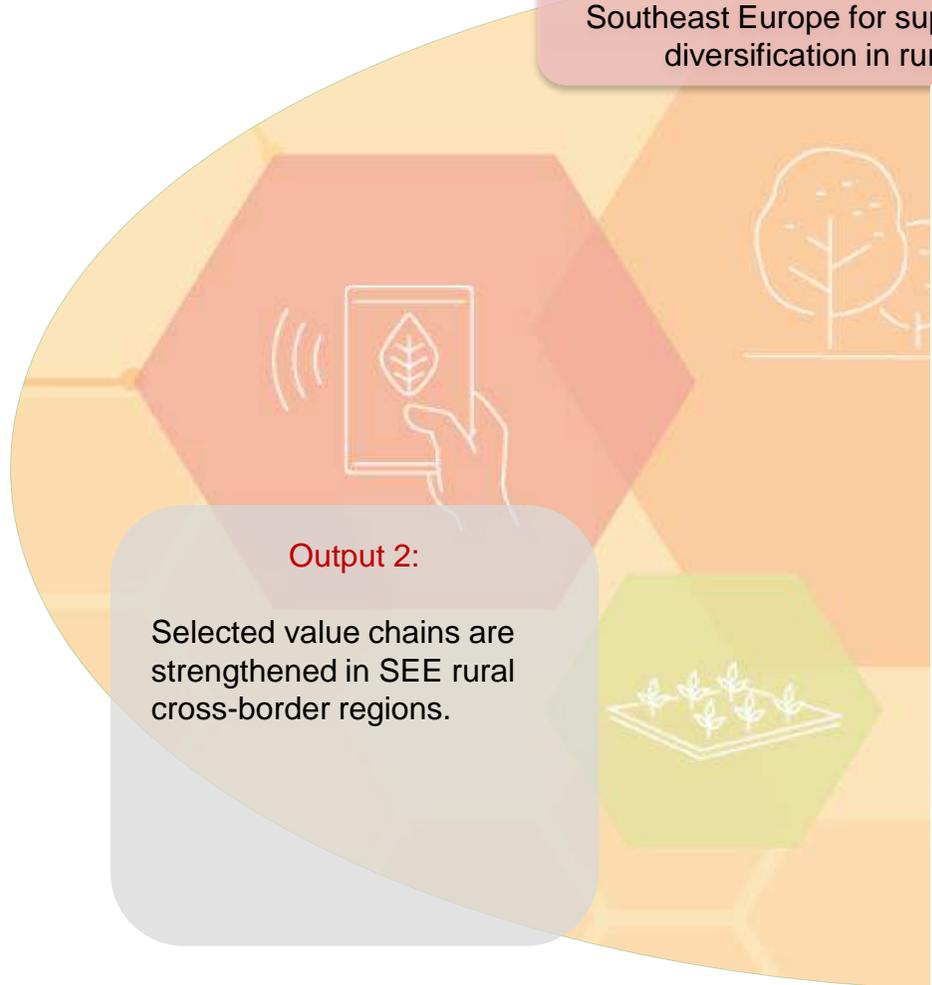


I. Regional cooperation and policy advice

- Continues support to:
 - Assembly Sessions
 - Agricultural Policy Forum
 - Meetings of Minister
 - Further regional exchange formats such as GFFA, etc.
- Set up working groups for:
 - EU Quality Policy and Schemes
 - Economic Diversification through Tourism
 - Practical application of LEADER



Module Objective:
 The institutional capacities of selected stakeholders in Southeast Europe for supporting EU-compliant economic diversification in rural areas are strengthened.



Output 2:
 Selected value chains are strengthened in SEE rural cross-border regions.

II. Sustainable business models

The regional project: **Support to Economic Diversification of Rural Areas in Southeast Europe (SEDRA)** involves the countries: Albania, Bosnia and Herzegovina, Kosovo*, Macedonia, Montenegro, and Serbia. SEDRA is jointly implemented by the Standing Working Group for Regional Rural Development in South Eastern Europe (SWG RRD) and the Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ).

Objective

The overall objective of the SEDRA project is to strengthen the institutional capacities of selected stakeholders in Southeast Europe for supporting EU-compliant economic diversification in rural areas.

Sustainable business models

Sustainable business models in structurally weak border regions are developed in selected value chains. This includes improvement of the production and marketing of agricultural and wild products, local crafts and culinary traditions, sustainable tourism and digitalisation.

The support is realised through different capacity development measures, targeted investment support to relevant key stakeholders from the public and private sector and by facilitation of cooperation and networking along the value chain, mainly with the aim of increasing added value and employment by improving access to finances, services and markets. This will result in specific business models, as well as targeted 'people2people' activities for regional networking, exchange and rural diversification.

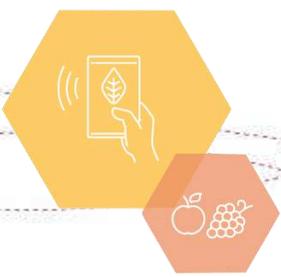
Project name	Support to Economic Diversification of Rural Areas in Southeast Europe (SEDRA)
Commissioned by	German Federal Ministry for Economic Cooperation and Development (BMZ)
Project region	Southeast Europe (SEE): Albania, Bosnia and Herzegovina, Kosovo*, Macedonia, Montenegro, and Serbia
Project partner	Standing Working Group for Regional Rural Development in South Eastern Europe (SWG RRD)
Duration	01.09.2018 – 31.08.2021

Expected results:

- Stakeholder groups are supported in applying an integrated value chain approach for selected products with high potential;
- Increased added value and new employment and income opportunities in value chains;
- Support civil society, the public and private sector through networking and participation in sub-regional development partnerships;
- Further development of the 'people2people' approach for promoting regional exchange, networking and rural diversification.



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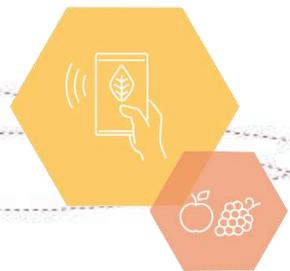


Output 2:

Selected value chains are strengthened in SEE rural cross-border regions.

Activities:

- Support Stakeholder Groups (SHGs) in cross-border areas in the framework of the Area-Based Development Approach (ABDA) of the SWG RRD in applying an integrated value chain approach by means of training, advisory work (in technical, managerial and communication issues), networking and project funding;
- Support the civil society, the public and business sector in networking, engaging in sub-regional development partnerships and designing and implementing local development strategies following the LEADER approach;
- Further develop the people2people approach to support regional exchange and to strengthen rural diversification.



Output 2:

Selected value chains are strengthened in SEE rural cross-border regions.

Indicator 2.1:

4 supported value chains are backed up with active cooperation structures.

Indicator 2.2:

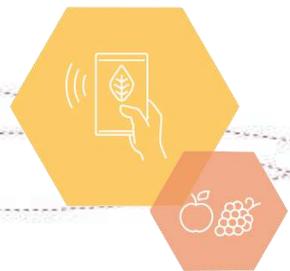
40 business operators have participated in the people to people activities related to the supported value chains.

Activities:

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- Support the civil society, the public and business sector in networking, engaging in sub-regional development partnerships and designing and implementing local development strategies following the LEADER approach;
- Further develop the people2people approach to support regional exchange and to strengthen rural diversification.

Indicator 2.3:

40% of the supported value chain related investments have been covered through funding from beneficiaries.



Module Indicator 2:

The **gross value added** in 4 selected value chains in 4 peripheral, cross-border areas **increased by 10%** in each and a total of 35 full or part time **jobs** (at least 30% women) created

Output 2:

Selected value chains are strengthened in SEE rural cross-border regions.

Activities:

- Support Stakeholder Groups (SHGs) in cross-border areas in the framework of the Area-Based Development Approach (ABDA) of the SWG RRD in applying an integrated value chain approach by means of training, advisory work (in technical, managerial and communication issues), networking and project funding;
- Support the civil society, the public and business sector in networking, engaging in sub-regional development partnerships and designing and implementing local development strategies following the LEADER approach;
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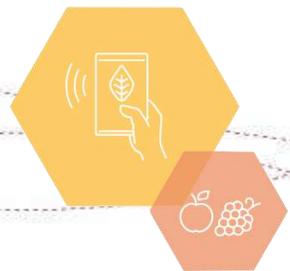
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40% of the supported value chain related investments have been covered through funding from beneficiaries.



**Result model
Output 2:**
Selected value chains are
strengthened in SEE rural cross-
border regions.

Diversification of economic activities in rural areas of SEE through strengthening selected value chains

Good practices in supporting value chain development in marginalized rural areas of SEE have been described and disseminated.

Area-based value chains are strengthened in SEE cross-border regions.

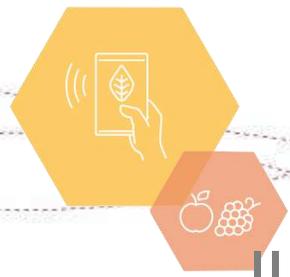
There are viable models for value chain development in marginalized rural areas.

Technical and financial support for value chain-related investments, structures and processes in four cross-border areas has been provided.

Two value chains have been selected for support in cross-border areas.

People2people actions in rural areas have been supported.

SHG in cross-border areas have been supported for identifying area-based value chains with high potential for economic diversification.



II. Sustainable business models

Next steps:

- Finalisation of Value Chain Selection:
 - Mountain Tourism - GIZ
 - Honey - GIZ
 - Agro-Food – SWG
 - Rural Tourism – SWG
- Formulation of the Value Chain Strategy
- Targeted investments support to key value chain stakeholders in cross-border areas to increase added value
- Capacity Development and Training along the Value Chain
- People-to-People actions focusing on socio-economic and environmental-cultural priorities of a regional character in SE



Module Objective:
 The institutional capacities of selected stakeholders in Southeast Europe for supporting EU-compliant economic diversification in rural areas are strengthened.

III. Community-led and area-based development

The regional project: **Support to Economic Diversification of Rural Areas in Southeast Europe (SEDRA)** involves the countries: Albania, Bosnia and Herzegovina, Kosovo*, Macedonia, Montenegro, and Serbia. SEDRA is jointly implemented by the Standing Working Group for Regional Rural Development in South Eastern Europe (SWG RRD) and the Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ).

Objective

The overall objective of the SEDRA project is to strengthen the institutional capacities of selected stakeholders in Southeast Europe for supporting EU-compliant economic diversification in rural areas.

Community-led and area-based development

The SEDRA project strengthens the capacities of local and sub-regional actors, public-private stakeholder networks (Local Action / Stakeholder Groups, Rural Development Networks) in order to support community-led and area-based development and to sustainably secure their funding through EU pre-accession assistance.

Key topics are 'cooperation' and 'access to funding'. This range from the financial sustainability of regional cooperation to securing funding for small enterprises and community initiatives. Following the LEADER approach people are empowered to shape development processes in their communities. The reason behind is that only a bottom-up approach, which builds on broad, cross-

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sectoral partnerships between administration, civil society, and the private sector, can mobilise resources and pool energies that enable a region to further develop and integrate.

Expected results:

- Strengthening of the capacities and cooperation of stakeholders and actors to shape and implement the LEADER approach;
- Enabling relevant stakeholders to harness project funding opportunities by appropriate capacity development measures;
- Consideration of particular needs of women and young people by appropriate capacity development measures in view of their full and equal participation in all decision-making structures and levels.

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Output 3:
 The capacities of local and sub-regional actors for supporting rural development in SEE have been strengthened.



Output 3:

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Activities:

- Enable stakeholders in SHGs, value chains and LAGs to harness project funding opportunities by appropriate capacity development measures;
- Strengthen the capacities of stakeholders and actors in administrations, local action groups and rural networks to shape and implement the LEADER approach in the framework of EU IPARD;
- Take into account the particular needs of rural women and young people by appropriate capacity development measures in view of their full and equal participation in all decision-making structures and levels.



Output 3:

The capacities of local and sub-regional actors for supporting rural development in SEE have been strengthened.

Indicator 3.1:

80% of 150 people having participated in capacity development measures in 4 SEE countries confirm that the support has met a need relevant for their activities for rural development to the expected extent or more than expected, whereas a minimum of 10 people have participated per country.

Activities:

- Enable stakeholders in SHGs, value chains and LAGs to harness project funding opportunities by appropriate capacity development measures;
- Strengthen the capacities of stakeholders and actors in administrations, local action groups and rural networks to shape and implement the LEADER approach in the framework of EU IPARD;
- Take into account the particular needs of rural women and young people by appropriate capacity development measures in view of their full and equal participation in all decision-making structures and levels.

Indicator 3.3:

Stakeholders supported by capacity development measures have acquired 300.000 EUR of third party funding for rural development projects.

Indicator 3.2:

Capacity development measures have included 30% women and 25% young people.



Module Indicator 3:

70% of 150 **people** from Stakeholder Groups (SHG), Local Action Groups (LAG) and Rural Development Networks supported by **capacity development** measures, of which 35% women and 25% persons under 40, have made "some progress" or "large progress" in the **application** of the newly acquired competencies in supporting EU-compliant economic diversification.

Output 3:

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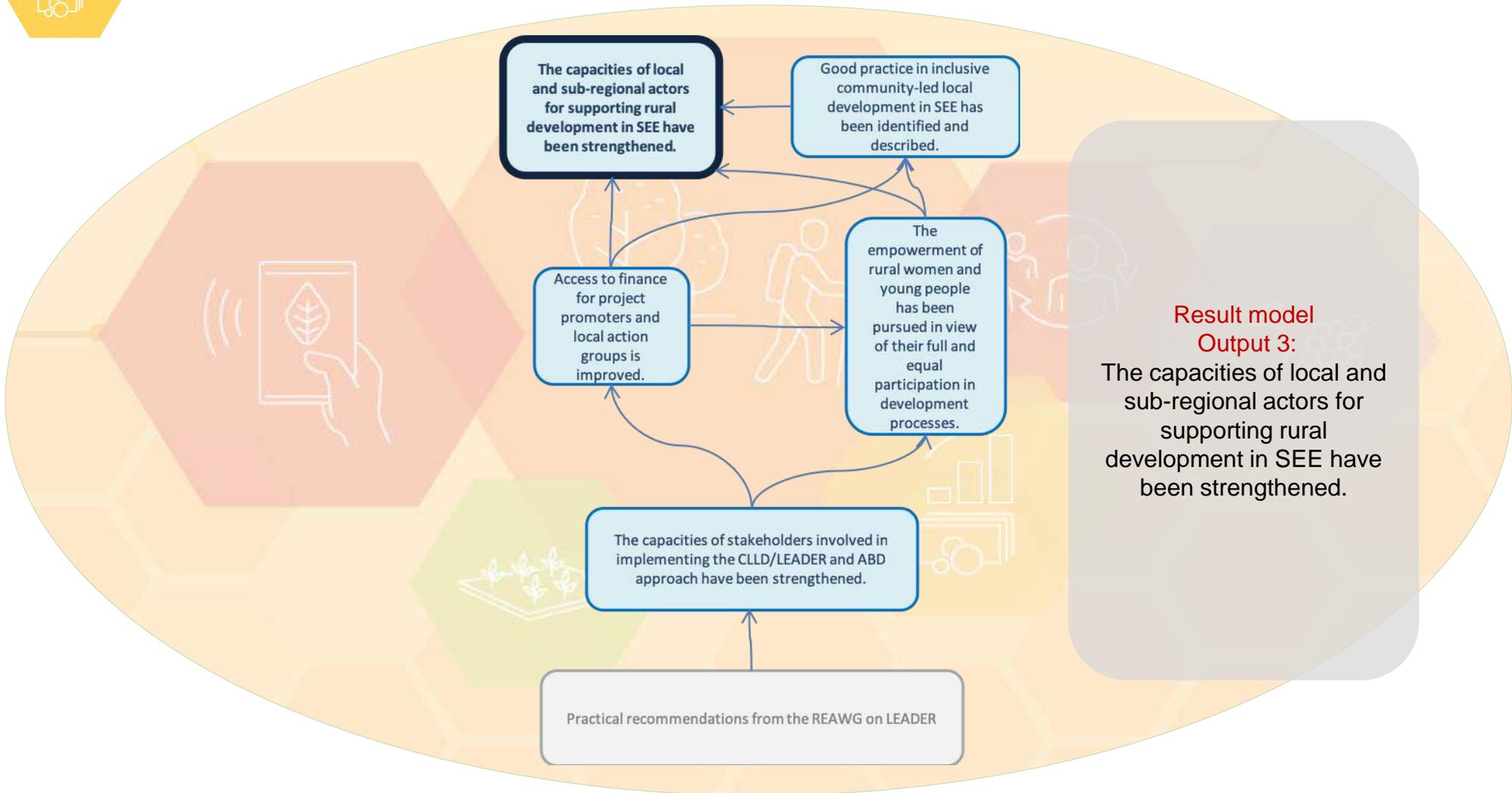
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Result model
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The capacities of local and sub-regional actors for supporting rural development in SEE have been strengthened.



III. Community-led and area-based development:

Next Steps

- Qualification needs assessment for the practical application of Community-led, LEADER and area-based development at local, national and regional level
- Tailored qualifications for selected stakeholder
- Cooperation with further rural development stakeholder
- Exposure visits involving the rural development Networks
- Ongoing support to rural development stakeholder for an improved access to funding



Als bundeseigenes Unternehmen unterstützt die GIZ die Bundesregierung bei der Erreichung ihrer Ziele auf dem Gebiet der internationalen Zusammenarbeit für eine nachhaltige Entwicklung.

Herausgeber:
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