EXPERIENCE ABOUT LOCAL ACTION GROUPS AND LOCAL ACTION GROUP INITIATIVES

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1. About LEADER ......................................................................................... 5
2. LEADER in Visegrad countries................................................................. 9
  2.1. Hungary .............................................................................................. 9
  2.2. LEADER in Czech Republic .............................................................. 11
  2.3. LEADER in Poland ............................................................................. 15
3. LEADER initiatives in Balkan countries ................................................. 20
  3.1. Bosnia and Herzegovina ............................................................... 20
  3.2. Macedonia ................................................................................... 23
  3.3. Montenegro ................................................................................. 25
  3.4. Serbia ........................................................................................... 27
4. Experience of mentoring training participants about visited the local action groups in Hungary, Czech Republic and Poland ......................... 31
5. Conclusions ........................................................................................... 47
1. About LEADER

More than half of the EU population of 500 million lives in rural areas (less than 10,000 inhabitants, number, or less than 120 inhabitants / km² at a population density of settlements), which is the total area of the land mass is 90%. But Europe’s rural areas is very different: it is the recognition provided by the LEADER expansion of that development strategies are more effective and efficient if the actors at the local level there is determined and then apply them. The LEADER basics of clear, transparent decision-making process, stakeholder co-operation and transfer of the necessary infrastructure in developing best practices can be found.

Among the measures and the LEADER rural development policy in the traditional difference is that the former provides more guidance on 'how' to achieve the desired goal, not the states, "what" to do. Local participation, and collaboration with real thinking, what else might appear on an ancillary basis, in the main feature of the operation - which is why the program is more important than what sources to infer share.

The acronym ‘LEADER' derives from the French words "Liaison Entre Actions de Développement de l'Économique Rurale" which means, ‘Links between the rural economy and development actions'. The idea was to enlist the energy and resources of people and bodies that could contribute to the rural development process by forming partnerships at a sub-regional level between the public, private and civil sectors. In 1990, when a group of officials at the European Commission came up with the proposal for LEADER, this concept of connecting with people was quite new.

The LEADER approach is associated with local empowerment through local strategy development and resource allocation. The main tool for the application of the LEADER approach to area development and involving local representatives in decision-making is the Local Action Group (LAG).

In the experimental phase in 1991-93, LEADER involved 217 regions, focusing on disadvantaged rural areas. This was also true for 1994-1999. In 2000-2006, based on the encouraging results, the method quickly expanded to cover all types of rural areas. In its fourth programming period (2007-2013), the approach was mainstreamed as an integral part of the EU's rural development policy, covering 2402 rural territories across the Member States. The method has also extended thematically to fisheries policy with some 300 FLAGs on that side.

Due to rapid expansion, the network structures have become ever more important to LEADER implementation. National Rural Networks (NRNs) are
state-supported bodies established in all the Member States. They assist in capacity building, networking activities, partner search for transnational cooperation, etc. The European Network for Rural Development (ENRD) plays the same role at the European level, directly helping both the NRNs and LAGs. About half of the EU’s LAGs are members of the European LEADER Association for Rural Development (ELARD), which is an NGO-based cooperation forum of LEADER areas. A strong commitment and faith in the methodology create a shared ethos among the LEADER practitioners and networks, and has been recognised by external evaluator. The LEADER method is based on seven specific features, which must all be present simultaneously in order to use the method right. These seven features define LEADER as a methodology and separate it from funding programmes.

1. **Bottom-up approach**

The bottom-up approach means that local actors participate in decision-making about the strategy and in the selection of the priorities to be pursued in their local area. The involvement of local actors includes the population at large, economic and social interest groups and representative public and private institutions. LEADER conceives the local people as the best experts on the development of their territory. It can be seen as a participatory democracy tool supplementing the electoral parliamentary democracy.

2. **Area-based approach**

An area-based approach takes a small, homogenous, socially cohesive territory, often characterised by common traditions, a local identity, a sense of belonging or common needs and expectations, as the target area for policy implementation. Having such an area as a reference facilitates the recognition of local strengths and weaknesses, threats and opportunities, endogenous potential and the identification of major bottlenecks for sustainable development.

3. **Local partnership**

The local partnerships for area development work through a structured governance mechanism—referred to as the Local Action Group (LAG). The Local Action Group (LAG) should associate public and private partners, be well-balanced and representative of the existing local interest groups and be drawn from the different socio-economic sectors in the area. At the decision-making level the private partners and associations must make up at least 50% of the local partnership; its legal form may vary from country to country but it is often a non-profit, registered organisation.
4. Multi-sectoral integration

For the purpose of developing the Local Development Strategy (LDS), the LEADER approach requires that the area needs are explored in an integrated way, rather than focus on development needs of specific sectors. The LDS must integrate relevant development needs for all sectors to achieve the desired common goals. The actions and projects contained in local strategies should be linked and coordinated as a coherent whole. The LAG encompasses sometimes surprisingly diverse actors which can be fertile ground for partnership and innovation. In order to allow for inclusion of different points of view and resources, the LAG must be able to bring the different interests and interest groups together in a constructive manner.

5. Networking

The LAG is a network itself but it should also look around and cooperate with other development organisations on local, regional, national and international levels.

Networking is a means of transferring good practice, of disseminating innovation and building on the lessons learned from local rural development. Networking forges links between people, projects and rural areas and so can help overcome the isolation faced by some rural regions. It can help stimulate co-operation projects by putting LEADER groups in touch with each other.

6. Innovation

The LAG must bring new elements and solutions to the development of its territory. In its strategy design and project selection decisions the LAG must be able to tolerate certain amount of risk – otherwise the most surprising and innovative ideas would always become disqualified.

7. Inter-territorial and international cooperation

Co-operation goes further than networking. It involves a Local Action Group undertaking a joint project with another LEADER group, or with a group taking a similar approach, in another region, Member State, or even a third country. Cooperation with other regions is often the best source of innovation for the LAGs. From new viewpoints one can better see the new opportunities. In the European rural development policy LEADER has the main responsibility for transnational cooperation.

Local Action Groups (LAG) as key element of LEADER approach

A LAG should associate public and private partners, and be well-balanced and representative of the existing local interest groups, drawn from the different socioeconomic sectors in the area. LAG decides the direction and content of
the development strategy and pursues its crucial goal of improving the quality of life in rural areas (municipalities with less than 25,000 inhabitants, where the maximum area covered by the LAG’s activities cannot exceed 100,000). The LAG is the partnership which effectively implements its local development strategy agreed within the community.

LAGs at the European level

The territory of the EU is covered by 2 402 Local Action Groups – LAGs. These LAGs implemented over 121,000 projects with 90,000 beneficiaries in the programming period 2007 – 2013. European LEADER Association for Rural Development (ELARD) is an international non-profit making association set up to improve the quality of life in rural areas. ELARD represents the interests and needs of its members from all over the Europe in front of other international, European, and national institutions. The Czech Republic holds the presidency in ELARD for the period of 2014-2015, which opens up the excellent possibilities to take part in committees, negotiations, working groups and meetings of the European Institutions.
2. **LEADER in Visegrad countries**

2.1. **Hungary**

Like other countries in Central and Eastern Europe, which after 2000 became members of the European Union and Hungary in the implementation of the LEADER approach went from pilot phase to full implementation of the LEADER approach in local communities.

A chronological overview of the development of capacity to implement and implementation LEADER approach is given in the table.

<table>
<thead>
<tr>
<th>Year</th>
<th>Activities</th>
<th>Main characteristics</th>
</tr>
</thead>
<tbody>
<tr>
<td>2003</td>
<td>Experience in „experimental“ LEADER in Hungary</td>
<td>Few selected areas and 16 RD Communities approved.</td>
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<tr>
<td></td>
<td></td>
<td>Small resources, few projects based on municipalities’ participation.</td>
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<tr>
<td></td>
<td></td>
<td>Poor LEADER identity.</td>
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<tr>
<td></td>
<td></td>
<td>In rush campaign, LEADER+ became part of the AVOP (Agricultural and Rural Development Operative Programme) ... and lost it’s identity</td>
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<td></td>
<td></td>
<td>Good initiative with low level of professional freedom in Group formation, designing and planning.</td>
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<tr>
<td></td>
<td></td>
<td>Heavily centralized measures introduced in project tendering and application.</td>
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<tr>
<td></td>
<td></td>
<td>Extremely difficult, complicate and anti-LEADER style process in project implementation and long delayed payment to beneficiaries.</td>
</tr>
<tr>
<td>Year</td>
<td>Description</td>
<td>Details</td>
</tr>
<tr>
<td>-------</td>
<td>-------------</td>
<td>---------</td>
</tr>
<tr>
<td>2007-2013</td>
<td>Implementation Rural Development and LEADER cycle in Hungary: 2007-2013</td>
<td>Frustrated beneficiaries, disappointed coordinators. Great enthusiasm for Rural Development Community formation and double-triple expansion of networked communities and population. RD and LEADER funds supposed to be 6-10 times higher than the present LEADER+ budget (3-5 Million Euros per LAG). Capacities for democratic and professional planning process existing. The Government imposed a centralised RD Office Network above rural communities in 2007. The Government invented a software-based centralized planning process in 2007. The RD strategic planning is a buerocratic nightmare for rural and planners: forcefully imposed and inappropriate centralized database lead to wrong conclusions. All 96 LAGs have been approved on 26-09-2009. Narrow avenue for local communities in strategic planning. Super-centralized role of the Ministry and the Paying Agency - LAGs has no or little autonomy.</td>
</tr>
</tbody>
</table>

Process of capacity building and implementation LEADER approach and building LAGs and his implementation of Local Development Strategies
was implemented on the good way in period 2007-2013. In that period 96 LAGs was approved and almost covering all territory of Hungary, as is presented on the map.

2.2. **LEADER in Czech Republic**

**Implementation of Local Development Strategies;** Member States select successful LAGs and allocate budgets to them for implementation of their local development strategies. 112 LAGs covering 66% of Czech territory were selected in the 2007-2013 programming period. Various actions have been supported through the implementation of LAGs strategies. More than 9 770 projects have provided real added value (143 mil. EUR), brought about important multiplier effects and, finally, enabled to co-operate beneficiaries with other shareholders active in the field of rural development, e.g. NGOs, SMEs, municipalities, schools, micro-regions, church.

**Implementation of the cooperation projects in LEADER;** In order to strengthen the local development strategies, it is important that LAGs from different territories facing similar challenges can learn from each other. Therefore, cooperation projects between them at both European and regional level need to be encouraged. The implementation of joint projects between
LAGs in different regions can contribute to increased territorial identity, foster fellowship, sense of belonging, and consequently to long-term sustainability in terms of the local action groups and local inhabitants as well. The cooperation projects provide the diffusion of innovation, know-how, bring new skills into region so local needs can be transformed into opportunities by promoting open dialogue on different perspectives to common constraints. 139 projects were implemented through cooperation at national level. A wide range of projects (41) was carried out in cooperation with Slovakia, France, Ireland, Finland etc.

**Community-led Local Development;** A Community-led Local Development (CLLD) builds on the LEADER approach and has been proposed as a tool for involving citizens at local level in developing responses to social, environmental and economic challenges. It is expected that CLLD will facilitate the implementation of integrated approaches among the European Structural and Investment Funds in the forthcoming programming period 2014-2020.

20 states and regions decided to develop multi-funded approach and implement multi-funded Local Development Strategies. As a part of the Rural Development Programmes the LEADER will remain a mandatory part funded by the EAFRD. In accordance with the EU regulation 1305/2013 each member states shall reserve at least 5% of the fund for LEADER approach.

As shown in the Table 1., among the most considered options for possible combination of funds are EAFRD (as at least 5% of the fund is required to be allocated to the LEADER/CLLD approach by the EC Regulation), followed by EMMF and ERDF then ESF. Czech Republic, Sweden, Poland, Portugal and Greece intend to take advantage of implementation of the Local Development Strategies funded even by all possible funds.

<table>
<thead>
<tr>
<th>Member State</th>
<th>EAFRD</th>
<th>ERDF</th>
<th>ESF</th>
<th>EMMF</th>
</tr>
</thead>
<tbody>
<tr>
<td>Austria</td>
<td>x</td>
<td>x</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cyprus</td>
<td>x</td>
<td></td>
<td></td>
<td>x</td>
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<tr>
<td>Czech Republic</td>
<td>x</td>
<td>x</td>
<td>x</td>
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</tbody>
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Table 1. CLLD in individual member states (Data from May 2014)
<table>
<thead>
<tr>
<th>Country</th>
<th>Set of Regional Programmes</th>
</tr>
</thead>
<tbody>
<tr>
<td>Denmark</td>
<td>x</td>
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<tr>
<td>Estonia</td>
<td>x</td>
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<tr>
<td>Finland</td>
<td>x</td>
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<tr>
<td>Germany</td>
<td></td>
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<tr>
<td>Greece</td>
<td>x</td>
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<tr>
<td>Latvia</td>
<td>x</td>
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<tr>
<td>Lithuania</td>
<td>x</td>
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<tr>
<td>Slovakia</td>
<td>x</td>
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<tr>
<td>Slovenia</td>
<td>x</td>
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<tr>
<td>Sweden</td>
<td>x</td>
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<tr>
<td>Italy</td>
<td></td>
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<tr>
<td>France</td>
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<tr>
<td>Poland</td>
<td>x</td>
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<tr>
<td>Portugal</td>
<td>x</td>
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<tr>
<td>Spain</td>
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<td>UK</td>
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</table>

**Community-led Local Development Strategy:** A Community-led Local Development Strategy (SCLLD) — the local development approach is formalised in a local development strategy document. This includes establishment of the objectives and definition of priorities to be undertaken. The local strategies are designed and implemented by local partnership as the final beneficiary of the initiative. By bringing the strategy close to people new opportunities are created for the inclusion of new beneficiaries and weaker members of the population.
In Czech republic (2015) exist 182 local action groups which will try to success with their Community-led Local Development Strategies. There will be no urban LAGs. All of them have chance to implement CLLD by multi-fund approach.

Unfortunately, it was not given the reception hoped for by the regional authorities and especially by local actors operating in the field of rural development. This time only several member states took the advantage of the multi-funded approach. Sweden, Poland, Greece and Portugal included into multi-funded approach all four funds in order to achieve the integrated approach at local levels. With regard to a landlocked territory of the Czech Republic and thereby assuming not implement the EMFF, the full multi-fund is applied in the Czech Republic as well.

Despite the benefits to be gained from the CLLD implementation, the concern of decentralisation of competencies in favour of regional bodies still remains at the national level (Slovenia, Spain, Estonia, Czech Rep.). In fact, the representative bodies at national level are not used to using discretion through the bottom-up approach in order to achieve the sustainable local development. This aspect is generally perceived as a crucial condition for efficient EU’s rural development policy implementation

A large part of the CLLD funding will go to social inclusion, with a big focus on Roma but difficulties are anticipated since they are not organised. Each LAG will have ca. €1 m for small social projects. Some part of environmental funding will also be chanelled through LAGs.

**Project promoting design of the local development strategies funded by the OP Technical Assistance**; The project carried out initiatives that helped to strengthen and foster communication networks and methodological tools, which were vital to the viability of the LAG projects. The project has been realized by all LAGs in Czech Republic. The project is targeted to the rural development practitioners, particularly to the LAGs. It aims at preparation of the high quality Community-led Local Development Strategies by providing supporting activities for the design process, e.g. consultations, methodological tools, sharing good practices, etc.
2.3. LEADER in Poland

Poland started to prepare for the Leader approach well before its accession to the European Union. In 2002, during the accession negotiations, the emerging cooperation platform of rural NGOs – later to become the Polish Rural Forum (PRF)\(^1\) organised a campaign to appeal to the Polish government and the European Commission that Leader should be applied in Poland from the date of accession. At the time, the Leader was considered to be too complex for the new Member States, but eventually – possibly also under the influence of civil society pressure – the possibility of applying it under Rural Development Programmes (RDPs) was opened, subject to decision of the national governments\(^2\).

In parallel, the EU-funded Agroline programme of the Cooperation Fund, together with the Polish Rural Forum, decided to start preparing the rural communities for the Leader approach by launching a large scale training of local partnership animators and an information campaign for rural inhabitants. The training of trainers started with a series of study visits showing how Leader worked in practice in different EU Member States; this was followed by intensive training of over 80 local leaders in strategy development, partnership building, community animation etc., combined with networking tools which helped the animators create linkages so that they could support each other and undertake joint action. Many of the people trained at that time are still active as LAG members or managers at this moment (2015).

Thus, in the first programming period of the EU funds, 2004-2006, Poland launched the Leader Pilot Programme, which did not operate exactly in the same way as Leader did in the EU but it was a good way for many communities to experiment with the approach. The objective was to help strengthen the competitiveness of Polish rural areas and support cooperation. This Pilot Programme consisted of two stages: in the first stage, local

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\(^1\) In Polish Forum Aktywizacji Obszarów Wiejskich (FAOW), see www.faow.org.pl

\(^2\) This option was taken up by eight out of the ten countries which joined the EU in 2004.
applicants received support to set up a partnership, to carry out community animation and information activities and to develop the local strategy. In the second stage, funding was provided to implement the local strategies, although – contrary to the classical bottom-up approach – LAGs were not allowed to organise calls for projects (the projects had to be described already at the stage of strategy selection, and one could say that the whole strategy was considered one “project”). Also, initial delays and administrative complications meant that LAGs had a little more than a year to implement their activities.

Overall, 167 local groups completed the first stage and spent approximately 19.5 million PLN (which would be equivalent today to some € 5 million). In the second stage, strategies were implemented by 149 LAGs covering nearly 7 million inhabitants, for a total amount of nearly PLN 100 million (or € 25 million).

This early phase was fundamental to give both the local actors and the Polish Ministry of Agriculture responsible for the programming of rural development the first taste of what Leader can do, and make it possible to adjust the system in the next round. In spite of the initial delays, partial application of the approach and certain administrative issues, the overall opinion of most actors involved was very positive.

During the first full programming period of EU funding – 2007-2013 – Leader was already “mainstreamed”: it was not considered a separate (pilot) activity but became an Axis in the RDP. The European Commission, which strongly believed in the effectiveness of Leader, insisted on all EU Member States applying the approach. The “old” Member States (EU-15) had to allocate at least 5% of their rural development programmes to Leader, but for the “new” Member States (EU-10, later EU-12) this minimum was lower – 2.5%.

Poland, which was the greatest beneficiary of rural development funding in 2007-2013, allocated to Leader 4.6% of its RDP budget, i.e. € 787 million. As a result, nearly 340 LAGs were created covering over 90% of all Polish rural areas. The Ministry of Agriculture realised that it would be extremely difficult to manage such a big programme at the central level (which was the case with

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3 Initially 338, later this number was reduced to 336.
the pilot scheme and it delegated many implementation functions to the regional (voivodship) authorities. The general principles, criteria and eligibility rules were developed at the national level, but LAG selection process, approval of projects, payments and other day-to-day implementation issues were handled at the regional level. This worked well in some regions, in others LAGs sometimes complained about bureaucracy, long delays and lack of experience of the administrative staff.

In fact, bureaucracy has been one of the most frequent complaints concerning Leader implementation in Poland (and in many other new Member States). The expectations of the local actors that Leader would be a flexible instrument to address the local needs were often incompatible with the standard rules and procedures which had to be applied in the Leader Axis in the same way as in all the other Axes and measures of RDP. This was often combined with a lack of understanding of the Leader approach by some members of the administration, including regional officials as well as auditors and controllers. See more information in Annex 1.

The design of the Leader Axis in the 2007-2013 RDP was carried out by the Ministry of Agriculture in close consultation with rural NGOs and potential LAGs. One of the results was certain innovative ideas that were introduced in the implementation: probably the most interesting of those was the application of “small projects”. In principle, Leader (Axis 4 of the RDP) was seen as a method to implement certain measures of Axis 3 (focusing on diversification and quality of life in rural areas). So although local communities were free to design their Leader strategies in line with the local needs, Leader funding was in principle only available for projects that conformed with Axis 3 measures (for instance diversification or village renewal). However, the Ministry – at the suggestion of civil society organisations – has agreed to enable LAGs to support “small projects” (initially around € 5000, although later this threshold was raised) as long as these projects met the overall aims of Axis 3 (but did not have to correspond to specific Axis 3 measures).

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4 The implementation of the pilot scheme was entrusted by the Ministry of Agriculture to the Foundation for Assistance Programmes in Agriculture (FAPA).
This innovation did not turn out to work entirely the way rural NGOs expected it: beneficiaries of these small projects still had to follow the same rules as for “big” projects (including own contribution as well as control and reporting requirements), so they were not always easily accessible for small rural NGOs, but nevertheless it introduced a significant degree of flexibility and allowed LAGs to support certain innovative actions. In the whole programming period, over 40,000 small projects were implemented.

Another interesting innovation was to develop a special legal form for the LAG. In 2004-2006, the LAG could take the form of an NGO – an association, a “union of associations” or a foundation. However, these legal forms were originally designed for individual participation and legal entities, especially from the public sector (such as municipalities) could not be their members – while it was clear that strong involvement and support of municipalities was essential for the success of Leader. Therefore, at the initiative of the Ministry of Agriculture the Polish parliament adopted a law which created a special associative form in which municipalities could be members alongside of private individuals.

Another consequence of the participatory manner in which Leader Axis 2007-2013 was designed was integration of the LAGs, both at the national level (where they actively participated in the dialogue with the MA in designing Leader rules) and at the regional level (where all groups from one voivodship had to work together to overcome bureaucratic obstacles). An important role was played by the Leader working group of the National Rural Network⁵: it consisted of one LAG representative from each region, as well as several representatives of regional authorities, the Paying Agency and the MA, and it became a forum of genuine dialogue as well as an excellent source of disseminating information quickly to all LAGs through the regional representatives. Eventually, this has led to the creation of the Polish Leader Network, which is currently an important player in all cooperation and advocacy activities of LAGs.

⁵ This working group was first set up at the initiative of the Polish Rural Forum in the course of the Leader+ network project (2006-2008) implemented by a consortium of partners led by FAPA, but it was taken up by the MA (with NRN support) in the 2007-2013 period.
These two key features of Leader 2007-2013: the willingness of the MA to apply innovative solutions and the strong dialogue with the LAGs, have played an important role also in designing how Leader will be implemented in the 2014-2020 period. The Managing Authority has decided to apply many of the innovative tools that the European Commission has made available, for instance the use of Simplified Cost Options and umbrella projects. It remains to be seen how this will work in practice. Currently, some 260 LAGs are expected to apply for Leader funding amounting to approximately €735 million (total public). The number of LAGs has dropped down because the Ministry has come to the conclusion that many of the smallest LAGs in the previous period were not very successful, so the minimum population threshold was raised to 30.000 inhabitants, and LAGs have to cover at least two municipalities.

The positive experience of many rural actors with the previous editions of Leader, combined with the generally successful transfer of this experience to fisheries areas6 has helped to convince the Regional Development Ministry to apply the successor of Leader – Community-Led Local Development (CLLD) also in the European Regional Development Fund (ERDF) and the European Social Fund (ESF). In the Partnership Agreement this option was left to the regional authorities and it was taken up by two out of the 16 Polish regions; several other regions, while not allowing LAGs to include ERDF and ESF funding at the level of their strategies, envisage nevertheless LAGs as beneficiaries, for instance through special ERDF or ESF calls for projects where LAGs can be applicants.

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6 Under the European Fisheries Fund (EFF), 48 Fisheries LAGs (FLAGs) were created in Poland in 2007-2013, in inland as well as in coastal areas – some of them based on or closely cooperating with Leader LAGs
3. LEADER initiatives in Balkan countries

3.1. Bosnia and Herzegovina

Bosnia and Herzegovina has about 3.8 million inhabitants, of whom about 60% live in rural areas. During the last war infrastructures suffered major damage and unemployment remains high. Therefore, the country is faced with a double problem - the reconstruction of the war-torn country and introducing liberal reforms in the mixed economy that is largely based on heavy industry and agriculture, mainly on private properties.

Agriculture is still a very important part of the national economy, and in addition to providing food for the population it accounts for about 10% of the national GDP (13% in the Republic of Srpska, 6% in BiH federation). Manufacturing makes an additional 8% of GDP and its share is constantly growing. Agricultural land covers 47% of the country, of which about 20% is suitable for intensive agriculture and the production of vegetables, corn, potatoes and other crops. On this fertile land it’s produced two-thirds of the value of agricultural products in BiH. At about 100,000 hectares are represented orchards and vineyards, and the rest are meadows and mountain pastures for cattle and dairy products. Most farms are small family farms, of which about 50% smaller than 2 hectares.

Bosnia and Herzegovina has a very complicated political and legal system (bicameral legislative system and the three-member Presidency consisting of representatives from all three main ethnic groups). The influence of the central government is very limited because the country is largely decentralized and consists of two autonomous entities - the Federation of Bosnia and Herzegovina and the Republic of Srpska and the Brcko District. The Federation of Bosnia and Herzegovina consists of 10 federal cantons. Territorial level organizations representing municipalities which have 79 in the Federation of Bosnia and Herzegovina, and 63 in the Republic of Serbian.
As far as rural development and jurisdiction, the situation is also very complicated. Appropriate legislation, defines the roles and responsibilities of institutions at the state level, entities and the Brcko District. The governmental structures within the Entities and Brcko District shall be responsible for the design, financing and implementation of local, while institutions at the state level responsible for the coordination of entity and Brcko District and international cooperation. Although there is no formal accountability structures for agriculture and rural development - each of the 156 public authorities - central government, three entities, 10 cantons and 142 municipalities ... have a body (ministry, department ...) for agriculture and local economic development whose competences often overlap.

Bosnia and Herzegovina is a potential candidate for European Union membership. However, its further progress towards membership in the EU, and thus its approach to IPARD, are limited to the above complicated institutional structure of the country. The EU has supported rural initiatives through PHARE, CARDS and IPA programs to some extent.

In Bosnia and Herzegovina there is no official classification of economic regions, but is identified five economic regions according to historical, economic, social and cultural specificities. Regional Development Agencies (RDAs) are key actors in developing and implementing economic development strategies at the regional level, and they are essentially non-profit organization founded by the public, private and non-governmental sectors with the aim of contributing to economic development. Currently in BiH, active following regional development agencies:

- ARDA - covers the north-western economic region
- NERDA - covers the northeastern economic region
- REDAH - covers of Herzegovina economic region
- CUT - covers economic region of central Bosnia
- SRRA - covers the macro-region of Sarajevo

Agencies are to a great extent with issues of agriculture and rural development through:
• promotion of measures and rural development policy,
• cooperation and networking,
• support to cooperatives and associations,
• providing training and practical advice,
• support the establishment of local action groups.

Network for Rural Development was established in 2014. The network was founded by the development agency REDAH and 17 NGOs from BiH (including a few LAG initiative), with the support of the PREPARE and ELARD networks and rural networks of neighboring countries. Network for Rural Development aims to improve conditions for the development of rural areas of Bosnia and Herzegovina and contribute to improving the quality of life and sustainable utilization of existing resources for development in rural areas.

The formation of the LEADER initiative in Bosnia and Herzegovina is largely supported by foreign donors through specific projects (UNDP, LEADER Network in Spain, cross-border cooperation ...). Currently, there are 8 registered LAG initiatives which cover about 20% of the total land area within which covered about 15% of the total population. These LAGs are established by the LEADER methodology and are officially registered, but they now operate as partnerships - associations that serve the project or to a lesser extent, co-financed by the municipalities. Support from the state level does not exist (the exception is a call RS MoA that in 2012 in the framework of rural development support programs support the operation of LAGs).

The institutions that are responsible for building the foundation for the introduction of the LEADER approach in policy planning of agriculture and rural development, and to support the establishment and work of LAGs within the BiH Ministry of Foreign Trade and Economic Relations (MoFTER), Department of Agriculture, Food and Rural Development (SAFFRD); Federal Ministry of Agriculture, Water and Forestry (FMAWMF); Ministry of Agriculture, Forestry and Water Management of the Republic of Serbian (RS MoA) and the Department of Agriculture, Forestry and Water Management of the Brcko District (BD Department of Agriculture).
So far, Bosnia and Herzegovina, there are 8 LAG initiatives:

- LAG Una-Sana,
- LAG-Doboj and Maglaj,
- LAG Drina,
- LAG Devetak,
- LAG Blidinje,
- LAG Vrbanja – Ukrina,
- LAG areas Gradiska, Kozarska Dubica, Laktasi and Srbac.

3.2. Macedonia

Macedonia has just over 2 million inhabitants, of which more than 50% live in rural areas. The rural economy is the dominant agriculture, which produces about 10% of the national GDP. Agro-food and fish products (worth around € 450 million per year), accounted for about 15% of total exports of the country. Mainly exported products are: wine, tobacco, meat, and dried or fresh fruit and vegetables.

Many parts of the country have fertile ground that together with warm climates, provides a high level of production and a wide range of products. The country has 510,000 hectares of arable land. 190,000 households, about 80% are small family farms with an average farm size of 1.7 hectares. On these family farms employ about 440,000 members of households and about 140,000 seasonal workers. Of the total agricultural production, 73% is arable farming and production of fruit and vegetables, and 27% of animal production (mainly milk and meat).

From the standpoint of territorial organization, Macedonia is divided into 8 regions at the level of planning and 80 municipalities that are the basic territorial units (10 municipalities are urban municipalities of the city Skopje). Municipalities have between 3,000 and 105,000 inhabitants and have the authority to create local taxes and support development in their areas. There are no bodies of executive power at the village level, but the village may on its own initiative to form village councils.
Macedonia has since 2005 been recognized as a candidate country for accession to the EU, so that a good part of the measures in the field of agriculture, food safety and veterinary standards agreed with the EU.

In 2007, the government adopted a National Strategy for Agriculture and Rural Development 2007-13, and established the Agency for financial support. The strategy is implemented through annual programs for agriculture and rural development (€ 24 million in 2005 and € 101 million in 2009). The largest portion of these funds was spent on direct payments to farmers, while certain part used to finance rural development (€ 6.8 million in 2009) with a focus on improving the environment, land management and diversification of the rural economy.

Macedonia is one of three countries that used the IPARD 1, which was approved by the European Commission in 2007, with a total budget of € 87.53 million in the period 2007-2013 year. On the basis of decentralized management by the national government in IPARD 1 program consisted of three measures:

- Investments in agricultural farms that contribute to the fulfillment of standards,
- Investments in processing and marketing of agricultural and fishery products,
- Diversification and development of rural economic activities.

Since 2009, the government announced nine public calls for the use of IPARD funds 1. Ministry of Agriculture, Forestry and Water Management is currently preparing its application for IPARD funds 2 (2014 to 2020), which will have the same scope as the IPARD 1, with the addition of Forestry and advisory services.

Rural Development Network of the Republic of Macedonia (www.ruralnet.mk) was founded in 2010 as a movement at the national level in order to represent the voice of rural communities. There are currently 58 NGOs in membership and is working closely with about 1,500 village leaders (membership is very diverse and includes associations representing farmers, rural women, artisans, rural tourism...
The network promotes cooperation and mutual assistance between rural communities and organizations, as well as the flow of information between government and civil society at all levels. There are currently six priority areas of action:

- LEADER approach and creation of links between actors at the local level;
- Economic empowerment of women in rural areas;
- Agriculture and forestry;
- Cultural heritage as a tool for rural development through the promotion of rural tourism;
- Sustainable management of the environment;
- Diversification of economic activities in rural areas.

The network is a member of Balkan Network for Rural Development, the PREPARE network in Europe, as well as European LEADER Network for Rural Development. In close cooperation with the SWG, which has its headquarters in the Republic of Macedonia.

### 3.3. Montenegro

**Population and economy:** Montenegro has about 620,000 inhabitants, of whom about a quarter live in the capital Podgorica. Although predominantly rural country (77% of the territory), 60% of Montenegro's population is urban. The national economy is dominated by the services sector, which comprises 72% of GDP. Industry (production of aluminum and steel production and food processing) makes 17.5% of GDP, while agriculture accounts for 7.4% of GDP. Tourism (mainly focused on the Adriatic Sea coastline) is of great importance for the economy (over a million visitors per year). Therefore, it is tourism, including specific rural tourism has been recognized as the backbone of future economic development, and therefore the construction of infrastructure geared towards that goal.

**Agriculture:** Rural economy is dominated by agriculture. Pastures and meadows occupy 90% of agricultural land, and the remaining 10%
consists mostly of fields, vineyards and orchards. Agricultural production is dominated by small family farms with extensive production which generate revenues that are often not sufficient for normal life functioning. There are about 50,000 of these small rural households, which have an average size of 5 ha (with often fragmented, fragmented parcels), with small share largely obsolete equipment and limited use of fertilizers and pesticides. Most farmers are in the older age group, with low levels of education. For these reasons food production at local and regional level is insufficiently developed, and Montenegro imports a lot of food from the countries of former Yugoslavia.

In Montenegro, there are two levels of government - national and municipal. In addition to the two urban municipalities that are subdivisions Podgorica, there are 22 municipalities ranging in population (between 5,000 and 60,000).

Montenegro was granted candidate status in 2010, so that the process of harmonization of national systems with the EU acquis in progress.

**National policy:** In 2009, the Government adopted the Law on Agriculture and Rural Development launched the National Programme for Food Production and Rural Development, 2009 to 2013. The program is focused on the sustainable resource management, the realization of a stable food supply, providing a adequate living standards for the rural population and improve competitiveness of food products. Within the Ministry of Agriculture and Rural Development was formed Department of Rural Development to act as a body for managing rural development policies, the establishment of accredited Paying Agency and preparation of Rural Development Strategy 2014-20.

**IPARD:** As a candidate country, Montenegro is currently preparing a request for IPARD 2, with the National Strategy for Agriculture and Rural Development. It is expected that IPARD 2 focuses on the measures relating to the investment in agricultural holdings; investments in processing and marketing of agricultural and fishery products and the diversification and development of rural economy.
In the future, the Government recognizes the need to strengthen the agricultural sector in order to increase its viability and competitiveness and opportunities that EU membership can provide. There is a need to support the benefits in the agricultural sector, including available land, competitive prices for some products, good conditions for organic agriculture, the potential to add value to traditional products, opportunities to increase exports of wine, fruit, vegetables, lamb meat and other products as well as for strengthening the links between producers of agricultural and food products and service providers in the tourism industry.

3.4. Serbia

Serbia is still a mainly rural country. 65% of its national territory is in farmland, a further 30% in forestry. Of its 7.2 million people, 55% live in rural areas, and about two thirds of these rely wholly or partly on agriculture or forestry for their livelihood. These trades produce about 10% of the nation’s GDP and 23% of total Serbian exports; and employ 21% of the national labor force (as compared with the average of 5% in the EU). So, it is not surprising that Serbia, with its GDP per capita lower than any country in the EU and an unemployment rate of 23%, places high priority on sustaining and modernising its agriculture.

In this context, a high proportion of Government expenditure on agriculture and rural development since 2004 has been on payments to farmers to promote competitiveness, now running at 90% of the total. Spending on rural development by the Ministry of Agriculture and Environment protection has varied during that period, and is currently only 5% of the total, about 13 million euros per year. The Ministry is currently preparing its new Strategy for Agriculture and Rural Development, with Programmes for each of these sectors, for the period 2014 to 2024; and also its approved IPARD II funds. It is recruiting and training new staff for the management and paying agencies. It recognises the need for regional and local development strategies, and for the building of cooperation between stakeholders.
Preparation for LEADER; Serbia recognised some years ago the LEADER is a powerful tool for rural development. In 2007, it began to increase awareness of the LEADER approach among municipalities, and encouraged them to create LEADER-like partnerships, the first of which emerged in Vojvodina that year. From 2008, with UNDP support, the Ministry pursued a project for strengthening of rural social capital and networks. In 2011, with EU support, it launched the LEADER Initiative Serbia.

The LEADER Initiative Serbia (LIS) is the working name of the EU-funded project officially titled “Capacity building for the establishment and implementation of a LEADER initiative in the Republic of Serbia”. LIS provides assistance to the Ministry of Agriculture, Forestry and Water Management (MAFWM) and relevant local stakeholders in preparing for the future implementation of the LEADER approach to rural development in Serbia. It aims to achieve three main results:

Result 1 – increased capacities and awareness within local communities to participate in the LEADER approach;

Result 2 – strengthened human, technical, organisational and financial procedures and/or resources for the overall support to the LEADER approach within the MAFWM;

Result 3 – at least 10 potential LAGs have been identified and assisted.

The project aims to achieve these results by enhancing existing capacities and building new capacities to facilitate local rural development activities. This will be a gradual, step-by-step approach through a range of activities, based on EU best practice where possible, and adapted to Serbian specificities.

Although the project has a limited lifespan of two years, concluding in February 2013, it is more appropriate to view this support as a defining period in the development of the bottom-up LEADER approach to rural development in Serbia. In the medium to longer term therefore, LIS will continue to develop and mature, supported by local, regional, national and donor initiatives, to become a fully-fledged LEADER initiative responding to stakeholder needs through and beyond Serbia’s membership of the EU.
Now, there are about 30 potential Local Action Groups (PLAGs), focused on different sub-regions of northern and central Serbia, covering in total 15% of the national territory and 8% of Serbia’s population.

The National LEADER Network of Serbia was officially established just recently in May 2015, during implementation the project “CSOs support to public administration in IPA Rural Development II with focus on Measure 202” founded by EU. It currently represents 10 initiatives of local action groups across Serbia and more are expected to join in following months.

As NLN's main task, the representing the interests of members and partners of the association in relation to public policies and administration, national and international networks, associations and forums is set. The Serbian network also wants to promote CLLD and LEADER principles, priorities and program areas of support that encourage rural development in a comprehensive sense. And finally building management, administrative and financial capacities of members and partners are necessary tasks to increase the overall efficiency, performance and impact of network.

Serbian LAGs are eagerly expecting “National Program for Rural Development” Call for Proposals in last two years, which will provide financial and technical support for all LAGs, but it’s not adopted yet by the Ministry. Only LAGs from Vojvodina region have dedicated funds at the moment.

The EU Rural Development Programme for Serbia (IPARD) was adopted by the European Commission on 20 January 2015, forming the basis for EU support to the rural sector in Serbia for the next six years.

The main objectives of the Programme are to increase food-safety in Serbia and improve competitiveness of the agro-food sector as well as to help Serbia progressively align with EU standards. The EU has allocated a budget of EUR 175 million, which will be offered in the form of grants to Serbian rural stakeholders to co-finance appropriate investments up to a maximum public contribution of 70% of eligible expenditure. This should lead to a total investment in the
sector of approximately 400 million euro (49 billion dinar). On the basis of a detailed and objective analysis of the sector and thorough consultation with stakeholders, Serbian authorities selected the following measures: 1) Investments in agricultural holdings – grants will be provided for farmers producing milk, meat, fruit and vegetables and other crops; 2) Investments relating to the processing and marketing of agricultural products – targeted towards micro, small and medium-sized enterprises processing milk, meat, fruit and vegetables; 3) Organic farming – support will be provided to farmers that introduce organic production methods; 4) Implementation of Local Development Strategies – under the so-called "Leader" approach, support will be provided for the implementation of local rural strategies by Local Action Groups (specially established public-private partnerships); 5) Farm diversification and business development - the measure will facilitate the development of private rural tourism facilities; 6) Technical Assistance – EU experts will assist national authorities with the implementation of the programme. The EU will provide financial support to Serbia's agricultural sector through a management and control system that is compliant with good governance standards of a modern public administration equivalent to similar organisations in the Member States of the European Union. The Serbian authorities are currently preparing this system with EU support. This phase must be completed before the first calls for proposals can be announced.
4. Experience of mentoring training participants about visited the local action groups in Hungary, Czech Republic and Poland

Representatives of national rural development networks from Bosnia and Herzegovina, Macedonia, Montenegro and Bosnia and Herzegovina, participated on Mentoring training in Local Action Groups in three Visegard countries: Hungary, Czech Republic and Poland. During training participants have opportunity to learn about experience in LEADER approach implementation and also to learn on practical way how LAG’s staff and members working on the daily basis.

Lesson learned by participants it’s presented in tables with data of 6 visited LAGs.

<table>
<thead>
<tr>
<th>LAG name</th>
<th>LAG Deli Napfeny</th>
</tr>
</thead>
<tbody>
<tr>
<td>Contact data</td>
<td>Hungary, 6724 Szeged, 36 Juhas Atila ulica +36703263140 <a href="http://www.delinapfeny-hacs.hu">www.delinapfeny-hacs.hu</a></td>
</tr>
<tr>
<td>Territory covered by LAG (surface, number of municipalities)</td>
<td>508.58 km² Region of Chongrad, 12 municipalities from South Hungary</td>
</tr>
<tr>
<td>Number inhabitants</td>
<td>App. 42.085</td>
</tr>
<tr>
<td>Number of members and from which sector</td>
<td>42 members, 12 municipalities</td>
</tr>
<tr>
<td>Management structure</td>
<td>General assembly, Management Board, Management of LAG</td>
</tr>
<tr>
<td>Way of financing of LAG (proportion between technical and project)</td>
<td>LEADER fund</td>
</tr>
<tr>
<td>How many projects was financed and implemented in period 2007-2013 and which sector</td>
<td>App. 60 projects in environment protection and infrastructure in villages. Value is app. 3,000,000 EUR.</td>
</tr>
<tr>
<td>Strategic priorities in period 2014-2020</td>
<td>The drafting of the strategy for this period (action plan). Priorities continue to: sustainable rural development concerning habitat and living standards corresponding with the support of civil society and innovation in agriculture and economy, introduction of new economic functions via tourism.</td>
</tr>
<tr>
<td>Budget in period 2014-2020</td>
<td>App. 1,700.00 EUR</td>
</tr>
<tr>
<td>Budget in period 2007-2013</td>
<td>App. 3,000,000 EUR</td>
</tr>
</tbody>
</table>
| Examples of good practice from the previous period | - Reconstruction of kindergartens, schools, rural community centers  
- Tourist routes (bike paths)  
- Youth centers, pensioners centres |
| Experience from the previous period | **POSITIVE**  
Stabile financing |
<p>| <strong>NEGATIVE</strong> | Decreased participation of the Hungarian government in the funding of LAGs in period 2014-2020 |</p>
<table>
<thead>
<tr>
<th>LAG name</th>
<th>Horni Pomoravi</th>
</tr>
</thead>
<tbody>
<tr>
<td>Contact data</td>
<td><a href="http://www.hornipomoravi.eu">www.hornipomoravi.eu</a></td>
</tr>
<tr>
<td></td>
<td>Hana Olejnikova</td>
</tr>
<tr>
<td></td>
<td><a href="mailto:olejnikova@hornipomoravi.eu">olejnikova@hornipomoravi.eu</a></td>
</tr>
<tr>
<td></td>
<td>Renata Baslerova</td>
</tr>
<tr>
<td></td>
<td><a href="mailto:baslerova@hornipomoravi.eu">baslerova@hornipomoravi.eu</a></td>
</tr>
<tr>
<td>Territory covered by LAG</td>
<td>672 km²</td>
</tr>
<tr>
<td>(surface, number of</td>
<td>46 municipalities (village)</td>
</tr>
<tr>
<td>municipalities)</td>
<td></td>
</tr>
<tr>
<td>Number inhabitants</td>
<td>50,000</td>
</tr>
<tr>
<td>Number of members</td>
<td>75</td>
</tr>
<tr>
<td>and from which sector</td>
<td>Public – 32 (29 municipalities –</td>
</tr>
<tr>
<td></td>
<td>Civil – 20</td>
</tr>
<tr>
<td></td>
<td>Business - 23</td>
</tr>
<tr>
<td>Management structure</td>
<td>General assembly – all members</td>
</tr>
<tr>
<td></td>
<td>Director for LEADER</td>
</tr>
<tr>
<td></td>
<td>Management Board – 9 members (3</td>
</tr>
<tr>
<td></td>
<td>from each of 3 sectors) – have</td>
</tr>
<tr>
<td></td>
<td>role to decide and select project</td>
</tr>
<tr>
<td></td>
<td>for financing</td>
</tr>
<tr>
<td></td>
<td>Supervisor Committee – 6 members</td>
</tr>
<tr>
<td></td>
<td>– control and monitoring</td>
</tr>
<tr>
<td></td>
<td>LAG have 5 employee engaged in</td>
</tr>
<tr>
<td></td>
<td>LEADER implementation and other</td>
</tr>
<tr>
<td></td>
<td>projects related to local</td>
</tr>
<tr>
<td></td>
<td>economic development</td>
</tr>
<tr>
<td>Way of financing of LAG</td>
<td>20% technical support</td>
</tr>
<tr>
<td>(proportion between</td>
<td>80% projects</td>
</tr>
<tr>
<td>technical and project)</td>
<td>The law allows max. 20 % for</td>
</tr>
<tr>
<td></td>
<td>technical support. Self-financing</td>
</tr>
<tr>
<td></td>
<td>10% (membership, services...)</td>
</tr>
<tr>
<td>How many projects was</td>
<td>A total 144 project in following</td>
</tr>
<tr>
<td>financed and implemented</td>
<td>sectors:</td>
</tr>
<tr>
<td>in period 2007-2013 and</td>
<td>- Agriculture</td>
</tr>
<tr>
<td>which sector</td>
<td>- Entrepreneurship (small</td>
</tr>
<tr>
<td></td>
<td>businesses up to 10 employees)</td>
</tr>
<tr>
<td></td>
<td>- Accommodation in rural tourism</td>
</tr>
<tr>
<td></td>
<td>- The monuments</td>
</tr>
</tbody>
</table>
| Strategic priorities in period 2014-2020 | - Employment - Priority No. 1  
- Support to agricultural producers  
- Education - equipping schools  
- Innovation in the processing of agricultural products |
| Budget in period 2014-2020 | 4.1 million EUR  
630.000 EUR for office |
| Budget in period 2007-2013 | 2.2 million EUR  
370.000 EUR for office |
| Examples of good practice from the previous period | - Support to farmers through the purchase of equipment for finalization and product branding (eg. Supply cutting machine meat in the slaughterhouse, procurement pasteurizer and other apparatus at the dairy - cheese production ... the branding of organic products - Manufacturers Association - the mark of quality ..)  
- Catalog / list of all significant attractions, products and the specific areas with contact information  
- Equipping tourist - information centers (information and sales of local products) |
| Experience from the previous period | | |
| | POSITIVE | NEGATIVE | |
| | - Initiation of activism in rural areas  
- Improving cooperation between villages/municipalities  
- Strengthened sense of belonging area  
- Representatives of the LAG have at some stage had a significant | - Bureaucracy - papers, control ... justified / unjustified costs  
- Support for private entrepreneurs - has always been discontent why support was directed just |
<table>
<thead>
<tr>
<th>LAG name</th>
<th>LAG Hranicko</th>
</tr>
</thead>
<tbody>
<tr>
<td>Contact data</td>
<td><a href="http://www.regionhranicko.cz">www.regionhranicko.cz</a></td>
</tr>
</tbody>
</table>
| Territory covered by LAG (surface, number of municipalities) | 325 km²  
31 municipalities (village) |
| Number inhabitants | 34,000                      |
| Number of members and from which sector | 60  
Public – 20  
Civil – 20  
Business - 20 |
| Management structure | General assembly – all members  
1 General Manager  
Management Board – 13 members (1 chairperson – 5 public sector/municipalities) – decision making and project selection  
Supervisor Committee – 6 members – control and monitoring.  
5 employees (1 general manager, 3 project managers, 1 administrator) |
| Way of financing of LAG (proportion between technical and project) | 15% technical support  
85% projects  
Self-financing 5% (membership, services...) |
| How many projects was financed and implemented in period 2007-2013 and which | Total 81 projects:  
- 50% of rural infrastructure (schools, playgrounds, museums, public buildings, fire stations, hunting lodges ...)  
- 25% of tourism (hotels, rural) |
| sector | accommodation, pensions, tennis courts, trails, tour, signaling, event ...)  
| - 25% agriculture (machinery, buildings, technologies ...) |
| Strategic priorities in period 2014-2020 | - Employment  
- Tourism  
- Healthy living in villages  
- Environment  
- Agriculture and Entrepreneurship  
- Social services |
| Budget in period 2014-2020 | 2.8 million EUR  
370.000 EUR for office |
| Budget in period 2007-2013 | 1.6 million EUR  
370.000 EUR for office |
| Examples of good practice from the previous period | - Sport playground in rural areas (basketball and football)  
- Restoring 7 museums in villages (Museum of Catholic priests who are persecuted communists ... Museum of old agricultural machines from the local village ...) - Children who visit all the museums I get stamps participate in the contest and get some rewards  
- Farm apple - drying equipment and packaging  
- Public abandoned buildings have been renovated and serves as accommodation in rural tourism (municipalities raise revenue)  
- Equipping tourist - information centers (information and sales of local products) |
| Experience from the previous period | POSITIVE  
- Rural infrastructure is a significant improvement, so they look nicer and better organized  
- Improved tourist offer and traffic  
- bureaucracy |
<table>
<thead>
<tr>
<th>LAG name</th>
<th>LAG Hana Region</th>
</tr>
</thead>
</table>
| Contact data      | Ing. Jaroslav Brzák, General manager Region HANÁ, z.s.  
|                   | Nám. T.G. Masaryka 99, Náměšť na Hané  
|                   | Tel.: +420 605 174 701  
|                   | region.hana@seznam.cz  
|                   | www.regionhana.cz |
| Territory covered by LAG (surface, number of municipalities) | 427 km²  
|                   | 48 municipalities (village) |
| Number of inhabitants | 40.327 |
| Number of members and from which sector | 120 members  
|                   | Public – 48  
|                   | Civil – 15  
|                   | Business - 57 |
| Management structure | General Assembly – all members (meetings 2-3 times per year)  
|                   | General manager  
|                   | Management Board - 9 members (4 from public sector), decision making; meeting monthly  
|                   | Committee for project selection (11 members selected by General Assembly)  
|                   | Supervisor Committee – control and monitoring  
|                   | 5 employees.  
|                   | The LAG have informal groups:  
|                   | - Youth  
|                   | - Farmers  
|                   | - Employment  
|                   | - Natural heritage. |
| Way of financing of LAG (proportion between technical and project) | 15 % technical support  
85 % projects  
Municipalities annually pay 1.15 EUR per inhabitant (per year LAG income app. 45.000 EUR per year).  
Own financial contribution 5 % (membership, service...). |
|---|---|
| How many projects was financed and implemented in period 2007-2013 and which sector | A total of 130 projects (annually LAG open 3 calls for projects). Main project themes was:  
- Support for farmers  
- Entrepreneurship  
- Tour. Infrastructure - trails, lookout points, accommodation, events ...  
- NGOs  
- Cultural cooperation, events, visits ... |
| Strategic priorities in period 2014-2020 | - Support economic activities  
- Municipal Development  
- Cultural and natural heritage  
- Social cohesion  
- Education |
| Budget in period 2014-2020 | 2.9 million EUR  
- 1.8 million EUR (Ministry for local development – employing, village infrastructure, transport...),  
- 800,000 EUR (Ministry of Agriculture – farmers, capacities for procesiing...),  
- 300,000 EUR (Ministry of Labor and Social Affairs - Employment, social affairs ...). |
| Budget in period 2007-2013 | 1.8 million EUR |
| Examples of good practice from the previous period | - Building and reconstruction rural and tourist infrastructure (playgrounds, squares, parks, trails, tourist info counters ...)  
- Equipping an abandoned warehouse and adaptation in space for gatherings of women dealing with domestic-made  
- A major project for volunteer fire brigades in all |
villages (purchase of equipment, training of young people, to purchase large tents for the event - now the tent is issued cheaper members and the market, and now the LAG earns 5.6 thousand euros per year from it and I used tent for events in all villages.

<table>
<thead>
<tr>
<th>Experience from the previous period</th>
<th>POSITIVE</th>
<th>NEGATIVE</th>
</tr>
</thead>
<tbody>
<tr>
<td>- Through the LEADER a lot of people involved and informing</td>
<td>- Bureaucracy</td>
<td>- It is difficult to work with many people on the ground,</td>
</tr>
<tr>
<td>- LEADER vapors are &quot;small&quot; but a &quot;visible&quot; at the local level in relation to roads and major strategic projects</td>
<td></td>
<td>- In the Czech Republic LEADER is not very practical bottom - up ... you can put your best strategy and define your needs but the Ministry has its own priority areas and a good part of your priorities will not support because they are not in accordance with their priorities</td>
</tr>
<tr>
<td>- LEADER represents best the EU (cooperation, compromise, democracy, transparency) and generally do not have bad connotation because large projects and steam mainly 'white' bad reputation for corruption,</td>
<td></td>
<td>- &quot;Change the rules&quot; in the game - justified / unjustified costs,</td>
</tr>
<tr>
<td>- LEADER projects are small, but significantly encourage development in local communities.</td>
<td></td>
<td>imprecise contracts, systems of control is not good and gracious to customers</td>
</tr>
<tr>
<td>LAG name</td>
<td>LAG Korona Północnego Krakowa</td>
<td></td>
</tr>
<tr>
<td>--------------------------</td>
<td>---------------------------------------------------------------------</td>
<td></td>
</tr>
</tbody>
</table>
| Contact data             | Raciborowice 126, 32-091 Michałowice  
info@koronakrakowa.pl  
+ 48 12 3464312  
www.koronakrakowa.pl    |
| Territory covered by LAG (surface, number of municipalities) | 463.07 km²  
7 municipalities |
| Number inhabitants       | 94,000                                                              |
| Number of members and from which sector | 75 members                           |
| Management structure     | Association Board 5 members  
Revision Committee 5 members                                      |
| Way of financing of LAG (proportion between technical and project) | 3,170,000 EUR  
2,482,000 EUR for projects  
688,000 EUR Technical support |
| How many projects was financed and implemented in period 2007-2013 and which sector | 120 projects with a total value of nearly 2,482,000 EUR.  
Main sectors:  
- Renovation and development of villages,  
- Creation and development of micro enterprises,  
- Diversification of economic activities and a focus on non-agricultural activities,  
- Small projects. |
<p>| Strategic priorities in period 2014-2020 | Local Development Strategy is in preparatory phase. |
| Budget in period 2014-2020 | App. 3,730,000 EUR                                             |</p>
<table>
<thead>
<tr>
<th>Budget in period 2007-2013</th>
<th>App. 3,170,000 EUR</th>
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</thead>
</table>
| **Examples of good practice from the previous period** | **- Sport playground in rural areas,**  
**- Supporting economic activities in the rural areas (agriculture, rural tourism, local products...),**  
**- Supporting cultural and other manifestation (i.e. "Pucheroki and Herody - promotion of folk customs of the northern branch of the Crown),**  
**- Support promotion and protection cultural sites and heritage of the region,**  
**- Public abandoned buildings have been renovated and serves as accommodation in rural tourism (i.e. Renovation multifunctional building with adaptation and fittings, for cultural and social purposes in the village Baranówka)**  
**- Improving touristic infrastructure (paths, touristic routs...).** |
| **Experience from the previous period** | **POSITIVE**  
**- Cooperation,**  
**- Possibility to develop local capacities**  
**- Local development based on the existing values and needs of the local communities** | **NEGATIVE**  
**- Complex administration and reporting.** |
<table>
<thead>
<tr>
<th>LAG name</th>
<th>LAG NAD BIAŁĄ PRZESZĄ</th>
</tr>
</thead>
</table>
| Contact data                  | ul. Leśna 2, 32-340 Wolbrom  
+ 48 32 7242523  
www.nadbialaprzemsza.org.pl  
lgd@nadbialaprzemsza.org.pl |
| Territory covered by LAG (surface, number of municipalities) | 402.73 km²  
7 municipalities |
| Number of members and from which sector | 108  
Public - 7  
Business - 12  
Civil - 89 |
| Management structure          | Association Board 12 members  
Revision Committee 5 members  
5 employee |
| Way of financing of LAG (proportion between technical and project) | 2,796,000 EUR  
2,333,000 EUR for projects  
463,000 EUR Technical support |
| How many projects was financed and implemented in period 2007-2013 and which sector | Approximately 300 applications, 122 are selected for financing. The project was from following sectors:  
- Tourism  
- Renewal and Rural Development  
- Diversification into non-agricultural activities  
- Creation and development of micro-enterprises. |
| Strategic priorities in period 2014-2020 |  
- Renewal and Rural Development  
- Diversification into non-agricultural activities  
- Creation and development of micro-enterprises. |
- Special attention was paid to development recreation activities, because limited accommodation capacities and close location to Krakow as big touristic center.

<table>
<thead>
<tr>
<th>Budget in period 2014-2020</th>
<th>4 million EUR</th>
</tr>
</thead>
<tbody>
<tr>
<td>Budget in period 2007-2013</td>
<td>2,796,000 EUR (LEADER) and 700,000 EUR from other funds.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Examples of good practice from the previous period</th>
</tr>
</thead>
<tbody>
<tr>
<td>- Branding local products</td>
</tr>
<tr>
<td>- Development trade mark of the local products</td>
</tr>
<tr>
<td>- Support producers of local products</td>
</tr>
<tr>
<td>- Mobile track for implementation of different activities (gastronomy, info day, cultural manifestations...)</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Experience from the previous period</th>
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<tbody>
<tr>
<td><strong>POSITIVE</strong></td>
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<tr>
<td>- Good way for animation local capacities,</td>
</tr>
<tr>
<td>- Possibility to support local products and his promotion</td>
</tr>
<tr>
<td>- Local development based on the existing values and needs of the local communities</td>
</tr>
<tr>
<td><strong>NEGATIVE</strong></td>
</tr>
<tr>
<td>- Complex administration and reporting.</td>
</tr>
</tbody>
</table>
5. Conclusions

In order to establish a quality management for territorial development based on the LEADER approach and/or CLLD methodology, recommendations are:

1. To continue with capacity building process and to care about balanced development all areas;
2. Special attention must be provided to ensure stakeholders participation in creation and establishing legislation and framework for LEADER/CLLD implementation;
3. Administrative procedures must be clear and applicable in each part of the territory of the Balkan countries;
4. To link the national rural development programmes more clearly to the activities of municipalities, which are relatively visible and accessible to rural stakeholders;
5. To encourage and enable municipalities and Local Action Groups to support the emergence and activity of village councils, leaders and animators;
6. To sustain the autonomy and the continuing activity of the networks for Rural Development which are a vital catalyst in the development process of the next decade;
7. IPARD II period must be used as pilot period for establishing effective and efficient framework for local and territorial development;
8. Shearing information and good practice among the Networks and LAG initiatives from the Balkan, and between LAGs from Balkan and EU countries, as crucial for successful implementation LEADER approach and development of rural communities in Balkan region.
The project "Building of Rural Development Resources in Balkan region - No BoRDer" is supported by:

**EXPERIENCE ABOUT LOCAL ACTION GROUPS AND LOCAL ACTION GROUP INITIATIVES**