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SWG RRD
Regional Rural Development Standing Working Group

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STANDING UP FOR LEADER IN SOUTH EAST EUROPE

STANDING UP FOR LEADER IN SOUTH EAST EUROPE

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STANDING UP FOR LEADER IN SOUTHEAST EUROPE

General introduction

Thriving rural areas, a pulsing, multifaceted rural economy in all its diversity of sectors and activities, various types and size of businesses, an intact environment and manifold expressions of cultural life, including the less favoured and empowering the young...

Just a dream or a realistic vision?

Rural deprivation is one of the root causes of social, economic and demographic decline, increasing poverty and disparities. To reverse these tendencies, integrated approaches and policy interventions, considering the complexity and diversity of rural living conditions, are needed. Strengthening agricultural productivity may be important from a sectoral point of view and notably from the perspective of the national economy. However, this alone does not preserve or create rural employment per se, maybe on the contrary. When job opportunities in industry and tertiary sectors across Europe are not given for granted, the search for a better life in cities or abroad may well end up in misery. Therefore, multi-sectoral rural development has always been highlighted as a priority in South East Europe. The LEADER method and programming have become the success story of area-based, multi-sectoral, innovative and participative rural development in the European Union. It has become the figurehead of integrative and inclusive public support for rural partnerships well beyond the borders of the European Union.

However, these attempts, supported by European institutions and multilateral donors, have experienced boom and bust cycles. Local partnerships (Local Action Groups) have been created; human capacities have been enhanced, cooperation ties have been forged, local action plans have been set up and eventually been endowed with more or less modest amounts of funding. Subsequently, many attempts fall dormant until a committed administration or donor reanimated the projects, starting another cycle.

When the SWG RRD published its first document on the "Application of the LEADER approach in the Western Balkan countries – from local initiative to mainstream concept in rural areas" in 2017[1] and, - at approximately the same time, the EC-DG AGRI produced the Guidance Paper "Pathways to LEADER"[2] everybody could see that people and organisations had pursued the LEADER process in all West Balkan countries.

However, the policy recommendations from the first SWG publication on LEADER were not heeded everywhere, and other political urgencies have shoved the LEADER agenda backwards once again. LEADER is not an easy gain – it is a complex process of understanding and animating to put in place, and it takes time until its widely acknowledged benefits appear on a larger scale. At first, the local actions may look like mere drops in the ocean. But what is an ocean but a myriad of drops?

The SWG RRD recognized the need to double down and reinstated a Regional Expert Advisory Work Group (REAWG) on LEADER in fall 2019, which eventually held five meetings until spring 2021, but only the first two were presence events. Supported by the German Cooperation (GIZ) and its Regional Programme SEDRA (Support to Economic Development in Rural Areas, 2018-21), the project "Standing Up for LEADER in South East Europe" started. Its main goal was to bring national stakeholders together in each country to get LEADER back on the agenda, enhance the willingness to act, and combine all this with intensified efforts for EU accession and the accreditation of IPARD III measures 2021-27. Some countries have already used IPARD II (Measure 9, Technical Assistance) to build capacities on the ground and invest in the self-organising capacities of rural development networks.

Mainstreaming of LEADER requires concerted activities at three levels: (i) within and between state authorities, political decision makers and government administrations; (ii) at the sub-regional level, where local actors join forces to create and run local partnerships that act on behalf of the common interests of rural people; (iii) somewhere in between and around, where rural development networks act as knowledge hubs and con-

1 http://seerural.org/wp-content/uploads/2018/06/LEADER-Report-WEB.pdf

2 https://ec.europa.eu/info/sites/default/files/food-farming-fisheries/farming/documents/pathways-to-

nectors between the rural world and the engine rooms of policy making, as well as horizontally, between rural people of other areas in the same country as well as across countries.

Seven national experts, one of whom acting as a regional expert at the same time, as well as two international experts, have been contracted to further the LEADER process. When it started, the COVID-19 pandemic struck hard, and the project concept mainly relying on face-to-face interactions, got into serious trouble. Not only did the planning schedule get turned upside down, but the focus itself also seemed to derail. A complex participative method like LEADER may not be among the priorities policymakers have in times like these.

However, the crisis also brought the topic of resilience to the fore: Resilient local economies, resilient production and supply chains and resilient societies. The perception of rural areas in people's minds has changed. Hosts of people, many of them younger families, turned their back to cities and sought to revive their grandparents' forlorn country homes, some of them even re-cultivating smallholder farms. This movement has been tangible in places like Greece and Southern Italy, where they start speaking about a "Pandemic Rural Renaissance"[3]. In fact, this rural re-migration has already set in after the financial crisis of 2008[4]. However, is that reorientation just a volatile fluctuation? Or does it just need some nudges to take hold? How can village leaders make sure that these people can make their living and stay in the rural areas while things "go back to normal" – whatever that means? The pandemic could be the "crack where the light comes in" (to say it with Leonard Cohen). We firmly believe that one way to assure this is to *mainstream* LEADER in rural areas. The major policy shifts in the EU, the Green Deal, the Circular Economy and the Organic Action Plan, Smart Villages, become a tailwind for our enhanced efforts in this direction, for all these goals can be better achieved by empowered local communities and rural networks which act as drive belts for scaling up and out, spreading good practice and helping the institutional fabric to become more inclusive, enabling and just.

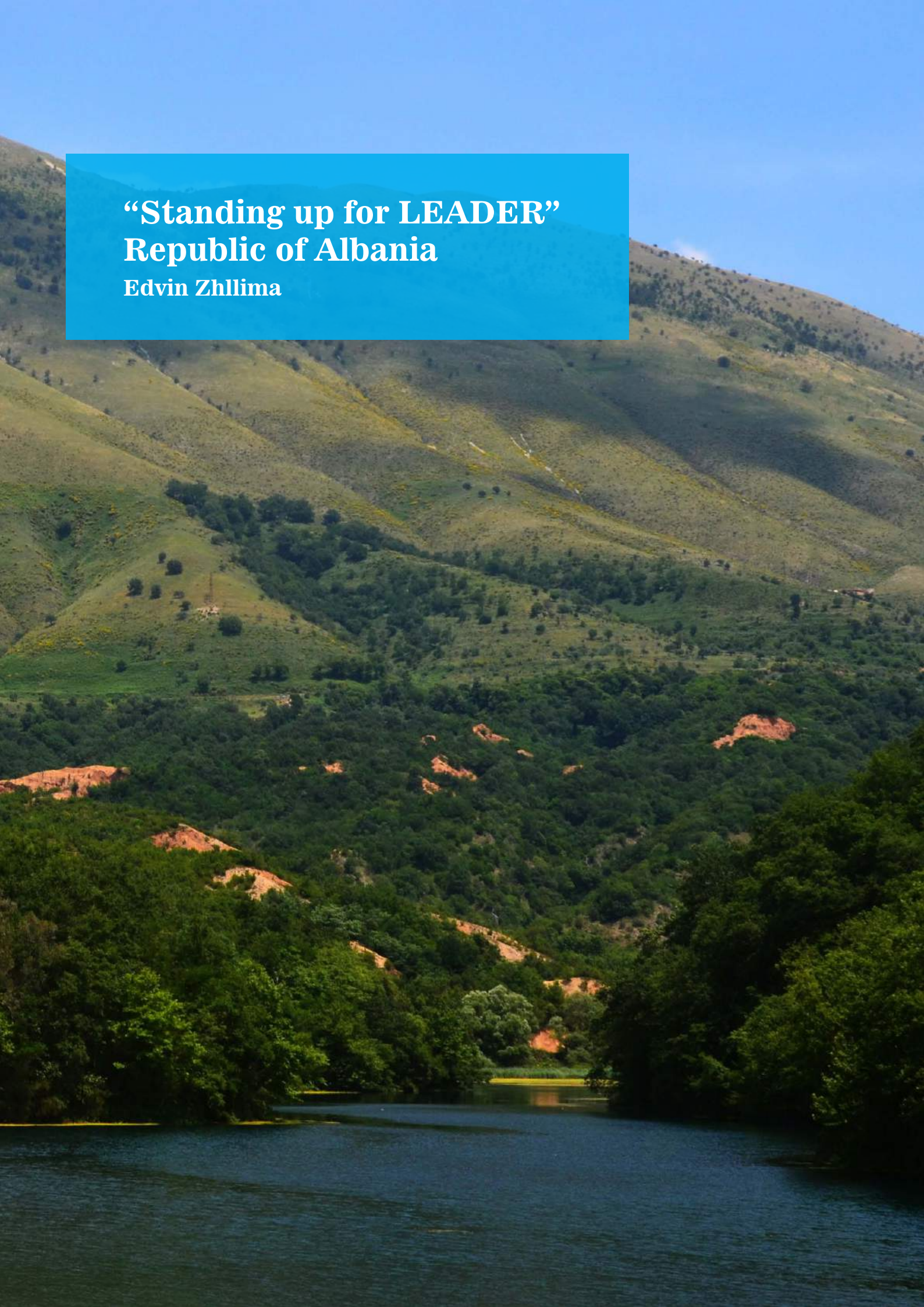
A critical outcome of the "Standing Up for LEADER" project is **National Road Maps** to strengthen and intensify the efforts to anchor the LEADER approach at the policy level, among local actors and rural networks, and to connect each one's efforts with those of the other. These Road Maps have been negotiated and agreed upon among stakeholders in each country. They are not just expert recommendations, they are commitments. Each Road Map starts where the respective country stands at the moment, their situations being quite different. Some have developed the governance structures to prepare for the LEADER measure in IPARD III (Albania, North Macedonia, Serbia), others are planning to do so (Montenegro); some have invested in national support schemes to make a long story short (Albania, North Macedonia, Serbia); others intend to put in place a scheme with mixed donor involvement (Kosovo), or at least to resume efforts to revive the LEADER process after a period of standstill (Bosnia and Hercegovina). At the local level, LAGs do exist in several countries, some of them are active (North Macedonia where 13 LAGs are registered, covering 2/3 of the national territory, with 9 of them already receiving grants; and Serbia, where 22 LAGs are ready to receive grants), some of them in an incipient (Montenegro) or more advanced state (Albania), some of them being rather silent witnesses of past projects (Bosnia and Hercegovina). Some of them need to be restructured, as they have been created along the boundaries of one municipality, which is not considered ideal (Kosovo). The most encouraging is the sprawling life of rural networks in which LEADER plays a prominent role, with national rural networks in each country and the Balkan Rural Development Network as the regional amplifier. The emergence of the Balkan Rural Parliament (June 2018) and its Second Session taking place in Ohrid on June 15-16 June 2021 (together again!), right when the pandemic finally seems to ebb away, is a strong sign of the vitality of these ever- growing networks and a sign of a renewed awareness of the importance of a rural renaissance in South East Europe. It is at that occasion that the project "Standing Up for LEADER" takes its formal end, and that is also where the Road Maps will be made public and disseminated in this little brochure: as a beam of light showing the path ahead and a strong reminder not to get detracted evermore. The message is out; action will follow!

Promoters:
SWG GIZ (Boban, Bogdanka, Benjamin, Irena)

Experts:
(Dragan, Edvin, Jagoda, Mikone, Petar, Sabahudin, Đorđije, Hannes, Robert)

3 https://www.bloomberg.com/news/articles/2021-05-21/how-covid-repopulated-rural-italian-villages

4 https://www.theguardian.com/world/2011/may/13/greek-crisis-athens-rural-migration



“Standing up for LEADER” Republic of Albania

Edvin Zhllima

Strategic policy advice and process management to boost capacities to implement Community-Led Local Development (CLLD) and LEADER in Southeast Europe

"Standing up for LEADER" Republic of Albania

Edvin Zhllima

Introduction

The role of agricultural and rural development policy is crucial for the economic and social development of Albania. The development of this sector is also crucial to prepare rural areas to further demographic and structural transformation and the increasing pressure that emerged due to the entrance into the EU market. The economic and financial opportunities that the EU provides through access to the single market and the Common Agricultural Policy (CAP) instruments are additional strong incentives to prepare the agricultural sector for EU integration. In order to maximize the benefits of the single market and CAP´s measures, Albania needs to adjust its agriculture and rural development policies and align them to the EU CAP.

Funding and institutional support are essential for achieving balanced territorial development. In terms of funding, a share of funding provided for structural and rural development measures (Pillar 2 CAP alike) has been more than 60%. However, funds related to the improvement of rural livelihood and maintenance of natural resources is modest (SWG, 2019). During the recent decade, rural livelihood is changing rapidly. In terms of institutional development, the territorial reform, which consolidated the 374 administrative units (309 rural and 65 predominantly urban) into 61 administrative units, the rural population has been experiencing a change of representation and governance. The decentralization reduced the decision-making power in the former Commune. Currently, only administrative services remained, while leaving the rest of responsibilities (decisions for development, advisory services, etc.) to the central office located in the urban centres.

Demographic change happening due to rapid migration and depletion of rural resources is urging more attention toward policies that enhance a bottom-up engagement of rural stakeholders. The Albanian government has been showing more attention toward territorial rural development during recent years, especially with implementing the Integrated Rural Development Program+100 villages. However, there is no quick adoption of this new rural policy perspective and the local development initiatives. Such imperative is essential, especially in the preparation of Intersectoral Strategy for Agriculture and Rural Development (ISARD) 2021-2027.

This assignment aims to facilitate the process of setting up structures and delivery mechanisms for the LEADER measure during the current IPARD period and particularly in the new period 2021-27 to increase the capacities for rural diversification and re-dynamization of lagging rural areas in Albania.

The report reflects two main components: i. Provides evaluation capacities and policy advice to implement CLLD/ LEADER in Albania and, ii. Describes the process of facilitation of horizontal and vertical integration, cooperation, dialogue and exchange of relevant stakeholders involved in design, implementation, monitoring of CLLD/ LEADER. The latter was also the most important activity, which was led in close cooperation with MARD. In order to achieve this component,

it was followed by a stepwise process composed of three stages.

- The first stage is based on the establishment of the conceptual framework. A review of policy documents is carried in this stage. It involves an assessment of available policy documents, legislation, rule books, research papers, reports, studies etc. from public authorities, academia and international donors and organizations. Moreover, relevant stakeholders are identified, and their roles are explored. Using the dialogue with stakeholders and reviewing literature a gap and potential assessment are carried. Based on this assessment and in relevance with their role, stakeholders discussed and present their commitment. Representative(s) of the Ministry of Agriculture and other relevant Governmental bodies (Managing Authority, Paying Agency, and Implementing Body) as well as resource persons from rural development networks and LAGs were invited to the meetings for the discussion.
- The later stage is the organization of a subject matter meeting to decide the main steps that Public Authorities in Albania (including the Managing Authority and Paying Agency) will follow in order to pave the way for LEADER. Then, making the best use of these conclusions, a draft of the Leader Road Map was prepared and discussed with the rural network, LAG like organizations and other relevant stakeholders. Finally, in order to benefit from other countries experience, a peer review process is followed by collecting opinions from participants in three REAWG workshops (February, June, October) and in the high-level conference (March 2021).

The report is structured as follows. The next section presents a SWOT analysis. The third section explains the steering structure which depicts the actual or planned state of the governance architecture. The fourth section presents the main processes, which are relevant for setting up and running the LEADER measure. This section is followed by a section describing the priorities at different levels of decision making (with different lead actors) with possible corrective steps to be taken and focused upon in the Road Map. The report is finalized with the Road Map, which explains the chronology of actions, measures, events which will eventually lead to LEADER implementation at all levels.

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SWOT Analysis

The first section describes the state of affairs of LEADER in Albania. It is analysed through the lens of four dimensions namely (i.) the individual (personal) dimension, (ii.) the organizational dimension and (iii.) the societal capacities which illustrate the cooperation and the enabling framework. Each element is illustrated in the following table and a narrative as described below.

The individual (personal) dimension

The capacities and competencies of the key actors involved (public officials, staff of intermediary agencies, network activists, local actors in existing LAGs) are sufficient for enhancing a fast process of establishing LAG. Regarding central institutions, there is a low number but very competent people in the MARD. IPARD and EU projects have informed a part of the departments on LEADER benefits.

There is a high number of competent people in intermediary agencies such as MARD dependent institutions and NGOs. The baseline survey on the experience in LEADER approach in Albania, conducted in 2016 with the support of the SARD-IPARD project, revealed that for the period 2010-2015 approximately 25 area-based rural development initiatives have been implemented, emerging into LAGs, community or thematic forums or other partnership structures for the cooperation of the public, private civil sector. Three other initiatives were established in the form of LAG in the period 2016-2018, while the other three in the period after 2018.

These initiatives, although not being sustainable in most of the cases, have created human capacities and know-how to organize community-led local development. Despite the previous initiatives, the capacity building at LAGs like organizations is useless since most people educated in the past might not be available.

The high migration from rural areas has contributed to depopulation and aging, which depletes the available human resources. In addition, due to migration and low educational attainment, the capacities of the rural population to engage in development processes are weak.

In the region, there are a modest number of experts who have been included in development projects or trained in capacity building initiatives. The local experts, mainly agronomists and social sciences experts, can support capacities for LAG creation or prepare local development strategies (LDS) and animate local partnerships.

The experience at the Local Government Units with the frequent reforms has increased. In the existing municipalities and Municipality councils, there is a significant number of people who participated or have been trained in participatory capacity building. That implies that case of LAG creation attempt, the main force for the institutionalization and formation of the partnerships may come from Municipalities. For instance, the integrated Rural Development Program +100 has raised rural people's attention on bottom-up movements. However, the capacity of the LGU councils to engage in bottom up initiatives is not studied.

The organizational dimension

A significant part of LAG-like organizations can quickly transform into the LAG, fulfilling the criteria as required by the law. Civil Society Organizations, especially in the central regions, are developed, and their capacity to manage is increased due to previous funding. While the number of NGO's is high (1,800) they are not present in rural areas. A major part of NGOs in the past reported that they had implemented projects for the establishment of LEADER type local action groups or other community-led local development initiatives in the past 5 years (SWG, 2018).

A part of NGO's have prior experience on establishing LAG-like organizations. For instance, four LAG-like partnerships were formed within donor projects in the period 2016-2017, while in the period 2017-2019, other 3 LAG like organizations are established from WB (Environmental Services Project on the creation of LAG Puka, LAG Pashtriku (Has) LAG Kolonja e Gjelber in Erseke) and one from SNV (LAG Bjeshket e Namuna). There is no constant financing for LAG like functioning nor for LAG creation except few initiatives.

MARD and Payment Agency resources are increasing due to capacity building and investments being made by Donors. IPARD II measure on capacity building is expected to bring Measure 9 on capacity building and Measure 5 on LEADER. IPARD measures relevant to LAG creation may need time to be implemented.

The societal capacities

The dimension of cooperation systems

Civil Society Organizations are more prone to network. For instance, the Albanian Network for Rural Development (ANRD) and a dozen previously created LAG-like organizations create a basis for cooperation. A part of this human capital is engaged in the Albanian Network for Rural Development. The ANRD mission is to promote community-led rural development and LEADER approach through advocacy and initiatives on policy development[5].

Dialogue platforms, deliberative and consultative bodies (such as monitoring committees or expert commissions), are not existing or formally existing. Public Chambers of Commerce are functional only in some areas and Private Chambers of Commerce are yet not having a regional orientation (majority have sectoral approach). The strengthening of Municipalities governance and strengthening of community development organizations brings a fertile environment. Despite the consolidation of the local government units, due to the concentration of power and engagement in urban areas, there is decreasing trust in the participatory approach.

The dimension of enabling frameworks

Currently, there is a favorable environment given the role of IPARD in preparing the main institutional capacities. ISARD 2014-2020 provides a proper basis for LEADER development. However, the main goal of agricultural and rural development policies has remained focused on increasing agriculture competitiveness. This priority does not consider CLLS/LEADER.

Conditions for LAG creation at the institutional level are not set due to a lack of clear signals. At the end of 2019, the MARD, with the support of the GIZ SRD project, started the preparations for the implementation of the second package of measures, including the Measure 5 of IPARD: Implementation of local development strategies – LEADER approach, which brings a new pace to the institutional development of LEADER in Albania.

5 Albanian Network for Rural Development was created in 2015 as a non-governmental membership organization. ANRD is partly supported by EU funds, under the ALTER project. ALTER (Active Local Territories for Economic development of Rural Areas), is a project aiming at establishing and strengthening of rural development networks in seven West Balkan countries and Turkey

A promising legal base is the draft law on LAG. Law on LAG is yet not adopted but is expected to be adopted in 2020. Currently, a LAG- like organisation can be officially registered as an association under the law on non-profit organizations, No. 8788, dated 07/05/2001 and Law on the registration of Non-Profit Organizations, Law No. 8789 dated 07/05/2001. It is not clear if the accreditation of Measure 5: Implementation of local development strategies – LEADER approach will consider the new Law on LAG or the existing legal base.

Funding and capacity building is limited. The current financing schemes given from MARDWA or the unconditional funding given to LGUs do not provide any funding for local initiatives. Capacity building at the local level is still limited. Advisory services packages are overloaded with other tasks. The Municipalities, despite the possibilities and conditions created through Law No. 139/2015 on Local Self-Government, have yet not guidance for promoting CLLD/LEADER opportunities.

EU and other international donor's presence still remain the main hope for a fertile environment for LEADER. Given the new considerations of CAP and the pressure for EU alignment with the opening of negotiations with the EU, there are solid pivots for including proper policy priorities for LEADER at the upcoming ISARD (2021-2027).

There is a high willingness of donor projects to establish and support CLLD/LEADER initiatives. Due to support from donors, there are plenty of potential areas/ products and social capital hot spots to enable further development into CLLD/LEADER.

On the other hand, the business community is not prepared and ready to be engaged in networking. Vertical cooperation is weak and fragmented. The business vitality and business birth rate are deficient. The majority of companies operating in rural areas are micro-companies, with the vast majority being micro (1 to 2 workers), mainly focused in trade and services sectors. The business environment is very weak and yet, since crediting, insurance and advisory services are of limited accessibility in rural areas, especially the remote ones.

Table 1. SWOT on LEADER implementation in Albania

	Individual and organisations Capacities/Competences	Society	
	Competence and organization development	Development of cooperation systems	Development of enabling frameworks
Strengths	• There is a significant number of competent people in intermediary agencies such as dependent institutions, NGOs. • The experience at Local Government Units has increased due to the frequent reforms. • New LAGs are established (with support of WB and SNV) and better supported in governance. • A significant part of LAG-like organizations can quickly transform into the LAG, fulfilling the criteria as required by the law. • Civil Society Organizations are expanded and their capacity to manage is increased.	• Civil Society Organizations are more prone to network. • Albanian Network for Rural Development and a number of previously created LAG-like organizations create the basis for cooperation. • MARD started the design of Measure 5: Implementation of local development strategies – LEADER approach.	• ISARD 2014-2020 provides a proper basis for LEADER Development. • Currently there is a favorable environment given the role of IPARD in preparing the main institutional capacities. • Law on non-profit organizations, No. 8788, dated 07/05/2001 and Law on the Registration of Non-Profit Organizations', No. 8789 dated 07/05/2001 can be used for creating LAGs.
Weaknesses	• There are few but very competent people in the MARD. • Capacity building at LAGs-like organizations is useless since significant part of people educated in the past might not be available. • No constant financing for LAG like functioning nor for LAG creation except few initiatives. • The number of NGOs although high (1,800), is not present in peripheral areas.	• The business community is not prepared and ready to be engaged in net working, due to past failures. • The majority of former networking structures are not existing or they are just existing on a paper. • Public Chambers of Commerce are functional only in some areas and Private Chambers of Commerce are not comprehensive (majority have sectoral approach).	• The current financing schemes given from MARD or the unconditional funding given to LGUs do not provide any funding for local initiatives • Law on LAG is yet not adopted, thus, conditions for LAG creation at the institutional level are not ready due to a lack of clear signals. • Capacity building at the local level is still limited. • Advisory services are overloaded with other tasks. • The Municipalities have yet not a clear understanding of the CLLD/LEADER opportunities.
Opportunities	• MARD and Payment Agency resources are increasing due to capacity building and investments being made by donors. • IPARD II measure on capacity building is expected to bring Measure 9 on capacity building and Measure 5 on LEADER. • The integrated Rural Development Program +100 has raised rural people attention on bottom-up approach. • There is an increasing awareness of civil society organizations on the LAG, which means more people are available.	• The strengthening of Municipalities governance as well as the strengthening of community development organizations brings a fertile environment.	• There is a high willingness of donor projects to establish and support CLLD/ LEADER initiatives • Due to support from donors, there are plenty of potential areas/products and social capital hot-spots to enable further development of CLLD/LEADER. • Promising legal base is the draft law on LAG and Law No. 139/2015 on Local Self-Government and Law on Concessions and Public/Private Partnerships.
Threats	• IPARD measures relevant to LAG creation may need time to be implemented. • The high migration from rural areas depletes the available human resources.	• The vertical cooperation is weak. • There is a decreasing trust on participatory approach.	• The principal motivation of agricultural and rural development policies is increasing competitiveness. This priority does not consider CLLS/LEADER.

Actual respectively intended Steering Structure

The structure of governance for the preparation of the LEADER component in Albania is dynamic. There is no Steering Structure, but there is a hierarchic system of current responsibilities related to the legal preparation of the LAG and policy preparation of LEADER. The diagram comprises three levels, the decision- making or consultative bodies based in the highest level (see from top to bottom), followed by the strategic and the operational levels.

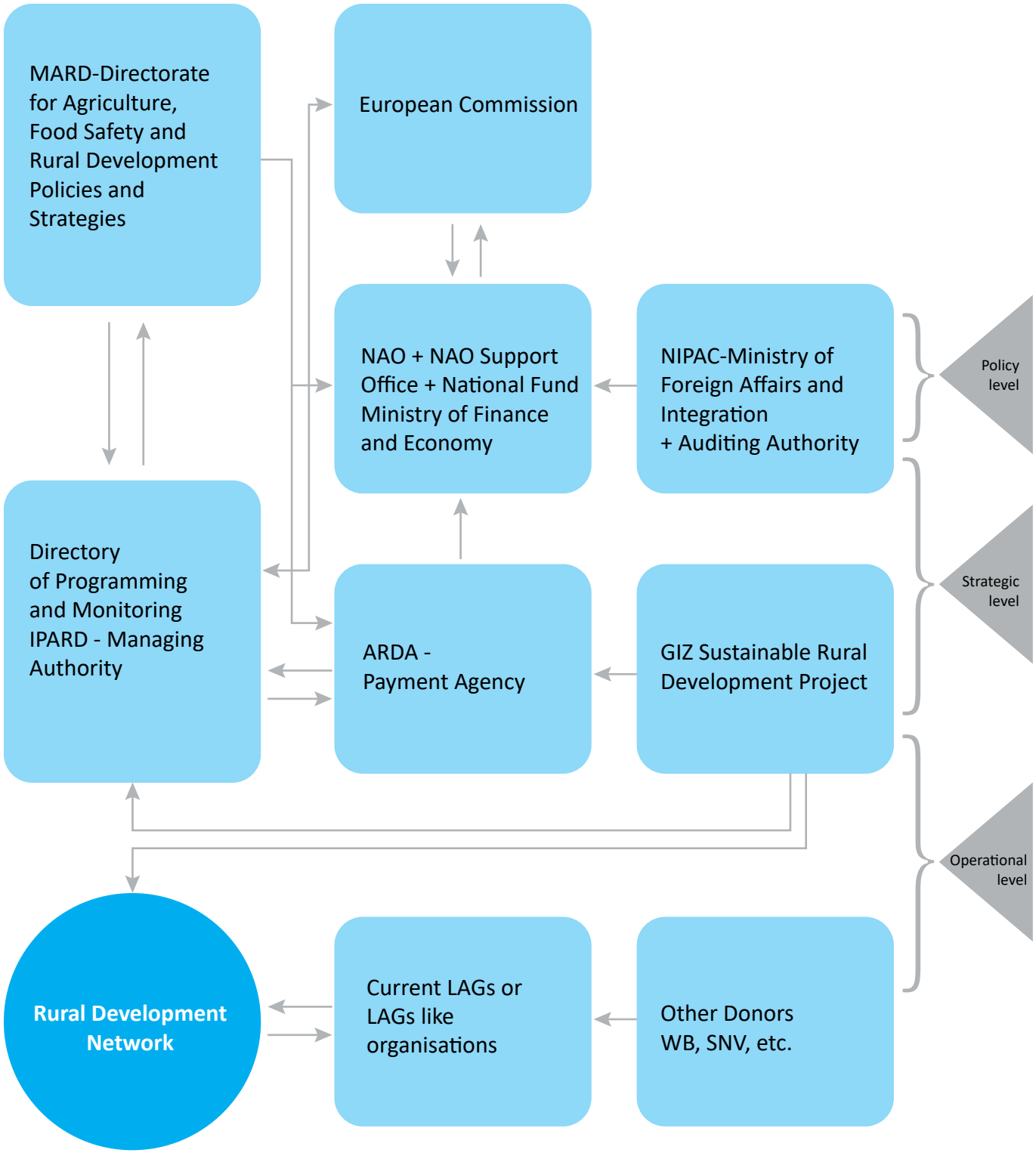
At the policy level, the central authority in Albania, responsible for LEADER and other rural development strategies and policies, is the Ministry of Agriculture and Rural Development (MARD). The policy vision is formulated by the Directorate for Agriculture, Food Safety and Rural Development Policies and Strategies. This Directorate is leading a continuing process for the design of the regulatory package for LAGs functioning (LAGs Law) and the preparation of a fertile environment for LAGs establishment. One of the main activities has been to adopt the Law on LAGs. An additional function is to prepare support policies in coordination with actors responsible for budgetary support, such as the Agriculture and Rural Development Agency (ARDA) and the Ministry of Finance and Economy. ARDA is an agency responsible for administering and managing of the financing schemes for agriculture operators and accredited for the disbursement of the IPARD funds in Albania. Ministry of Finance and Economy is the accredited National Authorizing Officer (NAO) in Albania which is responsible for the implementation of the projects use of the National Fund (the treasury for IPA funds) through the NAO support office.

At the strategic level, NPEI priorities are supported by the Directory for Programming and Evaluation of Rural Policies (the Managing Authority). This department is responsible for programming and identifying the relevant standards to prepare the institutional and legal conditions for benefiting from IPARD Measure 5 for LEADER. The measure is to be set for accreditation and proceed for implementation in cooperation with Agriculture and Rural Development Agency (ARDA), the Paying Agency. Regarding governance, the policy/ agreement establishes that the accreditation process is led by the Vice Minister of Finance and Economy (the National Authorizing Officer) and the relevant supporting office, which is responsible for the direct communication with the EU Delegation. Therefore, the Managing Authority should report to the Deputy Minister of Finance and Economy and the Ministry of Foreign Affairs and Integration.

GIZ Project Sustainable Rural Development (SRD) is supporting Managing Authority in drafting the manuals of procedures (MoP) for the implementation of Measure 5 compliant to EU legislation (IPARD). After the preparation of the draft accreditation package Managing authority has to submit it to EU services (DG AGRI) for entrustment. SRD is also providing ongoing technical advice, coaching, and training to the MA and IPARD Agency staff for elaboration of the measure and development of the manual of procedures.

The operational environment is yet not developed. There still exists LAGs created by previous donors. Until the LAG law is not adopted, these LAGs are legally binding. Further research should be done to explore the actual functioning and representation mechanism of these LAGs. Regarding LEADER promotion; an initial draft of the measure and criteria has been delivered to stakeholders by the Directory of Programming and Evaluation of Rural Policies at the end of 2019. Civil society organizations and the Albanian Network for Rural Development have been part of the first roundtables held for discussing draft Measure 5 and relevant criteria and procedures for its implementation.

Figure 1. Diagram of actors and responsibilities for preparation of LEADER



Source: Based on authors review of documentation

Core processes

Due to the diversity of actors in Albania there is considered a three-level grouping based on a division of processes. The national level: the MARD Directorate for Agriculture, Food Safety and Rural Development Policies and Strategies (DAFSRDPS) and the Directory for Programming and Monitoring of IPARD (DPMIPARD) (the Managing Authority) are the main responsible directories. Their work is interrelated and complementary.

The DAFSRDPS leads a continuing process for designing the regulatory package for LAGs functioning (LAGs Law) and the preparing a fertile environment for the LAGs establishment. The main steps during 2020 are to carry

1.1. Preparation of Draft Law, circulation to other Ministries, and adoption at Parliament.

1.2. Plan budgetary expenditures for LAG awareness raising campaign.

1.3. Finalize the preparation of training sessions.

The DPMIPARD is the responsible structure for programming and identifying the relevant standards to prepare the institutional and legal conditions for benefiting from IPARD Measure 5 for LEADER. However, both directories are in the process of defining Draft Law on Organisation and Functioning of the Local Action Groups (general assembly, management board, staff, etc.) and incorporating the Law provisions as part of the eligibility rules of the LEADER measure.

The DPMIPARD tasks are to prepare in consultation with DAFSRPDS:

1.4. Prepare the IPARD Measure 5 for consultation and communication.

1.5. Prepare and send for certification to DG Agri the Measure 5 package.

1.6. Draft Capacity Building Programme for Potential LAGs.

1.7. Draft Terms of Reference for Capacity Building to Prepare for Implementing LEADER Measure in Albania.

1.8. Create terms of work for ARDA and Evaluation Committee.

1.9. Determine the rules for funding (budgeting, disbursement, control) and monitoring and evaluation.

The intermediary (Networks, intermediary agencies) is led by ARDA (IPARD agency) with task to design:

1.1. The manual for assessing compliance and eligibility.

1.2. Define with MARD approval of the members of Evaluation Committee.

1.3. Open of the call for proposals.

1.4. Prepare process of selection for the LAGs.

After the preparation of the package draft Managing authority has to submit it to EU services (DG AGRI) for entrustment. The Managing Authority should report to the Deputy Minister of Finance and Economy and the Ministry of Foreign Affairs and Integration, which are responsible for the direct communication with the EU Delegation.

At the local level GIZ SRD, in cooperation with the other donors, which has supported LAGs will>

1.1. Provide project support and project management.

1.2. Cooperate with ARDA for increasing awareness for civil society organizations such as the clustered ones at the Albanian Network for Rural Development, Chambers of Commerce, Business Associations, etc.

1.3. Municipalities in partnership will ARDA will facilitate the promotion and animation activities. Municipalities will be part of local partnerships.

The template below describes the processes and indicates the main situation in Albania. The description is focused on the main bottlenecks and limitations.

Table 2. Processes and factors influencing their accomplishment

Level	Process Nr.	Description of process	Actual state of play, main bottlenecks
1.MARD	1.1	• Draft Law preparation, circulation to other Ministries, and adoption at Parliament.	• Draft preparation is yet at DAFSRDPS and prolonged by the pandemic situation.
	1.2	• Plan budgetary expenditures for LAG awareness raising campaign.	• In preparation together with the budgetary plan for 2021.
	1.3	• Finalize the preparation of training sessions.	• To be done in cooperation with DPM IPARD.
	1.4	• Prepare the IPARD Measure 5 for consultation and communication.	• DPERP started the work with GIZ SRD in June 2019. The measure is drafted. The DPERP coordinate the legal rules with DAFSRDPS ,which is setting the LAGs law.
	1.5	• Prepare and send for certification to DG Agri the Measure 5 package.	• The measure is sent for feedback which is expected to be provided within 2020.
	1.6	• Audit by DG Agri to check capacities, Memorandum of understanding between Managing authority and Paying Agency.	• To be done after the draft is accepted.
	1.7	• Updating of Financial Agreement.	• Not done yet.
	1.8	• Draft Capacity Building Programme for Potential LAGs.	• Being drafted by DPM IPARD.
2. MARD/ARDA	2.1	• Draft Terms of Reference for Capacity Building to Prepare for Implementing LEADER Measure in Albania.	• ARDA is engaged in preparing the manual after the measure draft is accepted.
	2.2	• Create terms of work for ARDA and Evaluation Committee.	• ARDA is engaged in preparing the terms of work.
	2.3	• Determine the rules for funding (budgeting, disbursement, control) and monitoring and evaluation.	• Being drafted by DPM IPARD.
	2.4	• The manual for assessing compliance and eligibility.	• Being drafted by DPM IPARD.
3. ARDA and LAGs	3.1	• Animation, awareness rising and promotional activities.	• To be done in the future.
	3.2.	• Open call for recognition of LAGs.	• To be done in the future.
	3.3	• Training of potential LAGs Staff.	• To be done in the future.
	3.4	• Preparation of Local Development Strategies for each LAG.	• To be done in the future.
	3.5	• LAGs recognition and approval of relevant LCD strategies.	• To be done in the future.
	3.6	• Grant disbursement to selected LAGs.	• To be done in the future.
	3.7	• Memorandum of understanding between LAGs and ARDA for implementation and self-monitoring.	• To be done in the future.

Priorities

Based on the meeting carried with various stakeholders, a development needs assessment was carried on regarding the development of the LEADER system. The stakeholders were asked to identify and rank the main priorities with respect to LEADER implementation. The main priorities provided by the national stakeholders are analysed in terms of effectiveness to deliver the required services and adequate provisions to be carried. The last column reflects the extent to which the LEADER method reflects the provisions and actual handlings of the system.

Table 3. Priorities for developing LEADER system

	Respective priorities set by the stakeholders for developing the LEADER system at three levels	Comments from the national expert…	
		…concerning the effectiveness and efficiency of the actual or planned delivery system	…concerning the implementation of the LEADER method (8 features)
…by public authorities	• Prepare the legal base and send for approval within September 2020. • Prepare budget for promotional activities to be carried during 2021. • Prepare training materials for capacity building activities on LEADER development.	• Draft Law on LAGs to be approved by Parliament.	• The partnership's legal form is variable, according to the legal environment, but it mostly appears in the form of an NGO, foundation, or non-profit enterprise. The LAG Law differently from other countries aims for regulating the function of future LAGs and assuring a decentralized operational and monitoring system. This is similar to the Decentralised managing and financing approach where MARD is expected to support the promotion of LAGs and LDS according to transparent quality criteria, to monitor the decisions made by the LAG according to the legal base and assess the impact of the LEADER measure throughout the whole programme cycle.
…by networks and intermediary agents	• Prepare Measure 5 Draft within 2020. • Draft Capacity Building Programme for Potential LAGs. • Draft Terms of Reference for Capacity Building to Prepare for Implementing LEADER Measure in Albania. • Create terms of work for ARDA and Evaluation Committee. • Determine the rules for funding (budget, disbursement, control) and monitoring and evaluation. • Prepare the manual for assessing compliance and eligibility. • Define with MARD approval of the members of Evaluation Committee. • Open of the Call for proposals. • Prepare process of selection for the LAGs	• The Measure is drafted and sent for comments to DG Agri. • Currently Entrusted Budget Implementation Task is being prepared which is planned to be finalized by end of June 2020. • It is expected to do a modification of IPARD II Programme and this measure is planned to be approved by Monitoring Committee at end of 2020 (to be met twice per year).	• Innovative measures can be linked with the 100 Village program to scale up financing decisions at the LAG level. The area-based approach can be strengthened in case Measure 5 is implemented and IPARD II converges with the 100 Village program.
…by LAGs and local actors	• Prepare project proposals for studying LAG potentials at the regional level. • Send project proposals to the EU and other donors for capacity building activities. • Advocate and participate in meetings for Measure 5 consultations.	• LAG creation might be slow due to limited capacities in local actors	• The networking function is expected to be enhanced throughout all LAGs. Municipalities are essential in this milieu since the ground movements are yet fragile. The bottom-up approach should be emphasized at TOR for subcontractors which will prepare LDS for the selected LAGs.

Road Map

The table below provides a road map that includes a chronological task list with actions, actors, expected intermediary outputs, and deadlines for accomplishing these actions. Actions are relevant to the core processes listed in section 2. Each action is determined through a participatory meeting with the main stakeholders. The meeting was organized online with the coordination of MARD and ARDA.

Table 4. Road map for developing LEADER by actions, responsible actors, expected outputs and milestones.

Process Title	Action	Responsible actor and other contributing actors	Output	Date	Comment
Legal and institutional framework					
Drafting the Law on LEADER and corollary measures	• Draft Law preparation, circulation to other Ministries and adoption at Parliament. • Plan budgetary expenditures for LAG awareness raising campaign. • Finalize the preparation of training sessions.	• DAFSRDPS	• Law in the Official Gazette. • Budget plan. • Training materials.	• December 2021. • November 2021. • December 2021.	• Law has been prepared and comments from MoJ are acquired. Elections postponed the adoption by the Parliament. New parliament should be taking it into consideration. Probable earliest date is September 2021. • Budgetary planning is carried in the first quarter. • Donor support will be required.
Prepare, accredit and activate IPARD LEADER Measure (M5)	Prepare the IPARD Measure 5 for consultation and communication and the Entrusted Budget Implementation Task • Prepare and send for certification to DG Agri the Measure 5 package. • Audit of capacities, Memorandum of understanding between Managing Authority and Paying Agency. • Updating of Financial Agreement.	• DPM IPARD • DPM IPARD through NAO • DG Agri • DG Agri	• Entrusted Budget Implementation Task. • Measure 5 final version • Report • Financial agreement updated.	• Completed • First quarter of 2022 • May 2022 • September 2022	• Will be inserted in the IPARD III Program. • Will be inserted in the IPARD III Program. • Will be inserted in the IPARD III Program. • Will be inserted in the IPARD III Program.

	• Draft Capacity building program for potential LAGs • Draft Terms of Reference for capacity building to prepare for implementing the LEADER Measure 5 in Albania • Create terms of work for ARDA and Evaluation Committee • Determine the rules for funding (budgeting, disbursement, control) and monitoring and evaluation • Drafting compliance and eligibility manual	• DPM IPARD • ARDA	• Capacity building program package • Terms of reference • Terms of work • Rules for funding final draft (completed) • Manual	• December 2021 • Completed • Completed • Completed • Completed	• The service provider not yet selected under Measure 9 on Technical Assistance • The service provider not yet selected under Measure 9 on Technical Assistance • Will be inserted in the IPARD III Program • Will be inserted in the IPARD III Program • Will be inserted in the IPARD III Program
Rural development networking					
Awareness raising and promotion	• Animation, awareness raising and promotional activities	• DPM IPARD	• Awareness raising campaign start	• January 2022-June 2022	• Will be inserted in the IPARD III Program

Process Title	Action	Responsible actor and other contributing actors	Output	Date	Comment
Local Action Groups and development initiatives					
LAG formation and approval	• Open call for recognition of LAG • Training of potential LAG staff • Preparation of Local Development Strategies for each LAG • LAGs recognition and approval of relevant LCD strategies	• ARDA • ARDA through subcontracted services • ARDA through subcontracted services • DPM IPARD and ARDA	• Date of call for proposal made public in the AR- DA website • Training materials • Subcontracting entities • LAG list made public at ARDA website	• September 2022 • November 2022 • November 2022 • December 2022	• Formerly created LAGs will apply again for eligibility.
Grant disbursement and start of LDS implementation	• Grant disbursement to selected LAGs • Memorandum of understanding between LAGs and ARDA for implementation and self-monitoring	• ARDA	• Grant disbursement made public at ARDA website • Memorandum of understanding at ARDA website	• January 2023 • January 2023	

DAFSRDPS – Directorate for Agriculture, Food Safety and Rural Development Policies and Strategies in MARD (Ministry of Agriculture and Rural Development), DPM IPARD –Directorate for Programming and Monitoring of IPARD (Instrument for Pre-Accession Assistance for Rural Development), ARDA – Agriculture and Rural Development Agency, LAG – Local Action Group, LDS – Local Development Strategy

Conclusions

MARD has been making efforts to revise the overall policy framework and update the relevant sections of the National Plan for European Integration as a response to the reforms required for the opening of the negotiations with the European Union, as well as the need to update the strategy for agriculture and rural development. This assignment aims to facilitate the process of setting up structures and delivery mechanisms for the LEADER measure during the current IPARD period and particularly in the new period 2021-27 to increase the capacities for rural diversification and re-dynamization of lagging rural areas in Albania. This report is a synthesis of joint work carried with various stakeholders such as policymakers, members of the Albanian Rural Network and academia.

Despite the continual depletion of rural areas governing capacities, there have been weak steps to develop policies that enhance a bottom-up engagement of rural stakeholders. The Albanian government has been showing attention toward territorial rural development during recent years, especially with implementing the Integrated Rural Development Program+100 villages. However, there is no quick adoption of this new rural policy perspective and the local development initiatives. Such imperative is essential, especially in the preparation of Intersectoral Strategy for Agriculture and Rural Development (ISARD) 2021-2027.

This report describes the main output of a dialogue process with MARD policymakers regarding the steps to be taken towards intensified CLLD/LEADER implementation. The output is a **National Road Map** which serves as a to-do list for all the stakeholders in Albania in implementing CLLD/LEADER. Inputs will be part of a **policy paper** synthesizing the proceedings of the high-level conference, which will be carried at the beginning of 2021.

The author acknowledges the continued support of the Directorate for Agriculture, Food Safety and Rural Development Policies and Strategies and references provided by the Directory for Programming and Evaluation of Rural Policies at MARD. The author is thankful also to the source persons of the Rural Development Network, which has contributed to the discussions and brought forward the voice of the rural communities on needs and gaps existing in Albania before the preparation of this Road Map.

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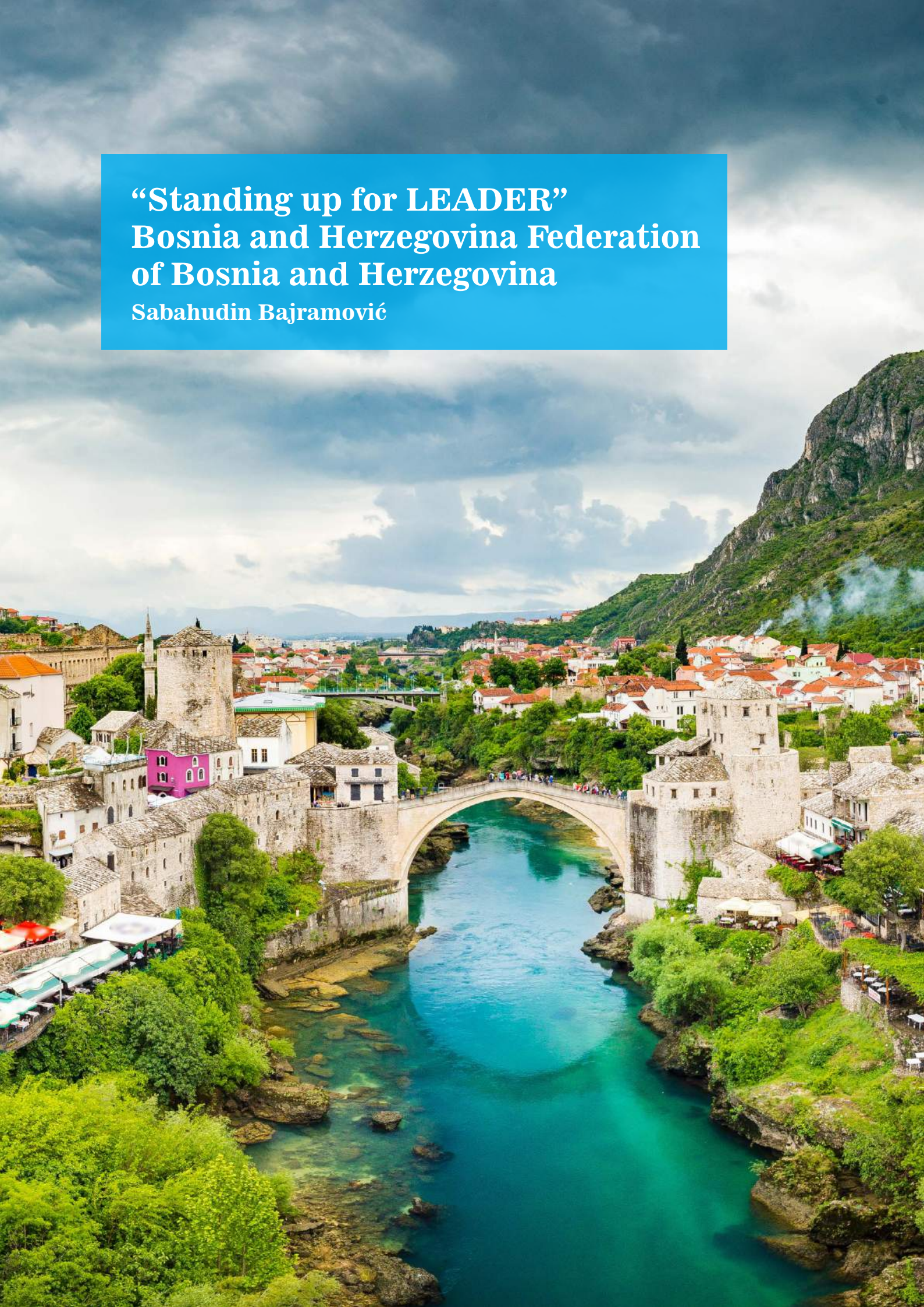
Table 5. List of interviewed persons

No	Name	Affiliation
1	Lauresha Grezda	Directorate for Agriculture, Food Safety and Rural Development Policies and Strategies
2	Grigor Gjeci	Directory for Programming and Evaluation of Rural Policies

“Standing up for LEADER” Bosnia and Herzegovina Federation of Bosnia and Herzegovina

Sabahudin Bajramović



Strategic policy advice and process management to boost capacities to implement Community-Led Local Development (CLLD) and LEADER in Southeast Europe

"Standing up for LEADER"
Bosnia and Herzegovina
Federation of Bosnia and Herzegovina

Sabahudin Bajramović

Introduction

According to the latest report on the state of LEADER approach in the Federation of Bosnia and Herzegovina (FBIH) and the activities of registered Local Action Groups (LAGs)[6], it is said that this concept of mobilizing and achieving rural development in local rural communities is still not recognized as such and is practically in an early phase. The establishment of new and strengthening existing LAGs was not supported by then the current rural development policy in the FBIH. Existing LAGs face funding problems, primarily due to inconsistencies in public sector support and significant dependence on donor funds. The concluding remarks of the mentioned report also pointed out the lack of political will to form the necessary IPARD structures for the withdrawal of these funds, which are among the key funds for the work of LAGs in most countries of the Western Balkans.

Unfortunately, three years later, things only got worse. There are no new LAGs; existing LAGs have become inactive, support for LEADER and LAGs lacks from Federal Ministry of Agriculture, Water Management and Forestry (FMAWMF) level without budget support measures. There is no indication of any progress in finding the legislative framework and place for LEADER in it, Ministry of Foreign Trade and Economic Relation of BiH (MoFTER) have stop writing annual reports on LAG works in BiH. Everything points to the need for a new approach in the Federation of BiH regarding the LEADER approach/concept in the rural development of this BiH entity and the establishment of new LAGs and the possible reactivation of existing LAGs. Such projects as the SWG / GIZ project Strategic policy advice and process management to boost capacities to implement Community-Led Local Development (CLLD) and LEADER in Southeast Europe could help overcome existing problems and give the real beginning of building a LEADER approach to rural development in the FBIH.

COVID-19 and the consequences of this pandemic significantly disrupted the planned activities, their dynamics, and the method of work itself. For the purposes of this research, only at the beginning of June 2020, when many measures of the FBiH Government stopped being valid, four face-to-face meetings were held (with representatives of the FMAWMF, NGOs and regional agencies). In the middle of May, an online questionnaire, based on which certain qualitative and quantitative information was obtained.

6 Bajramovic, S. (2017): Assessment of the application of the LEADER approach in the Western Balkan Countries - "from local initiative to a mainstream concept in the rural areas", Report for Federation of Bosnia and Herzegovina, SWG and GIZ, Skopje, Macedonia.

The general assessment obtained by the respondents of the online questionnaire is that the LEADER concept and the role of LAGs in the FBIH is unclear and must be changed. A good circumstance is that this year (2020), the FBIH Agriculture and Rural Development Strategy for the period 2021-2027 is being drafted and according to the terms of reference this document must provide a measure to support the LEADER approach and support the work of LAGs and drafting local development strategies (LDSs). Qualitative information was obtained through the survey questionnaire, and below are some answers that best illustrate the current situation of LEADER and LAGs in the FBIH.

"...The LEADER approach and LAGs in BiH are currently totally neglected and in a worse position than 10 years ago. The lack of hope for young people in rural areas leads to the devastation of rural areas and the loss of any prospects for sustainable development in the next 50 years. LEADER and LAG as terms do not exist at all in the dictionaries of local and cantonal authorities in FBiH. It is time for a new beginning, but this time on a realistic basis and estimates with previously well-thought-out strategies for establishing the LEADER approach in BiH".

"... LEADER and LAGs must be the result of a clear strategic commitment and a clear legislative and institutional framework ".

"... Lack of institutional support. In our country, LAGs work like ordinary civil society organizations because there are no funds for their work, as is the case in the EU. We are trying to apply the European model without the basic precondition for its sustainability. We play LEADER. I was in Germany and Austria, I visited LAGs, I was in various trainings. What we are doing in BiH is ridiculous. We are establishing LAGs through various pilot projects and expect them to be self-sustainable on their own. At the same time, we change the local government every four years, so every four years we need to re-explain what a LAG is and what a LEADER is.".

"... Without providing financial support for the work of the LAGs, everything else was in vain.".

"... When we see EU countries, there are LAGs, but only because they have funding from the budget. The same process should be expected in BiH - when there is funding, LAGs will be reactivated or established where they do not exist."

SWOT Analysis

Regarding the LEADER concept in the Federation of BiH, several essential stakeholders can be singled out: the Federal Ministry of Agriculture, Water Management and Forestry (Department for Rural Development), the Cantonal Ministries of Agriculture, Water Management and Forestry (or other ministries covering agriculture and rural development), Network of Rural Development in BiH, regional development agencies (such as SERDA and REDAH), municipal development agencies, local actors in existing development agencies, etc. In addition to the mentioned stakeholders, the vital role of donors (UNDP, FAO) should be emphasized, on whose help the sustainability of the established LAGs in the Federation of BiH depended the most.

The Federal Ministry of Agriculture, Water Management and Forestry (FMAWMF) should be the most important participant in the LEADER concept in FBiH, both in the field of policymaking and strategic documents and in the operational part through budget transfers for work of LAGs and implementation of local rural development plans. Development (LRDP), unfortunately, the role of this stakeholder so far has been related to the positioning of the LEADER concept and LAGs, but only as part of strategic goals and measures. There is no actual measures in the operational part and in Programs of subsidies that would financially support the work of LAGs.

The cantonal level of government in the FBiH and the relevant ministries for rural development (ministries of agriculture or economy) should also participate in the developing of the LEADER concept in this BiH entity. Unfortunately, there is very little participation of this level, of government and except in some cantons (Canton 10), from this level there is no significant support for the work of LAGs. In some municipalities, primarily thanks to foreign donors such as FAO or UNDP, local rural development plans have been developed that include measures to support, among other things, the work of LAGs.

The Network of Rural Development in BiH is one of the relevant participants in the developing of the LEADER concept in BiH. It is a network of civil society organizations from BiH whose goal is to improve cooperation and overall activity of organizations and institutions of various profiles operating in the rural development sector. So far, the work of this organization has not significantly helped the more outstanding promotion of LEADER and the development of LAGs in BiH.

Regional development agencies have significant work on the development of local communities in many segments, especially in the field of rural development. The agencies were created as a result of an initiative to launch a process of economic regionalization in which local communities and international communities participated in the post-war recovery and stimulating economic development. The agencies were created to express the desire of relevant actors from the region to pay more attention to issues of common interest to accelerate the economic development of local communities and achieve balanced development of the region as a whole. Regional development agencies in BiH operate in a number of municipalities regardless of entity affiliation. Thus, REDAH, as an agency operating in Herzegovina, performs its activities in 23 municipalities, of which 16 belong to the FBiH entity and 7 to the RS. Sarajevo's Economic Development Agency SERDA includes 32 municipalities, of which 18 are in FBiH and 14 are in RS. There are numerous activities that these agencies are engaged in. The following activities are essential for promoting the LEADER approach and the work of LAGs: providing technical assistance to institutions and other partners in the region in order to strengthen the capacity to use funds from European programs and initiatives, as well as from other sources, providing advisory and technical services, organizing and holding various seminars, trainings and workshops, transfer of acquired knowledge and experience, develops information databases, gets acquainted with EU funds, etc. Agencies are also promoters/animators of LEADER ideas and initiators and moderators of LEADER approach / LAG work in their area of operating.

Local development agencies should also be mentioned as participants in overall rural development. The area of activity related to the previously mentioned agencies is only significantly smaller and refers to the level of the local community. Most of the activities are related to projects for the provision of technical services, the provision of consulting services, and the maintenance of various forms of education, etc. Part of the activities is related to promoting the idea of the importance of the LEADER concept.

Donors such as UNDP, FAO and other international organizations have a significant role in the overall development of civil society in BiH, and in rural development in all its parts. These organizations are most responsible for bringing the LEADER concept to the FBiH in general and establishing LAGs. Unfortunately, their reduced activity in recent years, and the continued lack of support from the domestic level, especially from the level of FMAWM, have led to the recent closure of existing LAGs in the FBiH.

Finally, it should be noted that due to the undeveloped IPARD structure in BiH, currently there is a EU4Agri replacement program implemented by UNDP and Czech Republic Development Agency. This program provides grant funds for the area of strengthening the diversification of the rural economy. Within this area, LAGs can also apply for grant funds related to measures to support investments in infrastructure related to agriculture. This fact will be used in creating a roadmap for the development of the LEADER concept of FBiH for the coming period.

There are still three LAGs formally (court-registered) in the FBiH. Unfortunately, their activities, as stated in the introduction, are almost non-existent.

Table 1. SWOT on Leader implementation in BIH

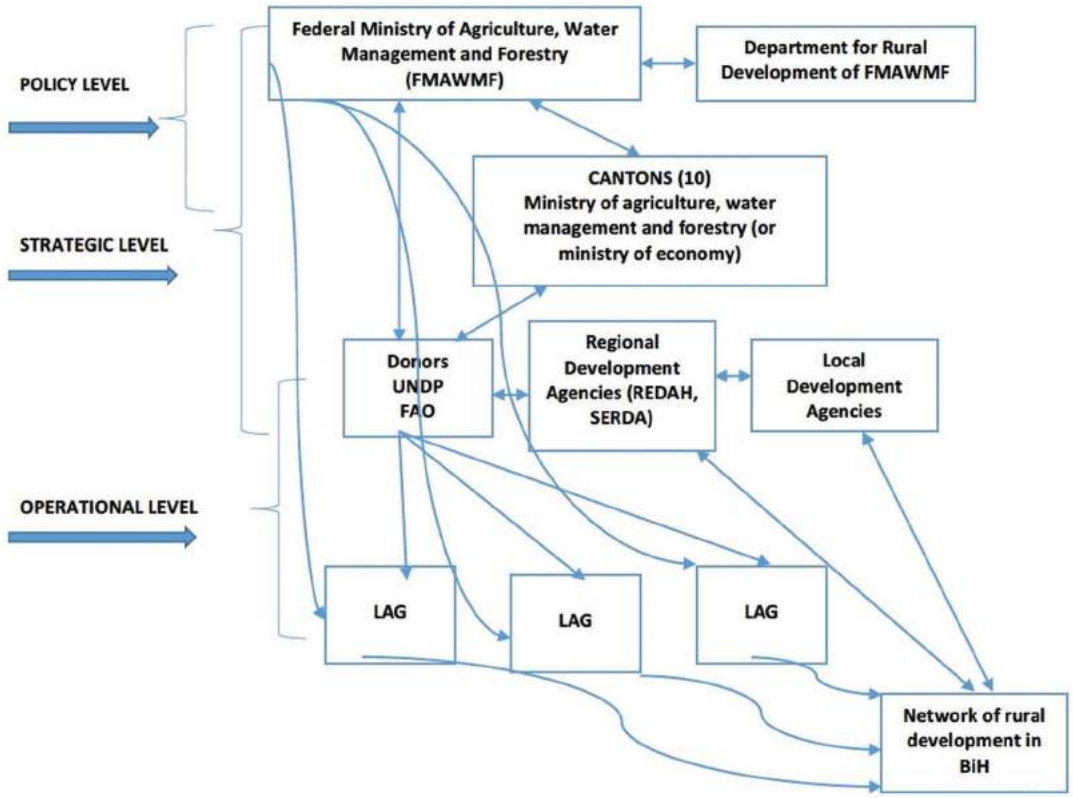
		Society	
	Human Resources and Organizational Capacities	Development of cooperation systems	Development of enabling frameworks
Strengths	• Existence of educated people of the LEADER approach (Networks, NGOs, LAGs)	• Good cooperation between different participants in the implementation of RD measures	• Existence of natural potential for rural development - unused natural resources
Weaknesses	• Dependence of the work of existing LAGs on the knowledge, skill, will and enthusiasm of one person	• Insufficient pressure of existing LAGs on the public sector	• Lack of strategic / program documents for the implementation of the LEADER approach from the level of the Federation of BiH
	• Human resource capacities at the local level are low and insufficient	• Insufficient cooperation with the municipal level	• Lack of legislative framework
	• Insufficient education of staff in institutions for potential participation in the implementation of LEADER (municipalities, MAWMF (especially on canton level)	• Low level of initiative	• LAGs as citizens' associations
	• Insufficient animation of local rural development actors	• Insufficient public-private partnership (if there is one it is more formal and less real)	• Lack of institutional capacity at all levels
	• Insufficient mobilization of stakeholders from rural areas	• Insufficient network capacity for rural development	• Lack of understanding of the concept of LEADER and the work of LAGs in decision makers
			• No IPARD structure in BiH and the possibility of withdrawing funds
			• Exclusion of the cantonal level of government in the current process of establishing LEADER in FBiH
			• Lack of a clear financial framework for the operation of LAGs
			• Lack of LAG accreditation agency and RD paying agency
Opportunities	• Recent local development strategies with measures that include support for LAGs	• Acquiring new knowledge through networking	• Instead of IPARD funds, we have an EU4Agri program (under the jurisdiction of UNDP)
	• New strategic documents that include a mandatory part of the implementation of the LEADER concept and the position of LAGs		• The interest of donor organizations in supporting the work of LAGs
Threats	• Abandonment of young and educated people - depopulation of rural areas	• The decreased interest of international organizations in the networking of NGOs and civil society	The political instability of the country
	• The disinterest of governing structures - decision makers do not have the necessary knowledge		• Lack of political will to establish IPARD structures
	• Political changes in government - changes in the understanding of the importance of LEADER		• A potential new approach in IPA III - Abandonment of access to clearly defined assistance to each Western Balkan country
	• Strategic documents are not binding and their implementation depends on the decision makers themselves		• Economic instability due to the consequences of COVID-19
	• Lack of understanding of the difference between the role and work of the LAG in relation to other development organizations		

Steering structure

In Bosnia and Herzegovina, agricultural policy and rural development policy are conducted at the entity level, i.e., in the Federation of BiH by the Federal Ministry of Agriculture, Water Management and Forestry. Unfortunately, unlike other countries in the Western Balkans, in BiH, i.e., in the Federation of BiH, there is no governing body that would be within the FMAWMF and represent a decision- maker with the task of establishing a well-organized system for LEADER, harmonized with EU rules, national / entity policy priorities and transparent legislative framework. The LEADER approach and LAGs so far (2020) in the Federation are only "on paper" within a programming document that has never been accepted by the Federation Government / Parliament.

The current concept of the structure of LEADER in FBiH is theoretically given in the following scheme. From the federal level and the cantonal level (in some cases), the political framework of the LAGs (without accompanying legislation) is defined, as well as the strategic goals with accompanying measures. Unfortunately, these measures have not yet been part of the Subsidies Program and, so far, there have been no budget transfers for the operation (establishment) of LAGs. Foreign organizations, such as the FAO, are sometimes involved in drafting strategic documents. UNDP, and other GOs and NGOs, appear as donors and participate in the operational work of LAGs. Through the Network of Rural Development in BiH, LAGs establish certain contacts that enable them to cooperate with other actors in rural development.

Figure 1. Steering structure of LAGs in Federation of BIH

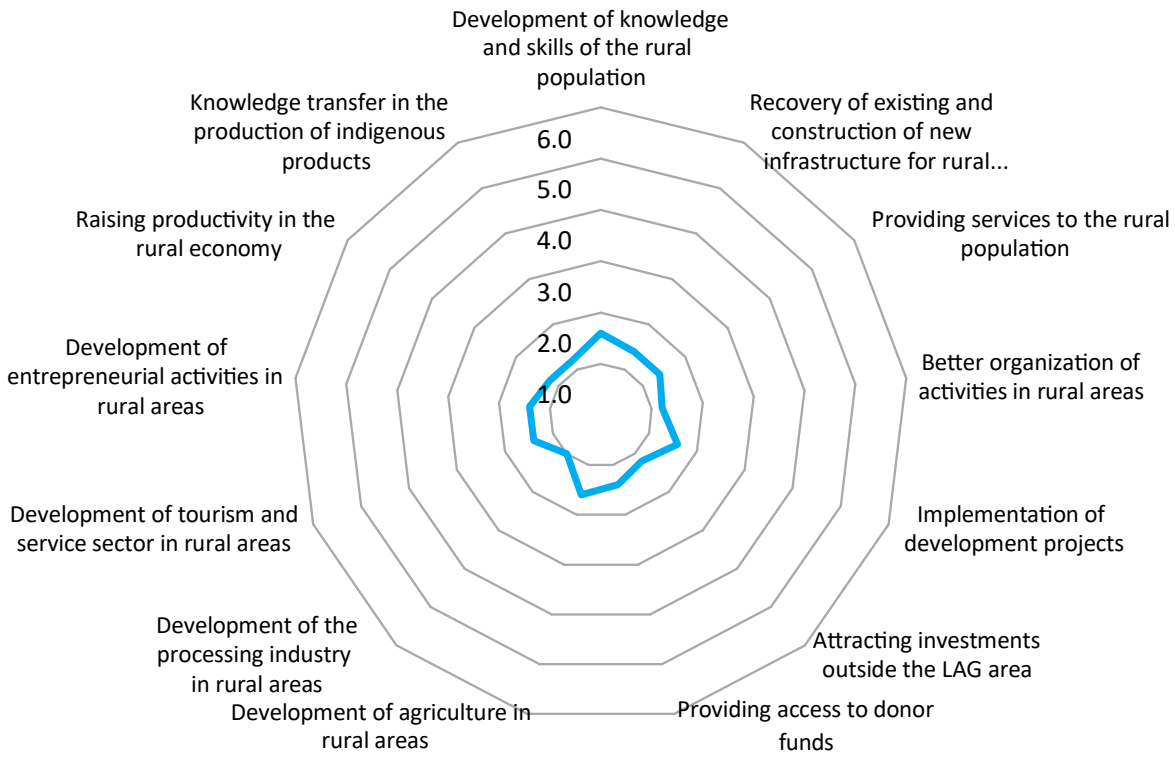


Three existing LAGs, established as a result of international projects (primarily UNDP) that only formally still exist in the Federation of BiH (LAG "Una-Sana", LAG "Drina" and LAG of the Doboj Region) registered as a society of citizens have a legally prescribed management structure: The Assembly as the highest decision-making body and the Management Board that implements the policy and other decisions made by the Assembly.

LAGs are members of the BiH Rural Development Network, through which they promote and act on the improvement of rural development in Bosnia and Herzegovina.

Although conceptually (according to the given template) it does not fit, it is given the respondents assessment for the role of existing LAGs and LEADER approach in capacity building, providing support to other actors, and raising awareness in rural areas of FBiH. The assessment of the role of LAGs and LEADER concept in different parameters of rural development was on a scale from 1 (none) to 6 (very large). All scores for all parameters and each trait were very low and ranged from 1 (none) to 2 (very small). These results also indicate that the concept of LEADER in FBiH is still very far from the form and essence as known to EU countries.

Figure 2. The role of existing LAGs and LEADER approach in FBIH in capacity building



The average assessment of the role of existing LAGs and LEADER approaches in the FBIH in capacity building varied depending on the characteristics from 1.0 to 1.6. Therefore, all features are rated very low and indicate that the LEADER concept in FBiH does not allow for improvements in the capacity building of local rural communities. Similar assessments were found when talking about the role of LEADER and LAGs in providing support to other actors and raising awareness.

Figure 3.The role of existing LAGs and LEADER approach in the FBiH in providing support to other actors in the rural area

Figure 4. The role of existing LAGs and LEADER approach in the FBiH in raising awareness in the rural area

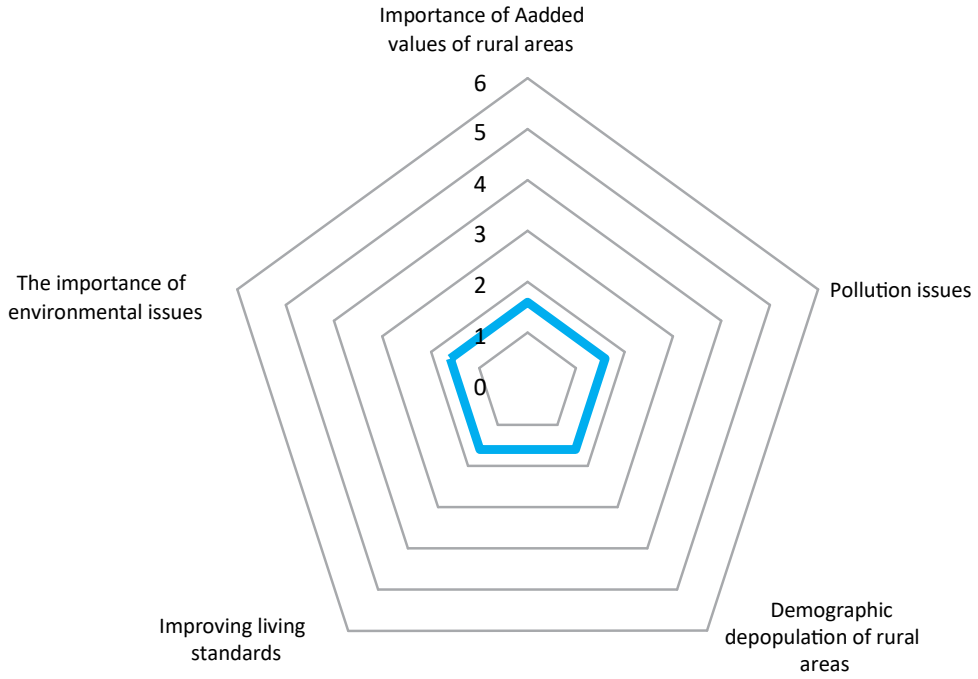


Table 2. Core processes

Level	Process Nr.	Description of process	Actual state of play, main bottlenecks	Validation[7] (A, B, C)
1. FMAWMF	1.1	• **Drafting of the Strategy for the Development of Agriculture and Rural Development of the FBIH** (2021-2027)[8] with a clear definition of the LEADER concept and support for the activities of LAGs in FBiH	• The existing programming document, although it contains the introduction of the LEADER approach and support for LAGs, this document was never adopted, and support measures were never budget- supported. • The strategic document is the basis for the introduction of legislation and positioning of LEADER and LAGs in the Law on Agriculture of FBiH and the Law on Financial Incentives	B
	1.2	• **Drafting of a legislative framework at the FBIH level and positioning the LEADER approach and the role of LAGs in rural development** through two laws: the Law on Agriculture of the Federation of BiH and the Law on Financial Incentives for Agriculture and Rural Development in the FBIH.	• The current Law on Agriculture and the Law on Financial Incentives do not include the LEADER and LAGs in FBiH. • The current program of support to the agricultural sector and rural development in FBiH does not have a legal framework to support LEADER and LAGs	C
	1.3	• **Strengthening institutional capacity in the FBIH** (MAWMF entities and cantons) to implement LEADER and support	• Insufficient institutional capacity at all levels of government. Staff changes frequently: there is no permanent staff dealing exclusively with LEADER issues and LAGs. • At the state level (MoFTER), regular reporting on the state of LEADER in BiH has been stopped	B
	1.4	• **Ensuring regular financing of LAGs** through budget transfers at the FMAWMF level, and gradually from the cantonal level	• There is no systematic, regular budget financing of the work of existing LAGs. The key factor of inactivity of existing LAGs is insufficient financial resources and exclusive dependence on project activities and international donors.	C
	1.5	• **Preparation and fulfilment of conditions for a possible withdrawal of funds from the IPA III** program / Preparation for the use of the EU4Agri replacement program (UNDP)	• Lack of political will in BiH and failure to establish an IPARD structure results in the impossibility of withdrawing these funds. From 2019, through the other EU Program, it is possible to use IPA funds, and it is necessary to find a place for LEADER and support for LAGs.	B/C
2 Network	2.1	• **Capacity building of rural stakeholders** -	• Insufficient building of existing capacities	B
	2.2	• **Networking** at different levels within BiH (state, entity, canton) and outside BiH	• Existing networking is insufficient. A higher level of activity and the involvement of a larger number of participants is needed	B
	2.3	• **Strengthening the rural development network** as a state umbrella organization	• The umbrella organization in BiH for rural as an NGO is insufficiently active.	B
	2.4.	• **Strengthening links between regional and local development agencies with existing and future LAGs**	• Until now, cooperation of regional (local) development agencies with LAGs at the level of promotion, initiative, moderator and initiator of the LEADER idea . Cooperation should be bigger and stronger.	B

7 ***Note:*** *Validation A - "the process is well-designed and well-managed.", B - "the process is properly designed, but it needs some effort to make it work." and C - "the process is neither well-designed nor well-managed and needs to be* reset.

8 Note: In the terms of reference for the Strategy for Agricultural and Rural Development of FBiH 2021-2027 as one of the tasks (3.3.3.8.) is the establishment of LEADER approach in FBiH which will support the acquisition of knowledge, animation of rural residents and the establishment of LAGs- this and support the costs for the operation of selected LAGs and the implementation of LDS.

Level	Process Nr.	Description of process	Actual state of play, main bottlenecks	Validation[7] (A, B, C)
3 LAGs	3.1	• **Comprehensive analysis of the current state of the LEADER approach** in FBiH and the position of current LAGs	• In the absence of detailed reports on the current state of LEADER and LAGs, a detailed analysis should be done as a basis for their improvement. Identify in detail the reasons for the inactivity of existing LAGs	C
	3.2	• **Raising awareness** of **the importance of LEADER and the work of LAGs**	• Low awareness of the LEADER concept and the need for more intensive activities of the importance of LAGs in rural development	B
	3.3	• **Animating local actors and strengthening the capacity of LAGs**	• One of the findings of the interviews with the respondents is the insufficient animation of local actors that needs to be improved	B/C
	3.4	• **Drafting of local development strategies -** one of the bases for the work of LAGs. Process - analysis of the situation, definition of goals, priorities and measures, as well as public discussion and adoption of the LDS	• Most local communities without clear strategic guidelines for rural development	B
	3.5	• **Defining the scope of new LAGs -** Assuming that the planned processes from level 1 are realized - FMAWMF	• Current LAGs are inactive due to of a lack of financial resources, i.e., legislative and institutional assumptions. Fulfilling these conditions will make way for activating existing and establishing new ones - Territorial diversity should be considered (the Mediterranean, mountainous and lowland region).	B

Table 3. Priorities

	Respective priorities set by the stakeholders for developing the LEADER system at three levels	Comments from the national expert	
		Concerning the effectiveness and efficiency of the actual or planned delivery system	Concerning the implementation of the LEADER method (8 features)
by public authorities	• Positioning of LEADER concept and support to LAGs through strategic / program document in FBIH for the next period 201-2017	• One of the priorities is to establish a rural development measure that will have its budget support at the FMAWMF level	• Includes decision-making principles, territory-based principle and decentralized management and financing
	• Development of a legislative framework to support LAGs	• Creating a legislative framework for the operation of LAGs according to EU principles	• Through institutional strengthening, efforts are being made to increase the partnership approach and cross-sectorial integration
	• Institutional strengthening at all levels	• The insufficient number of competent persons dealing with LEADER issues must be increased, and thus their efficiency	• Creating conditions for financing LAGs through international organizations, especially EU funds, will enable the realization of all LEADER principles
	• Creating conditions for withdrawal of EU funds	• Finding a place for LEADER projects and supporting LAGs through the creation of funds from IPA III, i.e., the EU4Agr projects	
	• Animation and involvement of a more significant number of actors (a larger number of ministries that can deal with rural development)	• In greater promotion of LEADER and better organization of LAGs, it is crucial to involve as many actors as possible who deal with the issue of rural development	• The principle of networking
by networks and intermediary agents	• Providing permanent financial support to existing and new LAGs	• Providing permanent financial support for the work of permanent employees in LAGs	• The partnership principle and the principle of financing are satisfied
by LAGs and local actors	• Animating local actors and strengthening the capacity of LAGs	• Greater animation and mobilization of local resources to promote LEADER	
	• Raising awareness of the importance of LAGs - especially at the local (municipal) level	• Establishment of new LAGs after two or three years of pilot projects - after gaining the necessary experience	
	• Establishment of new LAGs based on pilot projects - Need for an (agro) regional approach	• Fulfilment of one of the conditions for LAG operation - development of LDS	
	• Development of local development strategies		

Table 4. Road Map to make LEADER work for the Federation of Bosnia and Herzegovina/BiH

Process Title	Action	Responsible actor and other contributing actors	Output	Date	Comment
Legal and institutional framework					
Drafting of the Strategy for the Development of Agriculture and Rural Areas of the FBiH (2021-2027)	• Clear definition of the LEADER concept and support for the activities of LAGs in FBiH (Defining strategic objectives including the position of LAGs, defining measures to promote the LEADER approach and support the work of LAGs)	• FMAWMF	• Strategic document with defined measures that support the LEADER approach and work of LAGs	End of 2021, beginning of 2022 (a public call for applications for the work on the document is still pending!)	Although the LEADER approach and the LAGs were part of the previous Strategy at the FBiH level, the implementation of measures to support this initiative and the work of the LAGs was lacking. Therefore, a strategic document is needed with a precise positioning of the LEADER approach and defined measures to support the work of LAGs. The current political situation in FBiH does not give optimism that the document could be done by the end of 2021 Without approved regular annual incentive Program measures three is no budgetary transfers for the work of LAGs in FBiH.
Drafting of the legislative framework at the level of FBIH and positioning of the LEADER approach and the role of LAGs in rural development	• Work on preparing document "Low on agriculture and rural development of FBiH" and on an amendment to the Law where the LEADER approach and position of LAGs will be defined, and on amendments to the Rulebook on Incentives following the measure of support to the work of LAGs	• FMAWMF and Working groups	• Law on Agriculture and Rural Development of FBIH with a part that refers to LEADER and LAG • Law on Financial Incentives of FBiH with a part that refers to work of LAGs	Beginning of 2022 (optimistically)	Currently, there is little progress in the preparations of both Laws (on agriculture and rural development and financial support – phase on a working group level) relevant for improving the position of LEADER and LAGs in rural development policy
Preparation and fulfilment of conditions for a possible withdrawal of EU funds (IPA III or EU4Agri Program)	• Work on providing preconditions for withdrawal of IPARD funds (fulfilment of set political and institutional conditions required by the EU) • Activities related to the use of the EU4Agri program (public call, user selection, etc.)	• MoFTER • FMAWMF • UNDP and other international organization	• Positioning the financing of LEADER measures and the work of LAGs in FBiH	2021 - 2027	Due to the lack of political will in BiH, there is still no withdrawal of IPARD funds. Current political relations do not indicate that BiH will withdraw IPARD III funds. In 2020 and 2021 plan there were not supportive of LAGs work through EU4Agri Program in BiH
Funding of LAGs through other sources	• Financial support of LAGs works through support from donors • Financial support from cantonal MA and local communities	• State-level (Council of Ministries of BiH and MoFTER) • All cantonal MA and local communities' authorities	• Budgetary transfers for work of LAGs and preparing of LDS	2021 2021-2027	Council of Ministries of BiH is planning to organize a donor conference regarding the promotion of the LEADER approach and work of LAGs in BiH In 2021 there is no planned budget from cantonal and local community level for LAG's support

Process Title	Action	Responsible actor and other contributing actors	Output	Date	Comment
Rural development networking					
Capacity building of rural stakeholders	• Organization of workshops, seminars and other forms of education • Organization of study visits	• FMAWMF • Local communities	• Educated LAGs staff for administration and implementation of projects	2021-2027	LAGs and LAG initiatives are limited with capacities and need support to build them. In 2020 there were any of these activities.
Networking at different levels within BiH and outside of BiH	• Different activities on networking (workshops, visits, participation at symposiums and conference, work on projects)	• Rural Development Network in BiH • LAGs	• Local, regional, national and international connections created	2021-2027	New networks open opportunities for everyday work and future collaborations
Strengthening the rural development network	• Involving more stakeholders in the rural development network • Organization of a several events under the auspices of the Rural Development Network in BiH	• Rural Development Network in BiH • FMAWMF • Local communities • Actual and new LAGs • Network of organization involved in rural development issues	• More efficient work of LAGs • More projects	2021-2027	Rural Development Network in BiH is an umbrella organization at the level of BiH that needs support for more active participation in various activities that include capacity building activities with different stakeholders
Strengthening links between regional and local development agencies with existing and future LAGs	• Conduct a number of meetings between agency representatives and LAGs • Participation of agencies in the creation of new LAGs • Joint project activities	• Regional development agencies • Local development agencies • LAGs	• More efficient work of LAGs • More activities and projects	2021-2027	Regional and local development agencies have shown very good results of rural development in some parts of FBiH. So far, the work with LAGs has been reduced to promoting the LEADER idea and launching various types of initiatives. There was no more active cooperation. Strengthening the agency's links with LAGs could contribute to the greater efficiency of LAGs.
Animating local actors and strengthening the capacity of LAGs	• Animation of local actors through various types of events and activities • Education of local actors	• Rural Development Network in BiH • LAGs • Academia • Local community	• Animated local rural actors and the establishment of new successful LAGs	2021-2025	LAGs should animate the population from their rural area to integrate their opinions in LDS and activities.
Drafting of local development strategies	• Drafting of local development strategies (LDSs) that includes analysis of the situation, the definition of priorities and measures of action	• FMAWMF • LAGs • Academia	• LDSs	2021-2025	Many of municipalities in the FBiH do not have local development strategies as a critical basis for planning their future (rural) development.
Defining the scope of new LAGs	• Comprehensive analysis and definition of the area of activities of new LAGs	• FMAWMF • Rural Development Network in BiH	• Defined new areas of activity for the establishment of 4 new LAGs in FBiH	2021-2027	In FBiH, objectively, there are conditions for the operation of a more significant of LAGs. Experiences from the EU and the region show the importance of their existence and therefore their number should increase. In addition, some areas are showing interest in establishing new LAGs.

Process Title	Action	Responsible actor and other contributing actors	Output	Date	Comment
Local Action Groups and development initiatives					
Comprehensive analysis of the current state of the LEADER approach in FBiH	• Analysis of the state of the LEADER approach in FBiH with therecommendation	• FMAWMF • Academia • LAGs	• Study on the state of LEADER and LAGs in FBiH with recommendations for their improvement	2020- 2021	So far, the work of LAGs in FBiH is relatively modest and requires a comprehensive analysis (primarily from the FBiH level) which will be providing an overview of the current situation and making recommendations for their future work. Till now (May 2021), there is no institution, first of all, FMAWMF, that is interested in this study and in financing the drafting of this document.
Promotion of a new concept of rural development and the principle of public-private partnerships	• Training and education of different actors and stakeholders	• Rural Development Network in BiH • LAGs • Academia • Local community	• Greater interest of rural stakeholders in LEADER and the work of LAGs	2021	Insufficient knowledge of the new concept of rural development and the principle of public-private partnerships is noticeable in the FBiH.
Strengthening institutional capacities in the FBIH through various forms of education	• Organization of workshops, seminars and other forms of education that raises knowledge and built capacities regarding the LEADER concept and the work of LAGs	• FMAWMF • Other Ministries of FBIH • International organizations • NGO (Non-Government Organizations and regional development agency	• Educated staff with the necessary management skills in the field of LEADER	2021 -2027	Due to the pandemic, there was no organization of workshops, seminars and other forms of education that raises knowledge and built capacities regarding the LEADER concept and the work of LAGs in 2020. In 2021 there were just two consultative meetings organized by MoFTER.
Regular funding of LAGs through FMAWMF budget transfers	• Projecting budget transfers for the work of LAGs in FBiH through regular annual incentive programs	• FMAWMF	• Budgetary transfers for work of LAGs	2021 -2027	There is no planned budget to support the LEADER approach and work of LAGs in the Annual Program for rural development in FBiH for 2021.

Note: FBiH – Federation of Bosnia and Herzegovina, FMAWMF – Federal Ministry of Agriculture, Water Management and Forestry, MoFTER – Ministry of Foreign Trade and Economic Relations, MA – Ministry of Agriculture, IPARD – Instrument for Pre-Accession Assistance for Rural Development, LDS – Local Development Strategy, LAG – Local Action Group

Table *5*. List of interviewed persons

Name(s) of interlocutors	Function(s)	Date	Kind of contact (face-to-face, phone, skype, group meeting)
Ivica Sivrić	Head of Centre for Rural Development and Agriculture of Regional Development Agency of Herzegovina - REDAH	08/06/2020	Face to face + E-mail (Questionnaire)
Beisa Bećirbegović	Expert advisor for preparation of IPARD structure and person who worked on the establishment of LEADER in BiH in period 2008-2010, Federal Ministry of Agriculture, Water Management and Forestry	05/06/2020	Face to face + E-mail (Questionnaire)
Pejo Janić	Head of Rural Development Department, Federal Ministry of Agriculture, Water Management and Forestry	09/06/2020	Face to face
Sanela Klarić	NGO Green Building House, Green Council, Member of Parliament of Federation of BiH	09/06/2020	Face to face + E-mail (Questionnaire)
Šefik Veladžić	Former director of LAG Una-Sana	20/05/2020	Phone
Branka Janko	Director of Development Agency of Žepče, RAŽ	01/06/2020	Phone + E-mail (Questionnaire)
Zlatan Saračević	SERDA, Sarajevo Regional Development Agency	01/06/2020	Phone + E-mail (Questionnaire)
Ivan Jurij	Department for European Integration of Government of West-Herzegovina Canton	01/06/2020	E-mail (Questionnaire)

“Standing up for LEADER” Bosnia and Herzegovina Republic of Srpska

Dragan Brković

Strategic policy advice and process management to boost capacities to implement Community-Led Local Development (CLLD) and LEADER in Southeast Europe

"Standing up for LEADER" Bosnia and Herzegovina Republic of Srpska

Dragan Brković

Introduction

According to the latest report on the state of LEADER approach in the Republic of Srpska (RS), Bosnia and Herzegovina (BiH) and the activities of registered Local Action Groups (LAGs)[9], it is said that any law or legislation at any government level of Bosnia and Herzegovina does not formally regulate the implementation of the LEADER approach. Since the year 2012, there was no public support through measures for the LEADER approach. Access to IPARD sources is still uncertain for Bosnia and Herzegovina, and it cannot be envisaged when and in which amount these funds will be available to LAGs in BiH. Different donor projects supported the formation of LAGs, but after the projects were over, due to lack of funding, many LAGs have become inactive.

Unfortunately, three years later, things only got worse. There are no new LAGs; existing LAGs have become inactive, only LAG Devetak have Local Development Strategy (LDS), support for LEADER and LAGs lacks from Ministry of Agriculture, Forestry and Water Management of Republic of Srpska (MAFWMRS) without budget support measures. There is no indication of any progress in creating the legislative/regulatory framework and defining LEADER approach and role of LAGs in it, Ministry of Foreign Trade and Economic Relation of BiH (MoFTER) stops writing annual reports on LAG works in BiH. There is a need for a new approach in the Republic of Srpska regarding the LEADER approach.

COVID-19 and the consequences of this pandemic significantly disrupted the planned activities, quarantine that was put in force from the second week of March until the third week of May disrupted the method of work itself. For the purposes of this research, at the end of May and beginning of June 2020, when measures of the RS Government were relaxed, four phone call interviews were conducted (with representatives of the MAFWMRS, Rural Development Network of BiH and LAG representatives). In the middle of May, an online questionnaire was designed to obtain certain qualitative and quantitative information.

A good circumstance is that next year (2021), the Strategic Plan for development of agriculture and rural areas of the Republic of Srpska for the period 2021-2027 is being drafted, and this document most likely will include measures to support the LEADER approach, the work of LAGs and drafting of local development strategies (LDS).

The general assessment obtained by the respondents of the online questionnaire is that the institutional support to LEADER concept and LAGs in the RS is insufficient and it must be changed. All respondents agree that LAGs can significantly contribute to solving some of the problems in rural areas and contribute to sustainable rural development.

9 Brkovic, D. (2017): Assessment of the application of the LEADER approach in the Western Balkan Countries - "from local initiative to a mainstream concept in the rural areas", Report for Republic of Srpska, Bosnia and Herzegovina, SWG and GIZ, Skopje, Macedonia, pp. 62-73.

Qualitative information was obtained through the survey questionnaire, and below are some answers that best illustrate the current situation of LEADER and LAGs in the RS:

"The LEADER approach can help better organization of rural development, and that would be its main strength. However, in BiH there are no basic preconditions for LEADER, and these are funds intended for rural development (local or EU), and this analysis is impossible to give. The chance is that LEADER has started to flourish in the region, so the institutions will be better acquainted with this approach (because in the past ignorance of this approach was a big problem for the LAGs that existed in BiH)."

"There is no legislation stipulating that the work of LAGs should be in accordance with LEADER principles, so it can be said that LAGs are functioning as development organizations that cover a certain area. There are no formal national or entity networks of rural development formed by ministries or funded from public sources, but there is a Network for Rural Development of Civil Society in BiH. The LAG itself may be sufficient to manage rural development but it must have the support of higher-level institutions and local self-government as well as it must have active members in its rural areas who are ready to work and change their rural area."

"Our LAG has the capacity, but the situation in BiH is critical. It takes time to build human capacities, and human resources are not adequately valued in BiH. Those human capacities are easily left to go because they are not politically eligible. We have no continuity in anything."

"LAGs in BiH, which were established earlier, are mostly inactive because they had to work as classic civil society organizations. These were, and currently are, the biggest weaknesses of LAGs in BiH. When we see EU countries, there are LAGs, but only because they have funding from the budget. The same process should be expected in BiH - when there is funding, LAGs will be reactivated or established where they do not exist."

Table 1. SWOT Analysis

	Human Resources and Organizational Capacities	Society	
		Development of cooperation systems	Development of enabling frameworks
Strengths	• Existence of educated people familiar with the LEADER approach principles • Existence of LAG initiatives (Civil Society Organization -CSOs) that could transform to LAGs if a legal framework is created	• Good cooperation between different participants in the implementation of rural development measures • Existence of active public, private and civil sector in rural areas interested in joint collaboration • Existence of the Rural Development Network in BiH	• Existence of natural potential for rural development - unused natural resources • Existence of basic physical infrastructure for rural development – roads, electricity, buildings in rural areas • Existence of basic strategic document in RS for support of LEADER approach
Weaknesses	• Lack of cooperation between different actors in LAG initiatives • Dependence of the work of existing LAG initiatives on the knowledge, skill, will of few enthusiasts • Human resource capacities at the local level are low and insufficient • Insufficient education of staff in institutions for potential participation in the implementation of LEADER approach • Insufficient animation of local rural development actors • Insufficient mobilization of stakeholders from rural areas	• Insufficient pressure of existing LAGs on the public sector • Insufficient cooperation of CSOs with the municipalities • Low level of initiative from the civil and private sector in forming functional cooperation system • Low level of interest from local public institutions in forming acooperation system • Insufficient public-private partnership • Insufficient network capacity for support to sustainable rural development	• Lack of legislative framework for implementation of the LEADER approach • LAGs registered as citizens' associations (CSOs) and not accredited, working as classic CSOs • Lack of institutional capacity at all levels • Lack of understanding of the concept of the LEADER approach and the work of LAGs by decision makers • No IPARD structure in RS/BiH and the possibility of withdrawing funds exclusively for LAGs • Lack of a clear financial framework for the basic operation of LAGs • Lack of LAG accreditation agency and its legislation

Opportunities	• Creation of local development strategies with measures that include support for LAGs • New legislation that includes a mandatory part of the implementation of the LEADER approach and the recognition of LAGs • Provision of sustainable financing for LAGs and implementation of LDS recognized as LEADER approach	• Acquiring new knowledge through networking • Transfer of international experience through cooperation system • Existence of international connections from LAG initiatives in the area of rural development • cooperation with the neighbouring countries from the EU	• Availability of IPARD funds • Availability of different donor programs, like the EU4Agri program (under the jurisdiction of UNDP) • The interest of donor organizations in supporting and recognizing the work of LAGs
Threats	• Lack of institutional support • Abandonment of young and educated people - depopulation of rural areas The disinterest of governing structures – decision-makers do not have the necessary knowledge • Political changes in government - changes in the understanding of the importance of LEADER • Strategic documents are not binding and their implementation depends on the decision-makers themselves • Lack of understanding of the difference between the role and work of the LAG in relation to other development organizations	• The decreased interest of international organizations in support to LEADER approach and LAGs Networking of civil, public and private sector not supported by decision-makers • Not available international projects for LAG initiatives because of lack of formal recognition	• The political instability of the country • Lack of political will to establish IPARD structures The potential new approach in IPA III - Abandonment of access to clearly defined assistance to each Western Balkan country • Economic instability due to the consequences of COVID-19

Steering structure

In Bosnia and Herzegovina, agricultural and rural development policy is conducted at the entity level. In the Republic of Srpska, responsibility for agricultural and rural development policy is at the Ministry of Agriculture, Forestry and Water Management of Republic of Srpska (MAFWMRS).

Unfortunately, unlike other countries in the Western Balkans, in BiH and the Republic of Srpska, there is no access to IPARD measures for support to LEADER approach and LAGs. Another problem is legislation for LAGs and LEADER approach that is not created in the Republic of Srpska, meaning that all LAG initiatives are registered as civil society organizations (CSOs) and functioning as rural development agencies on a territory where they are working.

MAFWMRS and the Agricultural paying agency of the Republic of Srpska are responsible for the organization of systematic support to all beneficiaries in rural areas of the Republic of Srpska. Agency for the intermediary, IT and financial services is following registration of all beneficiaries from the agricultural and rural budget. The provisional steering structure is given in the graph below. In the Strategic Plan for the development of agriculture and rural areas of RS for the period 2015-2020, there are several measures for which beneficiaries can be LAGs. Measures 5.5.2. Support to Local Action Groups in rural areas, and 5.5.3. Support to the creation of Local Development Strategy is set up for the development of LEADER approach and LAGs. Unfortunately, the lack of a legislative framework for recognition of LAGs prevents the establishment of a well-organized system for the LEADER approach, harmonized with EU rules and entity policy priorities.

There are two LAG initiatives registered on the territory of Republic of Srpska (LAG SAVUS and LAG Devetak) with very limited activities, while only LAG Devetak has created a Local Development Strategy. Other LAG initiatives from the Republic of Srpska (LAG Birač, LAG Vrbanja-Ukrina, LAG Regije Doboj) didn't have any activity in recent time and are considered inactive. All mentioned LAG initiatives are registered as CSOs without formal accreditation and recognition and registered as citizens associations. They have a legally prescribed management structure: The Assembly as the highest decision-making body and the Management Board that implements the policy and other decisions made by the Assembly, usually with President that is the legal representative.

LAG initiatives are members of the Rural Development Network in BiH, through which they promote and act on the improvement of rural development in Bosnia and Herzegovina and sometimes apply to different donors jointly. LAG initiatives are registered as CSOs, and some of them are individually applying for different donor's support for rural development.

Figure 1. Steering structure of LEADER approach in Republic of Srpska

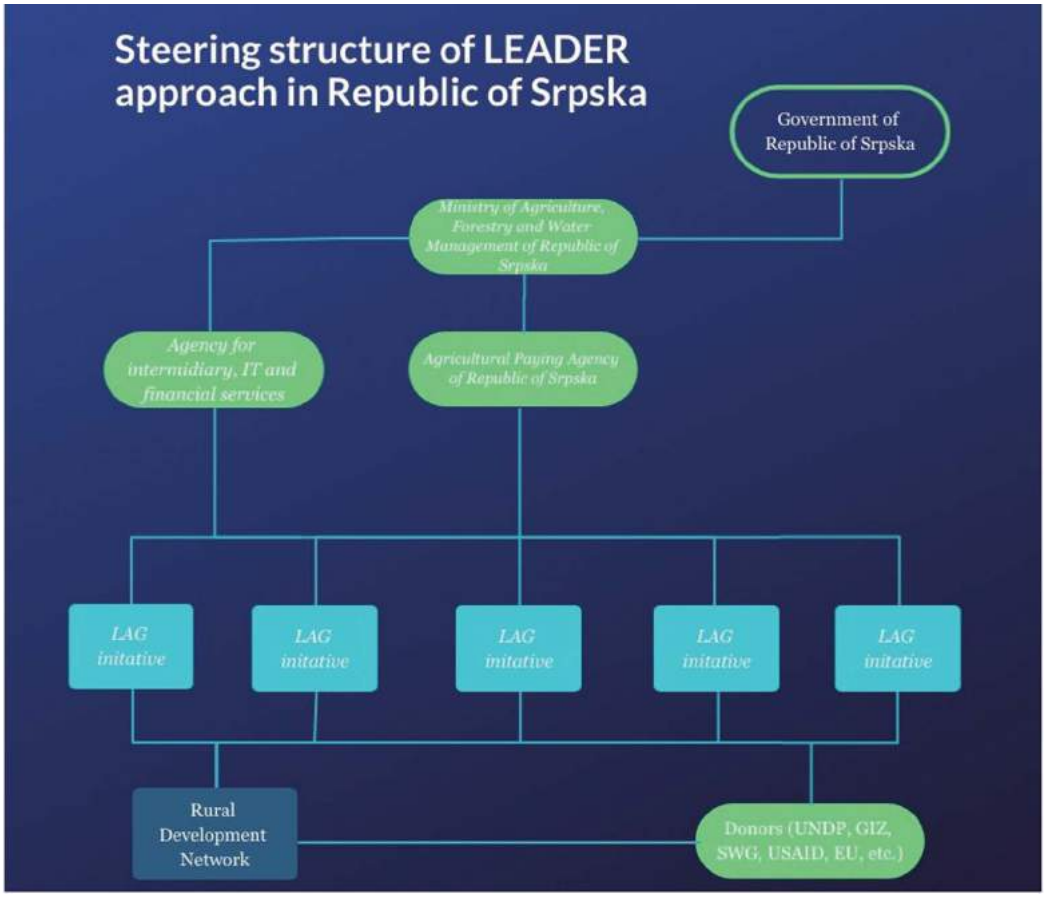


Table 2. Core processes

Level	Process Nr.	Description of process	Actual state of play, main bottlenecks	Validation (A, B, C, D)
1 MAFWMRS	1.1	• **Drafting of a legislative framework at the RS level and positioning of the LEADER approach, accreditation and the role of LAGs in rural development** through two laws: the Law on Agriculture of the RS and the Law on Financial Incentives for Agriculture and Rural Development in the RS. The process will take place through the formation of a working group, law writing, discussion and adoption.	• The current program of support to the agricultural sector and rural development in RS does not have a legal framework to support LEADER and recognize LAGs as a different type of organization compared to other CSOs • The current Law on Agriculture and the Law on Financial Incentives do not include the issue of LEADER and LAGs in RS.	D
	1.2	• **Drafting of the Strategy for the Development of Agriculture and Rural Areas of the RS** (2021-2027) with a clear definition of the LEADER approach and support for the activities of LAGs in RS - The process is taking place in the standard way of drafting a strategic document (analysis of the situation, defining goals and measures, public discussion, adoption of the document)	• The existing Strategic plan document contains measures for the introduction of the LEADER approach and support for LAGs, this document was adopted, but legislative for accreditation and the role of LAGs were never created. • The strategic document is the basis for the introduction of legislation and positioning of LEADER and LAGs in the Law on Agriculture of RS and the Rulebook/Law on Financial Incentives	B
	1.3	• **Strengthening institutional capacity in the RS** (MAFWMRS) to implement the LEADER approach and support LAGs	• Insufficient institutional capacity at all levels of government. Staff changes frequently. There is no permanent staff dealing exclusively with LEADER issues and LAGs. • At the state level (MoFTER), regular reporting on the state of LEADER in BiH has been stopped	B

	1.4	• **Ensuring regular financing of LAGs** through budget transfers at the entity level (MAFWMRS) and from the municipality level	• There is no systematic, regular budget financing of the work of existing LAGs. The key factor of inactivity of existing LAGs is insufficient financial resources and exclusive dependence on project activities and international donors.	D
	1.5	• Preparation and fulfilment of **conditions for a possible withdrawal of funds from the IPA III program**	• Lack of political will in BiH and failure to establish IPARD structures result in the impossibility of withdrawing these funds.	C
	1.6	• Preparation for the use of the EU4Agri replacement program (UNDP)	• From 2019, through the new EU Program, there is place for LEADER approach and support for LAGs within measures for Strengthening the rural economy and its diversification.	B
2 Networks	**2.1**	• **Capacity building of LAGs and LAG initiatives** to organize rural development	• Insufficient capacities of LAG initiatives, especially in terms of access to resources	B/C
	2.2	• **Animation of rural stakeholders** to take an active role in rural development and LEADER approach implementation	• Rural stakeholders from the civil, private and public sector are not familiar with the LEADER approach and their role in its functioning	B
	2.3	• **Networking** at different levels within BiH and outside BiH	• Existing networking is insufficient. A higher level of activity and the involvement of a larger number of participants is needed	B
	2.4	• **Strengthening the rural development network of BiH** as a state umbrella organization	• The umbrella organization in BiH for rural as an NGO is not focused on the work of LAGs and implementation of the LEADER approach.	B
	2.5	• **Analysing the potentials for future networking** in rural development	• There are unused potentials for rural development that should be used through partnership of LAGs and other actors	C
3 LAGs and LAG initiatives	**3.1**	• **Comprehensive analysis of the current state of the LEADER approach** in RS and the position of current LAG initiatives	• In the absence of detailed reports on the current state of LEADER and LAGs, a detailed analysis should be done as a basis for their improvement. Identify in detail the reasons for the inactivity of existing LAGs	D
	3.2	• Raising awareness of **the importance of LEADER and the work of LAGs**	• Low awareness of the LEADER concept and the need for more intensive activities of the importance of LAGs in rural development	B
	3.3	• Animating local actors and strengthening the capacity of LAGs	• One of the findings of the interviews with the respondents is the insufficient animation of local actors that needs to be improved	C
	3.4	• **Drafting of local development strategies -** one of the bases for the work of LAGs. Process - analysis of the situation, definition of goals, priorities and measures, as well as public discussion and adoption of the LDS	• Only 1 LAG initiative have LDS, others need to develop them. Development of LDS is not self- sufficient without financing. Most of the local communities are without clear strategic guidelines and financing for rural development.	B/C
	3.5	• Defining the scope of LAGs recognition - Assuming that the planned processes from level 1 are realized by MAFWMRS and other actors	• Current LAGs are inactive because of a lack of financial resources. Lack of legislative and institutional recognition is not giving them opportunity to develop. Fulfilling these conditions will make the way for the recognition of existing and the establishment of new LAGs - Territorial diversity and coverage should be taken into account.	B

Note: *Validation A - "the process is well-designed and well-managed.", B - "the process is properly designed, but it needs some effort to make it work." C - "the process is neither well-designed nor well- managed and needs to be reset.", D – "the process in starting or development phase".*

Table 3. Priorities

	Respective priorities set by the stake-holders for developing the LEADER system at three levels	Comments from the national expert	
		Concerning the effectiveness and efficiency of the actual or planned delivery system	Concerning the implementation of the LEADER method (8 features)
by public authorities	• Development of a legislative framework to support LEADER approach and LAGs formal recognition • Positioning of LEADER concept and support to LAGs through strategic / program document in RS for the next period 2021-2027 • Institutional strengthening at all levels • Creating conditions for accession to IPARD and EU funds for LAGs	• Creating a legislative framework for the operation of LAGs according to EU principles • One of the priorities is to establish a rural development measure that will have its budget support from the MAFWMRS • Insufficient number of competent persons dealing with LEADER issues must be increased, and thus their efficiency • Finding a place for LEADER projects and supporting LAGs through the creation of funds from IPA III, i.e., the EU4Agri projects	• Includes decision- making principles, territory-based principle and decentralized management and financing • Through institutional strengthening, efforts are being made to increase the partnership approach and cross-sectoral integration • Creating conditions for financing LAGs through international organizations, especially EU funds, will enable the realization of all LEADER principles
by networks and intermediary agents	• Animation and involvement of a larger number of actors (a larger number of ministries that can deal with rural development)	• In greater promotion of LEADER and better organization of LAGs, it is important to involve as many actors as possible who deal with the issue of rural development	• The principle of networking
by LAGs and local actors	• Providing permanent financial support to existing and new LAGs • Animating local actors and strengthening the capacity of LAGs • Raising awareness of the importance of LAGs - especially at the local (municipal) level • Establishment of new LAGs based on pilot projects - Need for (agro) regional approach • Development of local development strategies	• Providing permanent financial support for the work of permanent employees in LAGs • Greater animation and mobilization of local resources to promote LEADER • Establishment of new LAGs after two or three years of pilot projects - after gaining the necessary experience • Fulfilment of one of the conditions for LAG operation - development of LDS	• The partnership principle and the principle of financing are satisfied

Table 4. Road Map to make LEADER work for the Republic of Srpska/BiH

Process Title	Action	Responsible actor and other contributing actors	Output	Date	Comment
Legal and institutional framework					
Drafting of the legislative framework at the level of RS for positioning of the LEADER approach, accreditation of LAGs, and the role of LAGs in rural development	• Creation of Law on Agriculture and Rural Development of RS that recognizes LEADER • Creation of a rulebook on the accreditation of LAGs • Inclusion of measures for LEADER in the rulebook/ Law on Financial Incentives of RS.	• MAFWMRS, LAG representatives, and other participants outside the Ministry competent to draft legislation.	• Law on Agriculture and Rural Development of RS • Rulebook on accreditation of LAGs in RS • Rulebook/Law on Financial Incentives for LAGs of RS.	2021-2022	An important precondition for the recognition of LAGs and future operation of LAGs.
Drafting of the Agricultural and Rural Development Strategy (2021-2027) with a defined position of LEADER and LAGs in RS	• Inclusion of measures for LEADER and LAGs in Strategy for development of agriculture and rural areas • Creation of implementing procedures for LEADER.	• MAFWMRS and other participants outside the Ministry competent to contribute.	• Strategic document with defined measures that support the work of LAGs.	2021-2022	LEADER approach and LAGs have been part of previous strategies, but there are no bylaws that support their implementation.
Strengthening institutional capacities of LAGs in the RS through various forms of education	• Capacity building of decision makers and staff from public authorities • Capacity building of LAGs, LAG initiatives and their networks.	• MAFWMRS, other Ministries of RS • International organization and donors • NGOs and regional development agencies	• Educated staff with the necessary management skills in the field of LEADER.	2021-2027	Many decision makers and other actors are not familiar with the LEADER approach and the functioning of LAGs.
Regular funding of LAGs through MAFWMRS and budget transfers to local communities	• Entity and local budgets plan sources for LEADER implementation.	• MAFWMRS • Local communities	• Budget transfers for the work of LAGs in RS.	2021-2027	Without regular funding, LAGs are nothing but another development CSO
Preparation and fulfilment of conditions for a possible withdrawal of funds from the IPA III program	• Decision makers at the national, entity and cantonal level should find a compromise and organize management structure for the IPA III program.	• MoFTER • MAFWMRS	• Sustainable financing of LEADER measures and the work of LAGs in RS.	2021-2027	This political circumstance blocked the withdrawal of funds in the past.
Preparation for the use of the EU4Agri program	• Preparing EU4Agri program support with different actions for agricultural and rural development.	• UNDP, CzDA and other international organizations.	• Financing of different measures to support the work of LAGs in RS.	2021-2027	EU created program EU4Agri for BiH to make the use of IPA funds possible.

Process Title	Action	Responsible actor and other contributing actors	Output	Date	Comment
Rural development networking					
Capacity building of LAGs and LAG initiatives to organize rural development	• Trainings for staff involved in LAGs and LAG initiatives • Providing logistic support to newly established LAGs.	• MAFWMRS • Local communities	• Educated LAG staff for managing and implementing projects.	2021-2027	LAGs and LAG initiatives have limited capacities and need support to build them.
Animation of rural stakeholders to take an active role in rural development and LEADER approach implementation	• Integration of local actors in LAG activities • The active approach in animating inhabitants from a LAG area in preparation and implementation of projects.	• MAFWMRS • Local communities • LAGs	• Educated stakeholders from rural areas to prepare and implement projects.	2021-2027	Rural stakeholders are often not interested in being a generator of change; that is why they need the animation to become active.
Networking at different levels within BiH and outside BiH	• Joining of LAGs and LAG initiatives to the Network for Rural Development of BiH • Cooperation between LAGs.	• Network for Rural Development of BiH • LAGs	• Local, regional, national and international connections created.	2021-2027	New networks open opportunities for future collaborations.
Strengthening the rural development network	• Trainings for staff and members of RDN of BiH • Providing funding for activities of RDN of BiH • Organization of training for LAG members from RDN.	• Network for Rural Development of BiH • MAFWMRS • Local communities • Actual and new LAGs • Network of organization involved in RD	• More efficient work of LAGs • More projects	2021-2027	Rural Development Network in BiH is a Civil Society Organizations network that needs support to implement more capacity building activities with different stakeholders.
Analysing the potentials for future networking in rural development	• Sectors of rural economy are analysed and potentials explored. • Possible investment projects are suggested in LAG areas.	• Network for Rural Development of BiH • LAGs	• More sectors involved • More local people targeted	2021-2027	There are various unused potentials in rural areas that could be put in function.

Process Title	Action	Responsible actor and other contributing actors	Output	Date	Comment
Local Action Groups and development initiatives					
Comprehensive analysis of the current state of the LEADER approach in RS	• Creation of a study on the state of LEADER and LAGs in RS	• MAFWMRS • Academia • LAGs	• Study on the state of LEADER and LAGs in RS with recommendations for their improvement.	2021-2022	There is a need to carry out a comprehensive analysis of the LEADER approach in RS.
Raising awareness of the importance of LEADER and the work of LAGs	• Workshops organized for rural stakeholders in order to increase their interest in LEADER and LAGs.	• LAGs • Academy • Local community	• Greater interest of rural stakeholders in LEADER and the work of LAGs	2021-2027	The LEADER approach can be popularized through the promotion of its core values and principles.
Involvement of LAGs in the realization of development goals	• Animating local actors and strengthening the capacity of LAGs	• Rural Development Network • LAGs • Academy • Local community	• Animated local rural actors and the establishment of new successful LAGs	2021-2025	LAGs should animate the population from their rural areas to integrate their opinions in LDS and activities.
Increased use of the bottom-up approach	• Drafting of Local Development Strategies	• MAFWMRS • LAGs • Academy	• LDS	2021-2027	LDS are needed in order to plan future development.
Strengthening the role of the LAGs in priority areas	• Defining the scope of new LAGs	• MAFWMRS • Network of rural development	• Defined new areas of activity for the establishment of new LAGs in RS	2021-2027	LAGs should tackle priority areas of rural development with the bottom-up approach.

Note: RS – Republic of Srpska, MAFWMRS– Ministry of Agriculture, Forestry and Water Management of Republic of Srpska, MoFTER – Ministry of Foreign Trade and Economic Relation, UNDP – United Nations Development Program, CzDA – Czech Development Agency, MA – Managing Authority, PA – Paying Agency, IPA – Instrument for Pre- Accession Assistance, IPARD – Instrument for Pre-Accession Assistance for Rural Development, LDS – Local Development Strategy, LAG – Local Action Group, CSO – Civil

Society Organization, RD – Rural Development.

Table 5. List of contacts

Name(s) of stakeholders	Function(s)	Date	Kind of contact (face-to-face, phone, skype, group meeting)
Snežana Kanostrevac Cvijetić	President of LAG Devetak	02/06/2020	Phone call + E-mail (Questionnaire)
Aleksandra Gavrić Rožić	Senior associate for rural development at the Ministry of Agriculture, Forestry and Water Management of Republic of Srpska	02/06/2020	Phone call + E-mail (Questionnaire)
Duško Cvjetinović	President of Rural Development Network in Bosnia and Herzegovina	02/06/2020	Phone call + E-mail (Questionnaire)
Aleksandar Milanović	Founder of LAG SAVUS and ex-project coordinator in LAG	02/06/2020	Phone call
Nemanja Davidović	Coordinator of current activities of LAG SAVUS	02/06/2020	Phone call + E-mail (Questionnaire)
Dušan Nešković	Assistant of Minister of Foreign Trade and Economic Relations of Bosnia and Herzegovina	27/05/2020	E-mail

“Standing up for LEADER” Kosovo

Mihone Kerolli Mustafa

Strategic policy advice and process management to boost capacities to implement Community-Led Local Development (CLLD) and LEADER in Southeast Europe

"Standing up for LEADER" Kosovo Mihone

Kerolli Mustafa

Introduction

This report analyses the strategic policy advice and project management to boost capacities to implement Community-Led Local Development and LEADER in Kosovo. The rural development strategy promotes sustainable development in Kosovo's rural areas addressing economic, social, and environmental concerns. Over 62% of Kosovo´s population lives in rural areas and the application of a LEADER in line with EU rural development policy represents an important and innovative approach. The LEADER Approach in Kosovo has been built based on the Agriculture Rural Development Programme (ARDP) 2007-2013, followed by ARDP 2014-2020. The implementation of the LEADER programme in Kosovo is addressed through the following strategic policy documents: 1) strategies for agriculture and rural development, 2) mid-term programmes, 3) IPARD II programmes, and 4) strategic and other documents on local development strategy.

Considering this context, Kosovo has made limited progress in developing national agricultural strategies and control mechanisms. The EU progress report on Kosovo[10] encourages further development of the agricultural sector and harmonization of national policies mainly on:

- improving the evaluation and monitoring of grants and direct payments under the programme;
- revising and updating the programme so that investments in the sector are more efficient;
- take urgent, effective measures to stop the loss of agricultural land and implement legislation on spatial planning.

Another weakness identified in the policy advice and processes is the lack of common market organisations and the legal basis for setting them up. The level of funding remains low, and it affects the application of rural development measures.

In general, Kosovo's rural areas are characterized by very rich natural resources, and enhancing the LEADER approach, and investment support for rural areas remain a priority.

The report addresses the process of setting up structures and delivery mechanisms for the LEADER measure during the current IPARD period and particularly in the new period 2021- 2027 to increase the capacities for rural diversification and re-dynamization of lagging rural areas in Kosovo. Apart from the introduction, the paper consists of five parts analysing the LEADER in the national strategic and programme documents, the matrix with the main strengths, weaknesses, opportunities and threats concerning LEADER implementation; the development of priorities at (with different lead actors) and presents the chronology of actions, measures, events which will eventually lead to LEADER implementation at all levels. The assessment of

10 https://ec.europa.eu/neighbourhood-enlargement/sites/near/files/20190529-kosovo-report.pdf

available policy documents, legislation, reports, publications and mail-interview method has been used with the representatives of the different groups and associations to collect a good percentage of answers with regards to the current LEADER Approach in Kosovo.

Table 1.SWOT

	Human Resources and Organisational Capacities	Society	
		Development of cooperation systems	Development of enabling frameworks
Strengths	• Existing Local Action Groups • Existing Rural Development Network in Kosovo • Experience of members and staff • Relationships: between staff, LAG members and applicants	• Cross-section of sectors represented • Involvement of different socioeconomic sectors of the local community • Share of information and experience through reporting, networking and cooperation	• Existing Local Development Strategies • Development of integrated local strategies • Close monitoring and better responsiveness; increased commitment and enthusiasm
Weaknesses	• Limited capacities of LAGs (lack of human resources, project preparation/ management skills, etc.) • Current support measures are not fully in line with the EU LEADER concept: however, the bottom-up approach Is followed, while the small projects come from their LDS. • No support for innovation due to a very limited list of eligible measures that supports the innovations. • LAGs are not area based but initiated within municipality boundaries	• Demand on LAG Member time • Stakeholder engagement • Layers of accountability (Layer 1. Leader; Layer 2. Team; Layer 3. Relationship; and Layer 4. Community) • Communications – complexity of the message	• Lack of financial resources • Lack of awareness of local development strategies and the existence/ role of LAGs • Poor animation for the implementation of local development strategies acc. to the bottom-up approach • LEADER projects do not follow the local development strategies
Opportunities	• Cooperation between LAGs and relevant institutions • Transnational and International Projects • Evolve, refresh and strengthen LAGs • Consultation sessions • Promote LAGs as options for other participation in EU consultative groups, and other international organizations and bodies • Development of capacities of LAG representatives through training • Reorganization of LAGs acc. to the all-LEADER principles • Preparation of legal infrastructure for LAGs • Expanding the capacity of LAGs to function as agents for local development;	• Knowledge transfer through networks • Increased opportunities to apply for funds either from the MAFRD or donors • Access additional EU funds • Enhancing the capacity of the local population and LAG members through training and education to develop, organize and run LAGs and to prepare and implement local development strategies through selected projects • LAGs do apply some LEADER principles; however, more efforts are needed to compile with all principles such as multi-sectoral integration, innovation and networking • Strengthening the capacity of LAGs in project/programme management; • Making efficient use of the available financial resources to effectively support the setting up and running of LAGs and the Rural Development Network.	• Review of local development • Better assessment of local needs; better identification of local potentials in rural areas • Fostering the drafting and implementation of local development strategies to promote rural development through local initiatives and partnership • Enhancing the capacity of LAGs to animate and convey the potential of homogeneous territories in a local development strategy • Financial support to set up and run LAGs and to implement local development strategies
Threats	• Often changes of governmental structure • Immigration	• Financial constraints	• Regulations not in line with market trends

Figure 1. Actual respectively intended Steering Structure

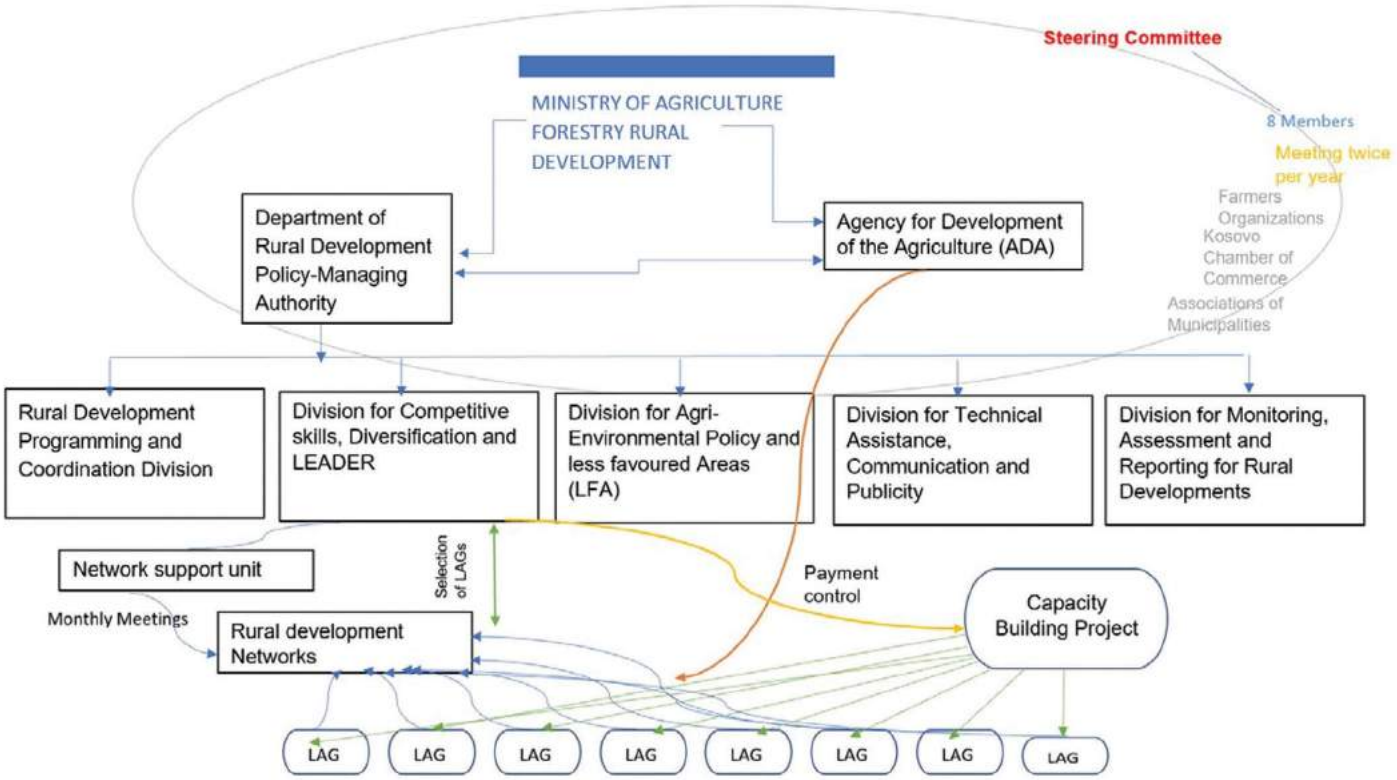


Table 2. Core processes

Level	Process Nr.	Description of process	Actual state of play, main bottlenecks	Validation (A, B, C)
1. MAFRD, Department of Rural Development Policy (DRDP), Agency for Rural Development	**1.1**	IPARD preparation, certification and implementation	The IPARD programme contributes to sustainable rural development by supporting diversification of economic activities, supporting investment in the farm, investment in processing, strengthening the LEADER approach as well as knowledge transfer by supporting vocational training and the provision of advisory services to farmers, forest managers, and the rural population, etc. is not used in Kosovo. The actual state with Kosovo case is that the Department of Rural Policy Development (DRDP) is acting as Managing Authority of the ARDP and is responsible for the development, implementation, monitoring, evaluation, and coordination of the long-term national Agricultural and Rural Development Programme (ARDP) and annual support programmes as well as its amendments/modifications in compliance with the EU CAP Pillar II. The main agency in Kosovo is the Agency for Development of the Agriculture (ADA) that controls the LAG concerning contractual commitments. The Agency for Agricultural Development is a unit within the ministry responsible for implementing support programs for Agriculture and Rural Development, implementing written procedures, based on IPARD. The Agency is also responsible for the implementation of Direct Payments and Rural Development Programs. The financial issue remains one of the main obstacles in the program preparation. The MA and ADA are operating with national funds since there are still no supporting funds from EU. More financial support for the on-going administrative and organizational work is important to stimulate the participation of locals and to ensure that LAGs are continuously active.	B
	1.2	Call for proposals, check the eligibility and select the LAGs	The MA implements the selection of the LAGs based on the recommendation of the Evaluation Committee. The procedure to select LAGs is opened and defined in all rural areas, approved in 2014. According to the procedure, a potential LAG, has to comply with the criteria given by the MA and will be approved by the MA. Within a year of the ARDP having started (2014), a call for applications to obtain potential LAG status will be issued by the MA. The selected LAGs (30 LAGs) have signed the contract with the MA. The signed contract defines the rights and the commitments of a LAG. One of the main obstacles is the lack of knowledge and awareness by new LAGs to apply, however, the system is well designed and operational. The MA ensures that operations are selected for funding following the criteria and mechanisms applicable to the programme and which comply with the relevant national rules. Ensuring that the Monitoring Committee is involved in the stipulated manner.	A
	1.3	Commissioning and supervising the Network Support Unit	In the ARDP 2014-2020, it is foreseen that the MA supports the establishment and operation of a national rural network. With the help of technical assistance, the expenditure shall be supported, which is associated with the establishment and operation of the national network supporting the coordination of activities to prepare and implement local rural development strategies.	B
	1.4	Funding (budgeting, disbursement, control)	The Managing Authority is one of the principal actors alongside other financial authorities under the responsibility of the MAFRD (Budget and Finance Division) for the budgetary planning procedure for payments and commitments, which is important in the case of multi-annual programmes *(as will be the case with IPARD)*. The LAG submits a payment claim for the reimbursement of capacity building costs, running costs and small-scale projects to the ADA. The lack of knowledge on how to access funds and insufficient communication with the relevant municipalities remains the main obstacle for LAG operations.	B
	1.5	Monitoring and evaluation	The Managing Authority has to provide evaluators with the appropriate resources and the data required to ensure that evaluations can be carried out most effectively. Alongside the Monitoring Committee, the Managing Authority assesses the quality of the evaluation. The results of the evaluations have to be taken into account in the programming and implementation cycle.	B

	1.6	Reporting	The MA is in charge of drawing up annual reports and a final report on the implementation of the programme. The reports shall cover the calendar year and include the cumulative financial and monitoring data for the whole period of implementation of the programme. The final report on the implementation of the programme shall cover the whole period of the implementation.	B
	1.7	Information and Publicity	The MA provides information to the general public about the programme, especially about assistance granted. Furthermore, the MA informs potential beneficiaries and final beneficiaries of the contributions provided by the programme on administrative procedures to be considered.	B
2 Rural Development Network	**2.1**	Capacity building of rural stakeholders and LAGs	Tailored training is necessary for LAG board members to understand their role and the basic principles of the area-based local development process. Capacity building in project management and the organization of local development processes is essential for LAG coordinators. One of the main obstacles in the capacity building process remains the lack of a broad awareness campaign for the general population.	B
	2.2	National, regional, international networking (exchange, learning, joint action, lobbying)	The network is a platform where project ideas and various proposals and experiences can be discussed. The role of the Network is to lobby for and promote LAGs within and outside the country. The activities of the RDN are limited because of a lack of understanding of the role and importance of the RDN, and a lack of financial support. The managers of the LAGs are the constituent members of the Rural Development Network as well as one representative from the MAFRD that participate in different joint actions that strengthen the national, regional cooperation.	B
	2.3	Evaluation and Learning	The evaluation process has been effectively managed, coordinated, and integrated into a continuous learning process and improvement of the programme document. To contribute to the improvement of the occupational skills and competence of persons engaged in the LAGs and the network, new interested people should be motivated in the participation of the learning with practices as much as possible mostly in the prioritizing education, lifelong *learning*, *job training* and *skills* development.	B
3 LAGs	**3.1**	Creating and managing the local partnership	The involvement of various groups of rural stakeholders are building/strengthening sustainable partnerships through the existing Local Action Groups (LAGs); The network shares the information on training for interested LAGs and other stakeholders and promotes cooperation among LAGs in Kosovo and international cooperation. In addition to the LAGs registered under the Managing Authority there is another NGO that works independently from MA called Network of Organizations for Rural Development of Kosovo (NORDK). The NGO NORDK promotes the relationships and partnerships between different sectors of the rural community through advocacy activities aimed at sustainable rural development.	B
	3.2	Local animation and capacity building	Adequate training, start-up toolkits and awareness- raising are needed for the LAG management and rural actors need to become more involved and committed in local development processes. Animation, organization of publicity and promotional materials and events for LAG members and area inhabitants through seminars, workshops, meetings, etc.) provide technical support, animation and coordination within the region.	B
	3.3	Project support and project management	The original intention is to use the LAGs to facilitate project development, select project ideas and evaluate the implementation of a local development strategy that would support preparation for pre-accession funds. However, the funding areas should be broadened as much as possible to meet rural needs. The current approach to using the LAGs as project owners should be reconsidered and designed in a better way.	A

Table 3. Priorities

	Respective priorities set by the stake-holders for developing the LEADER system at three levels	Comments from the national expert…	
		…concerning the effectiveness and efficiency of the actual or planned delivery system	…concerning the implementation of the LEADER method (8 features)
…by public authorities	• Implementation of Local Development Strategies - Leader Approach (ARDP, donor support schemes,) • To stimulate knowledge transfer and help promote social and economic inclusion by supporting LAGs and farmers in rural areas • Informing and training local people to prepare and implement local development strategies including the management of their LAGs;	The improvement of life in rural areas remains the main challenge. Although there are local development strategies, the prospect of enhancing and updating developing a strategy for rural development is still far away due to the limited capacities lack financial resources and low motivation form people from rural areas to participate in the program.	The experience has shown that the bottom-up policies implemented through LEADER programs play a key role in boosting sustainable rural development, especially if the involved LAGs that are based on existing public-private partnerships. Besides, the LEADER programme has shown it can play a significant role in stimulating new and innovative approaches to rural development for example in involving Regions, Universities, Chambers, Young Farmers etc which can work together in the strategic options for local development. By strengthening the innovation and knowledge transfer to the new products, a new process, a new organization or the penetration on a new market, this approach will complement the entire process in future and may provide some solutions to the specific problems of rural areas.
…by networks and intermediary agents	• Promoting cooperation among LAGs in Kosovo and international cooperation. Activating the involvement of various groups of rural stakeholders and building/strengthening sustainable partnerships through the existing Local Action Groups (LAGs); • To develop civil society and social dialogue within the rural population, facilitate good governance through local partnerships and foster employment and develop human capital	The entire operation structure of LEADER Axis encourages networking programs, establishing contacts which facilitate the exchange of experiences and knowledge between action groups, rural areas, administrations and organizations involved. However, establishing networking remains the main tool of transferring good practice, of disseminating innovation and building on lessons learned from local rural development.	The application of networking and partnership approach leads to the strengthening of relations between people, projects and rural areas, thus overcoming the isolation faced by some rural regions in Kosovo.
…by LAGs and local actors	• Participate in the decision-making and contribute to the developing human capital to increase the ability to cope with competitive pressure and market forces as well as to improve life in rural areas. • Participate in the national rural development network • Ensure adequate levels of knowledge and technical skills in LAG management, product quality and safety and knowledge in new technology and market promotion skills	Considering the insufficient financing resources and taking into account the best practices lessons offered to LAGs in Kosovo in our opinion, for increasing the success of LEADER projects the MA should encourage the constituted LAGs to further implement local development strategies based on innovative initiatives tailored to local development needs and challenges. To this end, the National Rural Development Plans should be constructed through the establishment of more specific eligibility rules, along with the simplification of procedures for financing rural development programs under the LEADER.	The activities carried out under the LEADER programs indicated that the rural population dynamism and willingness to be involved as active players in the areas covered by the project are decisive factors in the success of such bottom-up initiatives including innovative, multisectoral approach, networking and cooperation. Moreover, it may be concluded that all programs that were funded by LEADER have encouraged an integrated approach to rural development, which will influence or complement other Kosovo upcoming strategies in those areas.

Table 4.Road Map to make LEADER work for Kosovo

Process Title	Action	Responsible actor and other contributing actors	Output	Date	Comment
Legal and institutional framework					
PARD preparation, certification and implementation	• Assistance for investments and improvements to fulfil the requirements needed for getting the funds like other WB countries. • Adoption of the ARDP plan for the period 2021-2027. • Updating the program for investments in technical support of the agricultural economies and physical assets and other projects.	• Managing Authority (MAFRD), Rural Development Network. LAGs and other NGOs.	• Rural development priorities within the Local Development Strategies are further supported by funding of viable, community-led projects. • Rural Development Strategies are further promoted through local initiatives and private-public partnerships. • The capacity among rural inhabitants and LAG members is enhanced through training and education to develop, organize and run LAGs and prepare and implement the LDS through local projects.	The new program planned to start in 2021 is postponed to 2022 due to the Covid19 situation.	• The financial assistance from the program is not yet used in Kosovo. There should be more efforts to comply with requirements getting all funds like other WB countries. • Kosovo ARDP program runs on national funds. • The new program is planned for the period 2021-2027 with the main outputs: ○ Adoption of ARDP 2021-2027 and implementation of new measures. ○ According to the new plan the MA, should implement and update the program for investments in technical support of agricultural economies and investments in physical assets in the processing and marketing of agricultural products by supporting several new projects, supporting the environment and climate change and producers' organizations. Furthermore, the MA should enhance investments and capacity building/knowledge transfer of rural inhabitants.
Call for proposals, eligibility check and selection of LAGs	• Submission and treatment of LAG proposals	• Managing Authority, Rural Development Network, other NGOs such as the Network of Organizations for Rural Development of Kosovo (NORDK), etc.	• Rural Development Strategies of the LAGs' eligibility and selection are further reviewed and updated, considering the selection procedures in a non-discriminatory and transparent manner.	Ongoing	The LAGs should identify and select the strongest sub-projects and define the amount of funding required before submission to the responsible body for approval. This is an opportunity for more inclusion and coordination with other NGOs in Kosovo working with LAGs such as NORDK.
Commissioning and supervising the Network Support Unit	• Selection of territorial cooperation projects	• Managing Authority	• Increased initiation and attendance of inter-territorial cooperation. • The procedural strategies are harmonized using EU best practices through cooperation in global networks.	Ongoing	The MA should identify and select the most substantial projects and define the amount of funding required before approving any LAG s submission.

Funding (budgeting, disbursement, control)	• Increase the funding	• Managing Authority	• The funds for LEADER and LAG activities to be increased	2022	The MA should identify and select the donor's projects to increase the amount of funding required for supporting LAG activities.
Monitoring and evaluation	• Provide regular monitoring and evaluation feedback	• Managing Authority	• The monitoring of the implementation of the community-led local development strategy and the selected sub-projects to assess their efficiency and benefit for the region is performed on time.	Ongoing	The MA should continue updating the following: • Recognize and appreciate differences. • Set rules and monitor their effectiveness. Use a coherent set of indicators for monitoring and evaluation.
Reporting	• Provide and publish the annual report	• Managing Authority and LAGs	• Annual reports are delivered to MA.	Ongoing	
Information and Publicity	• Enhance information and public awareness	• Managing Authority	• The area of communication and marketing is fostered by external relationships.	Ongoing	The MA should enhance the share of public information and increase public awareness on the LEADER approach and LAGs.

Process Title	Action	Responsible actor and other contributing actors	Output	Date	Comment
Rural development networking					
Capacity building of rural stakeholders and LAGs	• Enhance capacity building and technical assistance.	• The Rural Development Network and LAGs • NORDK	• The effectiveness and sustainability of LAGs in the target municipalities are enhanced through capacity development and networking.	2021-2027	• RDN should expand support for capacity building and technical assistance to LAGs through the new ARDP 2021-2027.
National, regional, international networking (exchange, learning, joint action, lobbying)	• Expand the national and international network.	• The Rural Development Network and LAGs • NGOs, Chamber of Commerce, Municipal Associations, NORDK	• The participation of rural inhabitants, LAGs and other stakeholders is improved in the decision-making process of rural development. • LAG activities are disseminated and used by a wider audience. • New partnerships are established.	Ongoing	• RDN should emphasize more support in stimulating and motivating more stakeholders from rural development in the network through ARDP 2021-2027.
Evaluation and learning	• Present and publish the regular evaluation.	• The Rural Development Network and LAGs	• Evaluation report developed and presented.	Ongoing	• RDN should make the evaluation report more transparent to the public.

Process Title	Action	Responsible actor and other contributing actors	Output	Date	Comment
Local Action Groups and development initiatives					
Creating and managing the local partnership	• Establish new partnerships.	• The Rural Development Network	• New partnerships established.	Ongoing	• RDN should expand the network with new members and expand the impact on cross-regional rural development issues.
Local animation and capacity building	• Enhance dissemination and cooperation between stakeholders.	• LAGs, NGOs, Municipal Associations	• The capacities of rural inhabitants and LAG members are enhanced through training and education to develop, organize and run LAGs and prepare and implement the LDS through local projects.	Ongoing	• LAGs should work more in disseminating the knowledge of cooperation between stakeholders throughout the rural network and encourage other inhabitants to be activated in cooperation through the website, newsletters, social media, brochures, leaflets and posters, meetings, etc.
Project support and project management	• Implementation of a project management tool kit.	• LAGs, NGOs, Municipal Associations	• Effective project management consolidated.	Ongoing	• LAGS should implement the project management tool kit to strengthen the quality of projects delivered by LAGs and other beneficiaries.

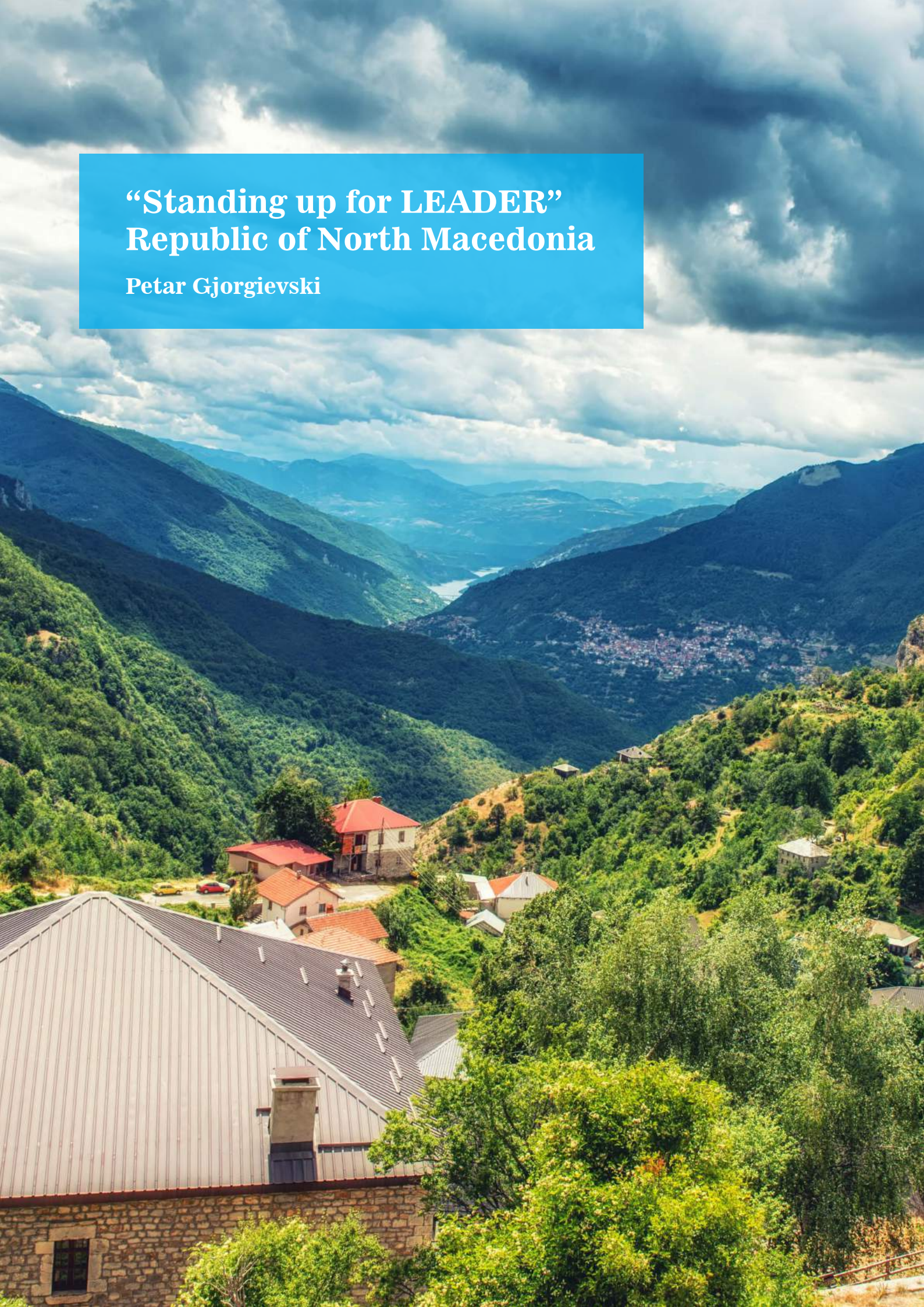
Note: MAFRD – Ministry of Agriculture, Forestry and Rural Development, MA – Managing Authority, IPARD – Instrument for Pre-Accession Assistance for Rural Development, ARDP – Agriculture and Rural Development Project, RDN – Rural Development Network, NORDK – Network of Organizations for Rural Development of Kosovo, LAG – Local Action Group

Table 5. List of meetings and talks

Name(s) of interlocutors	Function(s)	Date	Kind of contact (face-to-face, phone, skype, group meeting)
Ekrem Gjokaj	CEO of Rural Development Agency until March 2020 and University professor from March 2020 until now	January 2020 May 2020	Face to face Skype
Granit Peci	RDA Expert	February 2020 May 2020	Face to face and group meeting with staff from RDA Skype
Nystrete Doda	Head of Division for Competitiveness, Diversification and Leader	March	Email, phone
Rrustem Abiti	Kosovo Chamber of Commerce	February	Phone

“Standing up for LEADER” Republic of North Macedonia

Petar Gjorgievski



Strategic policy advice and process management to boost capacities to implement Community-Led Local Development (CLLD) and LEADER in Southeast Europe

"Standing up for LEADER" Republic of North Macedonia

Petar Gjorgievski

Introduction

The LEADER approach theme in North Macedonia is present for almost ten years. Within this period, different initiatives related to the "bottom-up approach" lead by several donor organizations (SIDA, UNDP, USAID) focused towards mobilization of the local rural communities were supported through different associations and networks. Different initiatives aimed to build and strengthen the social and human capital in the rural areas. However, the most significant factor in promoting the LEADER approach is the Rural Development Network of North Macedonia, which at the local level supported a number of locally based multi-stakeholder groups that encouraged local government to consider the LEADER approach in the scope of their activities. During this process, a number of LAGs were established and formalized as legal entities providing examples of how to achieve local mobilization of different stakeholders. From a legislative perspective, the Law on Agriculture and Rural Development regulates the LEADER approach from 2010 (LoARD), a basis for the National Strategy for Agriculture and Rural Development 2014-2020 (NSARD). The status of the local action group (LAG) is regulated in the LAG register in the Ministry of Agriculture, Forestry and Water Economy (MAFWE) according to the Rulebook on the detailed conditions for registration in the records of the local action group (OG 40/2013). As part of this process, MAFWE approved the local development strategies, according to the Rulebook on the content and methodology for the preparation of strategies for local development of rural areas group (OG 40/2013) (Rulebook for LDS). Currently, 13 LAGs are registered in LAG register. The current LAG area covers approximately 2/3 of the territory of North Macedonia. All LAGs are registered in Central Court Register as associations of citizens (non-governmental organizations). **National support for LAGs** is provided through the National program for Rural Development **regulated** in Rulebook on detailed additional conditions for support of rural development measures, 412 - Setting up of local action groups, and for measure 413 - Implementation of local rural development strategies. In March 2019, the first call for application for measure 412 and measure 413 was launched. 11 LAGs applied while support was granted to 9 LAGs. **Opportunities for transition to IPARD funding;** currently, the LEADER measure is not included into the IPARD program. The measure Technical Assistance foresees eligible expenditures associated with the acquisition of skills to prepare potential LAGs for implementing the measure "Implementation of LDS – LEADER approach". A significant issue of the IPARD TA is to prepare potential LAGs to implement the measure "Implementation of local rural development strategies". To be able to finance LEADER related activities from the TA measure, the Action plan for Technical Assistance (APTA) for 2020 has to be approved by the IPARD Monitoring Committee (MC). For the implementation of the LEADER measure (financing of the small projects) through the IPARD program it is necessary

to include it in the IPARD program. The major part of it has already been prepared; it should be revised and slightly changed in consultations with the EC. The same situation is with the procedures for the implementation of the measure in Paying Agency.

Table 1. SWOT Table on LEADER implementation in North Macedonia

	Human Resources and Organizational Capacities	Society	
		Development of cooperation systems	Development of enabling frameworks
Strengths	• **Managing Authority** – knowledgeable human capacity in IPARD implementation; • **Paying Agency**; knowledgeable human capacity as part of the system for payment in IPARD; • **Sector for rural development**; LEADER/ like measure in NRDP • **Local Action Groups**; good spread within the LAG territories, basic human capacities; 13 LAGs established registered in the MAFWE • **Municipalities**; EU/donor project implementation • **Rural Development Network** - knowledge in capacity building, LDS creation, support and establishment of LAGs	• National Rural Development Network – envisioned part of IPARD • **Managing Authority** – good management of IPARD process • **Paying Agency –** established process for approval and allocation for the potential IPARD applicants • **Sector for rural development** - NRDP management collaborates with MA and PA • **Local Action Groups**; established cooperation with RDN and MAFWE • **Municipalities**; available funds to support LAGs • **Rural Development Network –** established cooperation with MAFWE municipalities and LAGs	• **LEADER in national documents:** NARDS; NRDP; IPARD (Prepared text of the measure to be revised and included in the programming period 2021-2027) • **LEADER in the legal settings**: Law on agriculture and rural development; Rulebook for the detailed conditions for registration in the records of the local action group; Rulebook for content and methodology for the preparation of strategies for local development of rural areas. Instructions, requirements and text of the remaining necessary documentation for implementation of the LEADER are ready and waiting to be approved with the introduction of the measure and the start of the accreditation process • Available funding mostly from donors and as of 2020 from NRDP
Weaknesses	• **Managing Authority**; lack of staff to work on LEADER, • **Paying Agency**: lack of capacities and staff for LEADER; Procedures not been passed in the accreditation procedure **Sector for rural development**; lack of staff and coordination • **Local Action Groups** lack of continuous funding for operational costs; lack of human capacities; lack of experience in the management of LDS • **Municipalities** lack of knowledge related to the role in the LAGs	• **National Rural Development Network – not established yet** • **Managing authority –** weak inter-sectoral cooperation • **Paying Agency** – weak system for responsive coordination between the MA and PA • **Sector for rural development** insufficient coordination between the sector, MA and LAGs • **Local Action Groups**; lack of cooperation with MAFWE lack of campaigns for local awareness regarding LEADER Approach, lack of ongoing coaching support to the LAG management on administrative and programming operations, • **Municipalities**; lack of knowledge regarding LEADER on territories where LAGs are not established • **Rural Development Network –** insufficient funding to promote LEADER	• Slow process for accreditation of the LEADER measure within IPARD. The procedures, although prepared, will need to be updated after the final approval of the text of the measure • Lack of coordination between the relevant institutions for implementation of the Local development policies • Lack of a bottom-up decision-making process. • Lack of transparent procedures among the main actors (creating synergy, systems for communication and decision making

Opportunities	• **Managing Authority** ready to collaborate with PA, Sector for RD, LAGs and RDN; draft measure fiche prepared, provision of funds to LAGs under IPARD TA • **Paying Agency** expressed interest to be involved in the preparations and implementation of LEADER • **Sector for rural development** provision of financial support to approved LAG projects under NRDP; expressed interest to regularly adjust the NRDP according to LEADER principles as part of IPARD; • **Local Action Groups** basic animation of the local population in the process; availability of financial support to approved LAGs from NRDP • **Municipalities**; generally supportive in implementation of LAG LDS	• **National Rural Development Network** –potential for a coordinative role in the process of IPARD and NRDP implementation • **Managing authority -** guide the inter-sectoral coordination of the LEADER process; • **Paying Agency –** developing procedures for LEADER measure together with MA • **Sector for rural development**; work together with MA and PA on simulating LEADER through NRDP • **Local Action Groups**; involvement of the LAGs in planning NRDP; continue cooperation between LAGs, MA, PA and RDN • **Municipalities**; coordination of municipal programs with LDS • **Rural Development Network**-facilitate the networking in the process of LEADER operations	• **Law on agriculture and rural development** – improvement of articles related to LEADER • **Accreditation of LEADER measure.** LEADER should be firstly Introduced in the program 2021-2027 and then continue with accreditation of the measure. • **TA** provides funds to support LAGs to strengthen their capacities • **New NARDS-** provides strategic continuity to support the LEADER approach • **Regional and local development strategies-** are aimed at supporting local communities, their objectives and priorities are aligned • **RDN has established a thematic group for LEADER** through which LAGs have good communication and cooperation to further develop their capacities and implement their strategies
Threats	• **Managing Authority** – frequent changes of the management structure • **Paying Agency** – postponing employment of new staff • **Sector for rural development –** not enough LEADER support from the NRDP; not adapting the LEADER measures according to IPARD • **Local Action Groups -** lack of continuous support for operational costs; • **Municipalities** political influences	• **Managing authority** change of staff defocus on LEADER • **Paying Agency** defocus on LEADER • **Sector for rural development** change of staff defocus on LEADER • **Local Action Groups**; lack of proactiveness to communicate with MAFWE and PA • **Municipalities**; local elections	• Unfavourable economic environment because of the situation with COVID-**19**. LAG support can be used to deal with the crisis. This will drastically slow down the planned activities. The situation may also halt the process of accreditation of new IPARD measures including LEADER and this will have a negative effect on the progress of the LEADER process

Figure 1. Actual respectively intended Steering Structure

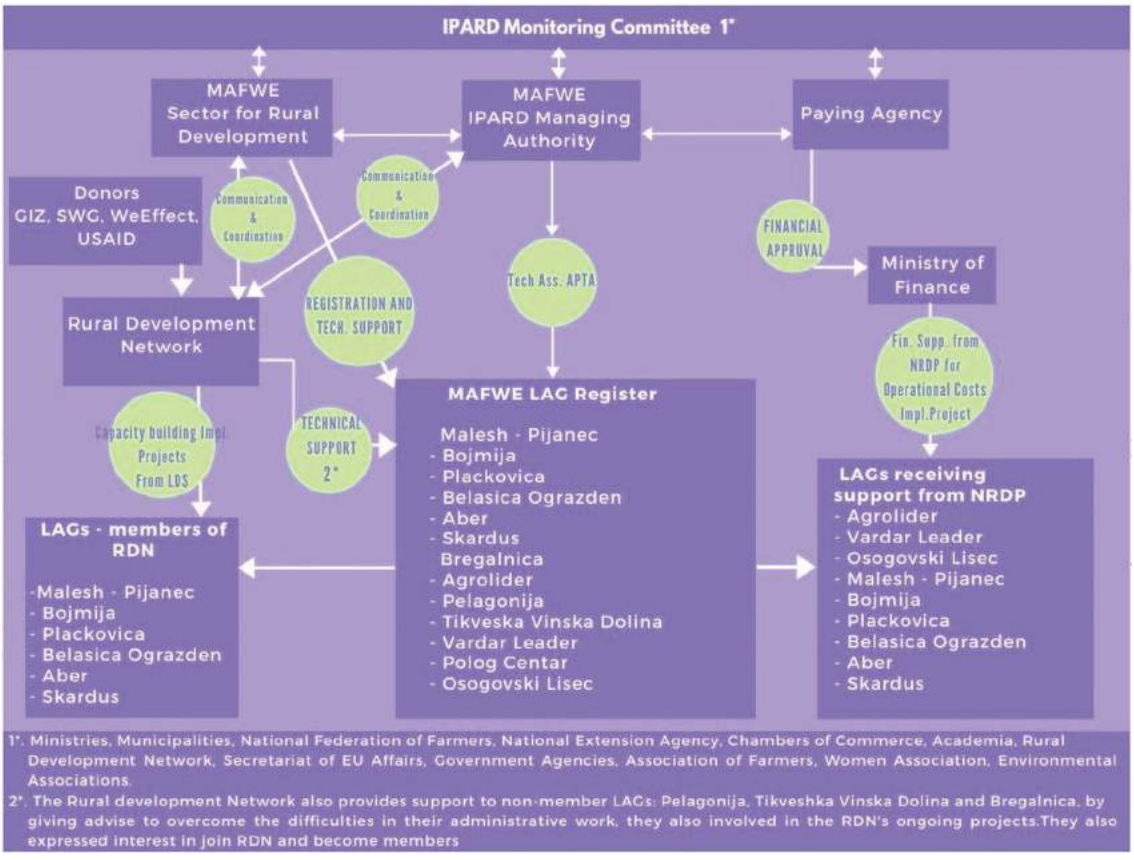


Table 2. Core processes

Level	Process Nr.	Description of process	Actual state of play, main bottlenecks	Validation (A, B, C)
1.MA/PA /SRD/NRDN	1.1	• Review and update of the legislative framework	• Law on Agriculture and rural development contains ambiguities related to criteria for LAG establishment and functioning • the rulebooks are not specific enough and some articles are unclear	B
	1.2	• Strengthening administrative capacities of MAFWE and PA	• Lack of inter-sectoral cooperation	C
	1.3	• LEADER measure in IPARD	• Draft LEADER measure fiche prepared • National accreditation is pending • EU accreditation expected • PA lacks human capacities	B
	1.4	• Technical Assistance in IPARD for LEADER	• Support LAGs for development of LDS and acquisition of skills to be conducted	B
	1.5	• Implementation of Local Development Strategies under the National Program for Rural Development;	• 9 LAGs received support • The support measure from NRDP is not adjusted according LEADER principles as part of IPARD	B
2.Networks /RDN of NM; National Network for Rural Development	2.1	• Capacity building of LAGs	• Revision of LDS of 4 LAGs • Support implementation of projects • Support new LAG initiatives to be conducted	A
	2.2	• Exchange of experience International and regional actions on LEADER	• LEADER,TNA and TOT for local LEADER experts conducted in the WB countries • Participation of few LAGs in transnational projects and visits TWINLAG etc.	A
	2.3	• Formalization of the National Rural Development Network by the MAFWE	• There is no progress on this activity	C
3. LAGs	3.1	• LAG cooperation with MA,PA,RDN and municipalities	• Communications channels established	B
	3.2	• Implementation of Local Development Strategies under the National Program for Rural Development	• Lack of involvement of LAGs in creation of methodology for financial support from the NPRD	B
	3.3	• Networking among LAGs and local stakeholders	• LEADER thematic group under RDN established • Lack of local animation	B

Table 3. Priorities

	Respective priorities set by the stakeholders for developing the LEADER system at three levels	Comments from the national expert…	
		…concerning the effectiveness and efficiency of the actual or planned delivery system	…concerning the implementation of the LEADER method (8 features)
…by public authorities	• LEADER as part of IPARD	• Progress in preparations LEADER as part of IPARD III • Accreditation of LEADER within IPARD requires national and EU accreditation, which is still in process	• The draft LEADER measure is in line with the LEADER principles
	• Technical assistance	• The Technical Assistance measure foresees expenditure associated with "acquisition of skills" and Implementation of LDS only for LAGs registered in MAFWE. The approval and tendering procedures for TA are time-consuming, slowing the process of procurement.	• The TA is in line with the networking as one of the LEADER features where RDN and LAGs are directly involved in the creation of this document.
	• Implementation of LDS under the National Program for Rural Development	• The eligible activities (expenditures) are listed in the rulebook nr.90 for LAG financing for measures 412 and 413. The rulebook on LAG registration nr. 89 states the criteria for registration. Revision of both rulebooks is requested from existing LAGs.	• In general, the process satisfies the LEADER bottom-up approach and networking, although greater transparency and political will by MAFWE is needed
…by networks and intermediary agents	• Cooperation with MAFWE, PA and LAGs and formation of NRN with contact point • Strengthen capacities of LAGs • Improve LAG networking and animation • Setting up LAGs on territories where LAG structures do not exist.	• Cooperation established through the RDN's LEADER thematic group. • Training covers building social capital to foster local initiatives. Build capacities to draft, implement and monitor the strategy. • Training of animators in animation techniques, monitoring and evaluation is in process • New LAG initiatives are identified, and further animation of stakeholders is in process	• There is networking coordination at the national, level making LEADER visible to the national authorities for future policymaking • The capacity building process is part of the LEADER approach thus, LEADER depends on "social capital". • The key role of LEADER in building the networking and animation should be played by local animators. They mostly come from the civil society • The formation of LAGs as previous experience follows the LEADER principles
…by LAGs and local actors	• Improve LAG LDS • Strengthening administrative capacities of LAGs • Implementation of LDS	• RDN supports 4 LAGs in revising the current LDS, the rest will continue with this process using funds from IPARD TA • Few of the LAGs have administrative and financial capacity able to administer public/EU funds and ensure satisfactory operation of the partnership.	• The LAG LDS are following the MAFWE rulebooks based on the LEADER principles. • Administrative capacity is still low in order to manage public funds for LEADER • Implementation of the LDS under NRDP must be adapted to IPARD

Table 4. Road Map to make LEADER work for North Macedonia

Process Title	Action	Responsible actor and other contributing actors	Output	Date	Comment
Legal and institutional framework					
Review and update of the legislative framework	• Changes of articles 87 and 89 in the Law on Agriculture • Changes in the rulebooks for preparation and financing of LAGs and LDS • Changes in the rulebook for LAG registration in the MAFWE register	• MAFWE MA, RDN of NM, LAGs • MAFWE MA/ SRD, RDN of NM, LAGs • MAFWE MA/ SRD RDN of NM, LAGs	• Improved criteria for LAG establishment and functioning • Improved criteria for preparation of LDS and financing of LAGs • Improved criteria for registering LAG in MAFWE register	24.02.2022 11.03.2022 17.03.2022	• Revision of the articles related to LEADER is necessary for establishing a clear basis for setting up the LEADER program • The changes in the rulebooks are related to LDS criteria and criteria for the financing of LAGs. Besides using national funds, this will enable LAGs in the future to increase their capacities and use funds from IPARD for the small, pilot projects (when LEADER will be entrusted as part of IPARD III) • The previous change in the LoARD should consequently apply to the rulebook articles (from 2 to 7)
Strengthening administrative capacities of MAFWE	• Strengthening of inter-sectoral cooperation	• MA/SRD	• Jointly prepared action plan for LEADER	09.10.2021 13.10.2021	• Hold regular joint working meetings of LEADER responsible people from both sectors • Open the functional email address leader@mzsv.gov.mk
Implementation of LEADER measure in IPARD	• Update of the LEADER measure under IPARD • Implement national accreditation of the LEADER measure • Implement EU accreditation	• MA/SRD,RDN of NM, LAGs • National Authorization Officer • DG Agri	• Finalized LEADER measure • LEADER measure nationally accredited • LEADER measure accredited by DG Agri	20.07.2021 17.11.2022 15.10.2024	• The draft LEADER measure is prepared by DG Agri, a revision is performed by relevant bodies and LAGs in order to upgrade and complement certain deficiencies • To accredit the LEADER measure, NAO requires from PA to increase human capacities. NAO to be involved in the process • To accredit the LEADER measure, DG Agri requires from PA to increase human capacities. The process might take up to 2 years after the national accreditation
Technical Assistance in IPARD for LEADER	• Provide support for LAGs for the development of LDS and capacity building	• MA, RDN of NM	• LAGs strategy revised and operation skills developed	Four LAGs revised LDS and five LAGs completed animation training on 20.02.2021	• Continue support for other LAGs to upgrade LDS • Continue capacity building for LAGs. • Training LAG leaders to draft, implement and monitor the strategy. • Mobilize and communicate with people • MA to conduct regular meetings with LAG leaders to monitor progress on the field and adjust the process if necessary
Implementation of Local Development Strategies under the National Program for Rural Development	• Upgrade and adjust the NPRD according to LEADER principles as part of IPARD	• MA/SRD, RDN of NM LAGs	• Developed methodology according to LEADER principles	15.12.2021 10.02.2022	• To provide input from all stakeholders, especially from the LAGs • Develop a monitoring system for tracing the results and expenditures

Process Title	Action	Responsible actor and other contributing actors	Output	Date	Comment
Rural development networking					
Capacity building of LAGs by RDN	• To revise LDS of four LAGs • Support implementation of projects • Support new LAG initiatives to be conducted	• RDN • RDN • RDN	• Improved LDS of 4 LAGs • Projects derived from LAG LDS implemented • New LAGs established	Completed 2021/2022 25.02.2022 18.07.2021 05.11.2021	• The revision of the 4 LDS is finalized. • The process should continue and will apply to the rest registered LAGs that could be supported by the IPARD TA measure • The support for the implementation of the project will be considered as part of the community self-reliance approach of RDN as a mechanism to strengthen LAG capacities • One LAG in the process of formation • Continue with animation of stakeholders in territories with potential for the formation of new LAGs. Facilitation of the process to be conducted by the RDN together with representatives of IPARD MA and PA.
Exchange of experience International and regional actions on LEADER	• Conduct follow-up TOT on LEADER for local LEADER experts in the WB countries	• RDN	• Number of experts trained in LEADER on the regional level	21.11.2021	• The TOT will be conducted as tailor-made training.
Formalization of the National Rural Development Network within MAFWE	• Establishment of the Network Support Unit (NSU) within MAFWE	• MAFWE MA,SRD RDN of NM	• Contact point of the NRN established	20.12.2021	• The establishment of NRN should support the delivery of interrelated policies by directly involving stakeholders in the formulation and implementation

Process Title	Action	Responsible actor and other contributing actors	Output	Date	Comment
Local Action Groups and development initiatives					
LAG cooperation with MA,PA,RDN and municipalities	• Strengthen LAG cooperation with MA,PA,RDN and municipalities	• LAGs, MA,PA,RDN	• LEADER working group established	20.06.2021	• The working group will exchange information, conduct workshops and meetings to guide the implementation of LEADER
Implementation of Local Development Strategies under the National Rural Development Program	• Involvement of LAGs in the creation of a methodology for financial support from the NPRD	• SRD/LAGs, RDN of RM IPARD MA, PA	• NRDP financial support developed based on LEADER principles	19.11.2021	• The financial support should correspond with the needs of the LAGs and to be in line with the LEADER measure as part of IPARD

Process Title	Action	Responsible actor and other contributing actors	Output	Date	Comment
Networking among LAGs and local stakeholders	• Strengthening of the LEADER thematic group	• LAGs	• LAGs are well informed about their role in LEADER	19.10.2021	• The LEADER thematic group established under the RDN will increase participation of LAGs to improve coordination in addressing the needs of the local communities
	• Conduct animation meetings with local communities regarding LEADER	• LAGs	• Local stakeholders are well informed regarding opportunities of LEADER approach	20.11.2021	• The local stakeholders will acquire relevant information regarding LEADER to be well prepared in developing projects that will be supported by the LDS

Table 5. List of meetings and contacts

Name(s) of interlocutors	Function(s)	Date	Type of contact (face-to-face, phone, skype, group meeting)
Zivko Brajkovski	Head of IPARD Managing Authority Ministry of Agriculture, Forestry and Water Economy	23.01.2020	Face to face meeting
Zeljka Gudelj	Sector for Rural Development Ministry of Agriculture, Forestry and Water Economy – CIM Expert	20.1 2020	Face to face meeting
Zivko Brajkovski	Head of IPARD Managing Authority Ministry of Agriculture, Forestry and Water Economy	19.02.2020	Group meeting
Igor Trosanski	IPARD Managing Authority Ministry of Agriculture, Forestry and Water Economy	19.02.2020	Group meeting
Neda Gruevska	Head of Sector for Rural Development Ministry of Agriculture, Forestry and Water Economy	19.02.2020	Group meeting
Risto Atanasovski	LAG Bojmija - President	19.02.2020	Group meeting
Stole Georgiev	LAG Plackovica - President	19.02.2020	Group meeting
Svetlana Stamboliska	LAG Males Pijanec – Member	19.02.2020	Group meeting
Saso Popovski	LAG Belasica Ograzden – President	19.02.2020	Group meeting

“Standing up for LEADER” Montenegro

Đorđije Brkuljan

Strategic policy advice and process management to boost capacities to implement Community-Led Local Development (CLLD) and LEADER in Southeast Europe

"Standing up for LEADER" Montenegro

Đorđije Brkuljan

Introduction

Agriculture and rural development in Montenegro, for the past few years, have been high on the agenda of the Government of Montenegro, and it is recognized as one of the top development priorities. One of the reasons is that the whole territory of Montenegro can be considered rural[11].

In order to contribute to a more balanced territorial development of rural areas in Montenegro, the LEADER measure has been introduced in the Law on Agriculture and Rural Development, and it has been further elaborated in the Programme for the development of agriculture and rural areas in Montenegro under IPARD II 2014-2020.

However, a significant amount of time has passed, but we have not seen any substantial progress in implementing the LEADER measure in Montenegro. In order to facilitate the process of setting up structures and start with the CLLD/LEADER implementation, this document with the complete overview of the current situation and concrete proposals has been developed with the support of SWG.

In order to create this document, a methodology has been put in place by the SWG experts that included assessment of available documents[12]: legislation, rulebooks, research papers, reports, studies etc., from public authorities, academia and international donors and organisations. Hence, the document has been communicated with representatives all relevant stakeholders: Ministry of Agriculture and Rural Development (namely with the Directorate for rural development), representatives from the Network for Rural Development of Montenegro, and representatives of LAG initiatives.

With its concrete roadmap, this document offers a firm base for further development of preconditions for the CLLD/LEADER implementation in Montenegro that will eventually achieve its objective to contribute to a more balanced territorial development of rural areas in Montenegro. The creation of the document would not be possible without the cooperation of all the relevant stakeholders in Montenegro, namely who gave their valuable inputs and added value to the document making the process participative as much as possible.

11 Based on the OECD methodology, the whole territory of Montenegro can be considered as rural, having in mind that the average population density in Montenegro is significantly below 150 inhabitants per km². According to the 2011 Census, 228.009 inhabitants or 36,8 % of the population of Montenegro lives in rural areas. These facts determined that the agriculture and rural development are highly on the agenda of every government

12 Law on agriculture and Rural Development; Programme for the development of agriculture and rural areas in Montenegro under IPARD II 2014-2020; Strategy for the development of agriculture and rural areas 2015-2020; Publications "Pathways to LEADER" and Application of the LEADER Approach in the Western Balkan Countries - "from a local initiative to a mainstream concept in the rural areas";

Table 1. SWOT

	Human Resources and Organisational Capacities	Society	
		Development of cooperation systems	Development of enabling frameworks
Strengths	• Previous experience in implementation of measures 1 and 3 of IPARD II Programme. • Previous experience in introducing LEADER and CLLD in the national legal and strategic framework. • Know-how transfer of successful regional experience. • Activation of local resources (situation with COVID-19 showed a great potential of using local resources in many fields)	• Existence of SWG RRD as intergovernmental organization with LEADER oriented activities. • Existence of Network for Rural Development of Montenegro as association of CSOs working in the area of agriculture and rural development. • Existence of Monitoring Committee for IPARD II Programme. • Existence of Balkan Rural Development Network as Balkan association of national rural development networks of 7 WB countries. • Involvement of Montenegrin CSOs and institutions in PREPARE.	• Existence and enactment of LEADER in the legal and strategic framework (Law on agriculture and Rural Development and Programme for the development of agriculture and rural areas in Montenegro under IPARD II 2014-2020). • Political will for the introduction of LEADER • Existence of adopted local rural development strategies (1 strategy that expired) and on the level of local communities (Strategy for the development of community od Zupa). • Recognition of financial measure 5 related to LEADER in IPARD II programme. • Existence of non-formal LAG initiatives mainly among the members of NRDMN.
Weaknesses	• Lack of practical knowledge and awareness on LEADER AND CLLD • Lack of formed and registered LAGs • Lack of specific department within the Ministry of Agriculture and Rural Development with jurisdiction over LEADER implementation. • Lack of specific department within the Municipalities with jurisdiction over LEADER implementation. • Lack of capacities of LSGUs in local planning, lack of new ideas and projects and lack of private public partnerships. • Lack of administration capacities within all the relevant stakeholders.	• Lack of interorganizational national and local bodies related to implementation of LEADER that include most relevant stakeholders from all 3 sectors (public, civil and business) • Lack of regular institutionalized platforms for policy discussions dedicated to LEADER and CLLS. • Lack of database of major stakeholders from civil and private sector dealing with rural development.	• Lack of legal frameworks (bylaws for LAGs creation and accreditation) • Lack of adopted unified methodology for development of local development rural strategies as a basis for further LEADER and CLLD development in Montenegro • Lack of adopted local rural development strategies that are valid.
Opportunities	• Available regional and EU support in capacity building activities and LEADER and CLLD. • Existence of non-formal LAG initiatives and different local rural development document as a base for further LEADER and CLLD development. • Established national structures for implementation of IPARD II programme. • Increased number of Academia, Businesses and CSOs interested in working within rural development area.	• Organization of platform for policy discussion on national level dedicated to LEADER and CLLD through existing mechanisms like IPARD committee. • Increase in the number of associations connected to rural development topic gathering stakeholders from different sectors. • Existence of Associations of Local Self Governments as a platform for enabling LEADER and CLLD on the local level • Development of Regional parks of nature based on the structure of LAG and based on local development Strategies.	• Significant progress in EU Accession, namely in chapter 11 – Agriculture and Rural Development. • Implementation of the Smart specialization strategy in Montenegro connected to priority one – Sustainable Agriculture and Food Value Chain. • Development of the new Rural Development and Programme for the development of agriculture and rural areas in Montenegro. • Political commitment to implement LEADER and CLLD in Montenegro both on national and level.
Threats	• Lack of will and interest and common objectives of most important stakeholders from 3 sectors (public, business and CSOs) for LEADER and CLLD. • Inadequate dedication for improvement of administrative capacities for implementation of LEADER and CLLD. • Lack of private stakeholders dedication for active involvement in the LEADER and CLLD implementation.	• Lack of common interest and long-term vision and benefits of LEADER and CLLD implementation. • Weak knowledge and interest of the general public in the process of LEADER and CLLD implementation. • Slow structural reforms process. • Low regional cooperation in Montenegro among three major regions. • Lack of Regional Rural Development bodies such as Regional Development agencies, tourism offices etc.	• Delay in EU enlargement policy process for WB countries. • The discrepancy in national and local policies and a low level of involvement of the Municipalities in LEADER and CLLD implementation. • Slow implementation of rural development policies on national and local level. • Lack of budgetary funds on national and local level allocated for the implementation of policies concerning LEADER and CLLD.

Figure 1. Planned (recommended) steering structure

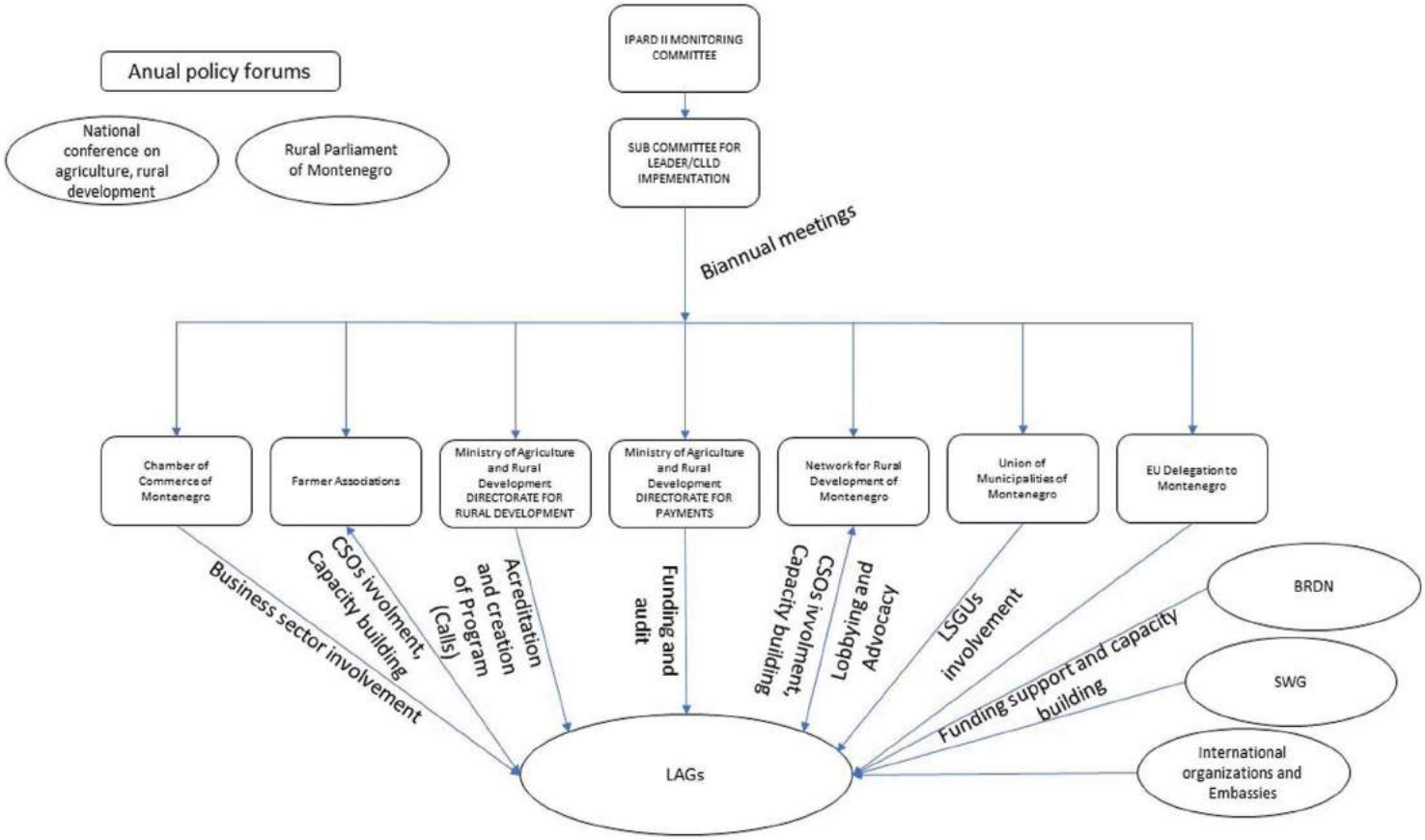


Table 2. Core processes

Level	Process Nr.	Description of process	Actual state of play, main bottlenecks	Validation (A, B, C)
1 Ministry / IPARD Committee	**1.1**	• IPARD preparation, certification and implementation	• Measure 1 and 3 are accredited, but measure 5 related to LEADER is on a standstill.	B
	1.2	• Introducing LEADER in the Law on Agriculture and Rural Development	• LEADER measure is still not accredited, nor the preparatory activities started.	B
	1.3	• Introducing LEADER in Program for Development of Agriculture and Rural Areas of Montenegro within IPARD II	• LEADER measure is part of the official program but a separate rulebook for implementation of measure 5 related to LEADER is still not created and put into force.	B
2 Network for Rural Development of Montenegro/ Other relevant CSOs	**2.1**	• Capacity building of rural stakeholders (CSOs, Agricultural producers, Community representatives, Cluster and Association representatives.)	• Only several trainings with the topic of LEADER/CLLD took place in organization of RDNMN. The main issue is funding and a limited number of motivated participants.	B
	2.2	• Development and implementation of international and regional EU funded projects related to LEADER/CLLD	• One major project (ALTER) has been successfully implemented by NRDMN in Montenegro • Limited number of funding opportunities	B
	2.3	• Creation and implementation of National policy discussion platforms with a focus on LEADER/CLLD and LAG creation	• Two National conferences on Agriculture and Rural Development have been organized with the high presence of all three major sectors and with high level decision makers • Lack of stable funding support (one of the reasons why we did not have the conference in 2019.)	B
	2.4	• Implementation of sub-granting programs for grass root organizations related to LEADER/CLLD and LAGs creation	• Two grants have been given by NRDMN (through ALTER project) to 2 grassroots organizations for implementing LEADER/ CLLD activities in rural areas of Montenegro. Limited number of funding opportunities	B
	2.5	• Mapping process of potential LAGs in Montenegro for the porpoises of BRDN	• 15 LAG initiatives are mapped but not a single one has formed.	C
3 LAG initiative in MNE	**3.1**	• Creation of potential LAG	• One CSO organization has gathered major stakeholders to discuss the creation of LAG Župa.	C
	3.2	• Development of local strategic documents for Rural Development as a base for LAG development	• Only one municipality had similar document that expired, no other LSGUs have this document.	C

Table 3. Priorities

	Respective priorities set by the stakeholders for developing the LEADER system at three levels	Comments from the national expert…	
		…concerning the effectiveness and efficiency of the actual or planned delivery system	…concerning the implementation of the LEADER method (8 features)
…by public authorities	• Introduction of LEADER/CLLD into the legislative and strategic framework (Law on Agriculture and Rural Development, Programme for the development of agriculture and rural areas in Montenegro under IPARD II 2014-2020 and Strategy for Development of Agriculture and rural areas) as a baseline for LEADER/CLLD implementation.	• We have created a baseline • The problem is that there has not been any progress regarding implementation, namely: nonexistence of the rulebook, the measure is not accredited, animation of potential LAGs has not taken place, there were no raising awareness activities for LSGUs and businesses.	• Since the LEADER is still not implemented in Montenegro, no significant comments can be given.
…by networks and intermediary agents	• Raising awareness and Capacity building activities took place in the last 3 years mainly generated through international projects. • Advocacy and Lobbing activities took place in the last 3 years in order to start with the process of accreditation and implementation of LEADER/CLLD. • Process of mapping potential LAGs took place within the activities connected to BRDN.	• Raising awareness and Capacity building activities gave results to some extent but the main problem was long term dependence on available donor funds. • Advocacy and Lobbing activities have been implemented insufficiently and only through the organization of National policy discussion forums but the results were insufficiently visible and not concrete. • The process of mapping the potential LAGs showed that there are 15 potential LAGs in Montenegro.	• Since the LEADER is still not implemented in Montenegro, no significant comments can be given.
…by LAGs and local actors	• Some local actors (local grassroot CSOs) started the process of preparation of Local development strategic documents and consultative meetings with potential LAG members in order to create a baseline for future LAG development.	• The positive thing is that informal processes started, but on a long-term basis this situation is not sustainable since the methodology of LAG creation/accreditation is not defined nor the methodology for local plans.	• Since the LEADER is still not implemented in Montenegro, no significant comments can be given.

Table 4. Road Map to make LEADER work for Montenegro

Process Title	Action	Responsible actor and other contributing actors	Output	Date	Comment
Legal and institutional framework					
IPARD III preparation, certification and implementation	• Creation of the new Programme for the Development of Agriculture and Rural Areas of Montenegro in IPARD III.	• Ministry of Agriculture, forestry and Water Management (MAFWM)	• Programme for Development of Agriculture and Rural Areas of Montenegro within IPARD III.	31.12.2021	• Draft will be finished by 31.12.2021.
Introducing LEADER in the Law on Agriculture and Rural Development or some other relevant legislation created for LEADER implementation	• Development of a legal framework proposal for creation, registration and funding of LAGs.	• MAFWM • Ministry of Public Administration (MPA)	• Defined legal framework for LAG creation and registration.	31.09.2022	• Either using existing legal framework (Law on nongovernmental organizations, Law on agriculture and rural development) or enacting new ones.
	• Development of a methodology for elaborating Local Development Strategies.	• MAFWM • Network for Rural Development of Montenegro (NRDMN)	• Defined methodology for Local Development Strategy creation that includes following scheme: diagnosis, mission/vision, goals/objectives, projects/tasks and monitoring.	31.05.2022	• Hire an external expert paid by the MAFWM/IPARD Technical Assistance/International donor and conduct this activity in partnership with NRDMN.
Introducing LEADER in the Program for Development of Agriculture and Rural Areas of Montenegro within IPARD III	• Development of financial and technical support for the creation of potential LAGs.	• MAFWM • NRDMN	• Defined financial support from the agriculture budget for potential LAGs. • Defined technical support for potential LAGs.	31.10.2022	• Financial support should be part of the agriculture budget for 2022. • Technical support to be implemented through IPARD Technical Assistance/International donor.
	• Creation of a Sub-committee for LEADER/CLLD implementation.	• MAFWM	• Sub-committee for LEADER/CLLD established.	31.05.2022	• This sub-committee has a steering and monitoring role in LEADER/CLLD implementation. It should hold at least two sessions per year. This committee was responsible, during IPARD II, to the Directorate for Rural Development (Managing authority for IPARD II). • Members should be representatives of all relevant stakeholders from the public, private and civil sector. A representative of the Delegation of European Union in Montenegro should also be member.

Process Title	Action	Responsible actor and other contributing actors	Output	Date	Comment
Implementing LEADER in the Program for Development of Agriculture and Rural Areas of Montenegro within IPARD III	• Registration and accreditation of LAGs.	• MAFWM (Directorate for Rural Development) • MPA	• Five LAGs established and accredited.	28.02.2023	• Based on the potential LAG mapping process five most relevant LAG initiatives should be supported for registration and accreditation.
	• Start of the CLLD/LEADER measure implementation and LAG/LDS funding.	• MAFWM (Directorate for Rural Development/ DRD)	• All the preparatory activities completed and following precondition satisfied.	31.12.2023	• Sufficient number of mature LAGs registered with administrative capacities and good quality of LDSs. • IPARD measure description finalized and approved. • Selection criteria for selection and assessment of LAGs and Local Development Strategies developed. • Accreditation package developed and approved and LEADER measure entrustment granted. • Maximum annual ceiling per LAG defined. • Competition for LAGs with included assessment of LDSs organized.
Program monitoring and revision	• Improvement of the procedures.	• MAFWM / DRD	• Procedures improved.	31.12.2024	• Based on the previous experience and in accordance with the lessons learned in the implementation of the LEADER/CLLD.
	• Improvement of the implementation of LEADER/CLLD.	• MAFWM / DRD	• Implementation of LEADER/CLLD improved.	31.12.2024	• Based on the previous experience and in accordance with the lessons learned in the implementation of the LEADER/CLLD.

Process Title	Action	Responsible actor and other contributing actors	Output	Date	Comment
Rural development networking					
Capacity building of rural stakeholders (CSOs, agricultural producers, community representatives, cluster and association representatives)	• Creation of a long- term strategy for raising awareness on LEADER/CLLD.	• Ministry of agriculture, forestry and water management (MAFWM) • Network for Rural Development of Montenegro (NRDMN)	• Strategy for raising awareness on LEADER/CLLD.	31.05.2022	• Hire an external expert paid by the MAFWM/IPARD Technical Assistance/International donor and conduct this activity in partnership with NRDMN.
	• Implementation of a long-term strategy for raising awareness on LEADER/CLLD.	• MAFWM • Network for Rural Development of Montenegro (NRDMN)	• Awareness raised among major stakeholders in three sectors: public, private and civil society.	31.12.2022	• Awareness raising activities are to be implemented in two segments: (i) highlighting the importance and benefits of LEADER/CLLD on the development of rural areas of Montenegro, and (ii) steps towards LEADER/CLLD implementation in Montenegro.
	• Creation of a capacity building strategy.	• MAFWM • NRDMN	• Strategy for a capacity building on LEADER/CLLD.	31.05.2022	• Hire an external expert paid by the MAFWM/IPARD Technical Assistance/International donor and conduct this activity in partnership with NRDMN.
	• Implementation of a capacity building strategy.	• MAFWM • NRDMN	• Raised capacities for implementing LEADER/CLLD among major stakeholders in three sectors: public, private and civil society.	31.12.2022	• Part of the activities could be financed through international donor-funded projects and/ or IPARD Technical Assistance. Capacity building activities are meant for already mapped stakeholders and local animators in the last stage of this capacity building strategy.

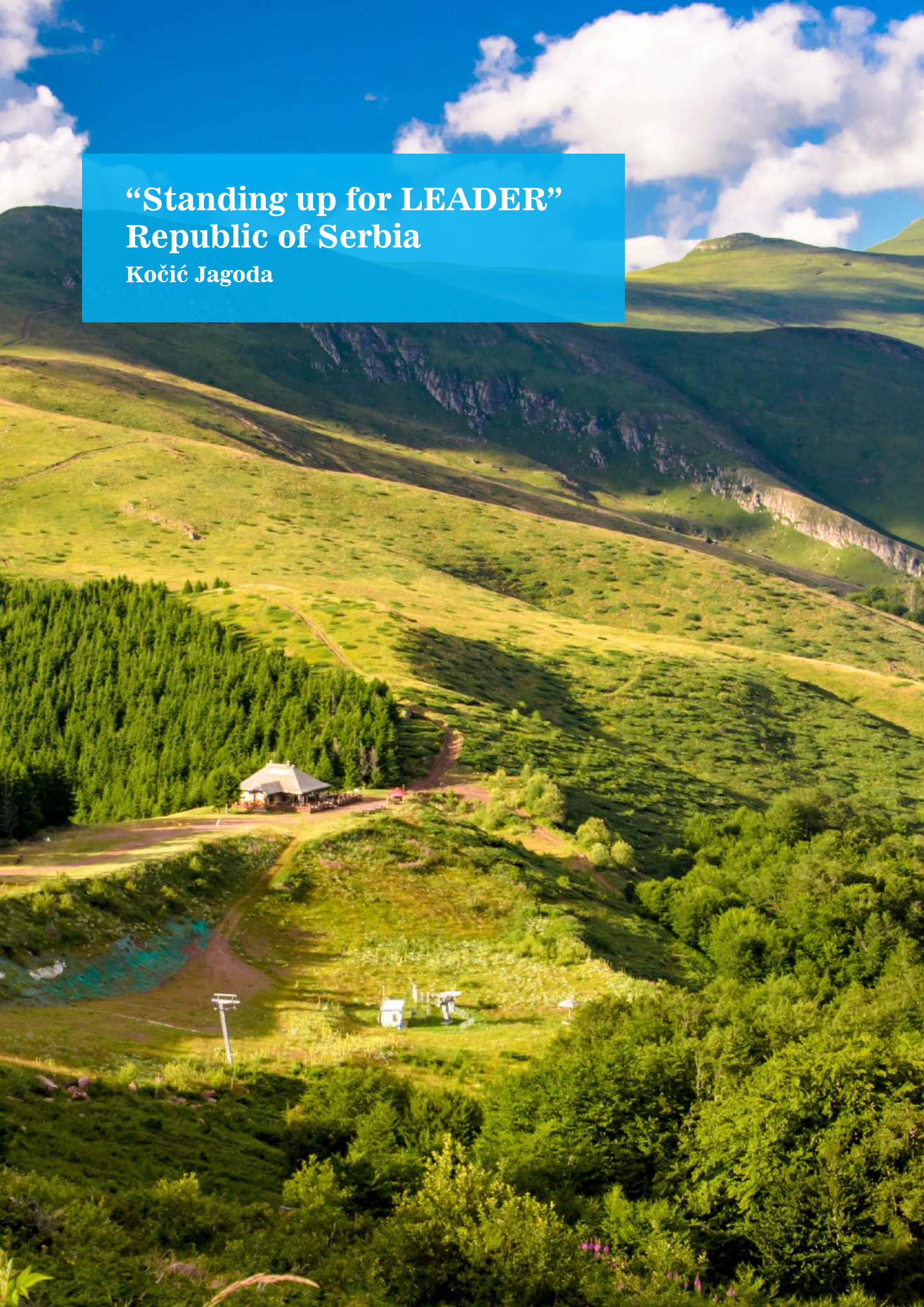
Process Title	Action	Responsible actor and other contributing actors	Output	Date	Comment
Local Action Groups and development initiatives					
Mapping process of potential LAGs in Montenegro for the BRDN	• Mapping and stakeholder analyses for implementing LEADER/CLLD.	• MAFWM • NRDMN	• List of public, private and CSO stakeholders.	31.05.2022	• This activity should include the creation of a database of major stakeholders as a baseline for implementing further steps in
Capacity building of local stakeholders	• Capacity building activities for recognized potential LAGs.	• MAFWM • NRDMN	• Raised capacities of the recognized potential LAGs in the following fields: project and financial management; accounting for NGOs; management of investment projects; public procurement; tax administration for NGOs; employment law; basic IT tools, writing skills, communication.	31.12.2022	• Hire an external expert paid by the MAFWM/IPARD Technical Assistance/ International donor and conduct this activity in partnership with NRDMN.
LAG and LDS creation	• Creation of Local Development Strategies for registered and accredited LAGs.	• LAG members, local animators, citizens of targeted geographical areas.	• Five Local Development Strategies created.	31.09.2023	• This process will include participative planning in the development of Local Development Strategies, general consultation of relevant stakeholders as well as monitoring and evaluation.
Information and awareness raising of local stakeholders (CSOs, agricultural producers, Community representatives, cluster and association representatives)	• Dissemination of the Local Development Strategies to key stakeholders and inhabitants of targeted local areas.	• LAGs	• Local Development Strategies disseminated to key stakeholders and inhabitants of targeted local areas.	31.12.2023	• Local Development Strategies should be disseminated through events, door to door campaigns and other promotional activities.
Capacity building of local actors according to the LDS	• Organization of specific trainings in areas defined in the Local Development Strategies.	• LAGs	• Specific trainings in areas defined in the Local Development Strategies organized for all five LAGs.	01.04.2024	• Financial support should be part of the agriculture budget for 2023. • Technical support to be implemented through IPARD Technical Assistance/International donor.

Process Title	Action	Responsible actor and other contributing actors	Output	Date	Comment
LDS implementation	• Support of LAGs small scale projects.	• MAFWM (Directorate for Rural Development)	• Defined number of LAGs projects supported in accordance with predefined selection criteria through open calls for proposals.	31.12.2024	• Call for proposal for small scale projects launched for a six- months period • Applications received • Evaluation committee assess the most successful applications in accordance with predefined criteria and selected applications that are to be financed • Selected LAGs sign the contract with Managing Authority • LAGs submit payment request • Monitoring of LAGs according to signed contract • Disbursement of project funds.

Note: MAFWM –Ministry of Agriculture, Forestry and Water Management, DRD – Department of Rural Development, MPA – Ministry of Public Administration, IPARD – Instrument for Pre-Accession Assistance for Rural Development, NRDMN – Network for Rural Development of Montenegro, LDS – Local Development Strategy, LAG – Local Action Group.

Table 5. List of contacts

Name(s) of interlocutors	Function(s)	Date	Kind of contact (face-to-face, phone, skype, group meeting)
Ratko Batakoviċ	President of the Network for Rural Development of Montenegro	18.05.2020.	Face-to face meeting
Jovo Radulović	Executive director of NGO ``Zupa u srcu``	20.07.2020.	Email correspondence
Vesna Đukić	Executive director of NGO Association of Olive oil producers of BOKA	15.09.2020.	Email correspondence



“Standing up for LEADER” Republic of Serbia

Kočić Jagoda

Strategic policy advice and process management to boost capacities to implement Community-Led Local Development (CLLD) and LEADER in Southeast Europe

"Standing up for LEADER" Republic of Serbia

Kočić Jagoda

Introduction

This report provides a description of the status, processes, and activities planned and implemented in Serbia while setting the ground for the LEADER approach. It identifies all key actors and problems that could arise when implementing the LEADER measure in the Republic of Serbia. Describes the activities of different actors (Ministry of Agriculture, Forestry and Water Management, Managing Authority, potential partnerships-LAGs, municipalities, different civil sector organizations) in supporting the LEADER initiative and activities. Summarizing all gathered information and performed activities in the country it gives final conclusions and recommendations.

The beginning of the LEADER approach in Serbia started in 2006 with the realization of several project activities supported by bilateral donor funding and later on with EU assistance. It was followed by several smaller projects of civil sector.

In 2014 the Ministry of Agriculture, Forestry, and Water Management of the Republic of Serbia (MAFWM) prepared and adopted the Strategy for Agriculture and Rural Development for the period 2014-2024. In addition, the EC has adopted the IPARD II program for Serbia, fostering further legislative work in the field of agriculture and rural development. From 2011 to 2013, Serbia received EU financial assistance for the implementation of the project "Capacity Building for the Establishment and the implementation of a LEADER Initiative in the Republic of Serbia" (LIS project). After that period, from 2014 to 2017, AP Vojvodina provided support for LDS and implementation of small projects. At the national level, in 2019, a public call for partnerships (potential LAGs) has been launched for the first time.

It can be noted that the base for the setting of the LEADER approach in Serbia and training of potential animators and local community activities in this field was introduced by the LIS project. The main results of that project were: countrywide presentation of LEADER concept, work with the local community group and Rural Development Network, finalization of the whole process in setting the potential LAG in 24 partnerships with 24 local development strategies, out of which 15 – 20 potential LAGs were close to pass selection on simulated requirements of the IPARD LEADER approach; 8% of the population and about 15% of the territory of Serbia were covered with selected partnership territory. The initial plan was to continue the process with national financing, which did not happen due to the lack of funding, so most of great results in the field were not further supported, and created results were not further pushed on a higher level. This lack of support failed to provide sustainability to this process, although most of the legal basis and institutional documentation was drafted. These documents were used later by Province Secretariat in drafting and implementing local support to LEADER partnerships in AP Vojvodina. Other related activities of potential LAG initiatives were mainly based on the initiative of individuals and organizations (functioned as an association of citizens).

The main results of provincial support to LAG initia-

tives were: twelve PLAG initiatives received support for the LDS, and four received support for the implementation of small projects. The prescribed conditions were not prepared as a "LEADER Like" measure; further support was missing due to the announcement of support at the national level.

The establishment of an institutional framework for implementing the *LEADER* approach was elaborated and introduced through the IPARD II Programme: Measure 9: Technical assistance (in the process of accreditation). It envisages support for the preparation of the potential LAG establishment as a basis for implementing the LEADER measure under the IPARD II Programme and Measure 5: Implementation of the local development strategies–LEADER approach. Accreditation of that measure is planned for 2021.

In order to set up a better ground for the implementation of the measure under the IPARD program, the MAFWM prepared and launched the national measure for assistance to local partnerships. A public call for submitting applications for recognition of Potential LAGs is launched in 2019, with planned assistance in financing the related projects for the realization of recognized Strategies.

At the beginning of 2020, twenty-two potential LAGs signed a grant agreement to develop a Local Rural Development Strategy. Also, implementation of the small projects is envisaged for 2020 after approval of the Local Rural Development Strategy. MAFWM established a group of independent experts to evaluate submitted strategies and started that process in September 2020. It is expected that till the end of 2020, submitted Strategies will be evaluated and first partnerships will receive recognition and further assistance in the realization of LDS in 2021.

Table 1. SWOT ANALYSIS

	Human Resources and Organisational Capacities	Society	
		Development of cooperation systems	Development of enabling frameworks
Strengths	• Staff trained and willing to work • Excellent communication between different LAGs • LAG members are experienced in Agricultural and RD with soft skills needed for the success of LEADER implementation • High presence and use of social media	• Strong Monitoring Committee ensuring smooth flow and active engagement • Members of the board are mainly experienced in Tourism, Agricultural sciences, Water Management, Technology and other fields of knowledge necessary for the successful implementation of LEADER	• Pre-existing legal capacities to define requirements in the processes of adopting legal acts • The habit of self-reliance and interdependency in following guidelines • Cultural openness for collaboration and networking • Availability of necessary technology • Interest in Rural Development by Local communities • Good activities in the past by RD Network
Weaknesses	• Diminished enthusiasm since 2007 due to prolonged uncertainty over the status of organizations • Lack of LEADER training for Municipality officials, mayors, etc.	• Insufficient financial resources for continuous support in the implementation of the LEADER measure • Lack of funding for LRDs – small projects	• Insufficient cross-sectoral and inter-institutional binding • Lack of legal basis and institutional framework to secure developmental sustainability at the local level
Opportunities	• The eagerness of the individuals within organizations to start the implementation process and engage at all levels • Strong potential for collaboration among LAGs. • Lessons learned from national processes • There are many LAG initiatives already (22 signed to receive grants)	• The existence of a national LEADER *Like* measure and the process of accreditation of technical assistance in the IPARD II program • Support for LAGs for the LDS by AP Vojvodina and others • Active participation of many Serbian ministries	• The Ministry of Agriculture, Forestry and Water Management has recognized the importance of regulating the legal framework for rural development • Supporting conditions on the regional level (Vojvodina Region) • Collected agricultural data available to the organization for learning and evaluation purposes

	Human Resources and Organisational Capacities	Society	
		Development of cooperation systems	Development of enabling frameworks
Threats	• Economic instability affecting employee wage • A long period of unclear status (from 2007 till today) has diminished enthusiasm among individuals at the frontline • COVID-19 Guidelines for office work during a state of emergency	• Insufficient information, in the past, about LEADER at the local level which makes continuous work difficult • Frequent changes on the municipal level make it difficult to secure continued support for LAG activities • Lack of funding	• Periodic changes by programming periods in the EU (e.g., the CLLD approach was introduced from 2013-2020), require additional efforts to develop the legal framework and capacity of LAGs. • Abrupt cut-backs in the funding of LAGs • Economic instability affecting Civil Participation in LEADER implementation

INTERPRETATION of SWOT & Current State of Affairs

Excellent communication between LAGs and readiness of their staff to conduct, measure, and report is crucial for the collaboration and successful implementation of the LEADER programme across all Serbian local communities. There are already 22 pLAGS actively working with local communities and the Monitoring Committee, ensuring successful coordination at different stages of the LEADER programme. Furthermore, all participants are available on contact lists and accessible by mobile devices at any time, which further assures solid leadership and guided coordination across different regions of the Republic of Serbia. Furthermore, the legal framework established by joint efforts of ministries and government leaders allows continued implementation of the LEADER programme in Serbia. As for the people and local communities, the dedication is high; most of them are open to collaborate and look forward to take part in different projects.

The implementation of the LEADER programme heavily depends on continuous funding supported by EU and domestic sources. As part of joint efforts, local governments and ministries have to provide operational costs of LAGs in order for funding to be consistent and smooth. The lack of financial support is crucial for any sustainable processes and achievements; local communities dislike projects aimed at the reconstruction of agricultural heritage and traditional practices – mainly because of fear of unexpected cancellation of funding. In addition, any form of sudden cuts in funding will diminish everything LAG has been working to achieve in the previous years (as we have seen it in the past.)

Finally, due to the Pandemic, economic instability and parliament elections in Serbia, it is hard to forecast how it will affect unemployment and the overall morale of civil participants, independent consultants, LAG employees and others involved. However, the ministries and the government of Serbia have shown good leadership and support to industry and citizens. The same leadership is in charge of LEADER implementation and is actively inspiring all stakeholders to focus on objectives and move forward with trust and faith.

Figure 1. Steering structure

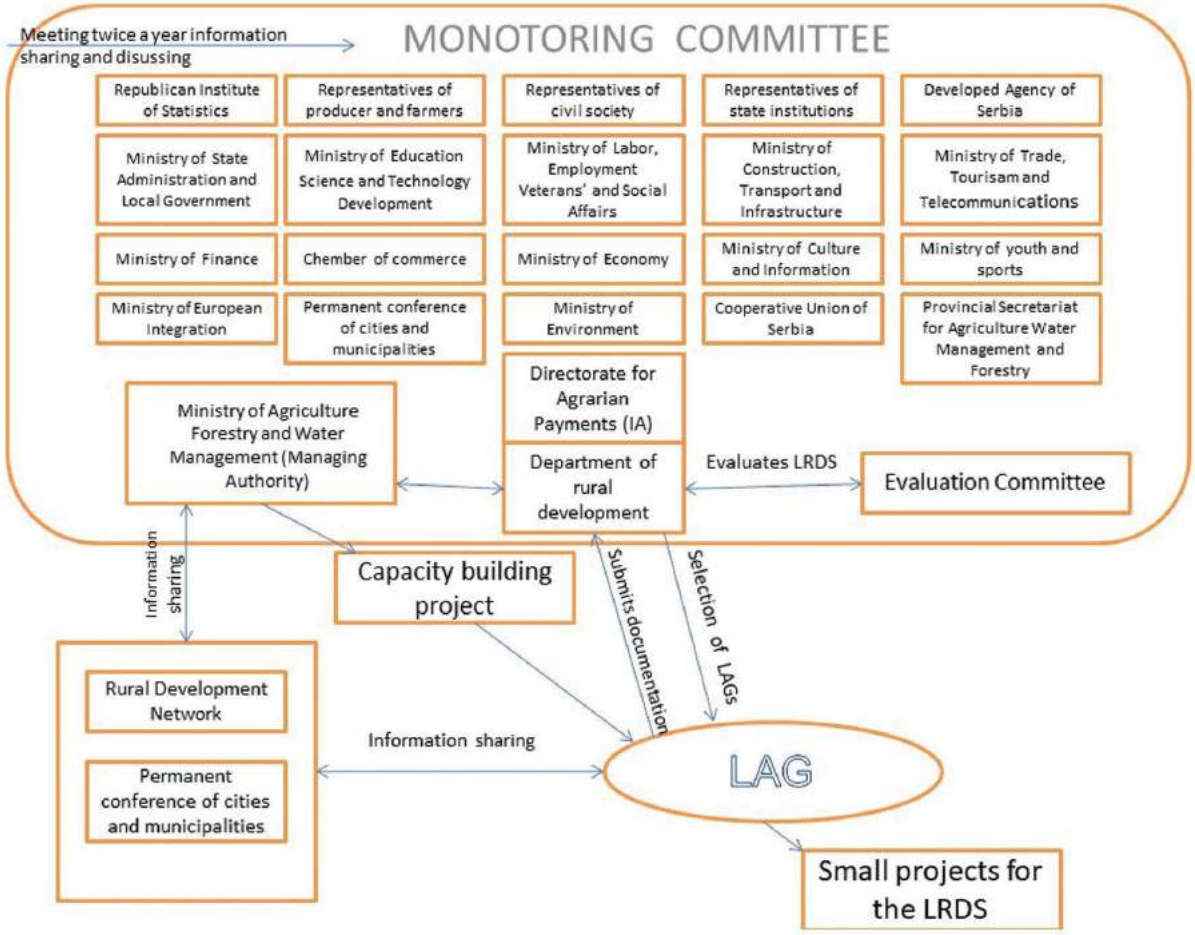


Table 2. Core processes

Level	Process Nr.	Description of process	Main bottlenecks	Validation (A, B, C)[1]
1. Managing Authority, Ministry of Agriculture, Forestry and Water Management, Directorate for Agrarian Payments	**1.1**	• IPARD preparation, certification and implementation (and preparation of support documents for IPARD Measures)	• None. Completed	A
	1.2	• Development of national rulebook for LAGs and selection of eligible LAGs	• No clear guidelines on agricultural sustainability in policy reforms	B
	1.3	• Evaluating the eligibility of stakeholders and respective members' contributions (and the revision of the received LDS from pLAGS)	• No reports or concise formal results can be found in AP Vojvodina on the subject of initiative success	B
	1.4	• Financing rural development projects (budgeting, disbursement, control)	• Insufficient funds and abrupt cut-offs. Overall success with available funds	B
	1.5	• Implementation and monitoring the establishment of LEADER programme and compilation of reports, and review of the received LDS from pLAGs – including Evaluation (providing results of the LEADER measure)	• The quality of LDS wasn't evaluated by AP of Vojvodina • Lack of human resources for LEADER programme	B
	1.6	• Approval of National LEADER Network	• Political will and compliance to agenda	C
	1.7	• Second call for partnerships and the first call for the implementation of the strategies	• Political will and compliance to agenda	B
2. Rural Development Network of Serbia, Standing Conference of	**2.1**	• Collecting and analysing information about relevant activities in rural areas	• Some datasets do not exist in written or digital form. • Lack of employed researchers trained for LEADER programme	B
	2.2	• Providing support, expertise and assistance for policy implementation	• Lack of training for municipality officials, mayors and other domestic experts on EU Projects and EU Rural Policy	B
Towns and Municipalities	**2.3**	• Reaching out (Promotion) to all participants with programs and measures of the Ministries	• Informal communications were not recorded by AP of Vojvodina. High turnover rates for calls.	A
	2.4	• National, regional and international networking (exchange, learning, joint action, lobbying) and overall capacity building with republican and provincial authorities	• Fear of cut-offs in budgeting threatens the community and capacity building. Overall good cooperation	A
3. LAGs, Civil Participants and Local Municipalities	**3.1**	• Setting up LAG initiatives and coordinate collaborations (meetings, workshops, guideline discussion, removing obstacles, strengthening relations)	• Lack of funding for LRDS (small projects) • Lack of training for LAG Managers (LAG leaders)	C
	3.2	• Engagement with local-rural communities through meetings and promote sustainable development concepts (and LEADER principles) to community members -– includes preparation of Serbian Rural Communities.	• Lack of understanding of Sustainability policies and need for clear and simple guidelines for the people	B
	3.3	• Project coordination and pro-active support to local actors who are members of the network and form important bottom-up partnerships with LAGs	• Lack of trained experts in guiding the work of LAGs with communities	B

[1] A for "the process is well-designed and well-managed."
B for "the process is properly designed, but it needs some effort to make it work."
C for "the process is neither well-designed nor well-managed and needs to be reset."

CORE PROCESSES BRIEF DESCRIPTION:

The organization and execution of processes is generally smooth. Most of the bottlenecks relate to data availability, insufficient funds at a certain point of time, lack of understanding of EU Rural Policy and clear definition of agricultural sustainability as a concept that can be simply digested by stakeholders from the bottom-local level of arena.

Table 3. Priorities

	Respective priorities set by the stakeholders for developing the LEADER system at three levels	Comments from the national expert…	
		…concerning the effectiveness and efficiency of the actual or planned delivery system	…concerning the implementation of the LEADER method (8 features)
…by public authorities	• Setup, develop and monitor LAGs • IPARD preparation and implementation • Financing rural development projects (budgeting, disbursement, control) • Ensuring Continuous financing for LAGs • Monitoring the establishment of the LEADER programme and compilation of reports	• Activation and mobilization of different stakeholders heavily depends on continuous funding • Effective organization and monitoring of the National LEADER Network to be formed by accredited LAGs • Lack of necessary financial support causes uncertainty and unexpected breaks in legislative considerations (also law endowment delays)	• Involvement of NGOs • Active civil participation in multiple fields contributing to quick execution and high efficiency • LAGs understand local needs and are legislatively approaching these requirements, establishing legal foundations for LDS.
…by networks and intermediary agents	• Assistance and guidance in creating local partnerships • Capacity building with the necessary training and expert consultancy for members of LEADER programme • Collecting and analysing information about relevant activities in rural areas • National, regional and international networking	• Lack of digital resources necessary to complete datasets required for full-assessment and reporting and initiation of LEADER programme • Multiple holdups due to unclear LEADER programme status and discontinuous communications • Need for special LEADER training for state and municipality officials	• Lack of sustainability and awareness represents a barrier for moving forward • The LAGs initiatives are actively involving marginalized groups in the projects
…by LAGs and local actors	• Engagement with local-rural communities through meetings and promotion of sustainable development concepts (and LEADER principles) • Project coordination and proactive support to local actors (and joint-cooperative organizations and local partnerships) • Setting up the conditions for working and being present on frontlines	• Local partnerships are highly efficient and productive in LEADER programme. They are highly functional and independently collaborating with stakeholders • Some of the activities are informal and not supported or monitored by the control body and usually without any legal support.	• Public health crises are affecting the unfolding of training programs (workshops, office meetings, etc.) • Local partnerships reported benefits from the training sessions

Table 4. Road Map to make LEADER work for Serbia

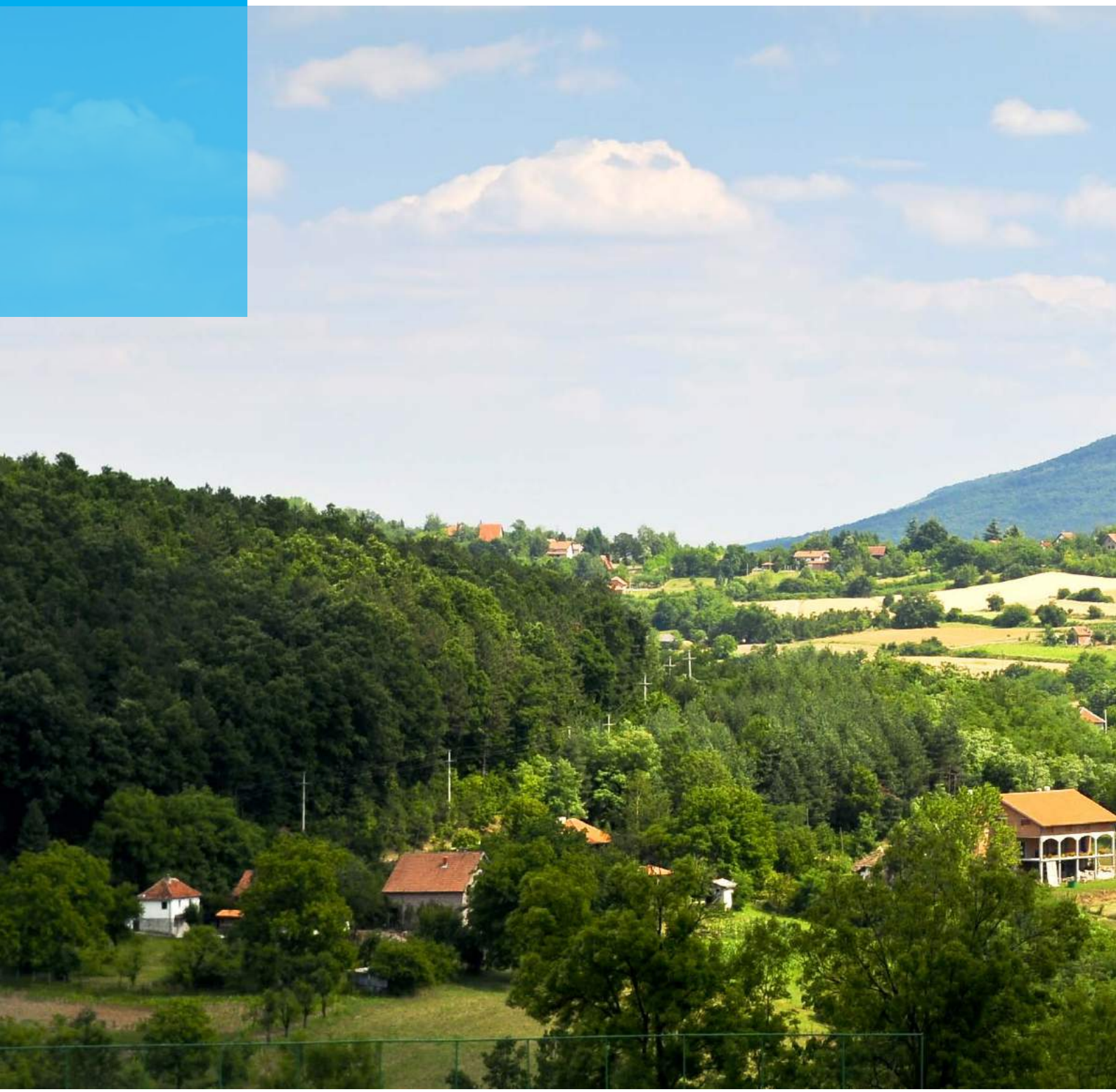
Process Title	Action	Responsible actor and other contributing actors	Output	Date	Comment
Legal and institutional framework					
Development of a national rulebook for LAGs and selection of eligible LAGs	• Definition of national measures necessary for forming local partnerships. • Definition of criteria for partnership selection and evaluation of LDS.	• MAFWM • Directorate for Agrarian Payments	• National regulations and framework for LAGs.	Completed.	• There is a legal framework for the formation and drafting of the LDS. • The selection criteria for the assessment of LDS in the national LEADER regulations are not very adequate.
IPARD preparation and implementation	• Accreditation of LEADER within IPARD. • Delegation of tasks, responsibilities and control of implementation.	• MAFWM • Directorate for Agrarian Payments	• Agriculture and Rural Development Strategy of the Republic of Serbia for the period 2014-2024. • National Program for Rural Development. • Internal control protocols.	2022	• Accreditation of LEADER within IPARD is still in process. • Establishment of an institutional framework for implementing the LEADER approach was elaborated in introduced through the Measure 9: Technical assistance (in the process of accreditation). • Accreditation of LEADER Measure 5 will be through the IPARD III program.
Ensuring continuous financing for LAGs	• Set up a budget for LAGs and partnerships to implement LEADER programme. • Evaluating operational costs for LDS small projects.	• MAFWM • Directorate for Agrarian Payments	• The implementation of the LEADER approach is supported through the National Budget of the Republic of Serbia (“LEADER Like” measure). • Performance analysis.	2021-2023 2021-2023	• The requirements for the LEADER approach are met, but political will is needed for a continuous process.

Process Title	Action	Responsible actor and other contributing actors	Output	Date	Comment
Rural development networking					
Collecting and analysing information about relevant activities in rural areas	• Capacity research, forming data reports and feeding the database.	• Rural Development Network of Serbia and Network of Local Action Groups of Serbia	• Published estimations and reports on LEADER implementation.	Ongoing	• Much of the necessary data is non-existent. • Lacking human resources.
Providing support, expertise and	• Participating in meetings and networking	• Rural Development Network of	• Lists and reports from independents experts.	Ongoing	• A Network of Local Action Groups of Serbia has been established to provide assistance

Process Title	Action	Responsible actor and other contributing actors	Output	Date	Comment
assistance for policy implementation	events such as workshops and training sessions. • Activating consultants and experts in different fields of knowledge for Rural Development.	Serbia and Network of Local Action Groups of Serbia			in the application of the LEADER principle.
Capacity building with necessary training and expert consultancy for members of LEADER programme	• Enrolling NGOs and Civil Participants and Activists to the sector of Rural Development. • Promotion program and Ministries responsible for different measures.	• Rural Development Network of Serbia.	• Civil sector involved.	Ongoing	• Continuous capacity building in the field by the Rural Development Network of Serbia. LAG initiatives actively include cooperation with the Rural Development Network of Serbia.

Process Title	Action	Responsible actor and other contributing actors	Output	Date	Comment
Local Action Groups and development initiatives					
Animation of local rural communities through meetings, trainings and promotion of sustainable development concepts	• Setting up the infrastructure for initiatives to take place • Promotion of sustainable agriculture and LEADER principles • Organize workshops and training sessions.	• Potential Local action groups and the network of Local Action Groups of Serbia.	• Conferences, Meetings and Informal Communications • Registration of large-scale participation and preparation for the animation of rural communities.	2019-2021 (ongoing)	• There are many LAG initiatives already (22 signed to receive grants). • Lack of trained experts in guiding the work of LAGs with communities.
3.2 Project coordination and proactive support to local actors (and joint-cooperative organizations and local partnerships)	• Consultancy meetings for LDS success • Initiating small project programs with NGOs and civil participants.	• Potential Local action groups • Civil associations	• Field visits meant for better understanding of local communities.	Ongoing process, no deadline	• LAG members have experience in agriculture and rural development with the soft skills needed for the success of LEADER implementation. • Lack of funds for small projects of LAGs.
3.3 Implementation of LDS	• Implementation of small projects up to 5,000€.	• Potential local action groups	• Assigned project carriers.	2021-2023	• LDS implementation is still not adapted to IPARD level. • In 2023, the development of the Local Rural Development Strategy through the LEADER IPARD III program is planned.

Note: MAFWM – Federal Ministry of Agriculture, Forestry and Water Management, MA – Managing Authority, PA – Paying Agency, IPARD – Instrument for Pre-Accession Assistance for Rural Development, LDS – Local Development Strategy, LAG – Local Action Group

Table 5. List of meetings and talks

Name(s) of interlocutors	Function(s)	Date	Kind of contact (face-to-face, phone, skype, group meeting)
Slobodan Živanović	Head of Rural Development Sector of the Directorate for Agrarian Payments	March, April, May, August, September	phone, face-to-face,
Ljiljana Simić	Independent advisor in the Sector for Rural Development of the Ministry of Agriculture, Forestry and Water Management	May, July	Email, phone
Vesna Avramović	Senior Consultant/Director of the Development Management Center	April, September	Email, phone
Danilo Golubović	Adviser to the Minister for European Integration/ member of the EU negotiating team	March, April	Email, phone
Dragan Roganović	Representative of the Network for Rural Development of Serbia	April	Email, phone
Katarina Marković	Representative of LAG	April	Email
Vladica Vojinović, Branislav Srdić, Stefani Krečar	Advisor in the Office of Local Development and Project Management, Fund "European Affairs" AP Vojvodina, Novi Sad - independent expert associate, Representative of the civil organization "Konstrukt projekt"	July	group meeting
Bojan Kovač, Milica Stajšić, Sofija Kovčin, Marica Stantic, Ivana Pajić, Petar Samardžić	Representative of pLAGs	August, September	group meeting
Slađana Radin	Representative of Kancelarija za ruralni razvoj Vojvodine	July, August	face-to-face, phone
Antonio Ratković	Major of Sombor	August	face-to-face, phone
Aleksandar Bogunovic	Chamber of Commerce and Industry Serbia	September	face-to-face