



South Eastern Europe  
**SWG** RRD  
Regional Rural Development Standing Working Group



**giz** Deutsche Gesellschaft  
für Internationale  
Zusammenarbeit (GIZ) GmbH



Cross-border region „Krsh“

**“ Support to economic diversification of rural areas  
in Southeast Europe ”**

Minutes from the 9<sup>th</sup> Stakeholders group Meeting for "Krsh" cross-border  
region





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Minutes from the 9<sup>th</sup> Stakeholders group Meeting for "Krsh" cross-border region

22.March 2019.

Municipality of Ravno, Bosnia and Herzegovina

## I. List of participants

At the ninth meeting of the stakeholders of the cross-border region Krsh, was attended by 47 participants, representatives of the stakeholders of the Krsh cross-border region, representatives of the Municipality of Ravno and the SWG project team attended.

Annex1: List of participants

Annex 2: Presentation- Plan activities in the cross-border region "Krsh"

## II. Programme

### **22. March 2019. (Friday)**

#### Hunting lodge

10:30 – 11:00 **Arrival of the participants and welcome gathering**

11:00 – 11:15 **Welcome speech**

*President of municipality Ravno, Andrija Šimunović  
Aleksandar Damnjanović, SWG Regional manager  
Anđa Vukčević Zorić, SWG Regional coordinator*

11:15 – 11:45 **Presentation of SWG GIZ project: "Support to economic diversification of rural areas in Southeast Europe" (SEDRA)**

*Aleksandar Damnjanović, SWG Regional manager  
Anđa Vukčević Zorić, SWG Regional coordinator*

**Output 1: Regional cooperation and policy advice**

**Output 2: Sustainable business models**

**Output 3: Community-led and area-based development**

11:45 – 12:00 **Presentation of future Grant scheme**

12:00 – 12:15 **Open Call for support to People to People events**



12:15 – 12:30 **Capacity building activities within the SEDRA project**

12:30 – 13:00 **Discussion and conclusions of the meeting**

13:00 – 14:00 Lunch

14:00 - 15:30 **Performance of detailed baseline assessment of the selected value chains (Evaluation of submitted survey forms) - Meeting with VC operators**

15:30 - 16:00 **Capacity building event**

Coaching stakeholders for planning, organization and implementation of P2P activities

### **III. Minutes from the meeting:**

At the IX meeting of the Group of interested parties "Krš" of the cross-border region, the project "Support to economic diversification of rural areas in Southeast Europe" was presented (SEDRA), within which this meeting was also realized.

The goal of the Ninth Meeting of the Group of Stakeholders held on November 22 at the Hunting Lodge in Ravno is to strengthen and network cooperation between local and regional actors in the border areas.

The participants of the meeting greeted her in front of the Municipalities of Ravno, Maria Prolet, the Ministry of Economy, Finance and Local Development of the Municipality of Ravno, who is convinced that the joint cooperation with the SWG and within the region will continue in the upcoming period. She emphasized that since the formation of this cross-border region, the Municipality of Ravno has been involved and active in all the activities of the region.

The participants were also Aleksandar Damjanović, Regional Manager and Anđa Vukčević Zorić Regional Coordinator CBR Krš.

Aleksandar Damjanović reflected on the previous work in the cross-border region of Krš and presented the SWG as a regional intergovernmental organization, as well as SWG activities in the previous period. Ivica Sivrić from Redah, engaged in the establishment of the region and as one of the authors of the Strategic Document, Study for the establishment of the region, presented the activities that preceded the establishment of the region and the activities that were implemented in the Krš region in the previous period.

**Teme sastanaku su bile:**

#### **1. SEDRA projekat**

Participants of the meeting presented the SEDRA project, what it implies, to whom it refers and to whom it is directed. SEDRA is jointly implemented by the Standing Working Group for Regional Rural Development (SWG) in Southeast Europe and the German Society for International Cooperation (GIZ). The overall objective of the project is to strengthen the institutional capacity of selected stakeholders in South East Europe to support the diversification of rural economy in line with the EU.

The project aims at defining regional policy recommendations based on facts and compliance with EU regulations for the diversification of rural economies at the national level.

Regional and national capacities in the countries of Southeast Europe will be strengthened through coordination and dialogue on policies and providing technical expertise on issues related to the diversification of rural economy as a key segment of the rural development strategy. This leads to an accelerated alignment of the relevant laws, regulations and



procedures with EU *acquis* (*acquis*), progress in the relevant chapters of the South East Europe 2020 Development Strategy and the capacity building of potential beneficiaries in the countries of South East Europe. The project "Support to economic diversification of rural areas in Southeast Europe" aims to develop sustainable business models in structurally weak border regions by improving the production and marketing of agricultural and forest products, local crafts and culinary traditions, sustainable tourism, and digitization. Support is provided through different capacity building measures, facilitation of cooperation processes and networking through chain values and targeted support to relevant key actors. SEDRA covers three thematic areas:

- I. Regional cooperation and legal recommendations;
- II. Sustainable business models;
- III. Access based on community and territory development.

The project focuses on a holistic approach to the value chain development (LV) as a model for supporting economic development, generating income and employment in structurally weaker border regions.

Local actors will receive support for the establishment of LVs based on the valorization of local resources and the sustainable use of the natural and cultural heritage of the region.

Value Chain Support relates to previous measures in the framework of the GIZ-SWG LEIWW project and the SWDA-based Territorial Development Approach (ABDA) from which two value chains for further support have been selected:

- ✓ the value chain in the agribusiness sector
- ✓ the value chain in tourism

These value chains include the production and marketing of agricultural and forest products, local crafts and culinary traditions and sustainable tourism.

Project activities will be realized in the period from 01.09.2018-31.08.2021, and the available funds within the project are 1.200.000,00 EUR.

## **2. Grant scheme - investment support**

Within this theme, this type of support within the SEDRA project has been announced and it relates to investment support. The Regional Manager opened a discussion on the topic of designing a future Grant Scheme and presented a framework in which support will focus on defined chains of value in the cross-border regions of Krš, Drina-Tara, and Drina-Sava. The basis is the potential for creating added value, generating revenues and creating new jobs, as well as valorizing local natural resources in an environmentally, socially and culturally sustainable way. It has been announced that special attention will be paid to involving women and young people in cross-border areas.

Aleksandar Damjanović announced that the funds available through this grant scheme are 230,000 EUR and that the announcement of the call is most likely expected in June 2019.

## **3. Supporting events - People to people**

Within this topic, the "People-People" call was announced, which was announced on the same day on March 22, 2019, and will be open until April 19, 2019. The application package, as well as the reporting package, were presented at the meeting.

It was especially emphasized that the support is focused on:

- Regional promotion (tradition, cultural and historical heritage, traditional products);
- Regional cooperation, networking, and partnership;
- Development of agriculture and tourism;
- Impact on the environment and encouraging green procurement;
- Gender equality;

- The inclusion of women and young people;
- Promoting employment opportunities in the region;
- Impact of events on the revenue generated by the local and regional economy;
- Sustainability;
- Strengthening regional economic exchange through selected value chains;
- The inclusion of businesses and local communities.

#### **4. Analysis of selected value chains (Evaluation of submitted questionnaires)**

In the second part of the meeting, training was held for representatives of the private sector, where the mapping of participants in defined value chains continued. This process started in April 2018, when an assessment of the potential for diversification of economic activities in rural cross-border areas was made through the development of small value chains. The framework for creating a program is related to employment indicators and the creation of additional revenue. SWG created two sets of questionnaires for selected value chains in order to analyze the capacities of actors for further interventions on the ground.

For the Krš, Drina-Tara and Drina-Sava regions, two value chains are defined: traditional products and rural tourism. The general conclusion is that in the coming period it is necessary to develop agricultural products and, as an added value, to place them through tourism, because the processing of agricultural products can be solved only in case of added value creation.

All users interested in getting involved in the project have been provided with the Good Practice Rules prepared by SWG with the aim of providing guidelines to users and supporting the value chain development process based on the valorization of local resources and the sustainable use of natural and cultural heritage in the cross-border regions of South East Europe. The rulebook also includes best management practices in the area of economic development, legislation and environmental protection of involved users in selected value chains.

#### **Conclusions from the meeting:**

A group of stakeholders of the cross-border region "Krš" supports further work on recognized value chains, creating added value for agricultural products and placement through tourism. A group of stakeholders thinks that further support is needed in education, strengthening of the capacities and promotion of the region, as well as in other project activities. The following actions are proposed regarding investment support within selected value chains:

- Provide financing for the manufacturer's specification for small producers (technological procedure, preparation, recipe, declaration, nutrition chart, etc.)
- Provide support in the reconstruction and construction of the assembly and dismantling facilities
- Enable the project implementation deadlines to be at least 9 months
- Call to call from 15.09. after the summer agricultural and tourist season
- Provide support for VAT exemption or allow VAT to be considered as your own contribution
- Enable the application of partners from different cross-border regions
- Include promotional activities and product branding in justified costs in the context of investment support.
- We increase the number of stakeholders that we targeted and numbered in the previous period



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- Participants of the meeting expressed interest in significant support from announced through support to investments and events
- Participants will conduct training topics in the following areas:
  1. Training for product designation/protection of agricultural and food products with quality schemes (traditional products),
  2. Training HASSAP
  3. Marketing and promotion

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