

**PILOT PROJECT ON ENHANCING SUSTAINABLE LOCAL AND RURAL
DEVELOPMENT
IN THE SAP COUNTRIES
BY INTRODUCING THE LEADER EXPERIENCE**

Project summary:

ICDT's objective is to transfer EU and more particularly Hungarian experience and best practices associated with a successful EU-wide scheme on local development, and implement the crucial initial phase of a multi-stakeholder capacity-building program to implant the LEADER approach in the Western Balkans (Albania, Bosnia and Herzegovina, Croatia, Macedonia, Montenegro, Serbia). This blueprint can generate lasting effect by spurring development in local communities throughout the region. More specifically, in the framework of this pilot project we will aim to **examine in-depth the regional applicability of this model and then transfer expertise to where it is most needed at both the governmental and local levels**. To this end, we will first organize an **opening conference and study tour** to create visibility for the idea and sensitize national policymakers and leaders of selected local communities to the advantages and applicability of the proposed methodology, and then conduct an **initial 5-day "Training for Trainers" workshop** to assure the biggest impact and multiplying effect possible. Activities can start as soon as approval is announced but in any case no later than March 2008, with the conference/study tour in April and the training a month after in May 2008. Activities will be complemented by the translation of a LEADER **manual** into Serbo-Croat and the preparation of a **needs assessment study** on the regional applicability of LEADER.

Objective and target groups:

The objective is to empower local rural communities in the Western Balkans by training representatives of national stakeholders and local community leaders in LEADER methodology. They will learn to devise sustainable local development strategies based on participatory principles; to cooperate, devise, get funding for and implement projects in the common interest. LEADER is an innovative approach within EU rural development policy that produces results regardless of climate or the degree of development. Experience has shown that it can make a real difference to the daily lives of people in rural areas by playing an important role in encouraging innovative responses to rural problems. It addresses issues like participatory democracy, specific ways of local governance, cross sector decision-making, bottom-up approach and stretching the definition of accountability. Cooperation and networking are obvious ingredients. In addition, an important objective of the project will be to make its results known nationally and encourage the incorporation of this methodology in national development plans. Both EU IPA and national funds will potentially be available for projects developed based on this methodology.

Target groups are: (1) decision makers in the relevant governmental bodies in target countries (i.e. ministries, agencies dealing with rural development and agriculture, EU integration); (2) experts from relevant NGOs and professional associations (i.e. those dealing with rural and local development, chambers of business and commerce, etc.); (3) officials, experts, NGOs and entrepreneurs in local communities. In all, more than a hundred people (experts and officials) can be directly involved in the project, and the beneficiaries affected can eventually number even in the thousands. Local communities in the selected target micro regions will be direct beneficiaries of the project, but if the ultimate goal of making the LEADER methodology part

of national development plans is reached, the number of populations directly affected can grow exponentially.

Work plan:

ICDT's objective is to implement a multi-stakeholder capacity-building pilot project to implant the LEADER approach in the Western Balkans in order to generate lasting effect by spurring development in local communities throughout the region. In the immediate, this objective (project purpose #1 in the overall framework) can be achieved in the following phases:

- (1) As soon as grant approval is made but no later than by the end of February, the project management team can be activated, comprising a lead expert from RWF, an ICDT Program Officer as coordinator and another lead expert and/or contact person from SWG. This team will proceed to establish the network for the first phase, which will be the sensitization of key target groups and **preparation at both the policy and expert level** by means of organizing an **Opening Conference** in Budapest. The event will be hosted in April 2008 by ICDT, the RWF and the Hungarian Government, and will target decision makers in relevant ministries and/or governmental agencies to create visibility for the program and lay the basis for implementation. Specifically, the outcome sought would be to secure political support at the appropriate level by stressing the beneficial and progressive points of LEADER, and preferably the appointment of civil servants in the national government agencies to act as unofficial but regular points of contact (PoC). PoCs would play an important role in the subsequent coordination tasks, in forming and maintaining the core of what should shape up to be a regional network of expert audience, and the selection of additional professional implementing partners and target micro regions. In addition, this event will target other key stakeholders such as relevant NGOs (i.e. those involved preferably at the national level at promoting local development and working to strengthen local communities), representatives of Commercial and Business Chambers, and leaders of local communities from each target country who will also take part in a daylong **Study Tour of the relevant implementing institutions** and a local community in Hungary.
- (2) As the next step, target micro regions will be selected and a 5-day **"Training of Trainers"** workshop conducted in May, where 2-3 officials/experts and local leaders per country are selected and trained at a location in the region (TBD with our partners in the course of implementation) in preparation for the pilot projects. Participants will have the necessary qualifications and motivation (in the case of local leaders) to absorb advanced knowledge, skills and understanding of this methodology. After a weeklong training, participants will have the objective of setting up Local Action Groups (LAG) in their communities that are already part of LEADER methodology.
- (3) Conclusion: the project will be concluded by a Final Report (needs assessment study) in June, which will summarize the progress achieved and objectives encountered, assess the regional applicability of LEADER and draw up recommendations for the way ahead with an eye to the implementation of a capacity-building program in its entirety. The framework for such a longer-range program is drawn up in the table below.

Overall objective	Project purposes	Results
Catalyze the building of sustainable local and rural development strategies in the SAP countries by introducing the LEADER experience, with special regard to new member states' (Hungary) experience	1. <i>To sensitize</i> national policymakers/decision makers and local communities to the advantages of and applicability of the proposed methodology	1.1. local conditions for implementation assessed in-depth in each country
		1.2. initial training held for national officials
		1.3. target micro regions selected, 3 per country
	2. <i>To mobilize</i> community resources, regional and local networks to transfer knowledge and expertise; build local capacity	2.1. multi-stakeholder partnership development process started and regional project network formed, partner organizations identified; at least 3 NGOs/CSOs per country (1 in each target micro region)
		2.2. regional Training for trainers (ToT) program implemented for 9 experts per country (3 per target micro region)
		2.3. local officials and business actors prepared for participation through roundtable discussions
	3. <i>To catalyze</i> the building of sustainable local and rural development strategies	3.1. Local Action Groups (LAGs) formed and local development strategies developed in target micro regions
		3.2. generate and implement pilot projects in target regions
		3.3. evaluate projects and use feedback to encourage the inclusion of LEADER methodology in national development plans and EU funds to be earmarked in support

Partnerships:

The Rural Workshop Foundation will be ICDT's main professional implementing partner and knowledge donor involved in the project. It will provide experts/expertise at all phases of activities. Similarly, SWG will be ICDT's main partner and knowledge recipient in the target countries. Through its expert network in the region, it will provide crucial assistance to identify and recruit the right partners to participate at all levels and phases. ICDT will supervise and coordinate implementation in all phases. Its Director for Programs and lead expert in this field, Mr. Sándor Köles is considered to be one of the foremost experts in community development, cultural enterprises as well as regional and rural development issues in Europe and has served as a consultant and advisor to the European Union and various governments, foundations and private sector organizations.

Project rationale:

Regardless of the varying individual status of the target countries in the European Union's Stabilization and Association Process (SAP) – collectively known by the international

community as the „Western Balkans” (i.e. Albania, Bosnia-Herzegovina, Croatia, Macedonia, Montenegro and Serbia and Kosovo under UNSCR 1244), there are certain common regional problems that cry out for more attention. Strengthening local democracy in general and advancing sustainable rural and agricultural development in particular are among the most important priorities as evidenced also by the amount of EU funding earmarked for support in these areas.

Whether in the EU or in the Western Balkans, rural development is neither a minor nor a peripheral problem. Rural development policy is an increasingly important component of the Common Agricultural Policy (CAP). Over half of the EU's population lives in rural areas, which cover 90 % of the EU's territory. In South Eastern Europe in general, agriculture earns 30 % or more of GDP, and a commensurate proportion of the population is rural, varying from 25 to 40 % of the total population. Rural areas are an important vehicle for the preservation of cultural heritage and social values and their development involves significant political issues. Since the break-up of the former Yugoslavia and the beginning of the transition process, the rural situation has deteriorated throughout the region with a large increase in inequality between the urban and the rural areas. The price of industrial development and economic modernization is that the percentage of population living from rural economic activities and agriculture is steadily decreasing. Consequently, the question is how to sustain rural society and communities, how to create new (different) employment opportunities, generate income by enhancing locally value added economy; how to develop education in rural areas and, finally, how to finance this process. These problems bring us to the need for strengthening absorption capacity which goes hand-in-hand with the need for the development of human resources, empowering local communities and strengthening local governance and civil society, which are key ingredients of democratic societies. The approach of *sustainable development* instead of poverty reduction is consciously emphasized, since the former *implies clear political responsibility and pro-active development strategies versus passive measures designed to alleviate problems in the short term. Innovative ideas are thus needed that not only address these issues but identify and make use of comparative local advantages as well.*

The project's overall objective is to provide a successful blueprint to enhance locally value added economy in order to sustain rural society and communities and thereby serving public interest in the target countries. The specific objective is to empower local rural communities in the Western Balkans by training local community leaders in LEADER methodology. They will learn to devise sustainable local development strategies based on participatory principles; to cooperate, devise, get funding for and implement projects in the common interest. LEADER is an innovative approach within EU rural development policy that produces results regardless of climate or the degree of development. Experience has shown that it can make a real difference to the daily lives of people in rural areas by playing an important role in encouraging innovative responses to rural problems. It addresses issues like participatory democracy, specific ways of local governance, cross sector decision-making, bottom-up approach and stretching the definition of accountability. Cooperation and networking are obvious ingredients. In addition, an important objective of the project will be to make its results known nationally and encourage the incorporation of this methodology in national development plans. Both EU IPA and national funds will potentially be available for projects developed based on this methodology.

LEADER needs to be promoted not as a peripheral project for governments to pursue, but as an integral part to the growth of the Western Balkans. Though rural development is the direct goal of the scheme, LEADER will have other positive side-effects, for example, it can contribute to stemming the migration to cities which can often lead to slums forming in suburban regions of major industrial centers. It must also be raised that LEADER is a relatively inexpensive program compared to many government projects, for example road-building and its implementation would not siphon funds off from these big-volume investments and the EU funds earmarked to support them. Furthermore, with its emphasis on cooperation between local communities to generate mutual benefits it can not only become a good model for reconciliation in the rural areas, but rural development in itself is an excellent opportunity to generate regional cooperation at the regional level. The Hungarian LEADER experience has two important advantages: the program is not only running with great success and is well documented (thus making the experience readily adaptable) but it was adopted in a transitional environment that serves with several additional lessons learned making it perhaps more relevant than that of more developed rural economies in the EU-15. The RWF acted a partner to the Hungarian Government in implementing LEADER in Hungary and is thus one of the best placed institutions to assist in this task. ICDT, with a track record of having implemented a dozen projects worldwide and in particular by virtue of its contacts and partnerships in the region – established in the course of the implementation of a one-year project dedicated to enhancing V4-Western Balkans interregional cooperation – is equally well prepared to oversee and coordinate the execution of the project.

Background:

The International Centre for Democratic Transition (ICDT) is an independent democracy promotion NGO based in Budapest. It was created under the auspices of the Hungarian Government in September 2005 with the objective of collecting and transferring the experiences of democratic transition in Hungary and the region to other countries and regions that feel the need for such assistance. The Centre's mission statement is to "facilitate the smooth and peaceful process of democratic transition based on participatory principles, the political, economic, legal, cultural and civil society aspects of transformation, as well the socio-cultural context of regions and countries where the process takes place". ICDT now has projects running in Eastern Europe, the Balkans, Middle East and Africa in diverse fields such as protection of minority rights, good governance and women's empowerment.

With the financial support of the Hungarian Foreign Ministry, the Centre launched a one-year project called „Visegrád to Višegrad” in June 2006 at an interregional conference in Sarajevo. The objectives of the program were to explore the possibilities of the adaptation and transfer of the political, institutional and, as and where applicable, sectoral experiences of Visegrad Cooperation to the Western Balkans. Based on the proceedings of the Sarajevo conference, months of preparatory work and a regional fact-finding mission dedicated to “testing” our ideas with local stakeholders, experts and decision-makers, the Centre has identified certain issues in the region where we feel that we could bring commensurate added value to ongoing efforts originating both from within and outside of the region to further promote regional development and cooperation. Promoting the adaptation of LEADER was one of these core ideas, and accordingly in March this year ICDT organized an interregional workshop in Skopje in part to examine the applicability of this approach and using the input and local expertise in designing a LEADER-based capacity-building program in the SAP countries. The target groups were already the relevant decision makers (such as officials of the national EU integration offices and from the ministries dealing with local/rural/agricultural development) and experts in the field in the target countries, local government leaders, NGOs, civil society



leaders and professional associations/economic and social interest groups. Reactions were positive and the idea in particular to rely on CEI KEP was particularly well received, CEI being one of the rare forums bringing together the new EU members and SAP countries.