

TRANSNATIONAL
LEADER COOPERATION PROJECT
OUR COMMON FUTURE

**WP2: What can we learn from
the outside EU LEADER pilots?**

Petri Rinne, October 2024

petri.rinne@joutsentenreitti.fi

www.joutsentenreitti.fi

+358 40 555 3232



The European
Agricultural Fund for
Rural Development:
Europe investing in
rural areas



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SUMMARY

Data gathered from

- Western Balkan countries/ Marina Toheska, Dragan Roganovic: Albania, Bosnia and Herzegovina, Kosovo, Montenegro, North Macedonia, Serbia
- Caucasus/ Shorenja Sujashvili: Georgia
- Latin America/ Maria Jose Murciano: Bolivia, Mexico, Colombia
- Africa/ Petri Rinne: Mozambique
- Europe/ Alistair Prior, Vivi Båvner: Scotland and Sweden (experiences from former LEADER territories left without EU funding)

Questions asked

1. Funding source?
2. Time frame?
3. Reasons why the country/region in question was relevant for implementing bottom up approach (LEADER)?
4. Was the initiative demanded by the grass-roots level or introduced by a donor? (EU, national government, aid organisation etc.)?
5. What type of external expertise was provided? To whom expertise was ensured? Is there cooperation activities with other countries on development of LEADER on national/regional or LAG level?
6. Was there any earlier experience on similar bottom-up rural development policies in the area?
7. Scope of the target area (national, regional, local)?
8. How many LAGs were established and what was the LAG structure?
9. Were all the LEADER principles followed?
10. Results and impacts, risks and opportunities identified?
11. How the project sustainability was secured after the pilot project ended?
12. Which were the innovative elements and lessons learnt for the future LEADER in the EU?

Lessons learned

Mozambique

“In order to make largely illiterate people to participate in project calls and LAG trainings, everything had to be very accessible and assisted.”

Digitalisation and grown bureaucracy in the EU might chase some of our traditional rural applicants away from the LEADER support schemes, so we should pay higher attention to the accessibility of the future LEADER and avoid the rural population divide between those who can and those who cannot.”

North Macedonia

“EU LEADER approach is the most effective approach to Improve cooperation between local stakeholders – pay attention to innovation in animation activities to raise awareness and support local, encourage LAGs as potential hubs of social innovation.”

Latin America

“There is life beyond the EU financial umbrella. Would EU/LEADER rural inhabitants have the same commitment if there were no EAFDER funds to support them? Maybe yes, but probably NO.

In Latin America you find freshness, innovation, desire and passion. That in Europe has been lost, we have become bourgeois! It is difficult for us to explore other ways of financing and other business model for our GALs and for our territories, and especially dynamics to expand and maintain the active partnership. In Europe we are very reactive, and we should be more proactive.”

Georgia

“Support of the LEADER family and funds for cooperation projects is crucial for the LAGs from non-EU countries to share successful practices and empower the people for better understanding and support from the government.”

Serbia

“Rural communities very often have a lack of initiative and limited human resources for the implementation of development activities. The LEADER approach provides the necessary capacities by animating the existing ones locally and engaging the missing ones from outside.”

“LEADER can bring positive change on local level in rural areas and support local communities in creating a policy and implementing local initiative that address local people’s real needs.

The previous experience with the establishing of LEADER support suggests that the activation and mobilization of local actors and creating their partnerships should start once the whole system is prepared and ready to handle this measure regularly. Otherwise, there is a risk that the lack of continuity, consistency, transparency and sustainability in policy implementation can cause a loss of interest or confidence of actors.”

Montenegro

“As a result of the conducted research and analysis of the current state of readiness for the implementation of the LEADER programme in Montenegro, there are following conclusions:

- Low level of promotion of the LEADER Approach in all three sectors of society.
- Undefined measures of support for financing the LAGs on a local and national level.
- Undefined rules of legal method of forming LAGs and their accreditation. Currently, the only legal form for registering LAGs is as NGOs.
- Unrecognized need for creating local strategies for rural development.
- Unrecognized need for establishing LAGs and LEADER support from the decision-makers, especially on a local level.
- Unacceptably low number of people in ministries and local governments dealing with LAGs and LEADER issues.
- Uneducated media about the processes of rural development and LEADER programmes.
- Low level of representation of rural development as a theme in competitions for project financing from public funds.
- Absence of measures designed to support the budgets of local governments for the implementation of the LEADER model in collaboration with the Ministry of Agriculture and Rural Development.
- Lack of support of local governments in providing necessary infrastructure and technical conditions for the work of LAGs.”

Scotland

“LEADER in Scotland since BREXIT has transitioned to CLLD, with all but one LAGs functioning post Brexit. LAGs in Scotland are funded from national funds – but it is annual funding meaning that scope to be strategic and plan is difficult. The transition from 2014-2020 programming was problematic for money, resulting in smaller teams, a depleted rural network and lack of focus from within government – where the focus very much lay on the future of payments for agriculture.

We are trying to maintain the ethos of LEADER and think about how we can maintain and enhance our approach to partnership working from the bottom up.”

Sweden

“2014-2020 there was a national competition and 5 LAGs unfortunately lost. We were not a prioritized LAG. Our LAG was formed in 2007. It is a collaboration between 10 sparsely populated municipalities with a common history of mining. Bergslagen is famous for its iron ore and had its blooming era in 18th to 19th century. LEADER was successfully carried out in our region during 2007-14 and people were looking forward to continue 2014- 2020.

Since we didn’t have a budget then we didn’t have many activities. The LAG board had meetings and decided to apply for the next programme in 2021. As far as I know our former LAG manager became head of the cultural department in a municipality and she told me she applies the LEADER-way of thinking when the municipality funds local initiatives. LEADER-method is very useful. This time Sweden “promised” they’ll really try to help all LAG:s that want to be part of LEADER to get funding. We succeeded and now we are “back in business.””

Recommendations for Our Common Future

1. EU funding share for LEADER implementation must be secured with a **minimum allocation rule** (now 5% of CAP rural development funds), otherwise the LEADER implementation and the future of thousands of EU's rural territories is at risk.
2. **Enough capacity must be reserved** for the Managing Authorities, Payment Authorities and National Rural Networks to **support the LEADER implementation process and empower the LAGs** towards the innovation broker role.
3. **A right balance between innovation and bureaucracy** must be found. Now our system is poorly accessible and interesting only for those who cannot find support from elsewhere, and those who are professionals in project admin.
4. Some LEADER specific features are more important than others. Pay special attention to the mechanisms and implementation of **bottom-up approach, public-private partnership, innovation and interterritorial/transnational cooperation**, including rural-urban linkages.
5. **Communication about LEADER method and benefits is vital!**

CASE 1

MOZAMBIQUE

Source: Petri Rinne, Joutsenten Reitti LAG Manager, Finland

<https://joutsentenreitti.fi/>

petri.rinne@joutsentenreitti.fi

1) Funding source

Finnish Ministry of Foreign Affairs, the development aid funds for NGOs

2) Time frame

2009-2015

3) Reasons why the country/region in question was relevant for implementing bottom up approach (LEADER)

The Mozambique government had a strong decentralisation policy. Alto Ligonha region in Zambezia had almost no earlier development aid interventions, so the LEADER introduction work could start from a clean table.

4) Was the initiative demanded by the grassroots level or introduced by a donor? (EU, national government, aid organisation etc.)

Introduced by a donor, with strong support of Zambezia provincial authorities.

5) What type of external expertise was provided? To whom expertise was ensured? Is there cooperation activities with other countries on development of LEADER on national/regional or LAG level?

The initiative for the project came from the Finnish Minister of Development Affairs, Ms Paula Lehtomäki, who wanted to clarify if Finnish local development good practices could provide added value for the development policies in the developing countries. Joutsenten Reitti LAG applied for the funds in the project, about 50 000 euros a year. LAG Manager Petri Rinne and retired OECD administrator Philip Wade were the key experts in the

project, supported by the Zambezia Province authorities, Finnish Embassy in Maputo staff and Eduardo Mondlane university (interim evaluation). The experts visited the target area several times a year and the missions lasted 7-10 days at the time. Also two academic trainees, Salla Saaristo from Finland and Ana Carolina Marciano from Brazil supported the project on site for few months. Expertise was provided e.g. on LEADER method animation, project evaluation and project monitoring to the Alto Ligonha LAG Board, project applicants and implementors as well as the Zambezia Province authorities. Regarding international cooperation, a delegation from the Republic of South Africa visited the project area and the case has been widely presented on the EU level events, both by the experts and the Zambezia Province authorities.

6) Was there any earlier experience on similar bottom-up rural development policies in the area?

The government had earlier launched a national "Seven million meticaís" programme, supporting bottom-up projects and initiatives on rural areas. But no one in Alto Ligonha region knew how this programme worked, how to apply funds and what type of projects were possible. Compared with LEADER, there was no local strategy nor decision-making element included.

7) Scope of the target area (national, regional, local)

The pilot project was carried out on the local level, Posto Administrativo Alto Ligonha, Gile District, Zambezia Province. The pilot area had some 170 000 inhabitants and it suffered from extreme poverty: the life expectancy was only 35yrs and half of the population was less than 15yrs old.

8) How many LAGs were established and what was the LAG structure?

One pilot LAG was established. It followed the structure of Alto Ligonha consultative council, consisted of public, private and third sector representatives. The project funds enabled hiring of LAG Manager, agricultural advisor and office guard. Zambezia Province built the LEADER office in Alto Ligonha at its own cost. The consultative council functioned as the LAG Board of Directors, selecting the projects to be supported from the total of

hundreds of applications. The LAG staff and two academic trainees organised LEADER animation events and trainings, e.g. on how to write a project plan and make a LEADER project application. Average budget of supported project was about 1000 euros.

9) Were all the LEADER principles followed?

The pilot project was 1) area-based, 2) bottom-up local development strategy was made, 3) LAG had a multi-sector structure, 4) innovative projects were selected, 5) networking took place between the project applicants and the LAG Board, 6) new sectors were integrated in the local development and 7) the government decentralisation schemes supported the process. However 8) inter-territorial and transnational cooperation projects were not possible, even though a study trip was made to Finland.

10) Results and impacts, risks and opportunities identified?

Eduardo Mondlane university in Maputo carried out an interim evaluation of the project in 2011. According to the evaluation, the pilot project had offered new job opportunities to more than 500 people locally, for example. New services had been established and the nutrition level of the local population had improved, e.g. through bakery and chicken farm investments. Risks related with the money flow: sometimes there were delays in international bank transfers. Nearest bank was 70 kilometres from the target area, so cash transfers from the bank to the LEADER office was also risky. Even though the project payments were made in three installments, according to the project improving rate, in few cases it happened that the applicants just took the money and disappeared. Most of the more than 50 projects were implemented as planned. The results and impacts were so positive and encouraging, that at the end (2012-15) the Province wanted to expand the LAG to cover the whole Gile District.

11) How the project sustainability was secured after the pilot project ended?

The Finnish Development Policy goals and resources changed due to the government change in Finland, and we couldn't secure public funding to the extension stage post 2015. However the pilot LEADER project has continued its operations in

Gile District supported by the Zambezia Province authorities.

12) Which were the innovative elements and lessons learnt for the future LEADER in the EU?

1. In order to make largely illiterate people to participate in project calls and LAG trainings, everything had to be very **accessible** and **assisted**. Digitalisation and grown bureaucracy in the EU might chase some of our traditional rural applicants away from the LEADER support schemes, so we should pay higher attention to the accessibility of the future LEADER and avoid the rural population divide between those who can and those who cannot.

2. The biggest priority of the local development strategy was the establishment of new agricultural cooperatives and thus improving the land use and food supply (most of the land was unused scrubland). To boost this priority the LAG wanted to hire a thematic expert, agricultural advisor. This reflected in the number and quality of agricultural project applications. Some European LAGs also hire e.g. transnational cooperation coordinators. In future LAGs could improve their influence by hiring more thematic experts too.

3. Constant monitoring and evaluation efforts clearly paid back in the Mozambique LEADER pilot project. In the EU we too often forget about our projects and clients after they get their funding decision and start implementing. We should keep regular contact with all projects we support, including on-site and face-to-face meetings. This helps trouble shooting and ensures the effective project implementation, information flow and exchange of good practices.

CASE 2

NORTH MACEDONIA

**Source: Marina Tosheska, AGRO LIDER LAG
Manager, North Macedonia**

<http://www.lagagrolider.mk>

marina_tosheska@yahoo.com

The first two questions cannot be answered as North Macedonia cannot provide any information here.

In Western Balkan Countries (**Albania, Bosnia and Herzegovina, North Macedonia, Montenegro, Kosovo and Serbia**) LEADER program is mostly related to IPARD Program. IPARD is the European Union's Instrument for Pre-Accession Assistance to Rural Development. Assistance is provided on the basis of a multi-annual programme, known as the "IPARD Programme". This contains a set of measures to improve the competitiveness of the agri-food sector and rural areas, and prepare the applicant countries to implement the Common Agricultural Policy after accession. Each country is free to choose which of the proposed measures to implement depending on its national priorities for the sector. Beneficiary countries establish national institutions such as a Managing Authority and an IPARD Agency, to which the European Commission subsequently gives the right to manage the programme.

IPARD programmes provide grants mostly for investments in physical assets of agricultural holdings, marketing and processing of agricultural products, diversification of economic activities and rural business development and rural infrastructure. LEADER approach, technical assistance, pilot projects in agri-environment, training, advisory services can also be supported. All projects are co-financed also from the national budgets.

steps for action:

- The LEADER Approach is part of the national strategic and programming documents and IPARD in all countries
- Set up the regulatory frame in line with the European Commission regulations relevant for CLLD/LEADER. Develop rulebooks for setting up LAGs and elaborating the LDS as per EU regulation.

- Assign/increase responsible staff in relevant departments of the ministries responsible for implementing the LEADER Approach.
- Capacity development of the ministry and paying agency staff in administering the procedures for the LEADER measure according to the regulatory frame.
- Use national funding or the IPARD technical assistance measure for supporting LEADER/LAG-like partnerships.

3. Reasons why the country/region in question was relevant for implementing bottom up approach (LEADER)

Agriculture and rural development are a necessity for socio-economic development of the Republic of North Macedonia. Rural areas have a particular significance in the overall process of development, in terms of demographics, economic growth, social progress and environment, prompting the state to focus on creating policies and measures that enable agriculture development and sustainable rural development in line with the European Union's Common Agriculture Policy.

Implementation of the LEADER approach is a necessity for sustainable rural development in the Republic of North Macedonia given that rural areas account for 88.7% of the entire territory of the state, including 62 municipalities with 985,000 residents or 47.3% of the total population (number from 2019). The hierarchy of strategic documents that govern implementation of the LEADER approach in the country includes: 1) Strategy on Agriculture and Rural Development 2) IPARD III program 2021-2017 3) strategy and/or programme documents of other ministries or governmental bodies, most of which are competent for regional development, local government and civil society.

Introduction of the LEADER approach is stipulated under Articles 87, 88 and 89 of the Law on Agriculture and Rural Development in compliance with the EU regulation. This provides the basis for creation of policy framework on implementation of the LEADER approach under the National Strategy on Agriculture and Rural Development. The institutional and legal setup of support for implementation of the LEADER programme is established through the Ministry of Agriculture, Forestry and Water Economy as the key competent body and its organizational units: 1) departments tasked with

programming (i.e. those holding the role of management bodies), and 2) payment agency, as the executive body tasked with financial management of the rural development policy.

4) Was the initiative demanded by the grassroots level or introduced by a donor? (EU, national government, aid organisation etc.)

Introduction of the LEADER approach on national level in the country started long time ago (first initiative in 2007 without success in sustainability, second initiative in 2012 funded by USAID), through donor projects (funded by SIDA Sweden and USAID, not EEU funds), aimed at supporting the decentralization process, ensuring equitable territorial development and active involvement of women and youth in processes for policy creation on sustainable local community development, which also included establishment of many local action groups. Established LAGs are guided by regulatory documents that are in line with practices from EU member-states, but have not been recognized by MAFWE because secondary legislation on recognition of LAGs and development of local development strategies were adopted in 2013.

5) What type of external expertise was provided? To whom expertise was ensured? Is there cooperation activities with other countries on development of LEADER on national/regional or LAG level?

The expertise was provided by experts from Slovenia and Austria. The expertise was provided to the representatives by the Ministry of agriculture who will be responsible for LEADER measure implementation in North Macedonia. Some of the Local Action Groups have cooperation with other countries on development of LEADER on regional level – LAGs from Serbia, LAGs from Croatia, LAGs from Austria.

6) Was there any earlier experience on similar bottom-up rural development policies in the area?

There is no earlier experience in similar bottom-up rural development policy in North Macedonia

7) Scope of the target area (national, regional, local)

Target area – on national level currently are established 13 local actions groups. North Macedonia is divided in 8 Planning Region, so in every Region (except Skopje Planning Region because it is urban areas) it established at least one Local Action Group.

8) How many LAGs were established and what was the LAG structure?

The data shows that currently only 8 local action groups are active and implement local initiatives according their strategy. The Local Action Groups in North Macedonia are registered as Associations for rural development and until 2018 were not recognized by the Ministry of agriculture.

In May 2018, MAFWE (Ministry of agriculture, wood and water economy) issued enlistment decisions for 13 LAGs that fulfil minimum criteria to obtain the status of local action groups and be entered in the Single Registry of Local Action Groups at the Ministry of Agriculture, Forestry and Water Economy. They are: LAG Agro Lider LAG Pelagonija LAG Vardar Leader LAG Aber 2015 LAG Skardus LAG Tikvesh Vine Valley LAG Osogovo Fox LAG Plachkovica LAG Belasica – Ograzhden LAG Bojmija LAG Malesh Pijanec LAG Bregalnica LAG Polog Centar.

Figure no.2: Map of local action groups and LAG initiatives in the Republic of North Macedonia. These LAGs operate in six planning regions: Polog, Pelagonija, Vardar, Northeast, East and Southeast, covering 46 municipalities and more than half of the country's territory. All LAGs are founded according to features of the LEADER approach, with secured participation of women and youth in decision-making bodies, and have local development strategies according to EU recommendations.



Since 2022 the register is not valid, so the Local Action Groups in North Macedonia should start new process of registration.

9) Were all the LEADER principles followed?

The Local Action Groups followed all LEADER principles. The area defined -the operational area of the LAG is specific sub-regional area with a population normally between 10,000 and 150,000 (at least 2 municipalities in one LAG territory)

- Area-based local development strategies;
- Bottom-up approach;
- Public-private partnership: The local action groups (LAGs);
- Innovations;
- Integrated and multi-sectoral activities;
- Networking;
- Cooperation;

Local Action Groups are composed of representatives of public and private local socio-economic interests, in which, at the decision-making level neither public authorities, as defined in accordance with national rules, nor any single interest group represents more than 49 % of the voting rights. In the LAG structure and decision-making bodies there is active participation of women and young people.

10) Results and impacts, risks and opportunities identified?

The established Local Action Groups in North Macedonia have a great impact in local communities and they are implementing activities that contribute to socio-economic development of rural communities. The LAGs are faced with financial sustainability challenges because of lack of funding by the national and local authorities, while the LEADER measure within the IPARD program (The Instrument for Pre-Accession Assistance for Rural Development) is still not accredited and the LAGs can not receive funding by the EU IPARD funds.

Results - Developed human capacity and established processes for implementation of IPARD programme; 13 LAGs established and enlisted in MAFWE's Registry, with good territorial distribution and enhanced human capacity for implementation of the LEADER approach; LEADER measure implemented under the National Programme for Rural Development; Knowledge, capacity and local development strategies created by LAGs; Established legal framework for implementation of the LEADER approach; New LAG partnerships established.

Risks - Insufficient support for implementation of LEADER/CLLDS and for establishment of LAGs under the National Programme for Rural Development; Failure to adjust LEADER measures according to IPARD programme; Lack of continuous support for running costs of LAGs; Political influence from municipal governments and local elections; Slow accreditation process for new measures under IPARD programme, including the LEADER measure, which negatively affects progress of the LEADER process.

Opportunities - LEADER measures prepared for IPARD III programming period; Funds for LAGs secured under IPARD measure for technical support to strengthen capacity of LAGs; Financial support for approved LAG projects secured under the National Programme for Rural Development; Underway is general animation of the local population; Municipalities demonstrate interests to assume a proactive role in and to support LAG development strategies; Existence of LAG Network to support the process for implementation of the LEADER approach, establishment of LAGs and implementation of local development strategies; Establishment of the National Network for Rural Development; Networking and know-how transfer of actions with LAGs from other countries;

- innovation in *animation activities to raise awareness and support local*.
- LAGs as *potential hubs of social innovation*

11) How the project sustainability was secured after the pilot project ended?

The project sustainability was secured by

- Establishment of LAGs in North Macedonia
- Increased knowledge and capacities of the LAGs members and local population for LEADER approach
- Prepared Community-led local development
- LAGs engagement in project development according to their strategies and financial support by donors

12) Which were the innovative elements and lessons learnt for the future LEADER in the EU?

- EU LEADER approach is the most effective approach to Improve cooperation between local stakeholders by involving existing and potential local businesses, local initiative groups and other relevant stakeholders in the activities for the development of LDS and implementation of the local development programs and actions

CASE 3

LATIN AMERICA (BOLIVIA, MEXICO, COLOMBIA)

Source: Maria Jose Murciano, Manager of Spanish LEADER Network REDR

<http://redr.es/>
mjmurciano@redr.es

Lessons Learned LEADER and Cooperation with Third Countries.

1) Cultural Relativism and Ethnocentrism.

Each culture must be understood within its own terms and not interpret other cultures. Sometimes we abuse ethnocentrism, and we keep the European gaze very firm. Urgent need to educate the gaze, and adapt the methodology to the situational, social, environmental and economic context of the territory of action.

2) Stay a while in the territory of action.

With sporadic visits of very short periods you do not get to know the culture, the population and the needs-opportunities of the territory.

3) Exercise of research and systematisation.

Exercise mapping of interventions of institutions, associations and agencies linked to rural development policies of the country and other international programs/projects in implementation or previously implemented in the territory of action.

4) Similarity of figures/tools.

It is advisable to familiarise yourself with the action plans and the hierarchical organizational chart of the rural territories. On many occasions there is a figure similar to the local action group, therefore it is not necessary to create a new figure but to explore the ways of connecting and merging different methodologies into one. It is not necessary to apply our approach 100 % but to adapt it to the context.

5) Bottom-up, Top-down communication and dialogue with organizational chart rural development.

“You cannot start the house on the roof”, or land in a territory without having previous dialogues and hold meetings with the rural policy makers at the national, regional or, where appropriate, in their territorial organisation. It is a key element to subsequently achieve the continuity of the initiative and that it is replicable in the rest of the territories.

6) Knowledge-skills.

“Never underestimate the knowledge of the inhabitants of the territory”. The rural population of the so-called developing countries are very knowledgeable of SWOT strategies (DAFO). Before you have already stepped on the ground the cooperation agencies, NGOs, foundations and the first thing they have carried out is a SWOT analysis. Do not fall into pedagogical demagoguery.

7) Capital Seed.

“Man does not live in words.” It is necessary that we accompany funding to the theory; once the initial research work has been carried out, it is necessary that the inhabitants put the method into practice and, for this, it is essential to have funding for calls for projects, whether own or private.

8) Contact with European territory.

One of the first activities to be carried out is the exchange of experiences materialised during a visit to the European field. Consequently, they will know firsthand how LEADER/GAL works, and if possible, establish a twinning with a European LAG territory. In this way its involvement is infinitely greater and will reverse in greater connection, trust and credibility. In turn, they will act as a speaker in their own territories.

9) Identification of leaders in the territories.

Without their agreement and approval, the project would never succeed. Perseverance and much respect until getting their support, sometimes, is not achieved immediately. Persistence, perseverance and move away from the idea of a project with an expiration date but to convince that it is a program with a long journey. It is not one-way cooperation is mutual collaboration. It's going to be learned and shared and not taught. Once the experience is finished, it is more than what you bring. Initiatives, pro-

posals, exchanges and project ideas will arise to extrapolate from the selected territory to the European territory.

10) Follow-up of proceedings.

Establish connections beyond the staff and boards of the LAGs.- Involve in the project associations of women, young people, entrepreneurs from both territories (European-third country), etc. so that the relationship is permanent and lasting. Follow it up and stay a long term.

12) Which were the innovative elements and lessons learnt for the future LEADER in the EU?

There is life beyond the EU financial umbrella. Would EU/LEADER rural inhabitants have the same commitment if there were no EAFDER funds to support them? Maybe yes, but probably NO. In Latin America you find freshness, innovation, desire and passion. That in Europe has been lost, we have become bourgeois! It is difficult for us to explore other ways of financing and other business model for our GALs and for our territories, and especially dynamics to expand and maintain the active partnership. In Europe we are very reactive, and we should be more proactive. Necessity makes virtue, and that happens in other territories where they start from scratch, and despite numerous adversities, in less time their progress is optimal, because they put all their determination and effort. Our obstacles and adversities are nothing compared to other territories. We make mountains of grains of sand. In short, we do a lot of navel-gazing here.

CASE 4 GEORGIA

Source: Shorena Sujashvili, LAG Manager

<https://www.developmentaid.org/organizations/view/494922/kazbegi-development-group-kazbegi-lag>
kazbegilag@gmail.com

1) Funding source

ENPARD II, ENPARD III, Austrian Development cooperation, CZ Development Agency

2) Time frame

2015-2023

3) Reasons why the country/region in question was relevant for implementing bottom up approach (LEADER)

The main reason why LEADER started in Georgia was the country's political course towards EU and the European Union Association Agreement. That's why EU representation in Georgia within ENPARD program started implementing LEADER methodology in Georgian rural areas, as one of the best practices of rural development.

4) Was the initiative demanded by the grassroots level or introduced by a donor? (EU, national government, aid organisation etc.)

The initiative was introduced by EU representation in Georgia and donor organizations.

5) What type of external expertise was provided? To whom expertise was ensured? Is there cooperation activities with other countries on development of LEADER on national/regional or LAG level?

In 2015 LEADER was introduced to Georgia. Since then it was adapted to different rural areas with the support of implementation organizations, European LEADER experts and partner networks. While establishing the LAGs, LAGs and networks from EU with relevant experience were partners of Georgian LAGs and planned experience sharing visits and joint activities, which ensured clear understanding of the methodology. In 2018 Georgian Association

of Local Action Groups (GALAG) was established. It is membership based organization and unites all LAGs (14 LAGs) operating in Georgia. Its main aim is to support LAGs on local or national level and to develop LEADER throughout the country. Since 2019 GALAG is the member of ELARD and on the one hand is positioning Georgian LAGs on EU level, on the other sharing EU practices.

6) Was there any earlier experience on similar bottom-up rural development policies in the area?

There is a program supported by the Ministry of Regional Development and Infrastructure of Georgia which can be considered as an example of bottom-up approach and is implemented since 2011 in all villages of Georgia, but it covers only some specific program.

7) Scope of the target area (national, regional, local)

Since 2015 within different programs 14 LAGs have been established in 14 municipalities of Georgia, which cover in total 1180 settlements and 400000 people.

8) How many LAGs were established and what was the LAG structure?

For now, 14 LAGs are registered in Georgia and within ENPARD IV program 10 more LAGs are being established. Besides ENPARD supported LAGs, more and more people started initiating establishment of LAGs in their municipalities. The process technically is supported by GALAG to ensure implementation of all LEADER principles.

9) Were all the LEADER principles followed?

All 7 principles of the LEADER are followed.

10) Results and impacts, risks and opportunities identified?

Risk- low level of decentralisation in the country;

Results and impacts- economic profit of rural areas, multi sectoral cooperation, involvement of local residents in processes, national and international cooperation projects.

11) How the project sustainability was secured after the pilot project ended?

Unfortunately, after the project period the LAGs have no support. Each LAG operates as a regular NGO applying for different grants to address the priorities of the LDS. In 2023 the government of Georgia started working on LEADER program development. The process is ongoing and as planned in 2024 all LAGs in Georgia will be able supported to implement their strategies. Though we hope there will be additional consultations with EU on criteria.

12) Which were the innovative elements and lessons learnt for the future LEADER in the EU?

Georgia, as non EU country will approve LEADER program. The process to some extent was facilitated by Moldavian network, where the program was approved in 2021.

LAGs in Georgia, after the program period managed to address the LDS priorities and to regularly update it without any support from the government or any EU program.

Georgian LAG hosted LAGs from Armenia, where LEADER is on an early stage and shared the experience.

Support of the LEADER family and funds for cooperation projects is crucial for the LAGs from non EU countries to share successful practices and empower them for better understanding and support from the government.

CASE 5

SERBIA (1)

Source: Dragan Roganovic, National Rural Network of Serbia

<https://www.ruralsrbija.rs>
rogandr@mts.rs

1) Funding source

At the moment no any available specific Funding. Existed LAGs apply for donor support (national and international) and few of them from local self-governments. Most of 21 existed LAG (80%) haven't any financial sources since 2019 (first and last support from national budget).

2) Time frame

In EU IPARD III Programme for Serbia is planned to support LAGs through M5 - Implementation of local development strategies - LEADER approach. Initial plan was to start in 2024, but it's more real in 2025 (estimation from EU office in Belgrade).

3) Reasons why the country/region in question was relevant for implementing bottom up approach (LEADER)

It's a lot of issues in rural areas (demographic issues, development, employment outside of agriculture...) and municipalities in Serbia covering large territories with limited possibility to answer on mentioned issues.

4) Was the initiative demanded by the grassroots level or introduced by a donor? (EU, national government, aid organisation etc.)

First initiatives came from civil society sector in 2007 and 2008, with promotion LEADER and advocate establishment of the measure and finance by national budget. Ministry was agreed and in coordination with EU was establish two years project "LEADER initiative in Serbia (LIS)" for LEADER support in 2011-2012. 21 LAG initiatives were supported, but never was supported by NG.

Province of Vojvodina continue to support LAG initiatives for several years, but they also stop with support in 2016.

In 2019 Ministry of Agriculture have first and last call for LAGs and 21 LAG have accepted LDS, but without financial support in coming years.

5) What type of external expertise was provided? To whom expertise was ensured? Is there cooperation activities with other countries on development of LEADER on national/regional or LAG level?

In mentioned project "LIS" was provided trainings, mentoring in local partnership development and LDS development. On the end of the project was evaluated partnership and Local development strategies and 21 LAG initiatives was identified as successful. In project wasn't support to LDS implementation.

Network for Rural Development of Serbia (NRDS) have cooperation with LAGs and LAG networks from several EU countries (Slovakia, Poland, Czech Republic, Hungary, Finland, Bulgaria...) and time to time was organised joint activities (i.e. workshops, trainings...) and study visits.

In 2020 was established LAG network by several LAGs established in 2019 under National budget support. LAG network has cooperated with French LAG network and few study visits was organised.

6) Was there any earlier experience on similar bottom-up rural development policies in the area?

NRDS organised in cooperation with Ministry bottom-up planning in more then 100 villages through PLA/PRA methodology with objective to planning measures based on the local needs. This action was implemented in one year and haven't any support in next phase. For few villages NRDS ensure small fund from different projects to implement several actions related to the needs.

7) Scope of the target area (national, regional, local)

The pilot projects covered at national level and in period 2012-2016 was supported on Province of Vojvodina.

8) How many LAGs were established and what was the LAG structure?

In 2019 through National budget was supported 23 LAGs in preparation LDS, but 21 was successfully did and certified by the Ministry.

9) Were all the LEADER principles followed?

LEADER principles was followed in recognition LAGs as territorial partnership and LDS development: 1) area-based, 2) bottom-up local development strategy was made, 3) LAG had a multi-sector structure, 4) innovative projects were selected in LDS, 5) networking took place, 6) new sectors were integrated in the local development, 7) the government decentralisation schemes supported the process, 8) inter-territorial and transnational cooperation was implemented in few cases.

10) Results and impacts, risks and opportunities identified?

Two pilot initiatives (EU in 2011-2012 and national budget in 2019) supported partnership development and LDS development, but never was supported implementation of the projects and direct impact in local communities.

These initiatives showing existence of capacities and needs of the local communities to work on own development.

The absence of a strategy about LEADER support from national level has a counter-productive effect on the implementation of the LEADER approach through:

- losing trust between stakeholders in local community because “empty” initiative;
- absence concrete results in the field produce doubt of local inhabitants in LEADER approach;
- repeating planning process several times in short time, reduce participatory capacities and animation capacities in communities which was part of pilot initiatives;
- the LEADER approach is not equally spread over the entire territory of Serbia. More developed parts are more successful in implementation, while less developed areas are less successful in implementation. It is necessary to strengthen the work in less well-developed areas;
- CSO have important role in promotion, capacity building and animation process;

It's necessary to work on capacity building of national and local authorities about LEADER approach as precondition for successful implementation.

11) How the project sustainability was secured after the pilot project ended?

National support doesn't exist at the moment and LAGs survive depend of own capacities and decision of the local authorities to continue with support.

12) Which were the innovative elements and lessons learnt for the future LEADER in the EU?

Implementation of LEADER should have flexible approach in supporting local communities depend of existed capacities (i.e. for less developed communities to provide access to information, capacity building...), establishment strong support and easy access to the knowledge and services (mentoring, financial support...);

LAGs can provide missing services and support that are poor or non-existent due to the insufficient capacity of local authorities to deal with the development of smaller and remote communities;

Rural communities very often have a lack of initiative and limited human resources for the implementation of development activities. The LEADER approach provides the necessary capacities by animating the existing ones locally and engaging the missing ones from outside;

EU should have flexible approach in financing international cooperation of LAGs from EU countries with LAGs from non-EU countries and give opportunity for financing costs of participants from non-EU countries. On this way good practice could be shared on better way and also will make it easier financing.

CASE 5

SERBIA (2)

Source: Marina Tosheska, AGRO LIDER LAG Manager, North Macedonia

<http://www.lagagrolider.mk>
marina_tosheska@yahoo.com

Serbia is located in South Eastern Europe. The Republic of Serbia has 6 647 003 inhabitants (2022). Rural population (% of total population) in Serbia was reported at 43.13 % in 2022, according to the World Bank collection of development indicators, compiled from officially recognized sources. In total 2915423 inhabitants live in rural areas in Serbia.

Rural areas encompass the most part of Serbia and they are very heterogenous in relation to natural conditions for development, production capacities, employment, infrastructure, income and standard of living. Being a bottom-up approach, rural development focuses on local actors, i.e. local agents that have an interest in the development of an identified territory. Rural development policy recognizes the necessity of capacities building for local development strategies elaboration and implementation

On March 1st, 2012 the European Council granted Serbia the status of a candidate country, which was an impetus that enhanced the activities on aligning the policy and regulatory framework with CAP. Following the principles of the EU 2020 Strategy and the CAP for the period 2014-2020, the Serbian Ministry of Agriculture and Environmental Protection (MAEP) prepared and adopted the Strategy for Agriculture and Rural Development for the period 2014 - 202480 (SARD). Apart from this, the Serbian IPARD II programme was adopted by EC, national programming documents were prepared (waiting on adoption) and the legislative work in the field of agriculture and rural development was intensified. Although the agricultural policy objectives are well aligned with the key priorities of the agricultural sector and rural areas, their realization remains problematic, particularly in the field of LEADER support.

The first initiative aimed at raising the awareness of the local communities on LEADER related issues was launched by MAEP in 2005. In the following years, donors supported the capacity building for development, implementation and administration of

the LEADER support, both of MAEP and local actors. Since 2010 MAEP has ceased to finance LEADER-like activities, while in recent years donor support to agriculture downsized. Many of the previously established local partnership in the meantime ceased to exist, and some capacities (primarily human) are irrevocably lost. Potential LAGs (PLAGs), which were identified as such in the course of implementation of the LIS project, remained in place mainly in the Autonomous Province (AP) Vojvodina, thanks to the support of the Government of the Provincial Secretariat for Agriculture. However, little can be said about their operations. There is little available information on potential LAGs and their networks, their experiences, activities and capacities to create and implement strategies and projects in accordance with the LEADER principles.

The framework for the design and implementation of the rural development policy, and therefore the LEADER Approach in Serbia, is defined by several inter-related strategic and programming documents.

The umbrella document that articulates the development objectives and priorities of the agricultural sector is the Strategy of Agriculture and Rural Development of RS for the period 2014-2020 (SARD). In this document the LEADER concept is recognized as such among 14 priority areas for intervention, where the Priority area 12 refers to "Improving the social structure and strengthening the social capital in rural areas". The objectives of this strategic priority are to improve the social structures in rural areas and to strengthen the internal potential of rural communities for joint action. The operational objectives to achieve these goals are defined as: a) mobilising local human and social potential by organising local action groups and the LEADER Approach; and b) promoting co-operative organising and co-operative involvement in local action groups. The SARD emphasized that special attention will be paid to the strengthening of the local action groups, in terms of improving their resources and expertise for implementation of the bottom-up approach under the LEADER Axis.

The National Programme for Rural Development (NPRD) and National Programme for Agriculture (NPA), both for up to 2020, have been developed and are awaiting adoption (it is expected for the second half of 2017). These programs are aligned with

SARD, and are modelled in accordance with the IPARD structure in order to achieve complementarity of the support measures, and to avoid overlapping of priorities and financing. The measures are similar in terms of type of support, while a distinction has been made in the eligibility criteria and potential beneficiaries. In the set of measures in the NPRD, support has been foreseen for elaboration and implementation of the Local Strategies for Rural Development (LSRD).

The Serbian new IPARD III Programme for the period 2021-2027 was officially adopted by the European Commission (EC). The LEADER measure is foreseen in the IPARD II Programme and is planned to be submitted for accreditation in the second package of measures. The measure is not fully elaborated (the measure fiche has not yet been prepared), but it is planned that the remaining documents and required templates, as well as trainings, will be realized under the coming EU project.

Apart from the national level, the Autonomous Province and local governments have the right to financially support the implementation of the agricultural policies on their territories, with the expectation of direct payments. In accordance with the Law on Incentives in Agriculture and Rural Development (LIARD), the Government of the AP Vojvodina, the Secretariat of Agriculture, has supported the development of PLAGs and the preparation of LSRD since 2013, based on *annual regulations* that define the eligible activities, conditions and criteria for use of incentives as well as criteria for the approval of LSRD. Their support programmes are complementary to the policy implemented at national level and are approved by the MAEP.

Institutional setting and relevant actors

The rural development program, and therefore LEADER in Serbia, is managed by the *organizational units* of the MAEP:

- The department for rural development of the MAEP, which is responsible for programming, monitoring, communication, promotion and evaluation of implementation of rural development policy, i.e. functioning also as managing authority; and

- The Directorate for Agricultural Payments (DAP), which will become the IPARD paying agency i.e. the single paying agency for all agricultural payment schemes.

The implementation of rural development programs is also supported by the National council for rural development (functioning as a monitoring committee), the National rural development network (focusing on support of local actions - LEADER) and the agricultural extension service (promoting rural development schemes and advising beneficiaries).

On the territory of AP Vojvodina, the Department for implementation of agricultural policy, monitoring the European integration in the field of rural development and advisory services of the Secretariat for Agriculture, Water management and Forestry, is responsible for planning the support measures, as well as for coordination of the work of PLAGs. In addition, important public stakeholders on regional level are the accredited Regional Development Agencies (RDA), (15 in total, covering all regions) as they are mandated to develop the co-operation between local actors. These Agencies are eligible to elaborate local development strategic documents and to implement strategies in the respective regions.

Activities aimed at raising awareness of local communities on LEADER related issues started in 2005, when MAEP initiated the first call to identify NGOs with interest and potential to deal with rural development at the local level. In order to boost the community participation in the process of elaboration and implementation of the rural development policy, MAEP encouraged stakeholders at the local level to create LEADER-like partnerships. As results of these efforts, in 2010 the Network for Rural Development of Serbia was officially established as an umbrella association of 16 regional offices active in the field of rural development at the time.

EU project "Capacity building for the establishment and implementation of a LEADER initiative in the Republic of Serbia" more than 20 newly formed local partnerships have met the requirements designated by the project, and were identified as potential LAGs. A group of these partnerships established the National LEADER Network (NLN) as an umbrella organization of these PLAGs. NLN collaborates

rates with more than 20 PLAGs involving stakeholders from more than 60 rural municipalities, covering 15% of territory of the Republic of Serbia.

Even though some efforts have been made by MAEP and the donor community on establishing local partnerships and strengthening their capacities, the absence of necessary regulatory framework has led to significant operational difficulties. The existing PLAGs are not officially recognized by MAEP and are still applying for different projects independently, or as a part of networks which operate in the capacity of civil society networks. There is no reliable national data on the number of active PLAGs (some of the websites are not regularly updated, or email addresses are not active). The database of business entities (Serbian Business Registers Agency) is not reliable. Although this register can be searched by name, work area/activity profile and location of the entity, it is impossible to determine whether a registered organization is a local partnership in terms of LEADER.

An analysis of the regulatory framework for the implementation of the LEADER in Serbia includes: a) the legal basis for support measures, b) the relevant regulation related to the establishment of local partnerships, and c) the *regulatory framework* for the formulation of strategic and planning documents;

The funding of LEADER-like support measures from the agricultural budget of Serbia started in 2005, when the MAEP initiated the subsidy scheme for building capacities of rural CSOs and their partnerships. Since 2010 the support has been cancelled due to both, the changes in policy priorities and lack of funds. In 2013 MAEP included the LEADER measure in the annual Regulation of Incentives in Agriculture and Rural Development for 2014, but the call for proposals was not realized.

In the Autonomous province of Vojvodina the process of creating LAG like groups started in 2007, with 5 potential LAGs, which was extended to 10 beneficiaries in the following years (as of 2015). The subject of the support was the award of a grant for the preparation of local rural development strategies. Beneficiaries of funds were so-called Partnerships for Territorial Rural Development - potential Local Action Groups, from the territory of AP Vojvodina. These funds were intended for the PLAGs from the territory of AP Vojvodina, to support the development of local rural development strategies.

The total amount of funds allocated per year was 10.000.000,00 RSD, with a maximum amount per beneficiary of approximately 8.000 EUR Registered associations of citizens, as well as other forms of non-profit organizations which have legal status were entitled to use the incentives. The application process and other important issues regarding the competition are regulated by the

Ordinance on conditions and manner of use of incentives for the development of local rural development strategies for Partnerships for Territorial Rural Development based on the territory of AP Vojvodina.

Apart from the budget of AP Vojvodina, LEADER-like activities were supported by several donor projects:

- 2008-2009 The *Strengthening Rural Social Capital and Networks Project* (UNDP Serbia) was a pioneering initiative in the establishment of LAGs in Serbia. The project was implemented in partnership with the Provincial Secretariat of Agriculture, Water Economy and Forestry of AP Vojvodina, and the local governments of five target municipalities. The project activities included: trainings in the LEADER Approach, project cycle management, project development, financial planning, including mentoring support. The best project proposals were rewarded with seed funding (5.000 to 12.000 EUR per project).
- 2009-2012 The *Sustainable Tourism for Rural Development Project* was implemented within the framework of the Joint United Nations program, funded by the Kingdom of Spain through the Fund for the Achievement of the Millennium Development Goals (MDG). The activity was conducted in all 19 local governments. To further stimulate the participants to practically apply the knowledge acquired during the training program, the project supported local communities in the design and implementation of projects for development of rural tourism. The six local projects implemented on the territory of 15 municipalities, were granted 180.000 USD.
- 2011-2013. The LEADER Project Initiative Serbia (LIS) - the EU-funded project officially titled *Capacity building for the establishment and implementation of a LEADER initiative in the Republic of Serbia*. The project has contributed to

the strengthening the human, technical, organizational and financial capacities for overall support to the implementation of the LEADER Approach within the MAFWM, but also to the development of 21 potential LAGs which have been identified.

- In 2009, through the support of the SWG and EC, an EU funded project for support for implementation of the Area Based Development Approach started. This approach tested the LEADER type initiatives on cross-border areas in several territories (Drina - Tara, DrinaSava and Pcinja region). The project results have shown that there is a big interest and great possibilities for community led initiatives, especially when accompanied with financing for concrete projects related to elaborated strategies of defined areas.

External expertise has been provided to the national authorities and local authorities, and to potential LAGs also mainly by the EU Commission for IPARD programme, SWG, etc.

Currently 24 LAGs are active on the territory of Serbia. These LAGs work in over 70 municipalities in Serbia in every area of rural need. All of the LAGS follow the EU LEADER regulation

A LAG associate public and private partners, is a well-balanced group that would represent the interests of existing local groups coming from different socio-economic sectors in a particular area. At decision making level, private partners and associations should participate at least by 50% in the local partnership.

LEADER can bring positive change on local level in rural areas and support local communities in creating a policy and implementing local initiative that address local people real needs. The previous experience with the establishing of LEADER support suggests that the activation and mobilization of local actors and creating their partnerships should start once the whole system is prepared and ready to handle this measure regularly. Otherwise, there is a risk that the lack of continuity, consistency, transparency and sustainability in policy implementation can cause a loss of interest or confidence of actors.

CASE 6

ALBANIA

**Source: Marina Tosheska, AGRO LIDER LAG
Manager, North Macedonia**

<http://www.lagagrolider.mk>
marina_tosheska@yahoo.com

Albania is a country in Southeastern Europe. The country spans 28,748 square kilometers (11,100 square miles) and has population of 2 793 592 (January 2022). The rural areas represent the largest part of the national territory. Of the total area, 42.8% percent is agricultural land while forests cover 28.16 percent. Arable land is 22.4%. Over 46.5 percent of the total population live in rural areas. Rural depopulation is an increasing problem in Albania and regions are more and more facing the negative effects of this development. Therefore, the following challenges can be summarized as i) improve the quality of life and wellbeing of local communities; the lack of agricultural infrastructure; lack of an irrigation system; ii) Increase local employment and work opportunities; iii) Recover un-valorised natural resources and territorial capital; iv) Reduce the social cost due to the progressive depopulation trend characterizing these areas; and v) Strengthen local development factors, with the overall goal of reinforcement of demographic structure.

Albania - LEGAL AND STRATEGIC FRAMEWORK

Law No. 36/2022 "On the organization and operation of local action groups" facilitates

the implementation of community-led local development - the instrument of the EU' Agricultural Common Policy for integrated rural development, otherwise known as the approach Leader. This philosophy and development instrument aims to mobilize and connect energy and resources of people as well as organizations to encourage partnership at the sub-regional level between the three sectors, public, private and civil. The law defines the prerequisites for creation and operation of LAGs.

Law No. 80/2021 "On the registration of non-profit organizations". LAGs need to be registered as non-governmental organizations with membership , but fulfilling the requirements that Law No. 36/2022 "On

the organization and operation of local action groups", Article 10/1.

FUNCTIONAL MODEL OF LOCAL ACTION GROUPS ACCORDING TO THE LEADER APPROACH

Law No. 36/2022 asks for the structure, mode of operation and decision-making or other legal obligations of LAGs. The LAG is a partnership structure and neither of included sectors does not dominate in decision-making.

Law No. 9817, dated 22.10.2007 "On Agriculture and Rural Development" defines the measure "Support for undertaking local initiatives". Support stimulates initiatives, that include farmers, forest workers and other rural actors who can conserve and further enhance local, natural and cultural heritage, raise awareness environmental and promote typical products, tourism and renewable resources energy.

IPARD III programme, measure 5 Implementation of local development strategies – the Leader approach The Ministry of Agriculture and Rural Development (MADR) is the Ministry responsible for creating, updating the regulatory framework as well as the structure that plans, implements and monitors the extent of the Leader approach in IPARD III, as well as within the Cross-Sectoral Strategy of Agriculture, Rural Development and Fisheries (2021-2027). LAGs will report on their activity near the responsible structure in the Ministry of Foreign Affairs, on an annual basis.

The implementation of LEADER-type initiatives and establishment of pilot LAG type organizations in Albania has been driven by different donor organizations. At least three donor organizations implemented LEADER type projects, so far: SNV, MADA and OXFAM GB. In total there were 29 Local Action Group (LAG) type organizations established, therefore, none of them were sustainable and practiced the whole cycle of LEADER approach through development and implementation of the local development strategies (LDS). Mainly, the donors provided support for establishment of the informal partnerships groups and building the capacities of their members.

The LAG structure in Albania follows the EU regulation for Local Action Groups.

The membership of the LAG was required to keep the balanced and representative selection of partners drawn from different social economic sectors, where representation of the forest and pastry sector was obligatory. The LAG Board was required to be formed from the representatives of the three sector - public, private and civil society, where any single sector have not more than 49% of its members in the Board, and the public sector (local authorities) have not less than 20% of the members. The women have to be no less than 35%, as well as the young people, aged below 40 years old, has to be no less than 35% of the members of the management body.

The external expertise has been provided to the relevant institutions, but also to LAGs initiative. The

cooperation activities were provided on regional level between all Western Balkan countries, but also every country have established collaboration with EU countries for exchange of experience and good practices. The biggest support comes from SWG and EU.

There is no earlier experience in similar bottom-up rural development policy in Albania.

The project sustainability is secured through collaboration with relevant institutions and policy creators to establish environment for LAGs to operate with support by the national programs and/or IPARD program.

| SWOT Table on LEADER implementation in Albania | | | | |
|--|--|--|---|---|
| | Individual Capacities/Competences | Capacities of Organisations | Society | |
| | Competence development | Organisation development | Development of cooperation systems | Development of enabling frameworks |
| Strengths | <ul style="list-style-type: none"> ① High number of competent people in intermediary agencies ② The experience at Local Government Unit with the frequent reforms has increased | <ul style="list-style-type: none"> ① A major part of LAG like organization has the capacity to easily transform into the LAG ② Civil Society organizations are expanded and their capacity to manage is increased. ③ In the recent three years other 3 LAG like organizations are established from WB | <ul style="list-style-type: none"> ① Civil Society organization's are more prone to networks. ② Albanian Network for Rural Development & other LAG like organizations create basis for cooperation. ③ The design of implementation of local development strategies | <ul style="list-style-type: none"> ① ISARD 2014-2020 provides proper basis for LEADER Development ② Increase role of IPARD in preparing the main institutional capacities. ③ Law 'For NPO', and 'On the Registration of NPO' can be used for creating IAGs |
| Weaknesses | <ul style="list-style-type: none"> ① Low number but very competent people in the MARD ② Capacity building at LAGs like organization is useless since there is staff movement. | <ul style="list-style-type: none"> ① No constant financing for LAG like maintenance and nor for LAG creation except few initiatives. ② The number of NGOs although is high (1800) is not present in peripheral areas. | <ul style="list-style-type: none"> ① Business community is not prepared and ready. ② Majority of former networking structures are not existing or formally existing ③ Public Chambers of Commerce are functional only in some areas. | <ul style="list-style-type: none"> ① The current financing schemes do not provide any funding for local initiatives ② Law on LAG is yet not adopted. ③ Capacity building at local level is still limited. ④ Advisory services packages are overloaded with other tasks. ⑤ The Municipalities have yet not a clear understanding of the CLLD/LEADER opportunities |
| Opportunities | <ul style="list-style-type: none"> ① There is an increasing awareness at civil society organizations on the LAG, ② The integrated Rural Development Program +100 has raised rural people attention on bottom up movements. | <ul style="list-style-type: none"> ① MARD and Payment Agency resources are increasing due to capacity building and investments by Donors ② IPARD II measure on capacity building is expected to bring Measure 9 on capacity building and Measure 5 on LEADER | <ul style="list-style-type: none"> ① The strengthening of Municipalities governance bring as well as the strengthening of community development organizations bring a fertile environment. | <ul style="list-style-type: none"> ① There is a high willingness of Donor project ② Therefore, there are plenty of potential areas/products and social capital hot-spots to further development. ③ Promising legal base |

CASE 7 KOSOVO

**Source: Marina Tosheska, AGRO LIDER LAG
Manager, North Macedonia**

<http://www.lagagrolider.mk>
marina_tosheska@yahoo.com

Local and rural economic development is a major challenge Kosovo is facing today. The majority of the population (62%) lives in rural areas and is directly or indirectly dependent on agricultural production for their livelihood. It is very important to enhance income generation of underdeveloped and vulnerable communities in rural areas, as well as to promote sustainable economic development.

Following the principles of the new EU 2020 Strategy and the CAP for the period 2014-2020, the Ministry of Agriculture, Forestry and Rural Development (MAFRD) prepared the Agriculture and Rural Development Programme (ARDP) 2014 – 2020 with the support of an EU Twinning project and a Danish technical assistance funded project. The ARDP 2014-2020 follows the IPA priorities on:

1. Enhancing farm viability, competitiveness;
2. Restoring, preserving, enhancing ecosystems;
3. Promoting social, economic inclusion;
- and 4. Transfer of knowledge, innovation.

The ARDP 2014 – 2020 and its priorities are in line with the EU 2020 Strategy for Smart, Sustainable and Inclusive Growth, particularly being in convergence with these strategy objectives on supporting diversification of economic activities and strengthening the LEADER Approach.

The Department of Rural Policy Development (DRDP), acting as the Managing Authority (MA) of the ARDP is responsible for the coordination and proper functioning of the LEADER structure in Kosovo*. The Managing Authority has prepared the design and the programme, while the Paying Agency is responsible for the execution and payments of projects. The organizational structure of the MA and the allocation of its functions are in line with the IPARD requirements. The criteria for supporting the LEADER Approach are regulated with a special Administrative Instruction⁵³ under MAFRD on criteria for support of local development strategies – the LEADER Approach as an amendment

and supplement to the main Law 03/098 on Agriculture and Rural Development. The major objective of the Instruction relies on building a sustainable capacity at the local level for rural development policy design and the implementation of local development strategies. The Administrative Instruction on the criteria for support of local development strategies - LEADER Approach was amended with a new Administrative Instruction⁵ by adding new information in the allocation of financial means for LAGs. In compliance with ARDP 2007-2013, in 2008, the LAGs were established through an EU-funded project that supported LAGs over the 15-month period of drafting local development strategies, including the draft project proposal. The support towards the implementation of local development strategies and application of measures 303 and 303.2 is built on the basis of the following supported laws such as: the Law on Agriculture and Rural Development, the Law amending and supplementing the Law on Agriculture and Rural Development, the Law on Self-Governance, the Law on Gender Equality, the Law on Freedom of Association in NGOs and the Law on Agriculture and Rural Development Advisory Services. There is a Local Action Group in nearly every municipality with the exception of some new municipalities that have established working groups instead of LAGs, municipalities that have not been beneficiaries of the EU project, or municipalities that were established very recently. The connections between the municipalities and the LAGs are very strong. According to the procedure, a LAG shall represent a rural area with a population of more than 10,000 and less than 150,000 inhabitants including small towns and towns with a population of less than 30,000. In this regard, the LAG must be coherent in geographical terms and offer sufficient critical mass in terms of human, financial and economic resources to support a viable development strategy. Furthermore, a LAG shall be an officially registered legal entity in accordance with the relevant valid legal acts and must show an ability to define and implement a local development strategy for the area. In order to become a selected LAG under the ARDP 2014-2020, potential LAGs are evaluated based on the criteria given by the MA and the quality of their Local Development Strategies (LDSs). The evaluation is done by an Evaluation Committee consisting of representatives from the Managing Authority and other relevant rural actors and NGOs dealing with rural development. Members of the Evaluation Committee are selected by the Minister responsible for ARDP 2014-2020 based on the nominations of

the Managing Authority. Although 30 LAGs have been formally established, less than half of them actively promote and implement projects in their areas, while others are becoming less and less active.

The LAGs in Kosovo consist of 25-30 members (coming from different fields, such as municipality representatives, local NGOs, farmers, businesses and voluntary experts from different fields) with a 50:50 share between the public and private organizations or persons. In most cases the chair of the board is the Head of the Municipal Agricultural Office. Thirty percent of the board members have to be female in order to ensure the participation of rural women in the local development processes. The communication, dissemination, promotion and information between LAGs and other rural stakeholders, is developed through the Rural Development Network (RDN). The RDN is established as a platform where project ideas and various proposals and experiences can be discussed. Members of the RDN are also members of different working groups appointed by the MAFRD. The role of the Network is to lobby for the LAGs and promote them 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 as well as a lack of financial support. The support for the organizational

development of selected LAGs in Kosovo* is delivered through the Network of Organizations for Rural Development of Kosovo* (NORDK). NORDK was established with the aim to represent the interests of organizations from rural areas and to contribute to the socio-economic development of the rural areas of Kosovo*

The funds directly supporting the LAGs are the National Funds of MAFRD.

Projects from MAFRD funds are mainly small projects and although they do not provide opportunities for strategic development planning, they keep the LAGs active. To cover their operational costs the LAGs mostly rely on the voluntary commitment of the board members. In addition, some LAG managers, on their own initiative, establish contacts with different donors for support.

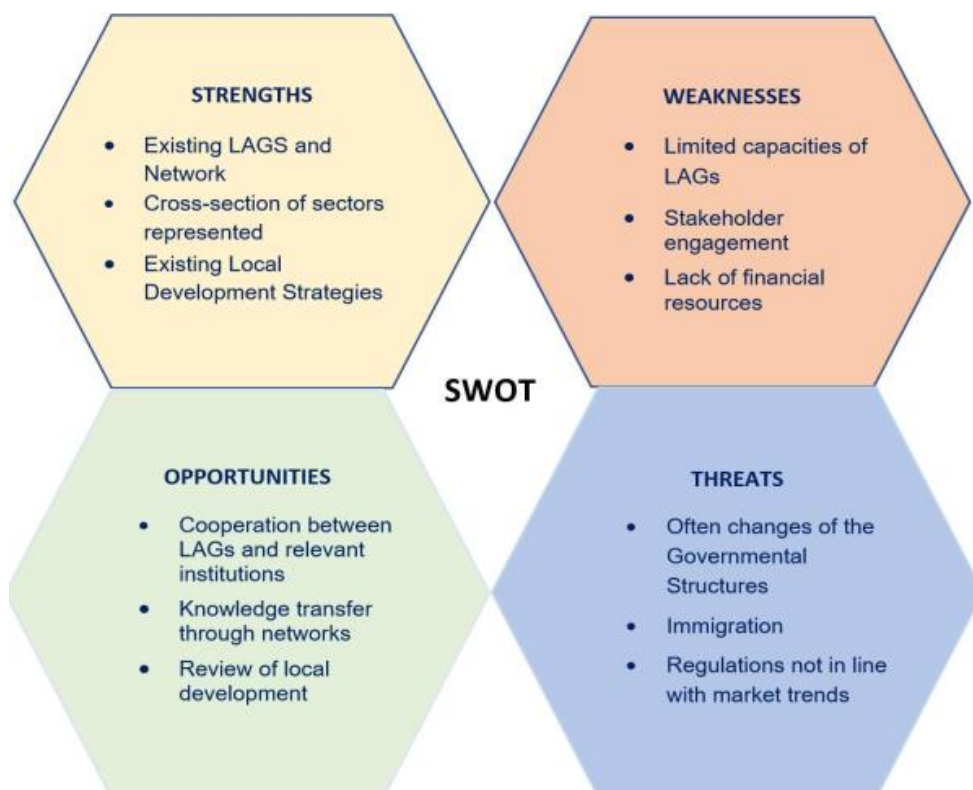
Several LAGs in Kosovo showed lack of knowledge and skills to prepare the required documents for accreditation by MAFRD. Out of the thirty LAGs registered in the beginning, only twelve are accredited and are active. This reflects the lack of staff capable to implement the LEADER measure and the lack of knowledge on the requirements and specifics of LEADER.

Grupet Lokale të Veprimit në Kosovë



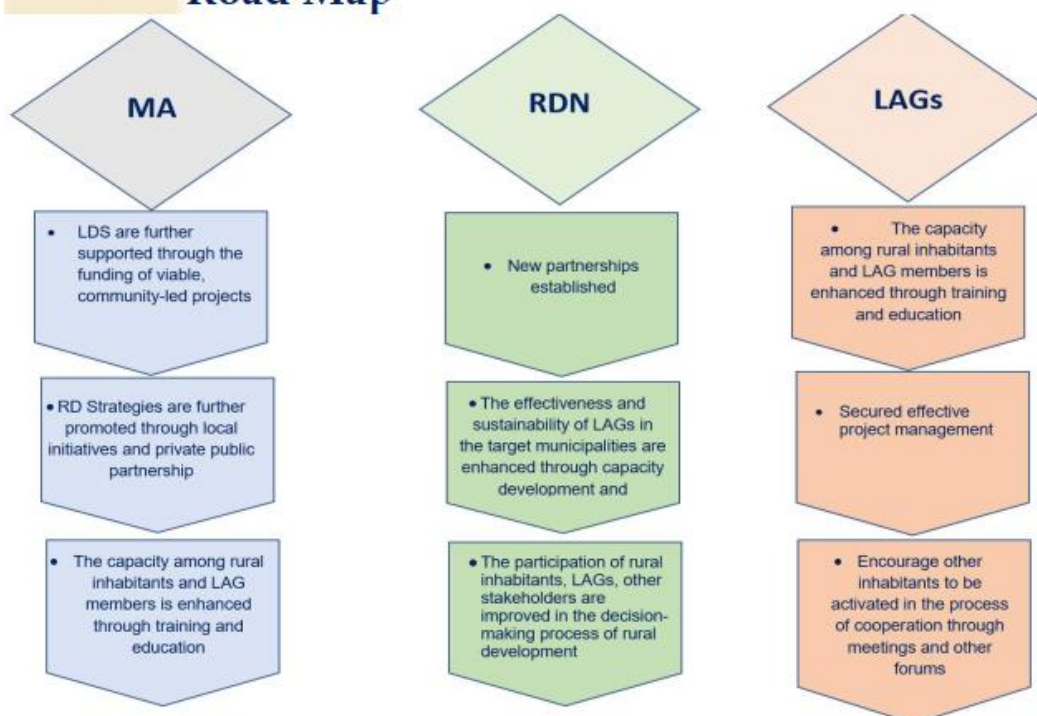
| Nr. në hartë | Komuna | Emri i GLV |
|--------------|-----------|------------------|
| 1 | Prishtina | RrZhrRK |
| 2 | Obiliq | Procesi |
| 3 | Lipjan | Agrolipjani |
| 4 | Skenderaj | Prespektiva |
| 5 | Vitja | GLV-Vitja |
| 6 | Malishevë | GLV Liapuzha |
| 7 | Rahovec | GLV Rahoveci |
| 8 | Pejë | GLV-AGRO Turizmi |
| 9 | Shtime | Natyra |
| 10 | Mitrovica | Trepça Rural |
| 11 | Deçan | Gjeravica |
| 12 | Prizren | Lumbardhi |

SWOT



The strategic and regulatory framework, as one of the most important LEADER initiatives in Kosovo has to be improved, which will be a base for sustainable local development from LEADER perspective.

Road Map



CASE 8 BOSNIA AND HERZEGOVINA

Source: Marina Tosheska, AGRO LIDER LAG Manager, North Macedonia
<http://www.lagagrolider.mk>
marina_tosheska@yahoo.com

Bosnia and Herzegovina is one of the most rural countries in Europe. It has around 3.4 million inhabitants. Around 60% of the population live in rural areas, whether defined as villages or as scarcely populated municipalities.

The LEADER Approach, as an EU concept of mobilizing and achieving rural development in the local rural communities in the Federation of BiH, has still not been recognized as such and in practice, it is in its inception stage in this part of BiH. Positive EU experiences in implementing the LEADER programme and involving local partners in the management of the future development of their areas are the reason for accepting this concept and striving to develop it as soon as possible. Even more so, because the Federation is largely (86.7%) a rural area with more than a half (53.3%) of the Federation population is living there. The LEADER initiative is still not an integral part of the rural policy.

Specifically, the Federation still does not have a strategic document dealing with the rural development policy and the LEADER Approach.

Implementation of the EU LEADER in BiH is based on the EU Regulation.

The Local Action Group (LAG) is the basic form of organizing according to the LEADER approach, in a certain area. The local action group is made up of representatives of the private, civil and public sectors, namely:

- participation of the private and civil sector at least 50% (economic and social partners, representatives of associations, foundations, farmers, entrepreneurs, rural women, youth, etc.)
- no single sector (interest group) may have more than 49% of votes
- participation of local government at least 20%
- minimum 30% participation of women

- all members of the Local Action Group and its management structure must have their seat/residence in the LAG area
- A LAG area is a rural territory in which less than 150,000 and more than 10,000 inhabitants live (an individual settlement within the LAG must not have more than 25,000 inhabitants)
- The LAG must propose a comprehensive Local Rural Development Strategy based on the act for the LEADER measure

Establishing local partnerships called Local Action Groups was one of the primary and most important steps of the LEADER approach. According to Article 62, point 1 of Council Regulation (EC) no. 1698/2005, in the Member States, LAGs "... must demonstrate the ability to define and implement a development strategy for the area...". Such groups should also "... choose an administrative and financial main actor capable of managing public funds and ensuring the satisfactory functioning of the partnership, or join together in a legally constituted joint structure, the establishment of which satisfies the functioning of the partnership and the ability to manage public funds...". It is believed that LAGs will be effective in promoting sustainable development because they will:

- Collect and combine human and financial resources of the public, private and civil sectors and voluntary engagements,
- To connect the bearers of local activities around common project and multi-sectoral activities in order to achieve synergy, common ownership and critical mass necessary for improving the economic competitiveness of a certain area,
- Strengthen dialogue and cooperation between different rural actors, who often have no or little experience in cooperation, by reducing potential conflicts and facilitating negotiations and agreements for solutions through consultation and discussion,
- Through interaction between different partners, facilitate the processes of adaptation and change in the agricultural sector (for example, high-quality products, retail chains of food products), integration of environmental issues, diversification of the rural economy and improvement of the quality of life.

The formation of local action groups in Bosnia and Herzegovina has so far been carried out mainly at the initiative of foreign donors through certain projects. In this way, on the initiative of UNDP BiH, the first LAGs were formed: LAG Una-Sana (municipalities of Bužim, Bosanska Krupa and Sanski Most), LAG Dobož-Maglaj (municipalities of Dobož and Maglaj) and LAG GOZB (Local Action Group - Group Municipality of Zapadne Bosne, municipalities of Drvar, Bosanski Petrovac, Bosansko Grahovo and Glamoč).

After that, LAG Devetak (municipalities of Rogatica, Sokolac and Han Pijesak), LAG Blidinje (municipalities of Tomislavgrad and Posušje), LAG Vrbanja – Ukrina (municipalities of Prnjavor, Čelinac, Kotor Varoš) and LAG SAVUS (municipalities of Gradiška) were created as part of various projects. , Kozarska Dubica, Laktaši and Srbac), LAG Drina-Ustikolina (municipalities of Goražde, Pale/Prača and Foča/Ustikolina) and LAG Drina-Birač (municipalities of Srebrenica, Milići, Zvornik, Bratunac and Vlasenica).

During the registration of MRR in Bosnia and Herzegovina, all active LAGs from Bosnia and Herzegovina were included in the process of establishment, namely: LAG Una-Sana, LAG Devetak, LAG of the Dobož region, LAG Drina-Ustikolina and LAG SAVUS. Unfortunately, due to the absence of the IPARD program and the LEADER measure in Bosnia and Herzegovina, almost all LAGs in Bosnia and Herzegovina have stopped working. LAG Devetak is currently active, while all other LAGs are inactive.

CASE 9

MONTENEGRO

**Source: Marina Tosheska, AGRO LIDER LAG
Manager, North Macedonia**

<http://www.lagagrolider.mk>

marina_tosheska@yahoo.com

The total population in Montenegro is 620 739 (2021). Of the total population of Montenegro, 63.23% live in urban settlements, while 36.77% live in rural settlements. Total number of rural settlements in Montenegro is 1,216. Most of the people in rural areas are engaged in agriculture and rural tourism.

Depopulation, deruralization and deagrification have greatly contributed to the reduction of economic resources of the agricultural areas Montenegro, which has resulted in significant impact on rural areas. LEADER approach can open new opportunities for rural areas in Montenegro, and to open possibilities for development in the right way.

The outline of the strategic framework of the policy for the implementation of LEADER measure was defined in the Strategy for development of agriculture and rural areas 2015- 2020, and now in the new strategic period. The Programme for Development of Agriculture and Rural Areas of Montenegro through IPARD is a document which describes the measures of support for implementation of the LEADER Approach in detail. The LEADER Approach contributes to local engagement for development of resources and on that base, it provides additional value to the rural economy, quality of life, the environment and cultural heritage. In addition to these development impacts, the LEADER Approach contributes to the improvement of local governance and has a significant potential for building trust and social capital. The key of the LEADER Approach efficiency is in the better adaptation of projects to the needs of their users, which brings positive effects on the employment. As an integrated resource of territorial development on a "local" level, the LEADER will directly contribute to balanced territorial development of rural areas in Montenegro, which is one of the general goals of policy of rural development. Rural areas are encouraged to explore new ways to become or stay competitive, to use their existing resources in the best way

and to overcome the relevant challenges. Therefore, this approach has a very important role in finding innovative answers to new and old problems in rural areas. The aim of this measure is to use the developmental potentials of the local communities, to establish local partnerships of public, private and NGO sectors, which will have the capacity to act like Local Action Groups (LAGs) in the preparation and implementation of strategies for local development and thus ensure good management through local partnerships and stimulate employment and development of social capital.

Institutional and legal settings

Within the Ministry of Agriculture and Rural Development there is an active Directorate for Rural Development. The Directorate prepares strategies and programmes in the area of rural development, with the aim to improve the competitiveness and the standard of living in rural areas and to protect the environment. It also conducts programmes and projects on rural development from the national and international funds in co-operation with international organisations and donors. The Centre for Professional Education, the Employment Agency of Montenegro, the Directorate for development of small and medium enterprises, Investments and development fund etc. also work on the development of agriculture and rural development, but to a much lesser extent. According to their responsibilities, they conduct activities through which they support the rural development by approving credit support to farmers, unemployed persons and/or small and medium enterprises from the area of agriculture and agro-industry, as well as by organizing different trainings. The advisory services and branch communities, such as the Chamber of Commerce, the Union of Employers, the Montenegro Business Alliance and the Network for Rural Development also provide a significant support to development through the activities they undertake. The Ministry of Agriculture and Rural Development is the main institution responsible for the development and implementation of the LEADER Approach. The main policy framework for the realization of the LEADER programme in Montenegro has been established according to the Law on Agriculture and Rural Development (Articles 12, 19 and 20). This law stipulates the basic legal forms for establishing the conditions for the implementation of the LEADER programme and refers to the key features of the EU-

LEADER (ex. area-based approach, public-private partnership).

The legal basis for implementing the IPARD III program, , as well as its measure LEADER, has been established, i.e. the Framework Agreement was signed and the Law on Ratification of the Framework Agreement was adopted between the Government of Montenegro and the European Commission confirming the rules for conducting the Union's financial support to Montenegro through the Instrument for Pre-accession support (IPA II); Sectorial agreement was signed and the Law on Ratification of the Sectorial Agreement was adopted between the Government of Montenegro and the European Commission confirming the rules on managing and conducting the Union's financial support to Montenegro under the instrument for Pre-accession support for the policy area of "Agriculture and Rural Development" (IPARD). Also, the Government adopted the Regulation on implementation of the measures 1 and 3.

Given that in Montenegro there are no established LAGs and no local strategic documents for rural development so far, the resources for promoting the LEADER Approach and activities in accordance with it have been organized by the Network for Rural Development of Montenegro provided with the support of the Ministry of Agriculture and Rural Development, the Ministry of Sustainable Development and Tourism, the local governments and some smaller companies from the rural areas.

Recently in Montenegro there have been various initiatives and projects that could be considered as a "simulation" of the LEADER Approach, where the main result was the usage of local resources with the participation of all three society sectors. Nevertheless, those activities are not the rule, but an exception and their realization calls for employment of people that will start the process and lead it till the end, and later on manage it. Which, actually, is the way a LAG functions, with its established structure and a person managing it.

Until now, maybe the most serious initiatives with the potential of growing into LAGs have been created by the SWG that implements the Area Based Development (ABD) programme, which includes a region of Serbia, Bosnia and Herzegovina and Montenegro i.e. the Drina-Tara region and the KRŠ region, between Croatia, Bosnia and Herzegovina

and Montenegro. Through activities in these areas, stakeholder groups were formed that could easily grow into founders of future LAGs or just be a good example how it should be done.

Currently there no registered and recognized LAGs by the relevant institutions. The external support is planned to be provided by Croatia and Slovenia in establishment of LAGs within the Measure 5 IPARD III Program of Montenegro. As a result of the conducted research and analysis of the current state of readiness for the implementation of the LEADER programme in Montenegro, there are following conclusions:

- Low level of promotion of the LEADER Approach in all three sectors of society.
- Undefined measures of support for financing the LAGs on a local and national level.
- Undefined rules of legal method of forming LAGs and their accreditation. Currently, the only legal form for registering LAGs is as NGOs.
- Unrecognized need for creating local strategies for rural development.
- Unrecognized need for establishing LAGs and LEADER support from the decision-makers, especially on a local level.
- Unacceptably low number of people in ministries and local governments dealing with LAGs and LEADER issues.
- Uneducated media about the processes of rural development and LEADER programmes.
- Low level of representation of rural development as a theme in competitions for project financing from public funds.
- Absence of measures designed to support the budgets of local governments for the implementation of the LEADER model in collaboration with the Ministry of Agriculture and Rural Development.
- Lack of support of local governments in providing necessary infrastructure and technical conditions for the work of LAGs.

CASE 10 SCOTLAND (FORMER LEADER TERRITORIES)

Source: Alistair Prior, Scottish Managing Authority
<https://www.gov.scot>
Alistair.Prior@scotland.gsi.gov.uk

1) What happened to the LEADER-regions?

LEADER in Scotland since BREXIT has transitioned to CLLD, with all but one LAGs functioning post Brexit.

2) For those who are still existing, how do they handle the situation after BREXIT?

The uncertainty with the timing of BREXIT, and the transition from 14-20 programming was problematic for money, resulting in smaller teams, a depleted rural network and lack of focus from within government – where the focus very much lay on the future of payments for agriculture rather than on wider CAP (or successor to CAP)

3) Are they national funded now? Or can LEADER survive without European money?

Yes – LAGS in Scotland are funded from national funds – but it is annual funding meaning that scope to be strategic and plan is difficult.

4) Did they find new ways to do similar methods like LEADER?

Yes – we are trying to maintain the ethos of LEADER and think about how we can maintain and enhance our approach to partnership working from the bottom up.

5) Was it useful that they had LEADER before BREXIT?

Yes – for some areas they had been doing LEADER for some 30 years.

6) Did they recognize afterwards that LEADER is important and also regret BREXIT?

Yes!

7) Are there LEADER-regions which are in role model Nr 3 (innovation brokers)?

Difficult to say.

8) And if so, could they transform after BREXIT without European budget?

I think so – but this will be dependent on new legislation on successor to CAP – currently going through the Scottish Parliament.

CASE 11

SWEDEN (FORMER AND AGAIN LEADER TERRITORIES)

Source: Vivi Båvner, LAG Manager

<https://leaderbergslagen.eu>

vivi@leaderbergslagen.eu

1) What happened to the LEADER-regions?

2014-2020 there was a national competition and 5 LAGs unfortunately lost. We were not a prioritized LAG. Our LAG was formed in 2007. It is a collaboration between 10 sparsely populated municipalities with a common history of mining. Bergslagen is famous for its iron ore and had its blooming era in 18th to 19th century.

During 2007-2014 we were funded by LEADER. LEADER was successfully carried out in our region and people were looking forward to continue 2014-2020. But our application was dismissed. We decided to wait until the next possibility to hand in a new application, a process that started in 2021 and finished early 2023 when we got the news that our strategy will be financed!

2) For those who are still existing, how did they handle the situation after non-selection?

Since we didn't have a budget during the LLD programme in 2014-20 we didn't have a many activities. The LAG board had meetings and decided to apply for the next programme 2021.

3) Are they national funded now? Or can LEADER survive without European money?

In our case we did not receive national funding. The LEADER method could be applied on more organizations, not only LAG. As far as I know our former LAG manager became head of the cultural department in a municipality and she told me she applies the LEADER-way of thinking when the municipality funds local initiatives. LEADER-method is very useful. This time Sweden "promised" they'll really try to help all LAG:s that want to be part of LEADER to get funding. We succeeded and now we are "back in business".