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# Follow up on the implementation of EU LEADER Approach defined in the LEADER Road Maps

# 2024



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implementation of  
EU LEADER Approach  
defined in the LEADER  
Road Maps**

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## State of Play on LEADER approach in the Western Balkan Countries /Territories

The introduction of the LEADER approach in the Western Balkans represents a significant step towards fostering sustainable rural development, empowering local communities, and addressing the diverse challenges faced by rural areas in the region. The LEADER approach, originating in the European Union's Common Agricultural Policy (CAP), emphasizes bottom-up decision-making, local empowerment, and multi-sectoral collaboration to promote holistic development tailored to the specific needs and priorities of rural communities.

The Western Balkans, comprising countries such as Albania, Bosnia and Herzegovina, Kosovo\*, Montenegro, North Macedonia, and Serbia, are characterized by diverse landscapes, rich cultural heritage, and unique socio-economic dynamics. However, rural areas in the region often encounter common challenges, including depopulation, limited access to services and infrastructure, environmental degradation, and economic disparities.

In response to these challenges, the introduction of the LEADER approach in the Western Balkans seeks to:

- 1. Empower Local Communities:** LEADER empowers local communities to take ownership of their development by establishing Local Action Groups (LAGs) composed of representatives from various stakeholders, including community members, local authorities, civil society organizations, and businesses. These LAGs facilitate participatory decision-making processes, enabling communities to identify their development priorities, design action plans, and implement projects tailored to their specific needs.
- 2. Promote Sustainable Development:** The LEADER approach promotes sustainable development by integrating economic, social, environmental, and cultural dimensions into rural development strategies. Through initiatives focused on sustainable agriculture, eco-tourism, renewable energy, environmental conservation, and cultural heritage preservation, LEADER contributes to the long-term well-being and resilience of rural communities in the Western Balkans.
- 3. Foster Innovation and Entrepreneurship:** LEADER encourages innovation and entrepreneurship in rural areas by supporting local initiatives, fostering collaboration between stakeholders and providing financial and technical assistance to entrepreneurs.

By promoting green businesses, social enterprises, and value-added agricultural products, LEADER stimulates economic growth, creates employment opportunities, and diversifies rural economies.

- 4. Enhance Cross-Sectoral Collaboration:** The introduction of the LEADER approach fosters cross-sectoral collaboration and networking among different stakeholders, including government agencies, non-governmental organizations, academia, and the private sector. By leveraging diverse expertise, resources, and perspectives, LEADER initiatives enhance the effectiveness and sustainability of rural development efforts in the Western Balkans.

- 5. Strengthen Institutional Capacities:** LEADER contributes to strengthening institutional capacities and governance structures at the local and regional levels, promoting transparency, accountability, and inclusivity in decision-making processes. By building the capacity of local authorities, supporting the establishment of supportive policy frameworks, and fostering partnerships between public and private actors, LEADER enhances the enabling environment for rural development in the Western Balkans.

In conclusion, the introduction of the LEADER approach in the Western Balkans offers a holistic and participatory approach to rural development, aiming to empower local communities, promote sustainability, foster innovation, enhance collaboration, and strengthen governance. By embracing the principles of LEADER, the Western Balkans can unlock the full potential of their rural areas, ensuring inclusive and resilient development for generations to come.

### **Objectives and approach (Methodology)**

The methodology of the assignment builds upon the project document entitled as “Standing Up for LEADER” that was implemented in 2019 – 2021 by the Standing Working Group for Regional Rural Development- SWG RRD and supported by the German International Cooperation (GIZ) and its Regional Programme SEDRA (Support to Economic Development in Rural Areas, 2018-21). Its main goal was to bring national stakeholders together in each country/territory to get LEADER back on the agenda, enhance the willingness to act, and combine all this with intensified efforts for EU accession and the accreditation of IPARD III measures 2021-27.

A critical outcome of the “Standing Up for LEADER” project is the National Road Maps to strengthen and intensify the efforts to anchor the LEADER approach at the policy level, among local actors and rural networks. These Road Maps have been negotiated and agreed upon among stakeholders in each country/territory. They are not just expert recommendations, they are commitments.

In order to assess the progress of the implementation of the tasks and commitments outlined in the road maps, starting from the legal and institutional framework to the networking and the operation of the LAG - SWG RRD recognized the need to engage a Regional Expert Advisory Work Group (REAWG) on LEADER to follow up on the current state of implementation of LEADER.

Approach defined in the LEADER Road Maps and provision of conclusions and recommendations on future steps for accelerating LEADER implementation in the Western Balkan countries.

The assignment included an assessment of the progress in WB countries /territories as per the actions defined in the LEADER Road maps. It included preparation of national progress reports related to LEADER in 3 different areas:

- Legal and institutional framework;
- Rural development networking;
- Local Action Groups and development initiatives

Additionally, the assignment included formulating conclusions on the current state and proposing recommendations for future steps to accelerate the implementation of the LEADER Approach at both national and regional levels.

## Identified issues that hinder or slow down the implementation of the actions defined in the LEADER Road Map

### At legal and institutional framework level

Limited awareness among policymakers and government officials about the benefits and principles of the LEADER approach has resulted in insufficient interest in enacting specific legislation. This situation arises from the prioritization of other policies and legislative measures over rural development approaches like LEADER, with issues such as economic development, infrastructure, and social welfare often taking precedence on legislative agendas.

Another issue that is hindering the progress of LEADER measures is the limited institutional capacity of governments to develop and implement legislation specific to the LEADER approach. This could include insufficient expertise, resources, and coordination mechanisms within relevant government agencies.

At the local level, a lack of coordination between central and local governments in some cases hinders support for the LEADER approach. Central and local governments often lack effective coordination mechanisms. This disconnection hampers the smooth implementation of LEADER policies and programs, which require strong collaboration across different levels of government.

The slow process of EU accreditation of the LEADER approach measure as part of the IPARD is another element that slows down the implementation of LEADER actions. This process is complex and involves meeting numerous criteria relevant to the LEADER principles. Western Balkan countries need to align their local regulations with EU standards to effectively implement the LEADER approach, which can be a challenging and time-consuming process.

Unfortunately, the EU LEADER accreditation process hasn't started yet in the WB countries.

The lack of utilization of the EU Technical Assistance measure for supporting the implementation of the LEADER approach in the Western Balkans within IPARD can be attributed to the challenges and gaps within the legal and institutional frameworks that impede effective use of available EU support mechanisms. There is often no clear strategy on how to integrate IPARD Technical Assistance with LEADER approach implementation.

However, it is worth noting that in some countries (North Macedonia) the IPARD Managing Authority is making efforts to maximize the use of Technical Assistance measure, where implementation of LEADER awareness campaign aimed at local actors and their role in the process of formation of LAGs and preparation of local development strategies is planned.

The underutilization of the EU IPARD Technical Assistance measure in supporting the LEADER approach implementation in the Western Balkans stems from a mix of challenges related to awareness, administration, coordination, finances, policy, and monitoring of awareness, administrative, coordination, financial, policy, and monitoring challenges. Addressing these issues will require concerted efforts from the responsible authorities.

We must be aware that the EU may require evidence of the effectiveness of the LEADER approach in Western Balkan countries before granting accreditation. This could involve demonstrating successful

implementation, achieving measurable outcomes, and ensuring accountability and transparency in the use of EU funds.

In some countries there is limited local autonomy. Centralized decision-making and limited autonomy at the local level impedes the flexibility and adaptability of LEADER initiatives. Local actors are facing constraints in tailoring interventions to suit the specific needs and priorities of their communities. Fragmentation and overlapping responsibilities among different levels of government and stakeholders can create confusion and hinder effective coordination. Clear delineation of roles and responsibilities is essential for smooth implementation of the LEADER approach.

Inadequate funding allocations, unreliable budgetary processes, and limited access to financial instruments undermine the sustainability and scalability of LEADER actions.

Ensuring adequate financial resources and establishing appropriate financing mechanisms are critical for successful implementation.

In some countries there is insufficient involvement of local communities, civil society organizations, and other relevant stakeholders in the design, implementation, and evaluation of LEADER initiatives that might diminish ownership and support for these actions.

The absence of monitoring and evaluation (M&E) mechanisms poses a significant challenge in ensuring the long-term success of the LEADER approach in the Western Balkans. Effective M&E systems are crucial for assessing program impacts, identifying areas for improvement, and making data-driven adjustments to strategies.

The successful implementation of the LEADER approach in the Western Balkans is hindered by a combination of structural, political, and procedural challenges. Addressing these obstacles requires a coordinated effort to strengthen cooperation between central and local governments, raise awareness about the role of LAGs, conduct comprehensive analyses of existing LAGs, foster political commitment, and expedite the EU accreditation process.

### **At the level of Rural Development Networking**

Rural stakeholders and networking organizations have limited involvement in strategic document preparation. The Network's participation in working groups responsible for preparing and creating strategic documents is often minimal. This results in a lack of influence over key decisions and policies that affect rural development. The limited or declarative presence of the rural stakeholders and Rural Development Networks in policy-making bodies reduces its ability to advocate for the needs and interests of rural communities, leading to policies that may not fully address or support local development.

The limited involvement of the Networks and rural stakeholders in the strategy development processes also weakens their connections with other actors involved in rural development, such as ministries, development agencies, clusters, and associations. This fragmentation leads to missed opportunities for collaboration and resource sharing. Insufficient connection with local stakeholders has negative effects to rural networking which relies on strong connections with local stakeholders, including community groups, local governments, businesses, and other actors. However, rural development networks are facing difficulties in establishing and maintaining these connections due to factors such as lack of funding, limited access to other resources, capacity building trust etc. Effective communication is crucial for coordinated efforts. Insufficient communication channels and mechanisms hinder the



exchange of information, best practices, and innovations. Without proper coordination, efforts may be duplicated or misaligned, leading to inefficiencies and reduced impact. Coordinating actions and initiatives across different stakeholders is essential for achieving cohesive and sustainable rural development. Effective networking requires robust communication channels. In many rural areas, these channels are underdeveloped, leading to poor information flow and collaboration. There is often a lack of mechanisms for sharing knowledge, best practices, and innovations among rural stakeholders, which can hinder learning and the adoption of effective strategies.

In some countries rural development organizations often face challenges in building and maintaining the necessary capacities for effective networking. This includes limited skills in networking strategies, communication, and facilitation skills. Without adequate capacities, organizations are struggling to initiate, sustain, and expand their networks. Many rural stakeholders and rural development organizations lack adequate training in areas critical to the LEADER approach, such as project management, strategic planning, and community engagement. There is often a shortage of technical expertise required to implement complex rural development projects, including financial management, marketing, and sustainable development practices.

Many networking organizations lack the organizational capacity to effectively coordinate and manage projects. This includes weak governance structures, poor leadership, and insufficient administrative support. Without strong organizational frameworks, the coordination of activities among various stakeholders can be challenging, leading to uneven efforts and decreased effects.

Also, the rural stakeholders are not actively engaged in the networking process due to a lack of awareness or interest. This can lead to a lack of ownership and commitment to rural development initiatives. Barriers, such as geographic isolation, limited transportation, and poor communication infrastructure, can prevent stakeholders from participating in networking events and activities.

Funding constraints are limiting the ability of rural development networks to invest in networking activities. This includes organizing events, facilitating meetings, maintaining communication channels and providing support to network members. Without sufficient funding, organizations may struggle to sustain their networks and engage stakeholders effectively. There is a reduced ability to conduct various capacity building programs like workshops, training sessions, or educational programs that are essential for building the skills and knowledge of stakeholders. This limits opportunities for stakeholders to attend conferences, seminars, and other professional development activities.

Insufficient funding hinders the development and maintenance of communication infrastructure, such as internet connectivity and telecommunication systems, which are crucial for effective networking. The adoption of advanced technologies and digital platforms for networking and collaboration is often unaffordable, limiting the efficiency and reach of rural development networks.

Organizing networking events, such as conferences, forums, and workshops, requires significant financial resources. Without sufficient funds, these important events may be reduced in scale or frequency or cancelled altogether. Funding constraints make it difficult for stakeholders to cover the costs of travel and accommodation needed to participate in regional, national, or international networking events.

Limited budgets prevent rural development networks from hiring and retaining qualified staff who are essential for managing networking activities and capacity-building programs. When networks rely heavily on volunteers due to budget constraints, this can compromise the consistency and quality of activities, as volunteers may lack the commitment or expertise of paid professionals.

Another aspect related to budget constraints is that many rural development projects require substantial upfront advance or cost share payment. Funding constraints can delay or prevent the initiation and successful completion of such projects. Ensuring the long-term sustainability of development projects often requires ongoing funding for maintenance and adaptation, which is challenging under tight financial conditions.

Developing successful grant proposals and fundraising campaigns requires expertise and resources. Funding constraints can limit the network's ability to pursue external funding opportunities effectively. Some funding programs require matching funds from applicants. Networks with limited budgets may struggle to meet these requirements, reducing their eligibility for certain grants and financial support.

Trust-building takes time and effort, overcoming these challenges requires intentional efforts to promote dialogue, build relationships, and address concerns among network members.

Rural networking initiatives face sustainability challenges because they rely heavily on external funding or lack clear long-term strategies for sustainability. Without sustainable funding sources and a clear value proposition for network members, rural networks may struggle to maintain their activities and remain relevant over time.

### **At the level of Local Action Groups and development initiatives**

The implementation of the LEADER approach is significantly hindered by insufficient knowledge and human capacity among Local Action Groups (LAGs) and other local actors in the Western Balkan countries. These issues are creating numerous obstacles that slow down the progress and effectiveness of the program. The existing LAGs and LAG initiatives in WB do not fully understand the principles and objectives of the LEADER approach, leading to a lack of clarity on how to implement it effectively. Misunderstandings about the LEADER approach can result in incorrect assumptions and ineffective practices, undermining the goals of the program.

The lack of understanding or misconception of the role of the LEADER approach is due to several factors such as: shortage of training programs specifically designed to educate LAGs and local actors about the LEADER approach, its methodology, and its benefits. Even when training opportunities exist, low participation rates due to time constraints, lack of awareness, or logistical challenges can limit the spread of knowledge.

LAGs usually lack the necessary management skills required for effective project planning, implementation, and evaluation, leading to inefficiencies and delays. Most of the existing LAGs operate with minimal administrative support, which can hinder their ability to coordinate activities, manage funds, and maintain proper documentation.

As with network organizations, communication is also insufficiently organized with LAGs. Ineffective communication within LAGs leads to misunderstandings, duplicative efforts, and missed opportunities for collaboration. Limited interaction with other LAGs, local authorities, and development agencies can result in a lack of coordinated efforts and shared resources.

Although in the countries of the Western Balkans the LAGs are at different levels of development they usually struggle to navigate the complexities of the LEADER approach, resulting in slow progress and suboptimal outcomes. The absence of expertise in areas such as project management, financial planning, and community engagement impedes the successful implementation of LEADER/like projects.

Generally, LAGs lack the skills to effectively engage and mobilize community members, leading to low participation and a lack of community ownership of projects. Without skilled individuals to conduct awareness campaigns and outreach activities, the community may remain uninformed about the LEADER approach and its potential benefits.

There is a lack of effective participatory decision-making processes that require skilled facilitators who can guide discussions, manage conflicts, and ensure that all voices are heard. A shortage of such facilitators can result in unproductive meetings and decisions that do not reflect the collective input. In the absence of skilled facilitation, certain individuals or groups may dominate the decision-making process, leading to biased outcomes that do not represent the wider community.

Another issue that LAGs are facing is the struggle to develop local strategies that accurately reflect the needs and aspirations of community members because they lack capacity to conduct comprehensive needs assessments and gather meaningful input from diverse stakeholders. Developing effective strategies requires robust data collection and analysis. LAGs with limited skills in these areas may base their strategies on incomplete or inaccurate information.

There is weak networking and animation of local stakeholders. Animation and maintaining networking of stakeholders requires ongoing effort and skill. LAGs with limited capacity in this area may struggle to form effective partnerships.

Funding is the major issue that hinders successful operation of the Local Action Groups. LAGs are struggling to hire and retain skilled staff necessary for managing projects, conducting outreach, and facilitating participatory processes. They have limited funds to maintain essential office infrastructure, such as computers, internet access, and office supplies, which are critical for daily operations and communication.

LAGs are lacking financial resources to fund local development projects. A lack of funding means that many potential projects cannot be initiated or completed, limiting the overall impact of the LEADER approach. Even when projects are started, insufficient funds can cause significant delays in implementation, reducing the effectiveness and timeliness of development interventions.

Due to the lack of funds, there is an absence of effective community engagement which requires resources for organizing events, workshops, and meetings. Without sufficient funds, these activities may be reduced, leading to lower community involvement and participation. Training programs and capacity-building activities often require significant financial investment. A lack of funds can result in limited opportunities for LAG members to enhance their skills and knowledge.

Delays in EU accreditation for the LEADER approach have negative effects on Local Action Groups (LAGs) in the Western Balkan countries. These effects are hindering the development and sustainability of rural areas. LAGs often rely on EU funds for their projects. Delayed accreditation means delayed access to crucial financial resources. Without timely funding, LAGs struggle to cover operational costs, leading to potential staff layoffs or reduced activities. Current persistent delays are leading to frustration and disengagement among community members and stakeholders who may lose trust in the process. LAG members become demotivated, affecting their willingness to contribute time and effort. This situation has a negative impact on the local communities losing trust in local institutions and the LEADER approach. A loss of trust can lead to reduced community participation in future initiatives and lead to a perception of inefficiency and ineffectiveness of the LAGs and the LEADER approach. The delays in the accreditation process hinder the exchange of best practices and innovations between different LAGs and regions.

## Conclusions and recommendations

### Legal and institutional framework

#### Conclusions

The LEADER (Liaison Entre Actions de Développement de l'Économie Rurale) approach in the Western Balkans has seen various developments in its legal and institutional framework. Here are the main conclusions regarding this framework:

The legal frameworks in Western Balkan countries are increasingly being aligned with EU regulations and policies.

Many countries are moving towards decentralized governance structures, which enhance local decision-making and participation. This is essential for the success of the LEADER approach, as it emphasizes local development tailored to specific community needs.

The institutional frameworks often encourage collaboration among various stakeholders, including local authorities, NGOs, and community groups. This multi-stakeholder approach is vital for fostering local initiatives and ensuring that diverse perspectives are included in rural development strategies.

There is a recognized need for strengthening the capacities of local actors, including training and resources to implement LEADER projects effectively. This capacity building is critical for ensuring the sustainability and impact of local development initiatives.

Access to funding remains a challenge. While some countries have established funding mechanisms to support LEADER initiatives, there is a need for more stable and predictable financial resources to ensure long-term project viability.

#### Recommendations

Addressing these challenges would require concerted efforts from various stakeholders, including governments, civil society organizations, international partners, and local communities. Increasing awareness about the benefits of the LEADER approach, providing technical assistance and capacity-building support, and fostering multi-stakeholder collaboration could help overcome barriers to enacting relevant legislation in Western Balkan countries.

**Alignment with EU Policies:** The LEADER approach must align with EU rural development policies and regulations. Ensuring this alignment requires careful analysis, adaptation, and sometimes legislative changes, which can be time-consuming.

**Technical Assistance and Support:** Western Balkan countries may require technical assistance and support from the EU and other international organizations to navigate the accreditation process effectively. This includes capacity-building, knowledge transfer, and financial support for implementing LEADER programs.

Overcoming these challenges requires sustained commitment from both Western Balkan countries and the EU. Strengthening institutional capacity, enhancing policy coherence, promoting multi-stakeholder collaboration, and ensuring transparency and accountability are crucial steps toward accelerating the EU accreditation of the LEADER approach in the region.

Addressing these issues requires comprehensive reforms aimed at strengthening legal frameworks, enhancing institutional capacity, streamlining administrative processes, promoting decentralization, improving financial mechanisms, establishing robust monitoring and evaluation systems and fostering meaningful stakeholder engagement. It also requires political will, adequate resources, and sustained commitment from governments and relevant stakeholders to overcome these challenges and realize the full potential of the LEADER approach in Western Balkan countries.

At this stage, prior to the official accreditation of LEADER in IPARD, LEADER should be funded through the National Rural Development programs of the Western Balkan countries in order to obtain consistency in implementation of LDS and provide sustainability of the program. The implementation of the National Programs for Rural Development should be on an annual level, which means that every current year a call for support should be published in time for the LAGs to function and to be able to implement the activities foreseen in the local development strategies.

## Rural Development Networking

### Conclusions

Rural development Networks are instrumental in supporting Local Action Groups, which are central to implementing the LEADER approach. They provide a platform for LAGs to connect, collaborate, and share resources and experiences.

Effective network organizations provide coordination among various stakeholders, including local authorities, NGOs, businesses, and community groups.

Rural Development Networks play a key role in facilitating the exchange of knowledge, best practices, and lessons learned among regions.

The networks often focus on capacity building, providing training and support to local actors, for empowering communities to effectively engage with the LEADER approach and implementing their development plans.

The networks serve as a collective voice for rural communities, advocating for their interests and needs at regional and national levels to influence policy-making and secure necessary funding for rural development initiatives.

Well-organized networks encourage collaboration across sectors, linking agriculture, tourism, environmental sustainability, and social services. This holistic approach is essential for addressing the challenges faced by rural areas.

More advanced networks contribute to the sustainability of LEADER initiatives by ensuring ongoing engagement among stakeholders and providing a framework for continuous support and collaboration.

In general, networks face challenges such as limited resources, varying levels of commitment, and difficulties in communication.

## Recommendations

Creating detailed and inclusive strategic plans that outline clear goals, objectives, and action plans can guide the development of rural areas more effectively.

Increase of Network's involvement in working groups and strategic document preparation to ensure that rural development policies are more inclusive and representative of local needs.

Building stronger relationships with development agencies, clusters, associations, and other stakeholders to facilitate better coordination and resource utilization.

Establishing communication channels to enhance information flow, enabling better coordination and the sharing of best practices.

Ensuring actions and initiatives across different actors to reduce inefficiencies and maximize the impact of rural development projects.

Develop approach that involves building capacities, strengthening connections with local stakeholders, mobilizing funding and resources, promoting trust and collaboration, and ensuring the long-term sustainability of rural networking initiatives.

Collaboration among multiple actors, including governments, civil society organizations, private sector entities, and development partners, to address the complex challenges facing rural communities.

Seeking a variety of funding sources, including government grants, private sector partnerships, and international donors, can provide more financial stability and flexibility.

Partnering with other organizations and stakeholders to pool resources and share costs can enhance the ability to organize and participate in networking activities.

Investing in training for proposal writing and fundraising can improve the network's ability to secure external funding.

Raising awareness about the importance of rural development and advocating for increased funding and support from policymakers and donors can help address funding challenges.

## Local Action Groups and development initiatives

### Conclusions

LAGs are increasingly recognized as essential players in rural development.

LAGs typically comprise a mix of local stakeholders, including farmers, entrepreneurs, NGOs, and local authorities. This diversity enhances their ability to address various community needs but can also lead to challenges in decision-making and governance.

The capacity of LAGs varies significantly across the region. Some LAGs are well-organized and effectively manage projects, while others struggle with limited resources, lack of training, or insufficient engagement from members.

Some LAGs have made steps in accessing funding, particularly from EU sources. However, inconsistencies in funding availability and complexity in application processes remain significant barriers for many groups.

Certain LAGs have successfully initiated and implemented a range of projects that address local priorities, including agricultural development, tourism, and infrastructure improvements. However, the scale and impact of these projects can vary widely.

While some LAGs are successfully networking with others, fostering cross-border collaboration and knowledge sharing remains a challenge. Efforts to enhance these networks are ongoing but need further development.

The long-term sustainability of LAGs is a concern. Many face challenges related to member engagement, funding stability, and the ability to adapt to changing local circumstances.

There is a recognized need for continued training and capacity building for LAG members.

Providing support in project management, funding acquisition, and stakeholder engagement can enhance their effectiveness.

LAGs are integrated into broader rural and regional development policies, but there is still a need for better alignment between local initiatives and national strategies.

## Recommendations

Developing and promoting comprehensive training programs that focus on the principles, methodology, and benefits of the LEADER approach can improve knowledge and capacity among LAGs and local actors.

Establishing communication channels and regular networking opportunities can enhance internal and external coordination, facilitating better collaboration and resource sharing.

Providing support for the development of strong organizational structures and management practices can improve the efficiency and effectiveness of LAGs.

Creating mechanisms for LAGs to access technical expertise and resources, such as through partnerships with development agencies, networks or consultancies, can address gaps in knowledge and skills.

Raising awareness about the importance and benefits of the LEADER approach and encouraging active participation from all stakeholders can foster a more supportive environment for its implementation.

Developing and offering targeted training programs that focus on community mobilization, facilitation of participatory decision-making, and strategy development can build the necessary skills among LAG members.

Organizing workshops and seminars that bring in experts to train LAG members in key skills and best practices can enhance their ability to implement the LEADER approach effectively.

Establishing mentorship programs and opportunities for peer learning can help LAG members learn from experienced practitioners and share knowledge and experiences.

Providing training and tools for effective data collection and analysis can help LAGs develop strategies that are well-informed and aligned with community needs.

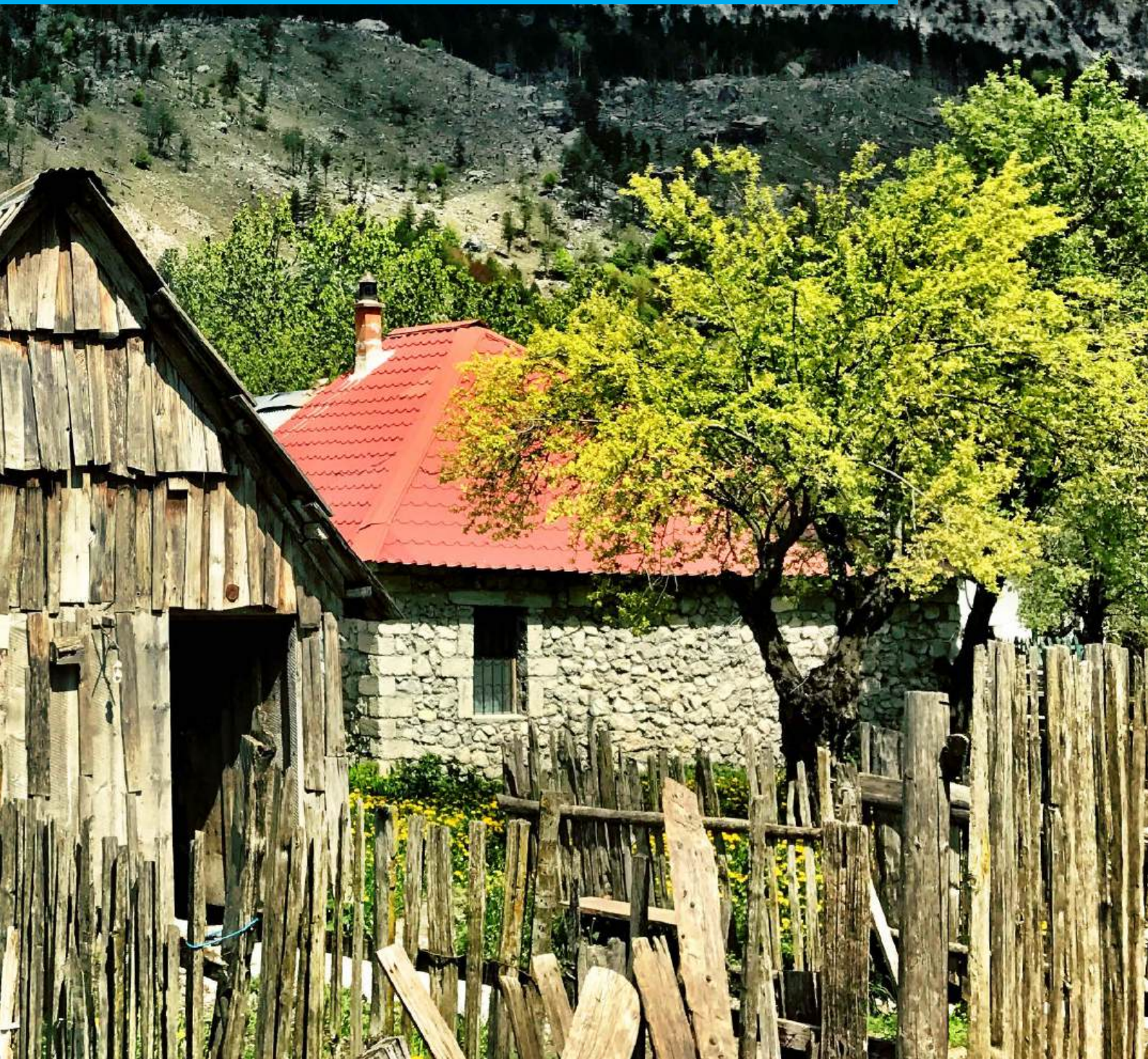
Transnational cooperation enables LAGs to address common transboundary challenges, such as environmental degradation, natural resource management, and cross-border migration. By working together across borders, LAGs can develop coordinated responses and solutions to shared challenges, promoting sustainable development and regional stability.

In conclusion, transnational cooperation among LAGs offers a platform for collaboration, innovation, and solidarity in rural development. By harnessing the collective expertise, resources, and creativity of diverse stakeholders, LAGs can create positive change and contribute to building resilient, inclusive, and prosperous rural communities across borders.





# National Progress Report on Implementation of EU LEADER Approach Country/Territory: Albania



## State of play on LEADER approach in Albania

The ineffective utilization of resources in Albanian urban and rural regions is caused by the local communities that comprise them not being committed to and coordinating their efforts. The long-term ability of rural regions to shape their own development will be made possible by strengthening local decision-making by public or private actors.

The LEADER method has a significant impact on the promotion of innovative practices in rural regions and aids in the development of local communities in Albania.

The divergence between the territories and their goals does require proper solutions that engage all local stakeholders involved in the process and cannot be decided only at the central level. It is anticipated that deepening decentralization and strengthening local governance will improve functional and financial positions, boost local fiscal autonomy, improve institutional effectiveness, promote good governance and the realization of citizens' rights, and support national growth and economic development. So, to achieve all these elements it is crucial to achieve not only the LAGs law consolidation but also the awareness of the local communities as one of the main tools directing them toward sustainable livelihood.

Pre-Accession Assistance (IPA) instruments are provided to Albania to support its efforts in implementing the necessary changes to eventually become an EU member. Commission Implementing Decision C(2015) 5073 of 20 July 2015 has adopted the Programme for Agriculture and Rural Development of the Republic of Albania under the Instrument for Pre-accession Assistance (IPA II) for the years 2014-2020 (amended).

Adopting the Republic of Albania's IPA III Rural Development program (IPARD III) for the years 2021–2027 is the primary objective of Commission Implementing Decision C(2022) 1539 of 9.3.2022.

The function of the IPARD Managing Authority is designated by the Decision of the Council of Ministers:

- no.966 of date 2.12.2015 for IPARD II;
- no.206 of date 7.4.2023 for IPARD III.

The Decision of the Council of Ministers has designated a structure in the Ministry of Agriculture and Rural Development as the structure to carry out the functions for preparing and implementing the IPARD programme. By order of the Minister of Agriculture and Rural Development, the Directorate of Programming and Monitoring of IPARD is designated as the IPARD Managing Authority.

Accreditation of the LEADER Measure and closure of the Financial Agreement for IPARD III are crucial for the development of the rural areas.

**Local Action Groups (LAGs):** In Albania strengthening institutional and administrative capacities towards EU integration will support the consolidation of Local Action Groups (LAGs), as well as their promotion and innovation. The LEADER approach is based on the characteristics and potential of rural areas.

In order to increase the living standards of those who inhabit rural communities, the potential ought to be viewed as a chance to identify and craft a distinctive profile for each one. Through the formation of LAGs, we must ensure the wide engagement of all regional, public, and private players for the LEADER method to be successful.

Therefore, Law 36/2022, “On the organization and functioning of local action groups,” which was adopted in April 2022, is in line with the most recent laws, 102/2020, “On regional development and cohesion,” and 139/2015, “On local government.” The rationale behind this stems from Law 139/2015, which outlines the municipality’s responsibilities, including the establishment of the LAG or participation in it. Specifically, the municipality is allowed to act as an actor and founder of the LAG, and its council is responsible for establishing general guidelines for the operation and management of community structures (articles 68-71) that are significant potential actors of local development. The Law does not have restrictions on the number of the Municipalities. The size of the population is considered a criterion.

## I. Current state of the implementation of the actions defined in the LEADER Road Map

### Legal and institutional framework

Process Title (as defined in “Standing up for LEADER in South East Europe”)	Actions defined (as defined in “Standing up for LEADER in South East Europe”)	Responsible actor and other contributing actors	Current stage of implementation
IPARD III preparation, Laws	<ul style="list-style-type: none"> <li>• Law no. 65, date 15.9.2022 ‘On ratification of the Financial Framework Partnership Agreement’;</li> <li>• Law no. 97, date 22.12.2022 ‘On ratification of Sectoral Agreement’;</li> <li>• DCM no. 206, date 7.4.2023 ‘On Establishing Structures and Authorities Responsible for Indirect Management of IPARD III’.</li> </ul>	Ministry of Agriculture and Rural Development, ARDA	The Decision of the Council of Ministers has designated a structure in the Ministry of Agriculture and Rural Development as the structure responsible for the implementation of the IPARD programme, reporting, authorization and control of financial obligations, authorization and control of payments, execution of payments, accounting of obligations and payments, debt management, project selection, publicity and internal audit. By order of Minister of Agriculture and Rural Development, the Agency for Rural Development and Agriculture is designated as IPARD Agency.
IPARD III certification and implementation	<p>NAO support Directorate, on April 18<sup>th</sup> 2023, submitted to DG AGRI “The request for Entrustment for budget implementation tasks for IPARD III, for 4 existing measures:</p> <ul style="list-style-type: none"> <li>• M1- Investments in physical assets of agricultural holdings;</li> <li>• M3- Investments in physical assets concerning processing and marketing of agricultural and fishery products;</li> <li>• M7- Farm diversification and business development;</li> <li>• M9 – Technical Assistance,</li> </ul>	Ministry of Agriculture and Rural Development, IPARD Agency	<i>Straightforward Roll-Over Request procedure</i>

IPARD III certification and implementation	<p>The preparation and submission of the request for entrustment for the 5 new measures of IPARD III Programme in two packages (requests):</p> <p><b>1st Request for Entrustment</b> For the measures: 4 “Agri-environment-climate and organic farming” and 11 “Establishment and protection of forests”. Manuals of Procedure for IPARD structures have been updated and harmonized to reflect specific requirements and changes introduced in the IPARD III Programme and relevant rulings, as well as recommendations from DG AGRI. In accordance with Annex B of the Sectoral Agreement, the NAO/NAOSO submitted a request to the Audit Authority on 1 September 2023 to perform the Compliance Assessment for measures 4 and 11.</p> <p><b>2nd Request for Entrustment</b> For measures: 5 “Implementation of local development strategies- LEADER approach” and 6 “Investments in rural public infrastructure” and 10 “Advisory Services” IPARD structures are working on the preparation of the required documentation for the accreditation of these measures.</p>	Ministry of Agriculture and Rural Development, IPARD Agency	Suspended program Conclusion of the Financial Agreement for IPARD III
Introducing LEADER in the Law on Agriculture and Rural Development or some other relevant legislation created for LEADER implementation	<p>Law no. 36/2022 “On the Organization and Functioning of LAG-s”</p> <p>Instruction No 13 dated 25.07.2023 On the Local Development Strategy writing. Decision no. 278. Dated 08.05.08, On the approval of the rules and the procedures for reporting and monitoring the Local Action Groups in Albania.</p>	Ministry of Agriculture and Rural Development, IPARD Agency	<p><i>Implemented</i></p> <p><i>Actually, in Albania, only two LAGs are registered at the Ministry of Agriculture and Rural Development.</i></p> <p><i>Some others as mentioned in the text are in the registration phase.</i></p> <p><i>All LAGs are created through different projects, and they are trying to operate with their consolidation and formalization at the same time. Before the adoption of the Law, the LAGs were registered as NGOs and based on the projects they worked accordingly. Any rule that interdicts them to operate as LAG, even if they are not registered at the Ministry register, does not exist. LAGs can't profit from the Ministry/IPARD funds based on their Local Development Strategy if they are not registered there</i></p>
Implementing LEADER in the Program for Development of Agriculture and Rural Areas of Albania within IPARD III	Registration and accreditation of LAGs. Two LAGs established during 2023.	Ministry of Agriculture and Rural Development, IPARD Agency	<i>The Strategy is in accordance with the lessons learned in the implementation of the LEADER/CLLD.</i>

## Rural Development Networking

Process Title (as defined in "Standing up for LEADER in South East Europe")	Actions defined (as defined in "Standing up for LEADER in South East Europe")	Responsible actor and other contributing actors	Stage of implementation
Capacity building of rural stakeholders (CSOs, agricultural producers, community representatives, cluster and association representatives)	<p>The Strategy for Agriculture, Rural Development and Fisheries 2021-2027. MARD Action Plan for 2022-2024 has predicted the implementation of the LEADER measure under the following steps:</p> <ul style="list-style-type: none"> <li>- Adopting the law on LAGs</li> <li>- Preparation of the LDS and selection of the LAGs</li> <li>- Selection of LAGs (including new LAGs) should start as soon as possible, in order to enable advance funding.</li> <li>- Preparation of LDSs should rely on a template. For all LDSs submitted in accordance with the template, the payments should be considered duly spent and not to be recovered.</li> <li>- Running costs (operational costs) for ensuring the LAGs operational and the LDS prepared should be ensured as fast as possible.</li> </ul> <p>An implementation system should be established to ensure the timely reimbursement of running costs for LAGs throughout their activities.</p>	Ministry of Agriculture and Rural Development	Approved
Capacity building of rural stakeholders (CSOs, agricultural producers, community representatives, cluster and association representatives)	During 2023, the Albanian Rural Development Network has been supporting the creation of several Local Action Groups in Albania through various EU projects	ANRD	Implementation phase
Capacity building of rural stakeholders (CSOs, agricultural producers, community representatives, cluster and association representatives)	<p>During March and April 2024, the UNIDO Program team for Global Quality and Standards (GQSP), in collaboration with the Albanian Agribusiness Council (KASH), embarked on a series of trips across Albania, from north to south, to strengthen the Medicinal and Aromatic Plant sector. These trips aimed to promote cooperation, knowledge exchange, and community empowerment within the sector. The objective is to establish a robust and sustainable infrastructure to support all stakeholders by expanding Local Action Groups (LAGs). For the first time, efforts are being made to establish a network of LAGs at the county level. The aim is to promote the creation of 12 LAGs, corresponding to the number of counties in Albania. The proposed areas at this moment are</p> <ol style="list-style-type: none"> <li>1. Korce- Maliq- Devoll;</li> <li>2. Selenice-Himare; 3. Sarande-Delvine- Finiq-Konispol</li> </ol>	Council of Agribusiness in Albania UNIDO	Implementation Phase

## Local Action Groups and development initiatives

<b>Process Title</b> (as defined in "Standing up for LEADER in South East Europe")	<b>Actions defined</b> (as defined in "Standing up for LEADER in South East Europe")	<b>Responsible actor and other contributing actors</b>	<b>Stage of implementation</b>
LAG "Pro Permeti"	<p>The "PRO PÉRMET" association was established on September 27, 2010. It is a voluntary union of individuals, agro-food producers, and entities active in the tourism sector, including hospitality and accommodation, as well as craftspeople operating within the municipalities of Përmet and Këlcyre. The members of the "PRO PÉRMET" Association primarily focus on promoting the region, fostering tourism development through traditional agro-food and handicraft products, the development of reception and accommodation structures and the preservation of the environment.</p> <p>Participation in activities: Participation in over 42 national fairs. Participation in over 14 international fairs. Realization of over 10 local events.</p> <p>Implementation of over 10 different projects in partnership with other organizations. All the mentioned activities are made in accordance with "Pro Permeti" Local Development Strategy.</p>	<p>Municipality of Përmet</p> <p>Municipality of Këlcyre. CESVI (Italian NGO)</p> <p>Local public authorities</p>	<p>ACTIVE</p> <p>Registered according to the Approval of Law 36/2022 "On the organization and operation of local action groups". The association registers the changes with the Tirana Judicial District Court with Decision no. 2925/5 and no. Register 544, dated 27.03.2023.</p>

<b>Process Title</b> (as defined in “Standing up for LEADER in South East Europe”)	<b>Actions defined</b> (as defined in “Standing up for LEADER in South East Europe”)	<b>Responsible actor and other contributing actors</b>	<b>Stage of implementation</b>
LAG “Community of Roskovec Act”	<p>The organization is registered as a non-profit entity. Its main goal and mission are to improve the development of the community, increase social capital, and contribute to the economic, social, cultural, and territorial advancement of local areas, engaging a wide range of partners private and public multi-sectoral and valuing community resources at the local level. Actually, it is financially supported by the Municipality of Roskovec. LAGs involve local actors in the preparation, implementation, and evaluation of community-led local development strategies and, in particular, for a) analysing and identifying needs; b) defining general and specific objectives; c) determining priorities and their selection, d) allocation of funds, e) determining the area and population of covered by the strategy, f) describing the community involvement process in strategy developmen; g) description of the cooperation of LAGs and the rules of internal decision- making, including procedures for the selection of small projects, h) the action plan, detailing the steps to achieve objectives through activities and supported project types, i) Drafting a financial strategy, encompassing expenditures on capacity building, revitalization, operational costs, and small projects j) implementation of the strategy, k) monitoring and evaluation of strategy implementation progress.</p> <p>They have already secured their first project in collaboration with the Coplan organization.</p>	Municipality of Roskovec Local and public authorities	<p>ACTIVE</p> <p>Registered in accordance with the Law 36/2022 “On the organization and operation of local action groups”.</p> <p>The LAG was established and officially registered in the Court of Tirana with Decision number 7033, dated 22.10.2022</p>



<b>Process Title</b> (as defined in "Standing up for LEADER in South East Europe")	<b>Actions defined</b> (as defined in "Standing up for LEADER in South East Europe")	<b>Responsible actor and other contributing actors</b>	<b>Stage of implementation</b>
LAG "Pashtriku"	<p>LAG-Pashtriku" of Has was founded on December 20, 2017, under the Environmental Services Project and was supported by the Ministry of Tourism and the Environment. The initiative sought to establish Has as a region with high tourism potential. The construction of paths, their marking, and the installation of other tourist signage will attract both local and foreign visitors, as well as encourage local residents to better develop and improve accommodation conditions in their guesthouses, improve the provision of local products, and improve the service quality provided to their visitors. Another projected beneficial impact associated with the completion of investment would be the formation of cooperative tourism packages. They already wrote the Local Development Strategy, with the following objectives:</p> <ol style="list-style-type: none"> <li>1) To promote and support the revitalization, renewal, and sustainable development of the economy in the territory of the Municipality of Has during the period 2018-2020, in a diversified and competitive economy that values the unique natural and cultural resources of the area.</li> <li>2) To increase the capacity to fulfil the social, economic, and cultural needs of the residents.</li> <li>3) To increase community participation in sustainable inclusive activities and processes</li> <li>4) To increase the confidence of the residents in the possibilities of the area to reach its social and economic potential in future generations.</li> </ol> <p>Actually, the community is waiting for the LEADER measure accreditation to continue with local projects.</p>	Municipality of Has. Local public authorities	It is created LAG and is in the registration process.

<b>Process Title</b> (as defined in "Standing up for LEADER in South East Europe")	<b>Actions defined</b> (as defined in "Standing up for LEADER in South East Europe")	<b>Responsible actor and other contributing actors</b>	<b>Stage of implementation</b>
LAG "Dibra Turistike"	<p>LAG "Dibra Turistike" was established in 2014 with the support of the Albanian Local Capacity Development Foundation which is also one of the founding members of the LAG. The LAG contributes to the development of integrated tourism in the community of Dibra Municipality through the implementation of programs for capacity building and promotion of tourist values of the Municipality and cross- border areas. The main purpose of the LAG "Dibra Turistike" is:</p> <p>a) Improving the economic situation in the Deshati-Korab mountain range area and beyond, by promoting and supporting sustainable rural development. b) Increase income for individuals and enterprises engaged in rural and mountain tourism and reduce unemployment at the local level. c) Promoting sustainable rural development and mountain tourism by initiating and supporting public and private initiatives. d) Protecting and improving the values of natural and cultural heritage and supporting any action aimed at better management of rural resources within the aforementioned territory. e) Preparation and implementation of tourism development strategy in the Deshat- Korab mountain range region and beyond. f) Introduction of elements of cooperation and collaboration between public and private actors of rural development in the area of the Deshat- Korab mountain range and beyond. g) Establishing cooperative relations with similar groups, in the country/territory and abroad.</p>	<p>Municipality of Dibra</p> <p>Social operators</p> <p>Local public authorities</p>	<p>It is created as LAG and is in the registration process.</p>
LAG "Moker Gore"	<p>The name of the organization is "Moker Gore". The association is a non-profit, non-governmental membership organization. The association exercises its activity in the territory of Moker and Gore, a local urban area. This LAG is created under the GIZ support through SEDRA II program and implemented by the Albanian Rural Development Network. During 2023, several meetings were held to establish the Board members and draft the Local Development Strategy.</p>	<p>Municipality of Pogradec.</p> <p>Local associations</p> <p>Farmers of Moker area</p>	<p>Registered in the Court of Tirana.</p>

<b>Process Title</b> (as defined in "Standing up for LEADER in South East Europe")	<b>Actions defined</b> (as defined in "Standing up for LEADER in South East Europe")	<b>Responsible actor and other contributing actors</b>	<b>Stage of implementation</b>
LAG "Kolonja Gjelber"	<p>LAG Kolonja e Gjelber was initially established in 2017 under 'Environmental Services Project and supported by the Ministry of Tourism and the Environment. The main goal was the promotion of the sustainable management of natural resources and economic development. Then during 2023 the LAG was revitalized under the UN-Women program. The LAG is registered and, has drawn up the Local Development Strategy for the period 2024- 2027. This region corresponds to the Kolonje municipality's administrative jurisdiction and constitutes a culturally, historically, and developmentally cohesive area. LAG "Kolonja e Gjelber" pursues its purpose of sustainable local development and participation by the design and acceptance of the community-led local development strategy for its own region "Leader".</p> <p>Also, LAG is committed to taking action to implement the strategy ensuring equal opportunities for all community members to participate and benefit from it. Participatory and bottom-up planning of sustainable development social economics of the area Leader represents one of the main functions of the LAG. In this context, the LAG and various members in the local communities of the Kolonje municipality have actively participated in the process of preparing the Local Development Strategy in the arc time frame of March-September 2023, using a comprehensive bottom-up approach, aligned with the spirit and principles of the "LEADER" method for integrated local development.</p>	<p>Municipality of Kolonjë Economic Operators Social operators Public authority Women Young The Executive Board, elected by decision of the Assembly, is the highest executive body where all the partners of the Leader area are represented, proposed by each type of partner, according to the principle of tripartite partnership, public authorities, and social and economic operators active in the area. The Board of the Association consists of 9 members elected by the General Assembly following the principle of partnership, territorial equality, gender and age equality.</p>	<p>A LAG has been created and is currently in the registration process.</p>

Process Title (as defined in "Standing up for LEADER in South East Europe")	Actions defined (as defined in "Standing up for LEADER in South East Europe")	Responsible actor and other contributing actors	Stage of implementation
LAG "Egnatia"	<p>The association, named "Local Action Group Egnatia," is a non-profit, non-governmental membership organization. It represents a local partnership among stakeholders from three sectors: public, social, and economic operators, operating within the boundaries of the "LEADER" where the community-led local development strategy is designed and implemented.</p> <p>The association exercises its activity in the territory of Elbasan municipality. The headquarters of the Association is located in the Bradashesh Administrative Unit at the address: Administrative Unit, Bradashesh, Elbasan, Albania. Encourage and empower rural communities to improve their livelihoods, making the best use of natural, cultural and human resources to achieve sustainable development, encourage and support entrepreneurship, promote the territory and local communities by valuing local traditions, customs and attractiveness geographic, improving social inclusion and gender equality as well as any other action aimed at improving the quality of life and the rural economy.</p>	<p>The members of the Association are according to three categories:</p> <ul style="list-style-type: none"> <li>a) Local public authorities that include: local self-government units, municipality/municipalities or district/districts and other public institutions in the territory of which the "LEADER" area is located, decentralized institutions at the local and regional level, regional agencies or branches of national public entities, etc</li> <li>b) Representatives of the non- public sector, farmers and non- farmers, agricultural and non-agricultural enterprises at the individual level and/or associations, organizations and professional unions representing farmers, non- farming professionals and micro-enterprises and commercial companies.</li> <li>c) Organizations representing civil society, residents' organizations, environmental associations, women's and youth associations, cultural and community service providers, such as: media, other non-profit organizations and bodies responsible for promoting social inclusion, gender equality and non-discrimination.</li> </ul>	<p>It is created LAG and is in the registration process.</p>
LAG" Lugina e Fanit	<p>In 2019, Agropuka started working towards the LEADER Approach to set up a LAG in the area that includes parts of the two municipalities of Puke and Fushe Arrez. Agropuka has supported several awareness-raising activities to promote Access/LAG, such as photo exhibitions, market days with local producers, etc. In Puke around the year 2017, a LAG was established in the framework of the 'Environmental Services Project and supported by the Ministry of Tourism and the Environment. of a project in the field of the environment financed by SIDA, which was implemented in Puke, Has and Kolonje.</p>	<p>Municipality of Puke Ministry of the Tourism and the Environment Agro Puka association</p>	<p>It is created as LAG and is in the registration process. We are waiting for the opening of IPARD call</p>

Process Title (as defined in "Standing up for LEADER in South East Europe")	Actions defined (as defined in "Standing up for LEADER in South East Europe")	Responsible actor and other contributing actors	Stage of implementation
LAG "Vjona"	<p>This non-profit organization is called VJONA Local Action Group. The headquarters of the association is in, Vlora. This LAG is supported by the Vlora Municipality and the director of LAG is the Deputy Mair of Vlora Municipality. The area covered by this LAG is the protected landscape Vjose-Narte. During the period 2022-2023, were conducted several meetings to create the Local Action Group and to write the Local Development Strategy. The purpose of the association "VJONA Local Action Group" is to ensure a sustainable socio-economic and cultural development of the communities living in the Vjose- Nartë territory (Center Administrative Unit and Novoselë Administrative Unit) of the Vlora Municipality as well as the promotion and preservation of values natural and biodiversity of the area with the involvement of the local population through increasing the value of local resources and assets, through the design and implementation of the community-led local development strategy. Its activity is based on the principles of partnership and bottom-up decision-making and focuses on.</p> <ul style="list-style-type: none"> <li>• rural development including agriculture, livestock, infrastructure, land management, etc</li> <li>• Development of rural tourism</li> <li>• Social-economic development of the territory where the Association operates (especially of young people and women).</li> <li>• preservation of the environment and biodiversity.</li> </ul>	<p>Municipality of Vlora Local public authorities Organizations representing civil society <a href="#">VJONA LAG</a></p>	<p>It was established as LAG and it was registered in the court of Tirana in 2023. The group is currently waiting to fulfill the procedures to be registered at the Ministry of Agriculture and Rural Development Register.</p>

<b>Process Title</b> (as defined in “Standing up for LEADER in South East Europe”)	<b>Actions defined</b> (as defined in “Standing up for LEADER in South East Europe”)	<b>Responsible actor and other contributing actors</b>	<b>Stage of implementation</b>
LAG “Labeatet”	<p>The establishment of this LAG was supported by VIS Albania, an Italian NGO operating in Malesi e Madhe and Tirana, with funding from the Italian Cooperation under the “Laghi d’Albania” project. Throughout 2023, several meetings were held to formalize the creation of the LAG. The primary objective of LAG “LBEATET” is to promote sustainable socio-economic development within the communities in this region. The mission of LAG “LBEATET” is to use all possible legal tools to achieve sustainable livelihood for citizens living in its territory (Leader zone), while promoting entrepreneurship, improving the visibility of communities, by valuing local traditions, customs, and geographic attractiveness, improving social inclusion and the support of the initiatives. One of the other objectives is to support and promote the environment improvement of the Protected area in Shkodra Lake and the National Park of the Albanian Alps.</p>	<p>Municipality of Shkodra Municipality of Malesi e Madhe Public authority Organizational associations Forest association Vis Albania</p>	<p>It is created LAG and is in the registration process.</p>
LAG LYHNIDA	<p>The creation of this LAG was supported by COSVI Albania (an Italian NGO operating in Tirana and Pogradec) with funding from the Italian Cooperation under the “Laghi d’Albania” project. Throughout 2023, several meetings were held to formalize the creation of the LAG. It is in the final phase of the Local Development Strategy. The main objective of LAG LYHNIDA, Pogradec is to contribute to sustainable development economic and social in the communities that are part of LAG using the methods and tools available under current and future development support programs provided by the Government of Albania, the EU and other development partners. LAG LYHNIDA would like to promote its mission for sustainable local development and more participation, through the preparation and approval of the local development strategy led by the community for the “LEADER” area, and would undertake actions for the implementation of the strategy by offering equal opportunities for all community members to participate and benefit from it.</p>	<p>Municipality of Pogradec Association of Fishermen National Agency of Protected Areas Pogradec Youth Council</p>	<p>The LAG has been established and is currently in the process of registration.</p>

<b>Process Title</b> (as defined in "Standing up for LEADER in South East Europe")	<b>Actions defined</b> (as defined in "Standing up for LEADER in South East Europe")	<b>Responsible actor and other contributing actors</b>	<b>Stage of implementation</b>
LAG "Korab-Koritnik"	<p>Korab Koritnik LAG is supported by the Protection and Preservation of Natural Environment in Albania (PPNEA), a nationwide non-governmental environmental organization recognized as Albania's first environmental organization. It was officially established on June 5, 1991, with a special decree of the Albanian Academy of Sciences at the time. It emerged in a period of turmoil and socio-economic change in the country/territory and the wider region – a time where environmental issues were looked down upon and given marginal priority in governing and policy issues.</p> <p>In 2023, several meetings were organized within the framework of the project Strengthening Local Action Groups as Stakeholders for the Protection of Biodiversity in the Sharr / Korab-Koritnik region, which is divided between the areas of Albania, Kosovo and North Macedonia.</p>	<p>Municipality of Kukes and Dibra, Protected Areas Agency</p> <p>Representatives of NGO-s like Agro-Eko Dibra, Ecologists of Kukesi, Young Experts of Environment etc., Farmers, Citizens.</p>	It is created LAG and is in the registration process.

## II. Identified issues that hinder or slow down the implementation of the actions defined in the LEADER Road Map

### At the level of the legal and institutional framework:

Non-accreditation of the LEADER measure. The process is slow, and it will not be accredited till 2025.

Who will evaluate the strategies and allocate the funds after the accreditation of the LEADER measure? It is important to clarify the roles of the Ministry of Agriculture and Rural Development, and the IPARD Agency.

### At the level of Rural Development Networking:

In Albania, several networks are working on the creation of LAGs. So, a better coordination among the actors is necessary.

Usually, establishment of LAGs in the country/territory is often tied to international projects. Mainly NGOs apply for projects creating an overlap and confusion among the municipalities and the local actors, as the same stakeholders often participate in different LAGs.

For instance, in the Vlora region, the LAG “Vjona” has been established. However, there are also efforts to create another LAG in Vlora County, which includes the city of Selenice, near Vlore. The other project will be supported by UNIDO ( this institution is specialized in standardization for Albania) and the Council of Agribusiness in Albania.

In some other cases, all stakeholders interested in the actions are not included in this process (private or public institutions).

### At the level of LAGs and development initiatives:

The territory covered by a LAG must possess a cohesive geographic, social, and economic structure, along with adequate human and financial resources to support a viable local development strategy.

In rural areas, local actors often lack the necessary expertise. As a result, the initiative is more top-down than genuinely bottom-up.

It is important for the process that local actors are aware.

The migration process in Albania has depleted not only the rural areas but also small cities. The majority of the well-educated habitants leaved their country/territory of origin and the remaining population lacks the necessary expertise. Additionally, the remaining population faces challenges in project writing and foreign language skills.



## III. Conclusions and recommendations

### Legal and institutional framework:

#### Conclusions:

- a. Conclusion of the Financial Agreement for IPARD III
- b. LEADER measure accreditation

#### Recommendations:

- c. Finding national payments for the continuity of the process.
- d. Collaboration with all actors to initially establish the LAGs perimeter. This means that all the actors should agree on the LAGs formalization. This process must be certified by a group of experts and defended in front of all relevant stakeholders. This process needs to take into account the declining of the population in Albania

### Rural Development Networking

#### Conclusions:

- e. Several actors operating in the area, ANRD, Albanian Council of Agribusiness, UNIDO, VIS Albania, COSVI, etc.
- f. Without LEADER measure certification, Local Development Strategies may only exist in paper form.

#### Recommendations:

- g. The best solution is to organize meetings in the country/territory and sensitize the relevant stakeholders.
- h. The coordination process with the Ministry is necessary.

### LAGs and development initiatives

#### Conclusions:

- i. Confusion and lack of trust among the local representatives.
- j. There is a risk of repeating the same issues that occurred with previous similar initiatives (for example Lag Bjeshket e Namuna, which was supported by SNV in the first phase, revitalized by GIZ, and actually is inactive)
- k. Continuity of the process (electoral risks)

#### Recommendations:

- l. Sensibilization of the whole process in Albania
- m. Establishment of the LAG perimeter initially

An aerial photograph of a village nestled in a valley. The foreground shows a river with a rocky bank. The middle ground is dominated by a dense forest with trees in various shades of green and yellow. In the background, several white houses with red-tiled roofs are visible, built on a hillside. The sky is hazy and blue.

# National Progress Report on Implementation of EU LEADER Approach Country/ Territory: Federation of Bosnia and Herzegovina/BiH

## State of play on LEADER approach in Federation of Bosnia and Herzegovina/BiH

The situation in the FBiH is specific, and it is necessary to give a brief overview of the institutional framework for the implementation of rural development policies. The reason for this is that this framework is defined at several administrative levels.

At the state level of Bosnia and Herzegovina, the Ministry of Foreign Trade and Economic Relations under the Council of Ministers, i.e. the Sector of Agriculture, Food, Forestry and Rural Development, is responsible for rural development policies. Rural development work is carried out within the Department for Coordination of Agriculture, Food and Rural Development Policy. This ministry is also in charge of coordinating activities between entity ministries, as well as implementing and coordinating international projects related to agriculture and rural development.

The entity level of creation and implementation of agricultural policy consists of the following institutions: in the Federation of BiH, the Federal Ministry of Agriculture, Water Management and Forestry, in the Republic of Srpska, the Ministry of Agriculture, Forestry and Water Management. In the Brčko District, the Department for Agriculture, Forestry and Water Management. In FBiH there is also a cantonal level, whose management of agricultural policy significantly determines the overall position of the sector as a whole. Certain forms of support to the agricultural sector also exist at the municipal levels in both entities.

The four administrative-administrative levels (state, entity, cantonal, municipal) constitutionally established in Bosnia and Herzegovina (BiH) represent a considerable difficulty for strategic planning in agriculture and the implementation of agricultural policy. This kind of organization results in an unnecessary and expensive multiplication of institutions with the same or similar competences and it is very difficult to establish functional coordination of a network of institutions with an impact on agriculture, food production and rural development.

In recent years, rural development has become one of the main topics in Bosnia and Herzegovina because it is stagnating in all segments, and one of the reasons is the impossibility of using IPARD funds. In the field of agriculture and rural development, many more regulations from Chapters 11 and 13 need to be harmonized in BiH with the EU acquis. The reason for this is the failure to reach an agreement on the establishment of an IPARD operational structure in BiH as the main technical prerequisite for the withdrawal of IPARD funds.

However, in the last two years, there has been some progress in the country's approach to EU membership, which brings a degree of optimism that it will soon be possible to access IPARD funds. If these funds are made available, the implementation of LEADER can be significantly advanced. On December 15, 2022, Bosnia and Herzegovina received the status of a candidate country/territory for membership in the European Union, and on March 21, the European Council made a decision giving consent to the opening of accession negotiations for the membership of Bosnia and Herzegovina in the European Union.

The Strategic Plan for Rural Development of BiH for the period from 2023 to 2027 is currently in the process of being adopted- a framework document that includes M 6: Support for the diversification of the economy in rural areas. Within this measure is sub-measure 6.7. Support for local rural development through support for the creation of local action plans, the introduction of the LEADER approach and the establishment of LAGs, which aims to encourage and self-organize various actors of rural development into local action groups (LAGs) on the model of the EU LEADER program with the indication that at the same time with their establishment, special funds should be provided from which their joint initiatives will be financed.

# I. Current state of the implementation of the actions defined in the LEADER Road Map

## Legal and institutional framework

Process Title <i>(as defined in "Standing up for LEADER in South East Europe")</i>	Actions defined <i>(as defined in "Standing up for LEADER in South East Europe")</i>	Responsible actor and other contributing actors	Current stage of implementation
<p><b>Drafting of the Strategy for the Development of Agriculture and Rural Areas of the FBiH (2021-2027)</b></p>	<ul style="list-style-type: none"> <li>Clear definition of the LEADER concept and support for the activities of LAGs in FBiH (Defining strategic objectives including the position of LAGs, defining measures to promote the LEADER approach and support the work of LAGs).</li> </ul>	<ul style="list-style-type: none"> <li>FMAWMF</li> </ul>	<p>The FBiH Government only accepted the Strategy for Agriculture and Rural Development of the Federation of BiH 2021-2027 in February 2024, and it has been referred to parliamentary procedures. In the strategy, it is under Priority 3.2. Promoting employment, growth of social inclusion and local development in rural areas, including bio-economy and sustainable forestry, should enable the establishment and implementation of cooperation through the LEADER approach. There, the creation of 15 LDS I and 15 supported LAGs are listed as indicators. But in the Program for Financial Support in Agriculture and Rural Development for 2024, no funds are foreseen to support the LEADER approach and the work of LAGs.</p> <p>As support was defined in the previous strategy, which was not realized, there is hope that this process will now begin, especially due to the significant progress made in BiH's approach to EU membership.</p>
<p><b>Drafting of the legislative framework at the level of FBiH and positioning of the LEADER approach and the role of LAGs in rural development</b></p>	<ul style="list-style-type: none"> <li>Work on preparing the Law on Agriculture and Rural Development of FBiH" and on an amendment to the Law where the LEADER approach and position of LAGs will be defined, and on amendments to the Rulebook on Incentives following the measure of support to the work of LAGs.</li> </ul>	<ul style="list-style-type: none"> <li>FMAWMF and Working groups</li> </ul>	<p>Office for Harmonization and Coordination of Payment Systems in Agriculture, Food and Rural Development assigned competences related to the development of the legal framework for the establishment of the IPARD structure in BiH. In 2020, a Working Group was established to create the Steering Committee for the management of the IPARD program. The main task of the Working Group, like the previous groups, was to find the most acceptable solution for the establishment of the IPARD operational structure in Bosnia and Herzegovina. The working group recycled old solutions and proposals, where the most acceptable solution was not found. So that neither BiH nor FBiH have an adequate legal framework for positioning the LEADER approach and the role of LAGs in rural development. Therefore, it cannot be said that progress has been made in this area.</p>

Process Title <i>(as defined in “Standing up for LEADER in South East Europe”)</i>	Actions defined <i>(as defined in “Standing up for LEADER in South East Europe”)</i>	Responsible actor and other contributing actors	Current stage of implementation
<b>Preparation and fulfilment of conditions for a possible withdrawal of EU funds (IPA III or EU4Agri Program)</b>	<ul style="list-style-type: none"> <li>• Work on providing preconditions for withdrawal of IPARD funds (fulfilment of set political and institutional conditions required by the EU)</li> <li>• Activities related to the use of the EU4Agri program (public call, user selection, etc.)</li> </ul>	<ul style="list-style-type: none"> <li>• MoFTER</li> <li>• FMAWMF</li> <li>• UNDP and other international organization</li> </ul>	<p>Due to the lack of political agreement in BiH, there was still no withdrawal of IPARD funds in the previous period. The current status of BiH and the opening of negotiations give an additional chance to improve the current political relations within BiH and thus attract IPARD III funds.</p> <p>Ministers in the agriculture sector, at both the state and entity levels in Bosnia and Herzegovina, have initiated joint activities to address existing issues through expert meetings with countries that have implemented the IPARD structure—signifying the use of EU funds for agriculture. The EU4Agri project had an item in its original implementation plan that would start the process of supporting the creation of LDS, LAG support, initiatives, but so far not a single call has been announced that would provide financial support. The proposed measure was abolished, because a subsequent analysis established that there is no absorption capacity for this type of support in Bosnia and Herzegovina, i.e. there is not a sufficient number of operational LAGs.</p>
<b>Funding of LAGs through other sources</b>	<ul style="list-style-type: none"> <li>• Financial support of LAGs works through support from donors</li> <li>• Financial support from cantonal MA and local communities</li> </ul>	<ul style="list-style-type: none"> <li>• State-level (Council of Ministries of BiH and MoFTER)</li> <li>• All cantonal MA and local communities’ authorities</li> </ul>	<p>In the past period, there were no allocated financial resources from any level of government, and the situation in 2024 is such that there is currently no planned budget from the cantonal and local community level to support LEADER and LAG.</p>

## Rural Development Networking

Process Title (as defined in "Standing up for LEADER in South East Europe")	Actions defined (as defined in "Standing up for LEADER in South East Europe")	Responsible actor and other contributing actors	Current stage of implementation
<b>Capacity building of rural stakeholders</b>	<ul style="list-style-type: none"> <li>Organization of workshops, seminars and other forms of education</li> <li>Organization of study visits</li> </ul>	<ul style="list-style-type: none"> <li>FMAWMF</li> <li>Local communities</li> </ul>	<p>There is currently not a single registered and/or active LAG in the territory of FBiH, so there is no possibility of strengthening the capacity of actors from those areas. About 10 years ago, three LAGs were registered and there were several LAG initiatives, but they ceased to exist. Capacity building of local actors regarding LEADER and LAGs is at a very low level in the organization FMAWMF, cantonal level and Local communities. Individual local communities, through their development agencies or development departments, through projects, touch on the importance of LEADER for the development of rural areas at the local level. Practically in recent years, there has not been a single initiative to significantly strengthen capacity with the aim of establishing a LAG. Apart from them, certain development agencies, which operate in the wider area of FBiH and BiH, occasionally organize various workshops with the purpose of introducing the LEADER approach and community development based on the 7 LEADER principles.</p>
<b>Networking at different levels within BiH and outside of BiH</b>	<ul style="list-style-type: none"> <li>Different activities on networking (workshops, visits, participation at symposiums and conference, work on projects)</li> </ul>	<ul style="list-style-type: none"> <li>Rural Development Network in BiH</li> <li>LAGs</li> </ul>	<p>Currently the Rural Development Network in BiH is registered in BiH and its activities operate partially in the territory of FBiH, but primarily through projects supported by various international organizations. Currently, it is cooperating with the Balkan Rural Development Network (BRDN), of which it is a member, as well as with other members of the "Strengthening of Networking in the Western Balkans for the Socio-Economic Development of Rural Areas" project, financed by the SEDRA II GIZ project. Also, through the project implemented by REDAH, LINNOVATE and Agricultural Cluster Stara Herzegovina, it is planned to establish the Network for Rural Development of Herzegovina during 2024, as a regional network to support the development of rural areas.</p>
<b>Strengthening the rural development network</b>	<ul style="list-style-type: none"> <li>Involving more stakeholders in the rural development network</li> <li>Organization of a several events under the auspices of the Rural Development Network in BiH</li> </ul>	<ul style="list-style-type: none"> <li>Rural Development Network in BiH</li> <li>FMAWMF</li> <li>Local communities</li> <li>Actual and new LAGs</li> <li>Network of organization involved in rural development issues</li> </ul>	<p>The Rural Development Network in Bosnia and Herzegovina is an umbrella organization at the level of Bosnia and Herzegovina that currently does not have any support from the public sector and is forced to plan its activities and activities based on invitations from the EU and international organizations. The situation is the same with the members of the network, who receive partial support through small grants from the MRR in BiH itself. This is insufficient, so there is no interest of other CSOs to join the network, and the public sector has not yet recognized the role and importance of networking in the development of local communities. This greatly limits the activities of the network in promoting LEADER and launching new LAG initiatives.</p>

Process Title ( <i>as defined in "Standing up for LEADER in South East Europe"</i> )	Actions defined ( <i>as defined in "Standing up for LEADER in South East Europe"</i> )	Responsible actor and other contributing actors	Current stage of implementation
<b>Strengthening links between regional and local development agencies with existing and future LAGs</b>	<ul style="list-style-type: none"> <li>• Conduct a number of meetings between agency representatives and LAGs</li> <li>• Participation of agencies in the creation of new LAGs</li> <li>• Joint project activities</li> </ul>	<ul style="list-style-type: none"> <li>• Regional development agencies</li> <li>• Local development agencies</li> <li>• LAGs</li> </ul>	<p>The connection of local and regional development agencies with local actors and the initiation of LAG initiatives is still at a very low level. Primarily because there are very few of these initiatives. In principle, their connection and coordination comes down to the preparation of various projects, using some of the 7 LEADER principles. This has a positive interaction during the entire process of preparing and implementing projects. Development agencies are mainly the ones who initiate and launch these initiatives, encourage networking and cooperation, make maximum use of the bottom-up approach, and are very active in the preparation of local development strategies.</p>
<b>Animating local actors and strengthening the capacity of LAGs</b>	<ul style="list-style-type: none"> <li>• Animation of local actors through various types of events and activities</li> <li>• Education of local actors</li> </ul>	<ul style="list-style-type: none"> <li>• Rural Development Network in BiH</li> <li>• LAGs</li> <li>• Academia</li> <li>• Local community</li> </ul>	<p>Even in this part of the process, there was no significant movement in animation to strengthen local initiatives. Where it was done, it was done ad hoc as part of the activities of individual projects and primarily related to shorter workshops related to informing actors about the possibilities and importance of LEADER in rural development. There is no common and systematic approach of the actors who carry out these activities. The reason is the lack of coordination, the use of resources available to individual actors (human, technical, financial) so that as a consequence there are no significant LAG initiatives, let alone LAG.</p>
<b>Drafting of local development strategies</b>	<ul style="list-style-type: none"> <li>• Drafting of local development strategies (LDSs) that includes analysis of the situation, the definition of priorities and measures of action</li> </ul>	<ul style="list-style-type: none"> <li>• FMAWMF</li> <li>• LAGs</li> <li>• Academia</li> </ul>	<p>Many municipalities in FBiH do not have local development strategies as a critical basis for planning future (rural) development. In recent years, the vast majority of municipalities have adopted integral development strategies, but few include LEADER, as an opportunity for inter-municipal cooperation and a joint approach to community development. The situation is also similar to development strategies at the cantonal level, where LEADER is mentioned as a possibility only in some strategies (primarily in the SWOT analysis), while it is nowhere to be found in the development of strategic goals and measures. The FBiH Government only accepted the Strategy for Agriculture and Rural Development of the Federation of BiH 2021-2027 in February 2024. And she referred to parliamentary procedures. In the strategy, it is under Priority 3.2. Promoting employment, growth of social inclusion and local development in rural areas, including bio-economy and sustainable forestry, should enable the establishment and implementation of cooperation through the LEADER approach. There, the creation of 15 LRS I and 15 supported LAGs are listed as indicators.</p>

Process Title <i>(as defined in "Standing up for LEADER in South East Europe")</i>	Actions defined <i>(as defined in "Standing up for LEADER in South East Europe")</i>	Responsible actor and other contributing actors	Current stage of implementation
<b>Defining the scope of new LAGs</b>	<ul style="list-style-type: none"> <li>Comprehensive analysis and definition of the area of activities of new LAGs</li> </ul>	<ul style="list-style-type: none"> <li>FMAWMF</li> <li>Rural Development Network in BiH</li> </ul>	<p>According to current knowledge, no comprehensive analysis has been launched so far that would be the basis for defining potential areas and actors for the initiation and establishment of LAG. Through the already discussed project implemented by REDAH with its partners, it is planned to launch an analysis of possibilities for organizing LAGs for actors and local self-government units from the territory of Herzegovina at the end of 2024. That is a total of 26 LGUs, of which 7 are from the RS, and 19 from the territory of 3 cantons in FBiH.</p>

## Local Action Groups and development initiatives

Process Title <i>(as defined in "Standing up for LEADER in South East Europe")</i>	Actions defined <i>(as defined in "Standing up for LEADER in South East Europe")</i>	Responsible actor and other contributing actors	Current stage of implementation
<b>Comprehensive analysis of the current state of the LEADER approach in FBiH</b>	<ul style="list-style-type: none"> <li>Analysis of the state of the LEADER approach in FBiH with the recommendation</li> </ul>	<ul style="list-style-type: none"> <li>FMAWMF</li> <li>Academia</li> <li>LAGs</li> </ul>	<p>There is still no comprehensive analysis or FMAWMF study on the overview of the current state of LAGs and LAG initiatives that would give recommendations for their future work in FBiH. In 2021, MoFter forwarded the Information on activities to establish the IPARD operational structure in Bosnia and Herzegovina to the Council of Ministers, which adopted it at its 57th session in February 2022. The Council of Ministers that the competent institutions of the entity and Brčko District, within their available budget funds, create a continuous financial support measure for the work of local action groups through incentive systems for agriculture and rural development. However, this recommendation has not yet been implemented.</p>
<b>Promotion of a new concept of rural development and the principle of public-private partnerships</b>	<ul style="list-style-type: none"> <li>Training and education of different actors and stakeholders</li> </ul>	<ul style="list-style-type: none"> <li>Rural Development Network in BiH</li> <li>LAGs</li> <li>Academia</li> <li>Local community</li> </ul>	<p>In the past period, there have been very few trainings and educational programs on the subject of LEADER and LAGs. Individual actors have implemented this more from the point of view of the importance of rural development planning in the preparation of certain strategic documents or the preparation of project proposals in response to relevant calls. Also, public private partnership is still at a very low level, primarily due to insufficiently regulated legal basis.</p> <p>The organizers of these trainings and educational programs were primarily non-governmental organizations and development agencies from various areas of FBiH, and some of them are also members of the Network.</p>



Process Title (as defined in "Standing up for LEADER in South East Europe")	Actions defined (as defined in "Standing up for LEADER in South East Europe")	Responsible actor and other contributing actors	Current stage of implementation
<b>Strengthening institutional capacities in the FBiH through various forms of education</b>	<ul style="list-style-type: none"> <li>Organization of workshops, seminars and other forms of education that raises knowledge and built capacities regarding the LEADER concept and the work of LAGs</li> </ul>	<ul style="list-style-type: none"> <li>FMAWMF</li> <li>Other Ministries of BiH</li> <li>International organizations</li> <li>NGO (Non-Government Organizations and regional development agency)</li> </ul>	<p>Since 2021, when two advisory meetings of various stakeholders were held in the organization of MVTEO. The only activities on this topic were within the Rural Development working group for the creation of the Agriculture and Rural Development Strategy of the FBiH 2021-2027. Also in the preparation of the Medium-term strategy for the provision of advisory services in the Federation of Bosnia and Herzegovina 2023 - 2030, where the need for additional education of agricultural advisors on the subject of LEADER and support for the establishment of LAGs was discussed. Unfortunately, in the preparation of both strategies, the participation of NGOs and representatives of local communities was very minimal.</p>
<b>Regular funding of LAGs through FMAWMF budget transfers</b>	<ul style="list-style-type: none"> <li>Projecting budget transfers for the work of LAGs in FBiH through regular annual incentive programs</li> </ul>	<ul style="list-style-type: none"> <li>FMAWMF</li> </ul>	<p>In the Strategy for Agriculture and Rural Development of the Federation of BiH 2021-2027 under Priority 3.2. Promote employment, growth of social inclusion and local development in rural areas including bio-economy and sustainable forestry included support measures in the creation of 15 LDS I   15 supported LAGs. But in the Program of financial support in agriculture and rural development for the year 2024, no funds are foreseen to support the LEADER approach and the work of LAGs.</p>
<b>Strengthening the role of the LAGs in priority areas</b>	<ul style="list-style-type: none"> <li>Defining the scope of new LAGs</li> </ul>	<ul style="list-style-type: none"> <li>MAFWMRS</li> <li>Network of rural development</li> </ul>	<p>Considering the current situation in the FBiH, where there is not a single active LAG, and no funds are planned to support the LEADER approach, this process has not been started either.</p>

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

– United Nations Development Program, REDAH- Association for economic development of Herzegovina, NGO- Non-Government Organizations.

## II. Identified issues that hinder or slow down the implementation of the actions defined in the LEADER Road Map

At the level of the legal and institutional framework:

- The strategic plan for the rural development of BiH for the period 2021-2027, which defines the policy of rural development and the LEADER approach at the state level, has been prepared and is in the phase of adoption.
- There is still no agreement on the establishment of institutional structures that would enable the country/territory to benefit from the Instrument of Pre-Accession Assistance for Rural Development, i.e. to fulfil the complex conditions for the establishment of the IPARD structure in BiH through the Management Body and the Agency for System Payments and Accreditation by the European Commission for managing EU funds. It is necessary to improve administrative capacities and structures for coordination within the sector of agriculture and rural development.
- The LEADER program is still not implemented in Bosnia and Herzegovina, nor in FBiH, and this initiative, as well as the establishment of new and strengthening of existing LAGs, is not supported within the current policy of rural development in FBiH.
- Support for rural development in the previous agricultural policy cycle has almost completely disappeared. Although the previous Strategy predicted that in the last year (2019) of its implementation, the ratio of direct payments and rural development would be at the level of 55:45, the allocated budget allocations did not come close to the target ratio, but rather worsened compared to the previous cycle.
- The Agriculture and Rural Development Strategy of the Federation of Bosnia and Herzegovina 2021-2027 was only recently referred to parliamentary procedures. The strategy includes Priority 3.2. Promote employment, growth of social inclusion and local development in rural areas, including bio-economy and sustainable forestry, which should enable the establishment and implementation of cooperation through the LEADER approach.
- The LEADER approach and the establishment of LAGs, with all their many specificities of rural development, still do not have an adequate legal framework in BiH (i.e. FBiH), as is the case in EU member states.
- Laws and by-laws that directly relate to the sector of agriculture, food production and rural development in FBiH show that they are mostly not, or only to a certain extent, harmonized with current relevant regulations in the EU. The reason for this situation is the administrative-administrative complexity of BiH and the Federation of BiH, as well as the lack of political will and vision at the level of BiH, which slows down the transfer of legislative provisions regulating the sector of agriculture, food production and rural development in the EU.
- Absence of a comprehensive analysis or FMAWMF study on the overview of the current situation and the possibility of establishing LAGs AND LAG initiatives that would provide recommendations for future work and support programming in the FBiH.
- Lack of will to start the process of preparation for the use of IPARD funds for the implementation of LEADER with more significant own funds, through various forms of information, education, training and study visits as pilot projects for potential LAG initiatives.

### At the level of Rural Development Networking:

- Deficiency in the strategic approach to the development of the Rural Development Network in BiH and the definition of strategic goals for the improvement of rural development in Bosnia and Herzegovina.
- Insufficient participation of the Rural Development Network in BiH in working groups for the preparation and creation of strategic documents at the state, entity, cantonal and local levels.
- Activities related to LEADER are based on individual projects, most often supported by foreign donors through short-term projects.
- The current Rural Development Network in BiH does not have the human or financial capacity to constantly and systematically inform, promote and educate key local actors about the advantages, possibilities and ways of using the LEADER program and establishing LAGs.
- The Network's participation in additional networking and connection of various actors is, as one of the LEADER principles, at a very low level in FBiH. It is necessary to strengthen the cooperation between actors who show initiative for the formation of LAGs in BiH, as well as with other LAGs in the region (Western Balkans) and in the EU countries.
- Insufficient connection, communication and coordination with a larger number of actors dealing with regional, cantonal or local rural development (development agencies, clusters, associations, etc.).

### At the level of LAGs and development initiatives:

- Absence of any currently registered and active LAG in FBiH.
- A very small number of initiatives related to LEADER and the potential establishment and registration of LAGs.
- Absence of adequate legal legislation that would facilitate registration and accreditation, as a basis for enjoying special rights and constant financing by the public sector for the creation of LDS, management and implementation of strategies.
- Insufficient knowledge and human capacity about the LEADER program itself and the functions of the LAG among many actors from all three sectors (public, non-governmental, private).

### III. Conclusions and recommendations

#### Legal and institutional framework:

##### Conclusions:

- The LEADER program is still not implemented in FBiH because IPARD funds are not available to BiH.
- Support for the establishment of new LAGs is currently not supported within the framework of the current policy of rural development in FBiH.
- The Agriculture and Rural Development Strategy of the Federation of BiH 2021-2027 defined the LEADER initiative and LAG support, but it has not yet come into legal force because it has not been adopted by the Parliament.
- Absence of objective and comprehensive analysis and study on the possibilities of establishing LAGs based on socio-economic parameters, natural resources, and the current state of certain rural parts of FBiH
- LAG registration in FBiH is under the Law on Associations and Foundations, and LAGs in FBiH are registered as citizens' associations and are in the same rank as all other associations without special rights.
- Absence of programs and financial resources to carry out more significant activities on the ground, in cooperation with actors who are familiar with this topic, to inform, promote, and educate key local actors about the LEADER program and LAGs.
- Insufficient education of personnel in institutions of all levels for potential participation in the implementation of LEADER and its significance for rural development.

##### Recommendations:

- The Agriculture and Rural Development Strategy of the Federation of BiH 2021-2027 should be adopted as soon as possible, in which the LEADER initiative and support for LAGs are clearly defined and budget support is determined for them.
- Together with the representatives of MOFTER, the Ministry of Agriculture of the RS, speed up the drafting and adoption of the Strategic Plan for Rural Development of BiH for the period from 2023 to 2027- a framework document that includes M 6: Support for the diversification of the economy in rural areas.
- Create a methodology for conducting a comprehensive analysis of the possibilities of establishing LAGs based on socio-economic parameters, natural resources, and the current state of certain rural parts of FBiH, in cooperation with MoFTER and the Office for Harmonization and Coordination of Payment Systems.
- Adapt legal legislation at the state and entity level that would ensure accreditation and registration of LAGs as legal entities with special rights.
- Based on the analysis, create an action plan for initiating institutional processes for the LEADER approach to rural development in the FBiH with clearly defined frameworks in terms of jurisdiction, deadlines, responsibilities, and results associated with clearly defined indicators, and coordinate this with the processes in the RS.

- Provide a special program of significant information, promotion, education, and study visits of local actors about the importance of the LEADER program in faster and better rural development and encourage their connection and networking in LAG initiatives.
- To improve the education of staff in institutions of all levels and LEADER and LAG and their involvement in accelerating the use of IPARD, launching the LEADER program and LAG initiatives. In parallel, improve the education of representatives of the non-governmental and private sector, as indispensable actors in the functioning of the LAG.
- With own funds, with the support of the EU and other donors, launch a program to transform LAG initiatives into registration and accreditation of LAGs and the creation of LDS.
- Provide own funds (entity, cantonal, local, private) with the support of donors for the needs of LAG management and the implementation of goals, measures and activities based on the adopted LDS.
- Provide more significant and constant support for actors (Networks, development agencies, advisory services, chambers, etc.) who will be key partners in the process.
- Increase the interest of international organizations (especially those from EU member states) in launching LEADER and in supporting the establishment and work of LAGs.

## Rural Development Networking

### Conclusions:

- The current Rural Development Network in BiH has a small number of members, unstable financing mainly through projects, an undefined strategic approach for its development and the development of agriculture and rural areas in BiH.
- Insufficient role and more active participation in the preparation of strategic documents important for rural development in BiH, FBiH, cantons and local level.
- Insufficient qualitative and quantitative human capacity of the Rural Development Network in BiH for a more significant role of information, promotion, and education about the LEADER program and LAG in BiH and FBiH.
- Insufficient level of communication, cooperation and coordination with other actors involved in regional or local rural development (development agencies, clusters, associations, etc.).
- Limited information, promotion, and education for stakeholders to familiarize themselves with the LEADER approach and initiate LAG projects.

### Recommendations:

- Increase the number of members or start the process of establishing regional networks in BiH and FBH, and improve communication, cooperation and coordination between them.
- More significant and active involvement in the work of working groups for the creation of strategic documents and legal regulations at all levels relevant to this sector.
- Creation of own medium-term strategic documents for organizational development with annual operational plans.
- Strengthen the human capacities of their organizations, especially to the knowledge of the spe-

cifics of LEADER, the creation of LDS and the methodology of establishment, management and work of LAG.

- Lobby and advocate for more significant financial and technical support from the public sector at all levels for the operation of networks.
- Improve communication, cooperation and coordination with actors (Networks, LAGs, development agencies, etc.), in Bosnia and Herzegovina, the Western Balkans and the EU to exchange good practices.

## LAGs and development initiatives

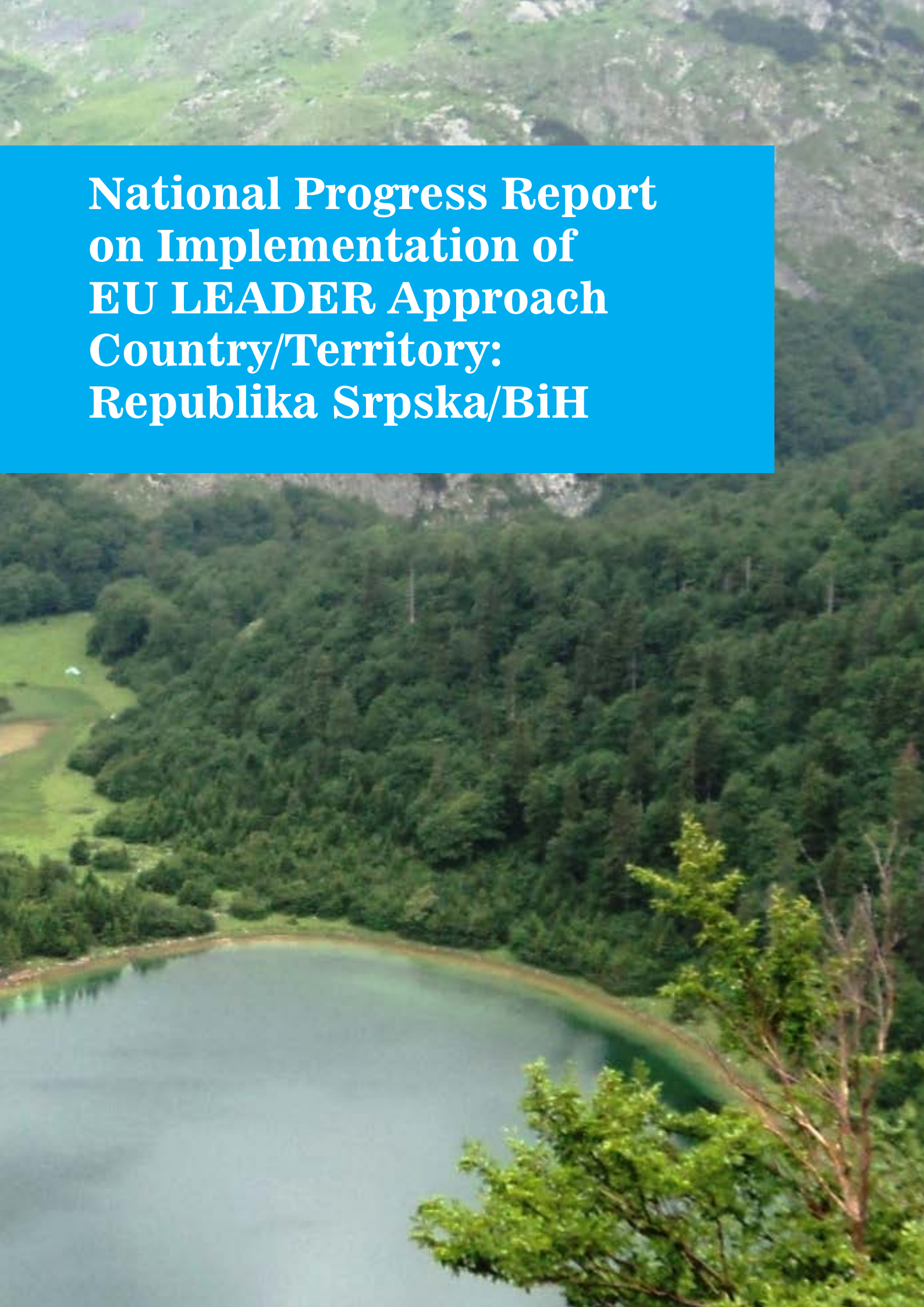
### Conclusions:

- There is not a single registered and active LAG in the territory of FBiH.
- There was an initiative to establish LAGs in a couple of areas, but the question is what level they are at now.
- A very small number of local actors from all sectors (public, non-governmental and private) have sufficient knowledge about the LEADER program and its principles and LAGs, as well as their role and significance for rural development.
- Insufficient pressure on decision-makers at higher levels of government to speed up the EU rapprochement process and thereby secure IPARD funds.
- Insufficient communication, cooperation and coordination of actors familiar with this topic, and networking and connection, as one of the LEADER principles, are at a very low level.
- Absence of political will, but not enough knowledge at the local level to actively engage in advocacy for faster access to IPARD funds.

### Recommendations:

- Interest in participating in the creation of local development strategies should be increased as much as possible with more significant development based on LEADER and the work of LAG.
- Local strategic documents should include, as a mandatory part of the implementation of the LEADER concept, support for the work of LAGs.
- Given that the foundation of LAGs is the partnership between the public, business, and non-governmental sectors, greater effort is needed to engage actors from all three sectors at the local level.
- It is necessary to continue working on capacity building in FBiH in the context of the development of LAG initiatives and, as much as possible, to exchange information on good practices with countries from the Western Balkans and the EU.





**National Progress Report  
on Implementation of  
EU LEADER Approach  
Country/Territory:  
Republika Srpska/BiH**



## State of play on LEADER approach in Republika Srpska/BiH

Concerning the administrative organization of BiH, it is necessary to give a brief overview of the institutional framework for the implementation of rural development policies, which is defined at several administrative levels.

At the state level of Bosnia and Herzegovina, the Ministry of Foreign Trade and Economic Relations under the Council of Ministers, i.e. the Sector of Agriculture, Food, Forestry and Rural Development, is responsible for rural development policies. Rural development work is carried out within the Department for Coordination of Agriculture, Food and Rural Development Policy. This ministry is also in charge of coordinating activities between entity ministries, as well as implementing and coordinating international projects related to agriculture and rural development.

The entity level of creation and implementation of agricultural policy consists of the following institutions: in the Federation of BiH, the Federal Ministry of Agriculture, Water Management and Forestry, in the Republic of Srpska, the Ministry of Agriculture, Forestry and Water Management. In the Brčko District, the Department for Agriculture, Forestry and Water Management. In FBiH there is also a cantonal level, whose management of agricultural policy significantly determines the overall position of the sector as a whole. Certain forms of support to the agricultural sector also exist at the municipal levels in both entities.

The four administrative-administrative levels (state, entity, cantonal, municipal) constitutionally established in Bosnia and Herzegovina (BiH) represent a considerable difficulty for strategic planning in agriculture and the implementation of agricultural policy. This kind of organization results in an unnecessary and expensive multiplication of institutions with the same or similar competencies and a very difficult establishment of functional coordination of a network of institutions with an impact on agriculture, food production and rural development.

In recent years, rural development has become one of the main topics in Bosnia and Herzegovina because it is stagnating in all segments, and one of the reasons is the impossibility of using IPARD funds. In the field of agriculture and rural development, many more regulations from Chapters 11 and 13 need to be harmonized in BiH with the EU acquis. The reason for this is the failure to reach an agreement on the establishment of an IPARD operational structure in BiH as the main technical prerequisite for the withdrawal of IPARD funds.

However, in the last two years, there has been some progress in the country's approach to EU membership, which gives a certain amount of optimism that soon it will be possible to use IPARD funds, through which the implementation of LEADER will be significantly started if this measure were to be applied. On December 15, 2022, Bosnia and Herzegovina received the status of a candidate country/territory for membership in the European Union, and on March 21, the European Council made a decision giving consent to the opening of accession negotiations for the membership of Bosnia and Herzegovina in the European Union.

The Strategic Plan for Rural Development of BiH for the period from 2023 to 2027 is currently in the process of being adopted - a framework document that includes M6: Support for the diversification of the economy in rural areas. Within this measure is sub-measure 6.7. Support for local rural development through support for the creation of local action plans, the introduction of the LEADER approach and the establishment of LAGs, which aims to encourage and self-organize various actors of rural development into local action groups (LAGs) on the model of the EU LEADER program with the indication that at the same time with their establishment, special funds should be provided from which their joint initiatives will be financed.

# I. Current state of the implementation of the actions defined in the LEADER Road Map

## Legal and institutional framework

Process Title <i>(as defined in "Standing up for LEADER in South East Europe")</i>	Actions defined <i>(as defined in "Standing up for LEADER in South East Europe")</i>	Responsible actor and other contributing actors	Current stage of implementation
<b>Drafting of the legislative framework at the level of RS for positioning of the LEADER approach, accreditation of LAGs, and the role of LAGs in rural development</b>	<ul style="list-style-type: none"> <li>• Drafting a Law on Agriculture and Rural Development of RS that acknowledges the LEADER approach.</li> <li>• Developing a rulebook for the accreditation of LAGs.</li> <li>• Including LEADER measures in the rulebook or Law on Financial Incentives of RS</li> </ul>	<ul style="list-style-type: none"> <li>• MAFWMRS, LAG representatives, and other participants outside the Ministry competent to draft legislation.</li> </ul>	<p>So far, there have been no significant changes related to this process, but MAFWMRS is planning to pass a new Law on Agriculture in the coming period, which will include a measure for the LIDER approach, based on which other by-laws (regulations) for the formation of LAGs could be adopted.</p> <p>At the state level, the Office for Harmonization and Coordination of Payment Systems in Agriculture, Food and Rural Development is assigned competencies related to the development of the legal framework for the establishment of the IPARD structure in BiH In 2020, a Working Group was established to create the Steering Committee for the management of the IPARD program. The main task of the Working Group was to find the most acceptable solution for the establishment of the IPARD operational structure in Bosnia and Herzegovina. The working group reviewed old solutions and proposals, but the most acceptable solution was not found. So that neither BiH nor RS have an adequate legal framework for positioning the LEADER approach and the role of LAGs in rural development.</p>

Process Title <i>(as defined in "Standing up for LEADER in South East Europe")</i>	Actions defined <i>(as defined in "Standing up for LEADER in South East Europe")</i>	Responsible actor and other contributing actors	Current stage of implementation
<b>Drafting of the Agricultural and Rural Development Strategy (2021- 2027) with a defined position of LEADER and LAGs in RS</b>	<ul style="list-style-type: none"> <li>• Inclusion of measures for LEADER and LAGs in Strategy for development of agriculture and rural areas</li> <li>• Creation of implementing procedures for LEADER.</li> </ul>	<ul style="list-style-type: none"> <li>• MAFWMRS and other participants outside the Ministry competent to contribute.</li> </ul>	<p>In October 2021, the Government of the RS adopted the Strategy for Agriculture and Rural Areas of the RS 2021-2027. Within the strategic goal 4. Revitalization of rural areas there is a measure titled: Revitalization of the identity of rural areas. This measure states that by applying a participatory and a bottom-up approach (LEADER methodology), achieving this goal would involve support for regional or local rural development projects, encouraging the establishment of local action groups,, and capacity building of local actors for planning and programming rural development.</p> <p>The previous strategy also defined support, however, this was not implemented due to the absence of necessary by-laws to facilitate the execution.</p> <p>The assumption is that this process will start soon, especially because of the significant progress made in BiH's approach to EU membership.</p>
<b>Strengthening institutional capacities of LAGs in the RS through various forms of education</b>	<ul style="list-style-type: none"> <li>• Capacity building of decision makers and staff from public authorities</li> <li>• Capacity building of LAGs, LAG initiatives and their networks.</li> </ul>	<ul style="list-style-type: none"> <li>• MAFWMRS, other Ministries of RS</li> <li>• International organization and donors</li> <li>• NGOs and regional development agencies</li> </ul>	<p>Strengthening the capacity of local actors with LEADER and LAGs is at a low level in public sector institutions, as well as actors from the non- governmental and private sectors, as well as the two LAGs that exist in the RS. In recent years, there has been no initiative to strengthen capacities or support the establishment of additional LAGs. Apart from these efforts, certain development agencies occasionally organize workshops to introduce the LEADER approach and community development based on the 7 LEADER principles. The Network for Rural Development has started the activities of capacity building and preparation of LDS for LAG SAVUS in 2024 and this process is ongoing. The Agricultural Project Coordination Unit (APCU) through the IFAD project recently started training for 7 agricultural clusters to transform them into LAGs.</p>

Process Title <i>(as defined in "Standing up for LEADER in South East Europe")</i>	Actions defined <i>(as defined in "Standing up for LEADER in South East Europe")</i>	Responsible actor and other contributing actors	Current stage of implementation
<b>Regular funding of LAGs through MAFWMRS and budget transfers to local communities</b>	Entity and local budgets plan sources for LEADER implementation.	<ul style="list-style-type: none"> <li>• MAFWMRS</li> <li>• Local communities</li> </ul>	In the past period, there were no allocated finances from any level of government, and the situation in 2024 is such that there is currently no planned budget from the entity and local community level to support LEADER and LAG. Without regular funding, the two current LAGs are nothing more than another development CSO that conducts its activities by applying to calls from various donors.
<b>Preparation and fulfilment of conditions for a possible withdrawal of funds from the IPA III program</b>	Decision makers at the national, entity and cantonal level should find a compromise and organize management structure for the IPA III program.	<ul style="list-style-type: none"> <li>• MoFTER</li> <li>• MAFWMRS</li> </ul>	Due to the lack of political will in BiH, there was still no withdrawing of IPARD funds in the previous period. The current status of BiH and the opening of negotiations give an additional chance to improve the current political relations within BiH and thus attract IPARD III funds. Ministers for the agriculture sector in Bosnia and Herzegovina initiated joint activities to solve problems through expert meetings with countries that have introduced the IPARD structure, which means the use of EU funds for agriculture.
<b>Preparation for the use of the EU4Agri program</b>	Preparing EU4Agri program support with different actions for agricultural and rural development.	<ul style="list-style-type: none"> <li>• UNDP, CzDA and other international organizations.</li> </ul>	The EU4Agri project included an item in its original implementation plan aimed at supporting the creation of LDS, LAG support, and initiatives. However, to date no calls have been announced to provide financial support for these activities. The proposed measure was abolished, because a subsequent analysis established that there is no absorption capacity for this type of support in Bosnia and Herzegovina, i.e. there is not a sufficient number of operational LAGs.

## Rural Development Networking

Process Title (as defined in "Standing up for LEADER in South East Europe")	Actions defined (as defined in "Standing up for LEADER in South East Europe")	Responsible actor and other contributing actors	Current stage of implementation
<b>Capacity building of LAGs and LAG initiatives to organize rural development</b>	<ul style="list-style-type: none"> <li>• Trainings for staff involved in LAGs and LAG initiatives</li> <li>• Providing logistic support to newly established LAGs.</li> </ul>	<ul style="list-style-type: none"> <li>• MAFWMRS</li> <li>• Local communities</li> </ul>	<p>Currently, there are only two registered LAGs in RS, LAG SAVUS (Srbac, Gradiška, Laktaši, Kozarska Dubica) and LAG DEVETAK (Sokolac, Rogatica and Han Pijesak). Both LAGs have been dormant for the past 4 years, without any development or project activities. In 2024, LAG SAVUS, with the support of the Rural Development Network in BiH, started drafting the Local Development Strategy of LAG SAVUS and the area in which it operates. Current LAGs have limited capacity and need support to build them.</p>
<b>Animation of rural stakeholders to take an active role in rural development and LEADER approach implementation</b>	<ul style="list-style-type: none"> <li>• Integration of local actors in LAG activities</li> <li>• The active approach in animating inhabitants from a LAG area in preparation and implementation of projects.</li> </ul>	<ul style="list-style-type: none"> <li>• MAFWMRS</li> <li>• Local communities</li> <li>• LAGs</li> </ul>	<p>Agricultural Project Coordination Unit (APCU) which, within the framework of the IFAD project, initiated regional organizing activities in agriculture, through which the LEADER program is promoted. They hired an expert consultant who will organize regional workshops and activities to promote the regional organization and initiate territorial rural development actions. The MAFWMRS is in the first phase of preparation for IPARD – raising broader awareness about the advantages and benefits of the LEADER approach. The first workshop will be held in April 2024 in Laktaši where, among other participants, there will also be members of agricultural clusters that should be reorganized into future LAGs. Seven clusters have been organized in the territory of the Republic of Srpska, focusing on market-oriented agricultural products. Clusters should grow into LAGs. APCU will moderate seven workshops on the territory of the RS, to clarify the importance of regional organizing and raise the awareness of the participants of those workshops about the possibilities and chances offered by this approach.</p>

Process Title (as defined in "Standing up for LEADER in South East Europe")	Actions defined (as defined in "Standing up for LEADER in South East Europe")	Responsible actor and other contributing actors	Current stage of implementation
<b>Networking at different levels within BiH and outside BiH</b>	<ul style="list-style-type: none"> <li>• Joining of LAGs and LAG initiatives to the Network for Rural Development of BiH</li> <li>• Cooperation between LAGs.</li> </ul>	<ul style="list-style-type: none"> <li>• Network for Rural Development of BiH</li> <li>• LAGs</li> </ul>	<p>The current situation is that the Rural Development Network in BiH is registered in BiH, and its activities operate partially in the territory of the RS, but primarily through projects supported by various international organizations. Currently, in collaboration with the Balkan Network for Rural Development (BRDN), of which it is a member, along with other partners, it is implementing the project "Strengthening Networking in the Western Balkans for Socio-Economic Development of Rural Areas," funded by the SEDRA II GIZ project. Also, through the project implemented by REDAH, LINNOVATE and Agricultural Cluster Stara Hercegovina, it is planned to establish the Network for Rural Development of Hercegovina in 2024, as a regional network to support the development of rural areas. Additional expansion, networking and new networks open opportunities for better coordination and cooperation in the future.</p>
<b>Strengthening the rural development network</b>	<ul style="list-style-type: none"> <li>• Trainings for staff and members of RDN of BiH</li> <li>• Providing funding for activities of RDN of BiH</li> <li>• Organization of training for LAG members from RDN.</li> </ul>	<ul style="list-style-type: none"> <li>• Network for Rural Development of BiH</li> <li>• MAFWMRS</li> <li>• Local communities</li> <li>• Actual and new LAGs</li> <li>• Network of organization involved in RD</li> </ul>	<p>The Rural Development Network in Bosnia and Hercegovina is an umbrella organization at the level of Bosnia and Hercegovina that currently does not have any support from the public sector and is forced to plan its activities and activities based on invitations from the EU and international organizations. The situation is the same with the members of the network, who receive partial support through small grants from the MRR in BiH itself. This is insufficient, so there is no interest of other CSOs to join the network, and the public sector has not yet recognized the role and importance of networking in the development of local communities. This greatly limits the activities of the networks in promoting LEADER and supporting existing LAGs and animating new LAG initiatives.</p>
<b>Analyzing the potentials for future networking in rural development</b>	<ul style="list-style-type: none"> <li>• Sectors of rural economy are analyzed and potentials explored.</li> <li>• Possible investment projects are suggested in LAG areas.</li> </ul>	<ul style="list-style-type: none"> <li>• Network for Rural Development of BiH</li> <li>• LAGs</li> </ul>	<p>The rural areas of local self-government units of the RS have different potentials (natural, economic, human, etc.), which is evident from the index of their economic development. Therefore, it is necessary to analyse the potential from the point of view of networking and cooperation of the public, non-governmental and private sectors for potential initiatives for LAG organizations. The current policy is for LAG to be organized in the territory covered by the seven agricultural clusters established through the IFAD project. REDAH and its partners are planning to conduct an analysis of possibilities for organizing LAGs for actors and local self-government units from the territory of Hercegovina at the end of 2024. That is a total of 26 LGUs, of which 7 are from the RS, and 19 from the territory of the 3 cantons in FBiH.</p>

## Local Action Groups and development initiatives

Process Title (as defined in "Standing up for LEADER in South East Europe")	Actions defined (as defined in "Standing up for LEADER in South East Europe")	Responsible actor and other contributing actors	Current stage of implementation
<b>Comprehensive analysis of the current state of the LEADER approach in RS</b>	<ul style="list-style-type: none"> <li>Creation of a study on the state of LEADER and LAGs in RS</li> </ul>	<ul style="list-style-type: none"> <li>MAFWMRS</li> <li>Academia</li> <li>LAGs</li> </ul>	<p>There is still no comprehensive analysis or study by MAFWMRS on the overview of the current state of LAGs and LAG initiatives that would give recommendations for their future work in the Republic of Srpska.</p> <p>In 2021, MoFTeR forwarded the <i>Information on activities to establish the IPARD operational structure in Bosnia and Herzegovina</i> to the Council of Ministers, which adopted this information at its 57th session in February 2022. MoFTeR recommended to the competent institutions of the entity and the Brčko District of Bosnia and Herzegovina that, within the framework of their available budget funds and through incentive systems for agriculture and rural development, they establish a measure for continuous financial support for the work of local action groups. So far, this recommendation has not been implemented.</p>
<b>Raising awareness of the importance of LEADER and the work of LAGs</b>	<ul style="list-style-type: none"> <li>Workshops organized for rural stakeholders in order to increase their interest in LEADER and LAGs.</li> </ul>	<ul style="list-style-type: none"> <li>LAGs</li> <li>Academy</li> <li>Local community</li> </ul>	<p>The LEADER approach can be popularized by promoting its core values and principles. In the past period, there were very few activities to promote and raise awareness, especially training and education on the issue of LEADER and LAGs. Individual actors have approached this primarily from the perspective of emphasizing the importance of rural development planning, either in drafting specific strategic documents or in preparing project proposals in response to relevant calls within this sector. Also, public-private partnerships are still at on very low level, primarily due to insufficiently regulated legal basis. The organizers of those trainings and educational events were primarily non- governmental organizations from various areas of FBiH, and some of them are also members of the Network.</p>
<b>Involvement of LAGs in the realization of development goals</b>	<ul style="list-style-type: none"> <li>Animating local actors and strengthening the capacity of LAGs</li> </ul>	<ul style="list-style-type: none"> <li>Rural Development Network</li> <li>LAGs</li> <li>Academy</li> <li>Local community</li> </ul>	<p>Considering the current number, inactivity and lack of human capacity, there has been no significant involvement of LAG SAVUS and DEVETAK in the implementation of goals related to the development of rural areas in the municipalities of the RS.</p>
<b>Increased use of the bottom-up approach</b>	<ul style="list-style-type: none"> <li>Drafting of Local Development Strategies</li> </ul>	<ul style="list-style-type: none"> <li>MAFWMRS</li> <li>LAGs</li> <li>Academy</li> </ul>	<p>It was only in 2004 that the preparation of the Local Development Strategy of LAG SAVUS began to be realized according to the bottom-up LEADER principle. So far, 3 meetings have been held with local actors supported by the Network for Rural Development in BiH.</p>
<b>Strengthening the role of the LAGs in priority areas</b>	<ul style="list-style-type: none"> <li>Defining the scope of new LAGs</li> </ul>	<ul style="list-style-type: none"> <li>MAFWMRS</li> <li>Network of rural development</li> </ul>	<p>Considering the current situation in RS, where there are only two LAGs, it is difficult to expect their significant role in the development of rural areas. Especially since they do not have constant technical or financial support from the public sector.</p>

**Note:** RS – Republika Srpska, MAFWMRS– Ministry of Agriculture, Forestry and Water Management of Republic of Srpska, MoFTER – Ministry of Foreign Trade and Economic Relation, UNDP – United Nations Development Program, CzDA – Czech Development Agency, MA – Managing Authority, PA – Paying Agency, IPA – Instrument for Pre- Accession Assistance, IPARD – Instrument for Pre-Accession Assistance for Rural Development, LDS – Local Development Strategy, LAG – Local Action Group, CSO – Civil Society Organization, RE-DAH- Association for economic development of Herzegovina, NGO- Non-Government Organizations, RD – Rural development, APCU- Agricultural Project Coordination Unit.

## II. Identified issues that hinder or slow down the implementation of the actions defined in the LEADER Road Map

At the level of the legal and institutional framework:

- The strategic plan for the rural development of BiH for 2021-2027 which deals with rural development policy and the LEADER approach at the state level, has been prepared and is being adopted.
- There is still no agreement on the establishment of institutional structures that would enable the country/territory to benefit from the Instrument of Pre-Accession Assistance for Rural Development, i.e., to fulfil the complex conditions for the establishment of the IPARD structure in BiH through the management body and agency for system payments and accreditation by the European Commission for the management of EU funds. It is necessary to improve administrative capacities and structures for coordination within agriculture and rural development.
- The LEADER program has yet to be implemented in Bosnia and Herzegovina, or the RS. This represents one of the major gaps in BiH's agricultural policy as it progresses toward aligning with EU's CAP. Neither this initiative, nor the establishment of new and strengthening of existing LAGs, are supported within the framework of the current policy of rural development in FBiH.
- Support for the work of LAG SAVUS and LAG DEVETAK and support for rural development through the LEADER approach and initiatives for organizing new LAGs did not exist in the previous cycle of RS agricultural policy.
- The *Strategy for Agriculture and Rural Areas of the RS 2021-2027* was adopted in October 2021. Within the strategic goal 4. *Revitalization of rural areas* the measure: *Revitalization of the identity of rural areas* is outlined, where it is stated that by applying a participatory approach and a bottom-up approach (LEADER methodology), the realization of this goal would imply support for regional or local rural development projects, animating and establishment of local action groups, and capacity building of local actors for planning and programming rural development.
- This defined support has not been realized, because there are no by-laws that support their implementation. The LEADER approach and the establishment of LAGs, with all their numerous specificities of rural development, still do not have an adequate legal framework in BiH (i.e. RS), as it is in the EU member states.
- The Agricultural Project Coordination Unit (APCU), within the framework of the IFAD project, initiated activities aimed at organizing workshops and raising awareness about the need to transform the seven clusters established in the territory of Republika Srpska into LAGs.



- Laws and by-laws that directly relate to the sector of agriculture, food production, and rural development in the RS show that they are mostly not, or only to a certain extent, harmonized with the current relevant regulations in the EU.
- MAFWMRS is planning to adopt a new Law on Agriculture in the coming period, which will include a measure for the LEADER approach, based on which other by-laws (regulations) for the formation of LAGs could be adopted.
- Absence of a comprehensive analysis or study of the MAFWMRS on the overview of the current situation and support possibilities of existing LAGs and LAG initiatives that would provide recommendations for future work and support programming in the RS.
- Lack of will to initiate the process of preparation for the use of IPARD funds for the implementation of LEADER with significant own funds, through various forms of information, education, training, and study visits as pilot projects for potential LAG initiatives.

#### At the level of Rural Development Networking:

- Deficiency in the strategic approach to the development of the Network and the definition of strategic goals for the improvement of rural development in Bosnia and Herzegovina.
- Insufficient participation and presence of the Network in working groups for the preparation and creation of strategic documents at the entity, cantonal and local levels.
- Activities related to LEADER are based on individual initiatives and cases, most often supported by foreign donors through short-term projects. So as part of the SEDRA II project, LAG SAVUS support is provided for the creation of LDS.
- The current Network for Rural Development does not have the human or financial capacity to constantly inform, promote and educate key local actors about the advantages, possibilities and ways of using the LEADER program and establishing LAGs.
- The Network's participation in additional networking and connection of various actors is, as one of the LEADER principles, at a low level. It is necessary to strengthen the cooperation between actors who show initiative for the formation of LAGs in BiH, as well as with other LAGs in the region (Western Balkans) and in the EU countries.
- Insufficient connection, communication and coordination with a larger number of actors involved in regional or local rural development (development agencies, clusters, associations, etc.).

#### At the level of LAGs and development initiatives:

- Currently, two LAGs are registered in RS: SAVUS (Srbac, Gradiška, Laktaši, Kozarska Dubica) and DEVETAK (Sokolac, Rogatica and Han Pijesak), which have been inactive in the development of rural areas in recent years.
- A very small number of initiatives related to LEADER and the potential establishment and registration of LAGs in the territory of RS.
- Absence of adequate legal legislation that would facilitate registration and accreditation, as a basis for enjoying special rights and constant financing by the public sector for the creation of LDS, management and implementation of strategies.
- Insufficient knowledge and human capacity about the LEADER program itself and the functions of the LAG among many actors from all three sectors (public, non- governmental, private).

### III. Conclusions and recommendations

#### Legal and institutional framework:

##### Conclusions:

- The LEADER program is still not being implemented in the territory of the RS because IPARD funds are not available to BiH.
- The *Strategy of Agriculture and Rural Areas of the RS 2021-2027*, within the framework of strategic objective 4. Revitalization of rural areas defines the measure *Revitalization of the identity of rural areas*, where it is stated that by applying a participatory and bottom-up approach (LEADER methodology), which should be support for regional and local rural development projects, encouraging and establishment of LAGs, and capacity building of local actors for planning and programming rural development.
- There is no support for the two existing LAGs, as well as no support for new LAG initiatives supported within the current rural development policy in the RS.
- There is no objective and comprehensive analysis and study on the possibilities of establishing LAGs based on socio-economic parameters, natural resources and the current state of certain rural parts of RS.
- The Agricultural Projects Coordination Unit (APCU), within the framework of the IFAD project, is currently in the initial phase, focusing on broader dissemination of information about the advantages and benefits of the LEADER approach for rural area development. The goal is for seven agricultural clusters from the regions of the RS to grow into LAGs, although these are territorially too large and diverse areas for the establishment and functional work of LAGs.
- In RS, LAG registration is by the Law on Associations and Foundations, and they are registered as citizens' associations and are in the same rank as all other associations without special rights.
- MAFWMRS is planning to adopt a new Law on Agriculture in the coming period, which will include a measure for the LEADER approach, based on which other by-laws (regulations) for the formation of LAGs could be adopted.
- Absence of programs and financial resources to work more significantly, in cooperation with actors who are familiar with this topic, on information, promotion, and education of key local actors about the LEADER program and LAGs.
- Insufficient education of personnel in institutions of all levels for potential participation in the implementation of LEADER and its significance for rural development.

##### Recommendations:

- Together with the representatives of MOFTER, the Ministry of Agriculture of the FBiH accelerate the drafting and adoption of the Strategic Plan for rural development of BiH for the period from 2023 to 2027, which includes M 6: Support for the diversification of the economy in rural areas.
- Develop a methodology for conducting a comprehensive analysis of the possibilities of establishing LAGs based on socio-economic parameters, natural resources and the current state of certain rural parts of FBiH, in cooperation with MoFTER and the Office for Harmonization and Coordination of Payment Systems.

- Adapt legal legislation at the state and entity level that would ensure accreditation and registration of LAGs as legal entities with special rights.
- Based on the analysis, create an action plan for initiating institutional processes for the LEADER approach to rural development in the RS, with clearly defined frameworks in terms of competencies, deadlines, responsibilities and results associated with clearly defined indicators, and coordinate this with the processes in FBiH.
- Provide a special program of significant information, promotion, education and study visits of local actors about the importance of the LEADER program in faster and better rural development and encourage their connection and networking in LAG initiatives.
- To improve the education of staff in institutions of all levels and LEADER and LAG and their involvement in accelerating the use of IPARD, launching the LEADER program and LAG initiatives. In parallel, improve the education of representatives of the non-governmental and private sector, as indispensable actors in the functioning of the LAG.
- Registered LAGs in Republika Srpska, based on LEADER principles, must get access to funds (MAFWMRS, with the support of the EU and other donors) that will give them the opportunity to implement local development strategies.
- Provide own funds (entity, local, private) with the support of donors for the needs of LAG management and implementation of goals, measures and activities based on the adopted LDS.
- Provide more significant and constant support for actors (Networks, development agencies, advisory services, chambers, etc.) who will be key partners in the process.
- Increase the interest of international organizations (especially those from EU member states) in launching LEADER and in supporting the establishment and work of LAGs.

## Rural Development Networking

### Conclusions:

- The current Rural Development Network in BiH has a small number of members, unstable financing through projects, an undefined strategic approach for its development and the development of agriculture and rural areas in BiH.
- Limited involvement and passive participation in the preparation of strategic documents important for rural development in BiH, RS and local level.
- Insufficient qualitative and quantitative human resources within the Network for Rural Development to play a more significant role in informing, promoting, and educating about the LEADER program and LAGs in BiH and FBiH.
- Insufficient level of communication, cooperation and coordination with other actors involved in regional or local rural development (development agencies, clusters, associations, etc.).
- Low level of information, promotion, and education of actors for the purpose of getting to know LEADER and launching LAG initiatives.

### Recommendations:

- Increase the number of members by including new NGOs or start the process of establishing regional networks in BiH, and RS and improve communication, cooperation and coordination between them.
- More significant and active involvement in the work of working groups for the creation of strategic documents and legal regulations significant for this sector.
- Creation of own medium-term strategic documents for organizational development with annual operational plans.
- Strengthen the human capacities of their organizations, especially in relation to the knowledge of the specifics of LEADER, the creation of LDS and the methodology of establishment, management and work of LAG.
- Lobby and advocate for more significant financial and technical support from the public sector at all levels for the operation of networks.
- Improve communication, cooperation and coordination with actors (Networks, LAGs, development agencies, etc.), in BiH, the Western Balkans and the EU for the exchange of good practices.

## LAGs and development initiatives

### Conclusions:

- There are two registered LAGs on the territory of RS, of which LAG SAVUS started the process of creating LDS in early 2024.
- LAGs face challenges when it comes to the continuity of their functioning, given that they do not have sustainable financing, that is, their functioning depends on the availability of project financing.
- There was an initiative to establish LAGs in some areas, but the question is what level they are at now.
- A very small number of local actors from all sectors (public, non-governmental and private) have sufficient knowledge about the LEADER program and its principles and LAGs, as well as their role and significance for rural development.
- Insufficient pressure on decision-makers at higher levels of government to speed up the EU rapprochement process and thereby secure IPARD funds.
- Insufficient communication, cooperation and coordination of all actors familiar with this topic, and networking and connection, as one of the LEADER principles, are at a very low level.
- Absence of political will, but not enough knowledge at the local level to actively engage in advocacy for faster access to IPARD funds.

### Recommendations:

- Maximum effort should be made to launch LAG SAVUS and LAG DEVETAK, and based on their experiences, new LAG initiatives should be launched in the RS and BiH.
- Interest in participating in the creation of local development strategies should be increased as much as possible with more significant development based on LEADER and LAG work.
- Local strategic documents should include, as a mandatory part of the implementation of the LEADER concept, support for the work of LAGs
- Since the basis of LAG's existence and work is the partnership of the public, business and non-governmental sectors, more engagement is needed to motivate actors at the local level in all three sectors.
- It is necessary to significantly improve information and promotions, the organization of training for local actors to get to know LEADER and launch LAG initiatives.
- It is necessary to continue working on building the capacity of local actors in the RS in the context of the development of LAG initiatives and, as much as possible, to exchange information on good practices with countries from the Western Balkans and the EU.

# National Progress Report on Implementation of EU LEADER Approach Country/Territory: Kosovo\*



## State of play on LEADER approach in Kosovo\*

As a policymaker in the agriculture and rural development sector, the Ministry of Agriculture, Forestry, and Rural Development of Kosovo strives to adopt policies related to the Common Agricultural Policy (CAP) and other relevant European agriculture and rural development policies. On the initiative of the MAFRD, 30 Local Action Groups (LAGs) were established in Kosovo, covering the entire country/territory. Despite the establishment of these LAGs, not all of them are currently active due to a lack of organizational and financial stability.

Local Action Groups in Kosovo are based on municipalities, with each municipality corresponding to one LAG. These LAGs are registered as Non-Governmental Organizations (NGOs) in accordance with Kosovo's Law on Free Association in NGOs. In recent years, some LAGs have implemented various projects for the benefit of their communities with financial support from the Ministry of Agriculture, Forestry, and Rural Development of Kosovo, municipalities, other national institutions, and international organizations.

The vision of the Ministry of Agriculture, Forestry, and Rural Development (MAFRD) of Kosovo is to foster sustainable agricultural and rural development through the support and promotion of the LEADER approach and Local Action Groups (LAGs). By empowering local communities and encouraging bottom-up initiatives, the Ministry aims to create a more resilient and prosperous rural sector.

The MAFRD of Kosovo has integrated the LEADER Measure into the National Program for Agriculture and Rural Development, offering financial support to Local Action Groups (LAGs) that submit qualifying projects. LAGs that meet the accreditation criteria set by the Ministry are eligible for funding. The Ministry provides guidance and support throughout the application process.

Additionally, the National Strategy for Agriculture and Rural Development underscores the Ministry's commitment to supporting and promoting the LEADER Approach in Kosovo. However, there is a recognized need to further increase financial and organizational support in this direction.

The Ministry implements and supervises rural development policies through the Department for Rural Development. At the local level, active Local Action Groups (LAGs) cooperate with the Municipal Directorates for Agriculture and Rural Development. In many cases, representatives from these municipal directorates, both past and present, are part of the LAGs' management structures.

Apart from the support provided by the LEADER approach through the Program for Agriculture and Rural Development, there is no other form of assistance for implementing this measure. Some active LAGs in certain municipalities receive additional support from other institutions and donors, depending on their ability to prepare project proposals.

Therefore, the respective institutions and the Ministry should work harder to activate and sustain as many local action groups as possible. This will ensure the LEADER approach is effectively implemented for the benefit of rural communities and the broader community they represent.

# I. Current state of the implementation of the actions defined in the LEADER Road Map

## Legal and institutional framework

Process Title (as defined in "Standing up for LEADER in South East Europe")	Actions defined (as defined in "Standing up for LEADER in South East Europe")	Responsible actor and other contributing actors	Current stage of implementation
Law no. 08/L-072 on agriculture and rural development	The LEADER approach is focused on strengthening local governance through a bottom-up process, facilitated by the development of local strategies, and is based on a public-private partnership model	MAFRD, Agency for Agriculture Development within the framework of the MAFRD, there are two officials who directly deal with the development of the LEADER program: 1. Division for Competitiveness Diversification and LEADER- The Head of the division is Mrs. Nysrete Doda Gashi, and 2. The senior officer for Diversification and LEADER is Mrs. Lindita Dragusha.	Implementation of national program for agriculture and rural development
Strategy for rural agriculture and rural development 2022-2028	Need 3.6 Promotion of local development initiatives Despite the positive experience with the LEADER approach, LAGs still require support in the preparation of Local Development Strategies for the new programming period 2021-2027, as well as in the implementation of these strategies. LAGs also need support in capacity building, particularly in proper management and the selection of projects. LAGs should be trained by experienced LAGs from EU member states, and the staff of the Managing Authority and of the Paying Agency should be trained on the implementation system that ensures a continuous flow of money for the operating costs of the LAGs.	MAFRD, Agency for Agriculture Development	- No development  - No development
NATIONAL PROGRAM FOR AGRICULTURE AND RURAL DEVELOPMENT 2023- 2027	Within the framework of the Ministry of Agriculture, Forestry and Rural Development, the Law on Agriculture and Rural Development No. 04/L-090, as amended by Law No. 03/L-98, established the Agency for Agricultural Development as an Executive Agency. This agency is responsible for implementing agricultural and rural development support programs, specifically for Direct Payments and Rural Development Programs. It carries out application procedures, administrative and field control, as well as the approval and execution of payments to beneficiaries based on the procedures of the IPARD program.	MAFRD, Agency for Agriculture Development, LAGs, new LAG initiatives, etc.	MEASURE 5: Implementation of Local Development Strategies - LEADER Approach In the last two calls for support under the LEADER Measure within the National Program for Agriculture and Rural Development, the Ministry of Agriculture allocated approximately 200,000.00 euros in funds for all LAGs that met the application criteria. These funds were intended for the preparation of Local Development Strategies using the LEADER approach.



## Rural Development Networking

<b>Process Title</b> (as defined in “Standing up for LEADER in South East Europe”)	<b>Actions defined</b> (as defined in “Standing up for LEADER in South East Europe”)	<b>Responsible actor and other contributing actors</b>	<b>Stage of implementation</b>
Networking of NORDK with the PREPARE - Partnership for Rural Europe	NORDK is a member of the Partnership for Rural Europe Network (PREPARE), a regional European organization that includes members from various countries across Europe, including Balkan and Baltic countries.	NORDK – Network of Organizations for Rural Development of Kosovo, is a national civil society rural development network officially established in 2013. Its mission is to promote and develop relationships and partnerships between different sectors of the rural community in Kosovo through advocacy activities aimed at sustainable rural development.	As a member and participant of PREPARE activities, NORDK has strengthened communication and cooperation with similar organizations and platforms from other European countries, while also sharing the experiences of its members.
Networking of NORDK with ELARD (European LEADER Associations for Rural Development)	European LEADER Association for Rural Development (ELARD) - ELARD is an international non-profit association set up to improve the quality of life in rural areas and to maintain their population through sustainable, integrated local development. A distinctive feature of ELARD is that it brings together Local Action Groups committed to involving all stakeholders in rural development at a local level.	NORDK – Network of Organizations for Rural Development of Kosovo	As a member of ELARD, NORDK benefited from the knowledge and information regarding the best possible application of the LEADER Approach in the countries of the European Union, as well as from the best experiences for the most effective implementation of this instrument in Kosovo.
Networking of NORDK with the European Rural Parliament (ERP)	Strengthen the voice of the rural communities of Europe and ensure that the interests and well-being of these communities are strongly reflected in national and European policies. Promote self-help, common understanding, solidarity, exchange of good practice and cooperation among rural communities throughout Europe.  Enable rural people to play their full role in addressing the great economic and political challenges which are currently affecting Europe. The European institutions are struggling to face these challenges. They need to connect with the concerns, the aspirations and the energies of European citizens. We wish to help in that process.	NORDK – Network of Organizations for Rural Development of Kosovo	NORDK is a Partner and representative of Kosovo in European Rural Parliament (ERP). NORDK attends 3 events of European Rural Parliament (ERP) and promotes the good practices, decisions and suggestions of the European Rural Parliament to the members of NORDK Based on the experiences gained in participating in the ERP, NORDK organizes 2 Rural Parliaments of Kosovo as the main platform for raising the voice of rural actors and the rural development sector in Kosovo.

<b>Process Title</b> ( <i>as defined in "Standing up for LEADER in South East Europe"</i> )	<b>Actions defined</b> ( <i>as defined in "Standing up for LEADER in South East Europe"</i> )	<b>Responsible actor and other contributing actors</b>	<b>Stage of implementation</b>
Networking of NORDK with the Balkan Rural Development Network (BRDN)	NORDK is member and cofounder of the Balkan Rural Development Network (BRDN)	NORDK – Network of Organizations for Rural Development of Kosovo	Implementation of joint projects. Currently implementing the joint project "SEDRA II - Support to Economic Diversification of Rural Areas in Southeast Europe (SEDRA II)" where the focal points are: <ul style="list-style-type: none"> <li>• Assessment of the situation with LAGs/LAG initiatives and existing LDSs and</li> <li>• Support for development of Local Development Strategy in the LAG Mamusha</li> </ul>
Networking of the Rural Development Network (RDN)	The network is a platform where project ideas and various proposals and experiences can be discussed. The role of the Network is to lobby for and promote LAGs within and outside the country/territory. This network is registered as an NGO, but unfortunately it is non- functional or semi- functional in achieving the objectives for which it was founded.	Rural Development Network	The activities of the RDN were limited because of several issues <ul style="list-style-type: none"> <li>• Lack of understanding of the role and importance of the RDN within management board of RDN</li> <li>• The lack of professional staff was reflected in the lack of taking appropriate initiatives</li> <li>• Lack of financial support.</li> </ul>

## Local Action Groups and development initiatives

Process Title (as defined in “Standing up for LEADER in South East Europe”)	Actions defined (as defined in “Standing up for LEADER in South East Europe”)	Responsible actor and other contributing actors	Stage of implementation
Processes of MAFRD (DRPD), ADA	<p>The IPARD program which, among other things, contributes to the strengthening of the LEADER approach and the transfer of knowledge is not used in Kosovo. The actual state with the Kosovo case is that the Department of Rural Development Policy (DRDP) is acting as Managing Authority of the ARDP and is responsible for the development, implementation, monitoring, evaluation, and coordination of the long-term national Agricultural and Rural Development Programme (ARDP) and annual support programmes as well as its amendments/ modifications in compliance with the EU CAP Pillar II. The main agency in Kosovo is the Agency for Development of the Agriculture (ADA) that controls the LAG concerning contractual commitments.</p> <p>The Agency for Agricultural Development is a unit within the ministry responsible for implementing support programs for Agriculture and Rural Development, implementing written procedures, based on IPARD. The Agency is also responsible for the implementation of Direct Payments and Rural Development Programs</p> <p>The MA and ADA are operating with national funds since there are still no supporting funds from EU.</p>	MAFRD- Ministry of Agriculture, Forestry and Rural Development (Department of Rural Policy Development), ADA- Agency for Development of Agriculture, EU CAP.	It is in regular application on an annual basis since 2014
Call for proposals, check the eligibility and select the LAGs	<p>The MAFRD/ADA implements the selection of the LAGs based on the recommendation of the Evaluation Committee.</p> <p>The procedure to select LAGs is opened and defined in all rural areas, and it was approved in 2014. According to the procedure, a potential LAG, has to comply with the criteria given by the MAFRD/ADA and will be approved by the ADA.</p> <p>Within a year of the ARDP having started (2014), a call for applications to obtain potential LAG status was issued by the MAFRD/ADA. The selected LAGs (30 LAGs) have signed the contract with the MAFRD. The signed contract defines the rights and the commitments of a LAG.</p> <p>One of the main obstacles is the lack of knowledge and awareness by new LAGs to apply, however, the system is well designed and operational. The MAFRD ensures that operations are selected for funding following the criteria and mechanisms applicable to the programme and which comply with the relevant national rules. Ensuring that the Monitoring Committee is involved in the stipulated manner.</p>	MAFRD- Ministry of Agriculture, Forestry and Rural Development (Department of Rural Policy Development), ADA- Agency for Development of Agriculture	It is in regular application on an annual basis since 2014

Process Title (as defined in “Standing up for LEADER in South East Europe”)	Actions defined (as defined in “Standing up for LEADER in South East Europe”)	Responsible actor and other contributing actors	Stage of implementation
Commissioning and supervising the Network Support Unit	In the ARDP 2014-2020, it is foreseen that the MAFRD supports the establishment and operation of a national rural network. With the help of technical assistance, the expenditure shall be supported, which is associated with the establishment and operation of the national network supporting the coordination of activities to prepare and implement local rural development strategies.	MAFRD- Ministry of Agriculture, Forestry and Rural Development (Department of Rural Policy Development), ADA- Agency for Development of the Agriculture	It is in regular application on an annual basis since 2014
Funding (budgeting, disbursement, control)	The Managing Authority is one of the principal actors alongside other financial authorities under the responsibility of the MAFRD (Budget and Finance Division) for the budgetary planning procedure for payments and commitments, which is important in the case of multi-annual programmes (as will be the case with IPARD). The LAG submits a payment claim for the reimbursement of capacity building costs, running costs and small-scale projects to the ADA.	MAFRD- Ministry of Agriculture, Forestry and Rural Development (Department of Rural Policy Development), ADA- Agency for Development of Agriculture	It is in regular application on an annual basis since 2014
Monitoring and evaluation	The Managing Authority has to provide evaluators with the appropriate resources and the data required to ensure that evaluations can be carried out most effectively. Alongside the	MAFRD- Ministry of Agriculture, Forestry and Rural Development (Department of Rural Development Policy),	It is in regular application on an annual basis since 2014
	Monitoring Committee, the Managing Authority assesses the quality of the evaluation. The results of the evaluations have to be taken into account in the programming and implementation cycle.	ADA-Agency for Development of Agriculture	
Reporting	The MA is in charge of drawing up annual reports and a final report on the implementation of the programme. The reports shall cover the calendar year and include the cumulative financial and monitoring data for the whole period of implementation of the programme. The final report on the implementation of the programme shall cover the whole period of the implementation.	MAFRD- Ministry of Agriculture, Forestry and Rural Development (Department of Rural Policy Development), ADA- Agency for Development of Agriculture	It is in regular application on an annual basis since 2014
Information and Publicity	The MA provides information to the general public about the programme, especially about assistance granted. Furthermore, the MA informs potential beneficiaries and final beneficiaries of the contributions provided by the programme on administrative procedures to be considered.	MAFRD- Ministry of Agriculture, Forestry and Rural Development (Department of Rural Policy Development), ADA- Agency for Development of Agriculture	It is in regular application on an annual basis since 2014

Process Title (as defined in “Standing up for LEADER in South East Europe”)	Actions defined (as defined in “Standing up for LEADER in South East Europe”)	Responsible actor and other contributing actors	Stage of implementation
Processes of NORDK and RDN	Capacity building of rural stakeholders and LAGs	NORDK, RDN, LAGs	It is in regular application since setting up of NORDK and RDN
	National, regional, international networking (exchange, learning, joint action, lobbying)	NORDK, RDN, LAGs	It is in regular application since setting up of NORDK and RDN
	Evaluation and Learning	NORDK, RDN, LAGs	It is in regular application since setting up of NORDK and RDN
Processes of LAG	Creating and managing the local partnership	LAGs, NORDK, RDN,	It is in regular application since setting up of LAGs
	Local animation and capacity building	LAGs, NORDK, RDN,	It is in regular application since setting up of LAGs

Process Title (as defined in “Standing up for LEADER in South East Europe”)	Actions defined (as defined in “Standing up for LEADER in South East Europe”)	Responsible actor and other contributing actors	Stage of implementation
Project support and project management	The original intention is to use the LAGs to facilitate project development, select project ideas and evaluate the implementation of a local development strategy that would support preparation for pre-accession funds. However, the funding areas should be broadened as much as possible to meet rural needs. The current approach to using the LAGs as project owners should be reconsidered and designed in a better way.	LAGs, NORDK, RDN,	It is in regular application since setting up of LAGs

## II. Identified issues that hinder or slow down the implementation of the actions defined in the LEADER Road Map

At the level of the legal and institutional framework:

- Approach in Central and local level- The LEADER approach is not sufficiently understood by decision-makers at the central and municipal level. Each new decision maker/government needs several years to understand the LEADER approach. (Mainly they are interested in agriculture). The approach of each minister is different with regard to LAGs and the LEADER program.
- Lack of National Strategy- The Ministry of Agriculture, through the Agency for the Development of Agriculture, provides subsidies for the preparation of the strategy for sustainable development of LAGs, but the Ministry itself has not prepared any strategy for the development of the LEADER program, where the following should be clearly defined: the challenges faced by LAGs, the measures to overcome those challenges, and a plan for their sustainable development
- Lack of Cooperation between Central and local governments (municipalities) - There is not enough cooperation between the central government and the local government in terms of promoting and strengthening the role of LAGs and the LEADER program
  - Lack of access to municipal funds for LAG- LAGs are not included in the development programs of municipalities. This phenomenon has appeared as a result of different policies which are not followed from one government to another as a continuation of the development strategies of the municipalities for several reasons:
  - During the establishment of the management board to lead the LAG, representatives of the municipalities (Directors of the directorates of agriculture at that time) were appointed, often aligned with a particular political party.
  - So, the positions in the LAG are not linked to the positions of people in institutions but it was linked to the names of the people in those positions.
- After failing the local elections, these people still remain in the management positions of the LAG and they do not have institutional decision- making power.
  - No awareness regarding the role of LAGs in the municipalities:

- Representatives of local governments (municipalities) are not aware of the role of LAGs and the LEADER approach nor of the importance and opportunities that LAGs have in rural development through socio-economic development
- Lack of access to municipal funds for LAGs- LAGs are not included in the development programs of municipalities. This phenomenon has appeared as a result of different policies which are not followed from one government to another as a continuation of the development strategies of the municipalities for political reasons:
- During the establishment of the LAG, representatives from municipalities, typically individuals in leadership positions such as directors of agriculture or finance, were appointed to the governing board. These appointments were tied to the political party that won the local elections. However, the staff positions in the LAG were linked to the names of the individuals holding those roles rather than to the institutional positions themselves. Consequently, when those political parties lost in subsequent local elections, these individuals retained their leadership roles within the LAG but lost institutional decision-making power and access to funds. Furthermore, newly appointed officials from the winning political parties often denied the previous LAG representatives' access to resources due to political competition, perceiving the LAG as an oppositional entity.

#### At the level of Rural Development Networking:

- **Lack of cooperation and continuous information of the municipalities on the role and importance of the establishing, developing, and maintaining of the LAG.** The Rural Development Network (RDN), whose role is lobbying and promotion of LAGs within and outside the country/territory, does not perform its duty for which it was established and receives subsidies from the Ministry of Agriculture and the Agency for Rural Development through the Agriculture and Rural Development Program. This network does not have full cooperation either with the active GLV within its own membership nor with NORDK
- Lack of initiative for the functionalization of non-functional LAGs and the establishment of new LAGs. Rural Development Network (RDN) should make a special contribution towards the functionalization of non-functional LAGs, since most of the established LAGs are non-functional (18 out of 30 in total are non- functional).

#### At the level of LAGs and development initiatives:

- Having difficulties in Institutional level – is reflected to the initiatives for development of new LAG-s
- Create difficulties for developing their activities for existing LAG-s
- The lack of knowledge on how to access funds and insufficient communication with the relevant municipalities remains the main obstacle for LAG operations.
- LAGs are NGOs, and during registration the founders of the NGO are considered as the owner of that NGO. They can only be changed voluntarily or by the decision of the general assembly, but in both cases the founders must accept this change and must personally go to the Ministry of Public Administration where the names of the founders must be changed, and their statute changed. None of the founders have a willingness to do this. There is no instrument through which the management board can be automatically changed if they do not work.

- The management boards are not aware of the true role of LAG and the possibilities they have. Many of them during the establishment have taken responsibility with the aim of personal benefits.
- In many LAGs, the management boards do not devote any time to LAG activities, and this is seen as an opportunity for additional benefits.
- Many LAGs face challenges due to the insufficient professional capacities of their management boards and a lack of additional professional staff involvement.

### III. Conclusions and recommendations

#### Legal and institutional framework:

##### Conclusions:

- There is no separate Law or Administrative Instruction that regulates the LEADER issue.
- For the registration of LAGs in the Ministry of Public Administration, the names of the persons are required, not the specific positions that these persons represent, which creates problems of non-functioning LAGs later.
- The cooperation of the Ministry of Agriculture with the Municipalities is insufficient and the Municipalities do not have the necessary information regarding the role and importance of the LAG for the development of the rural community.
- The access of NGOs and Rural Networks to government funds is limited or impossible.

##### Recommendations:

- Assistance in investments and improvements to fulfil the requirements needed for getting the funds by IPARD like other WB countries.
- There must be a special Law or Administrative Instruction which will regulate the special provisions of the composition, financing and operation of LAGs as an important body for rural development.
- The Ministry of Agriculture together with the Minister of General Administration should find a solution for the compilation of a specific statute which will be more functional and will respond to the political climate of the local government in the country/territory.
- The Ministry of Agriculture should compile a special strategy for LAG, which should be included; identification of problems faced by LAGs, promotion of the LEADER approach, functionalization of non-functional LAGs and work plan for overcoming challenges, sustainable development of LAGs, etc.
- The Ministry of Agriculture should cooperate more with municipalities and the Rural Development Network in terms of raising awareness of the role and importance of LAGs.
- The Ministry of Agriculture should grant NORDK- Network of Organizations for Rural Development of Kosovo funding from the Ministry of Agriculture, since this network plays the role of the Rural Development Network since 2013



- The Ministry of Agriculture should allocate a special fund for the organization of Rural Parliaments at the country/territory level, since LAGs, Farmers' Unions, Unions of Young Farmers' Clubs, the union of rural women's associations take part in this event. etc. and the preparation of the Manifesto, which contains instructions for the functionalization and strengthening of LAGs, unions, NGOs and gives recommendations for crucial issues for rural development.
- The Ministry of Agriculture should preside over a special fund for rural NGOs through development programs.

## Rural Development Networking

### Conclusions:

- The Network for Rural Development is not sufficiently active and, in some cases, it has also resulted as an obstacle to benefiting from the funds dedicated through the development program for functional LAGs, since a certificate for payment of membership has been requested by the Agency for Agricultural Development of an annual amount of 100 Euros from LAGs in the Rural Development Network.
- The Rural Development Network is not active in promoting, advocating and lobbying the LEADER approach to local and international institutions.
- The role of promotion, lobbying and advocacy of the LEADER program is carried out by the Network of Organizations for Rural Development of Kosovo, which is a member and representative of Kosovo in the ELARD organization, the PREPARE Network, the European Rural Parliament and the Balkan Network for Rural Development. However, there is no access to the funds of the Government of Kosovo, respectively in the Program for Rural Development of the Ministry of Agriculture and the Agency for the Development of Agriculture.

### Recommendations:

- The Network for Rural Development should work more on the promotion and lobbying of the LEADER issue and the promotion of LAGs at local and international institutions.
- The Network for Rural Development, as a beneficiary of subsidies from the Agency for Agricultural Development, must compile a program for training the management boards of LAGs to raise awareness of the role, importance and possibilities of LAGs.
- The Rural Development Network should establish a triangular collaboration with the Ministry of Agriculture and the municipalities regarding the awareness of the role and importance of LAGs and work on their promotion in the municipalities.
- The Network for Rural Development should work on simplifying the procedures and reducing the necessary documentation for the application of LAGs for subsidies in the Agency for Agricultural Development.

## LAGs and development initiatives

### Conclusions:

- Most of the LAGs in Kosovo are non-functional (at least 18 out of 30 established ones).
- In most cases, the Governing Boards of LAGs do not have sufficient knowledge about their role and possibilities in the development of the rural community.
- The composition of the members since the creation of LAGs in most cases has not changed and has not been adapted to the representation of the local government.
- The management boards in most cases do not have the initiatives for the development projects due to the lack of involvement of the management staff of the local government.

### Recommendations:

- Each LAG must compile an internal regulation regarding their functioning and the resolution of special issues that are not provided for by statute or other legal documents.
- LAGs need additional work on finding funds and promotion at the local level.
- LAGs should have more cooperation with the Municipalities and for this they should seek support from the Rural Development Network and the Ministry of Agriculture.
- LAGs should organize more seminars to increase their capacities, especially the managerial and financial ones.



# National Progress Report on Implementation of EU LEADER Approach Country/Territory: North Macedonia



## State of Play on LEADER approach in North Macedonia

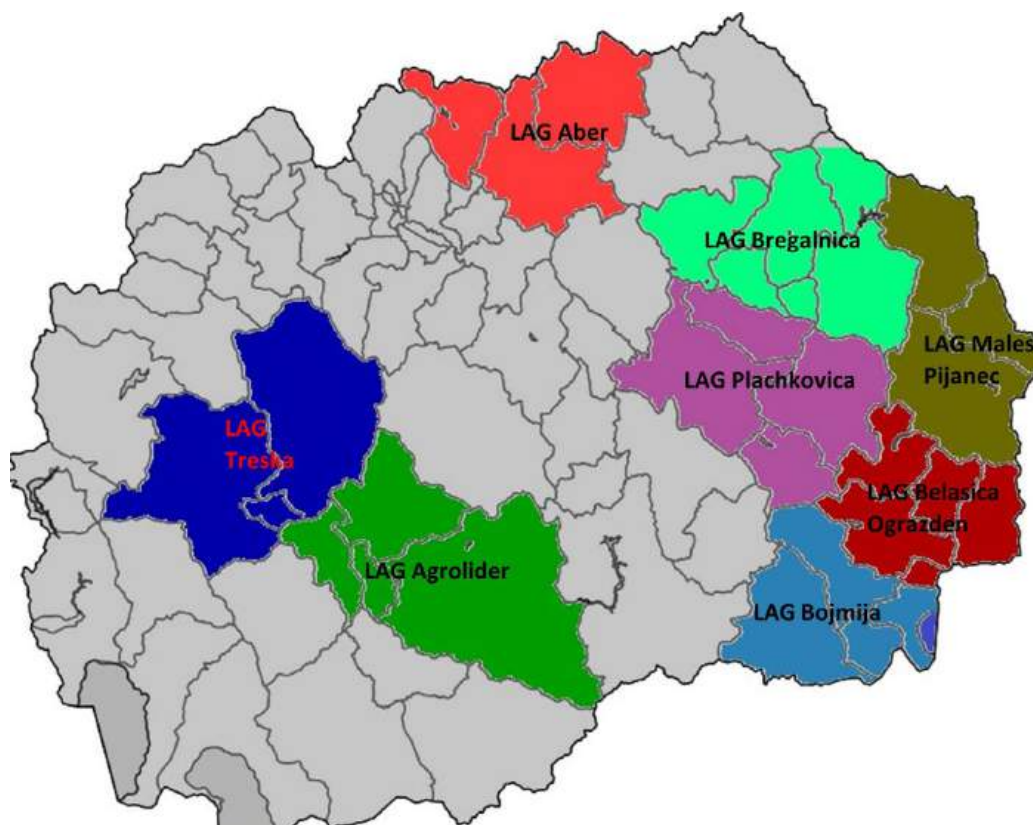
The implementation of the LEADER approach as part of the IPARD III and national rural development program in North Macedonia is ongoing, with several key components in place:

The IPARD III Programme (2021-2027) includes specific measures to support the LEADER approach providing financial and technical assistance to promote rural development, focusing on improving competitiveness, and sustainable resource management. Measure 5 of the IPARD III Programme specifically targets the LEADER approach, supporting local action groups (LAGs) to implement local development strategies. These strategies are designed to address the economic, social, cultural, and environmental needs of rural areas.

The accreditation process for LEADER measures under IPARD has been a significant step towards completion of the legislative frame. The Ministry of Agriculture, Forestry, and Water Economy (MAFWE) has been working towards meeting the requirements set by the European Union for the accreditation of the LEADER measure. This involves ensuring that the procedures and structures in place for managing and disbursing funds are compliant with EU standards. This process is still ongoing and requires more commitment from the institutions for it to be finalized.

Eight (8) Local Action Groups (LAGs) have been established, formalized as legal entities and officially registered within the LAG register of the Ministry of Agriculture Forestry and Water Economy (MAFWE). Efforts have been made to build the capacity of these LAGs to develop and implement Local Development Strategies (LDS). Training and support have been provided to LAG members to enhance their skills in project planning, management, and implementation.

**Map of Local Action Groups in North Macedonia**



The Rural Development Network of North Macedonia continues to play a fundamental role in promoting the LEADER approach. Seven (7) of the eight (8) registered LAGs are members of the RDN of NM. RDN supports the current LAGs and the process of creation of new ones, through implementation of capacity building activities, small project implementation and networking among existing LAGs and initiatives. The support for implementation of small projects serves as an example of best practices providing valuable lessons for scaling up the approach. Project implementation helps LAGs in building the credibility of the LEADER approach among local stakeholders and authorities and advocates for the inclusion of the LEADER approach in national and local policies.

While there has been progress, challenges remain for full integration of the LEADER approach into the IPARD program and ensuring its sustainable implementation. Continuous efforts are needed to strengthen the capacity of LAGs, enhance stakeholder engagement, and secure the necessary financial and institutional support.

The capacity building and technical assistance to LAGs and other local stakeholders will result in the development and implementation of effective local development strategies. The administrative process needs to be streamlined and simplified to improve administrative efficiency that will facilitate faster and more effective project implementation. The funding support should be increased, which will provide access to resources for rural development projects, particularly those focusing on sustainable community driven practices. Fostering stronger partnerships between local communities, government agencies, and international organizations will leverage expertise, share best practices, and coordinate rural development efforts.

By addressing these challenges and implementing these recommendations, North Macedonia can enhance the effectiveness of the LEADER approach and achieve sustainable and inclusive rural development.

# I. Current state of the implementation of the actions defined in the LEADER Road Map

## Legal and institutional framework

Process Title <i>(as defined in "Standing up for LEADER in South East Europe")</i>	Actions defined <i>(as defined in "Standing up for LEADER in South East Europe")</i>	Responsible actor and other contributing actors	Current stage of implementation
<b>Review and update of the legislative framework</b>	<ul style="list-style-type: none"> <li>Changes of articles 87 and 89 in the Law on Agriculture</li> <li>Updates in the rulebooks for preparation and financing of LAGs and LDS</li> <li>Updates in the rulebook for LAG registration in the MAFWE register</li> </ul>	<ul style="list-style-type: none"> <li>MAFWE MA, RDN of NM, LAGs</li> <li>MAFWE MA/SRD, RDN of NM, LAGs</li> <li>MAFWE MA/SRD, RDN of NM, LAGs</li> </ul>	<ul style="list-style-type: none"> <li>Not implemented</li> <li>In process</li> <li>Updates completed. For the new Strategic and Programming period 2021-2027 a new public call was published in November 2023 and 8 LAGs are registered in the MAFWE Register.</li> </ul>
<b>Strengthening administrative capacities of MAFWE</b>	<ul style="list-style-type: none"> <li>Strengthening of inter-sectoral cooperation</li> </ul>	<ul style="list-style-type: none"> <li>MA/SRD</li> </ul>	<ul style="list-style-type: none"> <li>Progress in the dialogue between the sector for rural development and IPARD sector within MAFWE.</li> </ul>
<b>Implementation of LEADER measure in IPARD</b>	<ul style="list-style-type: none"> <li>Update of the LEADER measure under IPARD</li> <li>Implement national accreditation of the LEADER measure</li> <li>Implement EU accreditation</li> </ul>	<ul style="list-style-type: none"> <li>MA/SRD, RDN of NM, LAGs</li> <li>National Authorization Officer</li> <li>DG Agri</li> </ul>	<ul style="list-style-type: none"> <li>No progress in accreditation of the LEADER measure.</li> <li>Not implemented.</li> <li>Not implemented.</li> </ul>
<b>Technical Assistance in IPARD for LEADER</b>	<ul style="list-style-type: none"> <li>Provide support for LAGs for the development of LDS and capacity building</li> </ul>	<ul style="list-style-type: none"> <li>MA, RDN of NM</li> </ul>	MAFWE is preparing an action plan for utilization of the IPARD Technical assistance measure for animation of the population and information about the possibilities for creation of new Local Action Groups.
<b>Implementation of Local Development Strategies under the National Program for Rural Development</b>	<ul style="list-style-type: none"> <li>Upgrade and adjust the NPRD according to LEADER principles as part of IPARD</li> </ul>	<ul style="list-style-type: none"> <li>MA/SRD, RDN of NM, LAGs</li> </ul>	<ul style="list-style-type: none"> <li>Slow progress in the process</li> </ul>

## Rural Development Networking

Process Title (as defined in "Standing up for LEADER in South East Europe")	Actions defined (as defined in "Standing up for LEADER in South East Europe")	Responsible actor and other contributing actors	Stage of implementation
<b>Capacity building of LAGs by RDN of NM</b>	<ul style="list-style-type: none"> <li>Revise LDS of five LAGs</li> <li>Support LAGs for implementation of projects</li> <li>Support for new LAG initiatives</li> </ul> <ul style="list-style-type: none"> <li>Strengthening of the LEADER thematic group within RDN</li> </ul>	<ul style="list-style-type: none"> <li>RDN</li> <li>RDN</li> <li>RDN</li> </ul> <p>RDN</p>	<ul style="list-style-type: none"> <li>Completed</li> <li>Ongoing support for 5 LAGs members of RDN for implementation of local initiatives, provided by the USAID Community Development Program.</li> <li>The LAG initiative, LAG Treska covering 3 municipalities in the Southwest region of North Macedonia: Kicevo, Makedonski Brod and Plasnica, was supported in the process of development of LDS and registration as CSO. In addition to the support for the preparation of the LDS, RDN provided support for implementation of one project deriving from the strategic objectives of the LDS Another LAG initiative (LAG Prespa), covering the municipalities of Resen and Demir Hisar, was supported by RDN in developing LDS. In addition to the support for the preparation of the LDS, RDN provided support for implementation of a project arising from the strategic goals of the LDS The existing LAG Bregalnica in the eastern part of the country/territory, covering 6 municipalities: Probistip, Makedonska Kamenica, Kochani, Vinica, Cheshinovo</li> <li>Obleshevo and Zrnovci, was supported by RDN in the preparation of new LDS for the strategic period 2023 – 2027</li> <li>RDN provided technical support to a new LAG initiative that covers the municipalities in the vicinity of Skopje (Chucher-Sandevno Municipality; Butel Municipality; Gazi-Baba Municipality and Ilinden Municipality) This initiative is in the process of LAG establishment</li> <li>The thematic group for LEADER within the RDN holds regular internal meetings defining common positions regarding LEADER as part of the measures of the rural development support programs. These views contain recommendations on how to design future measures for a more successful implementation of the LEADER program and how to plan future LAG support. They are submitted to the relevant bodies of the Ministry of Agriculture, Forestry and Water Economy.</li> </ul>
<b>Exchange of experience International and regional actions on LEADER</b>	<ul style="list-style-type: none"> <li>Participation at the 3rd BRP &amp; Food Summit</li> <li>Organization of regional LEADER study visit in Hungary</li> <li>Cooperation with ELARD</li> </ul>	<p>RDN</p> <p>RDN</p> <p>RDN</p>	<p>Within the framework of the third Balkan Parliament and Food Summit organized by the BRDN, and SWG which was held in Mostar BIH in 2023, RDN actively participated with its member representatives from the LAGs and gave input to the LEADER working group</p> <p>LAG representatives from the WB countries visited Hungarian LAGs to exchange knowledge and experiences</p> <p>RDN participated at LEADER congresses in Brussels and Poitiers as well as at ELARDs General Assembly meetings</p>
<b>Formalization of the National Rural Development Network within MAFWE</b>	<ul style="list-style-type: none"> <li>Establishment of the Network Support Unit (NSU) within MAFWE</li> </ul>	<ul style="list-style-type: none"> <li>MAFWE MA, SRD RDN of NM</li> </ul>	<ul style="list-style-type: none"> <li>The National Rural Development Network has been established. RDN is a member of NRDN and part of the Steering committee. Call for support of the rural stakeholders was developed and published.</li> </ul>



## Local Action Groups and development initiatives

<b>Process Title</b> (as defined in "Standing up for LEADER in South East Europe")	<b>Actions defined</b> (as defined in "Standing up for LEADER in South East Europe")	<b>Responsible actor and other contributing actors</b>	<b>Stage of implementation</b>
<b>LAG cooperation with MA, PA, RDN and municipalities</b>	<ul style="list-style-type: none"> <li>Strengthening LAG cooperation with MA,PA,RDN and municipalities</li> </ul>	<ul style="list-style-type: none"> <li>LAGs, MA, PA, RDN</li> </ul>	<ul style="list-style-type: none"> <li>Good cooperation established among LAGs, RDN and municipalities.</li> <li>Remarks, recommendations and conclusions to support LAGs within the framework of the rural development program were submitted by 5 LAGs members of RDN to MAFWE in 2021</li> </ul>
<b>Implementation of Local Development Strategies under the National Rural Development Program</b>	<ul style="list-style-type: none"> <li>Involvement of LAGs in the creation of a methodology for financial support from the NPRD</li> </ul>	<ul style="list-style-type: none"> <li>SRD/LAGs, RDN of NM, IPARD MA, PA</li> </ul>	<ul style="list-style-type: none"> <li>MAFWE invited the LAGs to submit proposals for calculation of annual operating costs</li> </ul>
<b>Networking and cooperation among LAGs and local stakeholders</b>	<ul style="list-style-type: none"> <li>Conduct animation and mapping of local stakeholders for supporting local community initiatives</li> </ul>	<ul style="list-style-type: none"> <li>LAGs, RDN</li> </ul>	<ul style="list-style-type: none"> <li>Significant inclusion of the local stakeholders in developing local project initiatives managed by the LAGs supported through RDN.</li> </ul>

## II. Identified issues that hinder or slow down the implementation of the actions defined in the LEADER Road Map

### At the level of the legal and institutional framework:

Related to the legal framework, the regulations for the implementation of financial support to LAGs for measures 412 and 413, (for establishment of LAGs and support for the realization of LDS) from the MAFWE's National Rural Development Program are defined in the amended "Regulation on detailed additional conditions for support from the rural development measures; the acceptable costs, the amount of the value of the acceptable costs and the amount of support per user for each measure". The regulation explains the acceptable costs, however there are still remarks from the LAGs as to how it could be improved. For this purpose, MAFWE invited the LAGs to make proposals according to their needs and experiences regarding methods and methodology for calculation of annual operating costs.

- The Measure 5 "Implementation of local development strategies- LEADER approach" is introduced for the first time in the IPARD Programme for the programming period 2021-2027. All the necessary procedures for implementation of the measure have been developed and sent to the National Accreditation Officer (NAO) for national accreditation to start with the entrustment procedure to become eligible for implementation. The slow pace of this process slows down the EU accreditation of the measure.
- The possibility of support through the technical assistance measure within the IPARD program is also underutilized. However, MAFWE is preparing an action plan for utilization of the IPARD Technical assistance measure for animation of the population and information about the possibilities for creation of new Local Action Groups. Such a process should increase the territorial coverage with registered LAGs in the country.
- The Agency for Financial Support of Agriculture and Rural Development (AFSARD), also known as Paying Agency (PA), lacks human capacities to process, control and conduct payment of submitted and approved projects submitted by the LAGs.

### At the level of Rural Development Networking:

The Rural Development Network of North Macedonia is a civil society organization that promotes the LEADER approach in the country and is entirely financed by the international donor community. The irregular donor funded programs lead to **financial constraints** of the Rural Development Network which hinder and slow down the implementation of the actions defined in the LEADER Roadmap, related to capacity building of Local Action Groups (LAGs) and the facilitation of the networking for exchange of experiences at national and international level. The limited financial resources may restrict the Rural Development Network from organizing comprehensive and frequent training programs for LAGs, including limiting and discontinuing the support for the implementation of local projects as part of the process for enhancing the skills, knowledge, and abilities of the LAGs to better achieve their objectives.

The financial constraints of RDN can also limit the support in organization of regular meetings or other activities of the LEADER Thematic hub within RDN, as well as the organization of networking opportunities for the LAGs, which can slow down the process of sharing best practices, innovative ideas, and

lessons learned.

The **insufficient interest, commitment, and collaboration among the rural stakeholders** in some regions of the country can result in a fragmented approach to rural development and to the implementation of LEADER, with isolated efforts that lack synergy and coordinated impact. Sustainable rural development requires long-term commitment and continuous efforts. If interest wanes, there is a risk that initiatives may lose momentum over time, leading to the abandonment of the process or a lack of follow-through on the LEADER Road Map defined actions.

### At the level of LAGs and development initiatives:

The LEADER approach is built on the idea of tapping into local potential and leveraging the unique strengths of each community. **A lack of awareness and knowledge about LEADER** and the work of Local Action Groups (LAGs), including the opportunities they present for community involvement in decision-making and project development among the local communities, can result in lack of commitment by the local stakeholders, therefore leading to missed opportunities to harness local resources, skills, and creativity for rural development. Effective involvement of all stakeholders including civil society, businesses, and local self-government, is crucial for garnering support and resources.

The LAGs also face **constraints due to limited financial resources**, making it challenging to execute the planned actions defined by their local development strategies. After the first call for application for measure 412 and measure 413 launched in March 2019, by the Ministry for Agriculture Forestry and Water Economy no further financial support was offered to the LAGs by the Government. This shortage may result in delays in implementation of current activities or the need to scale down proposed initiatives. Without adequate funding, it may be challenging to engage and mobilize local stakeholders effectively. This lack of resources can impede communication, outreach, and collaboration with the community, businesses, and government entities. Persistent financial constraints may lead to a loss of motivation among LAG members who may feel that their efforts are not adequately supported. This can result in a decline in commitment, participation, and enthusiasm for the local development process. Therefore, if the financial situation does not improve over time, there is a risk that the LAGs may need to abandon or indefinitely postpone certain projects outlined in the local development strategy. This can lead to a loss of credibility and trust among stakeholders.

External factors such as **changes in government policies and political leadership** may result in shifts in priorities and objectives at the national or regional level. LAGs must continually align their activities with these policies to ensure relevance and support. The changes in political leadership or policies may affect the availability and stability of funding. LAGs may experience fluctuations in financial support, impacting their ability to implement projects and initiatives. Also, the changes in political parties or leadership may result in shifts in decision-making processes and structures. LAGs may need to establish new relationships with government officials or navigate different bureaucratic channels, affecting the speed and efficiency of decision-making.

Political changes can impact existing partnerships and collaborations between LAGs and government entities. New political leadership may emphasize different priorities, leading to the re-evaluation or termination of existing partnerships and the formation of new ones.

## III. Conclusions and recommendations

### Legal and institutional framework:

#### Conclusions:

- a. Under the Law on Agriculture and Rural Development (**LARD**) and its by-laws the following **financial assistance** for LAGs has been proposed:
  - i. Supporting acquisition of knowledge and skills for the preparation and implementation of local rural development strategies, as well as to inform and train the population on the role and function of the LAG (up to 3.250 EUR)
  - ii. costs for the establishment and operation of LAG (up to 13.000 EUR)
  - iii. costs for implementation of local development strategies and realization of small projects (up to 13.000 EUR)
- b. Under the National Program for Rural Development (NPRD) 2019 a public call on LAGs was announced (IPARD like):
  - 12 applications submitted
  - 9 agreements concluded with total expenditure of 123.600 EUR
  - LAGs are entitled to an advanced payment of 40% of the approved amount
- c. **LAGs** status (2021-2027)
  - i. For the new Strategic and Programming period 2021-2027 a new public call was published in November 2023 and 8 LAGs were registered in the MAFWE Register.
- d. **IPARD Programme 2021-2027**
  - i. Three new measures were introduced as part of the IPARD Programme (LEADER, Advisory Services, Agro-Environment)
- e. **Action Plan for Technical Assistance (APTA)** up and running. An Expenditure associated with the measure "Implementation of local development strategies – Leader approach" was already conducted.

#### Recommendations:

##### *In relation to the National Program for Rural Development*

The implementation of the National Program for Rural Development should be on an annual level, which means that every current year a call for support should be published in time for the LAGs to function and to be able to implement the activities foreseen in the local development strategies. The consultative process with LAGs should be organized every year before the program is approved by September 30 at the latest.

A working group should be established between the LAGs, the RDN and the Ministry of Agriculture Forestry and Water Economy to define specific amendments to the National Program for Rural Development (NPRD) related to the LAG support. Such a working group will improve the cooperation between the Ministry and the LAGs in order to determine the acceptable costs, the methods of distribution of financial support, control, notifications, necessary documentation and deadlines for implementation.

*In relation to IPARD 2021-2027*

- i. Review of the LEADER Measure fiche, Draft Guidelines for LAG establishment and LDS preparations & evaluation and the required procedures (the accreditation package)
- ii. Beginning of the accreditation process 2025
- iii. Accredited measure and start of the implementation 2026

#### **TA for LEADER – (APTA possibilities)**

- Technical support + Studies, analysis and research activities (Expert services)
- “Raising awareness” and “Acquisition of skills” materials (Translation, Editing, Printing and Distribution of materials; Advertisements and announcements- media costs for TV/RADIO/PRESS/WEB)
- Training activities (Rental of venue and presentation equipment, catering, training materials, translation and rental of interpreting equipment, as well as participation of presenters and speakers and trainees on trainings and national representatives in study tours)

More clarification meetings between established LAG’s, IPARD Agency, MA and RDN on LEADER Measure Implementation are needed.

## **Rural Development Networking**

#### **Conclusions:**

- RDN of NM is conducting a comprehensive capacity building program for developing capacities at local level for implementation of EU LEADER. This includes promotion of the LEADER on national level, developing knowledge about the principles of the EU LEADER Approach, as well as creating skills among rural stakeholders for managing LAGs, preparing LDS and developing local initiatives/projects. Still, financial limitations may make it difficult to sustain long- term capacity-building programs.
- The established Thematic Hub on LEADER within RDN of NM, enables the LAGs to exchange knowledge, collaborate and collectively advocate for favourable policies and regulatory frameworks that support rural development. This creates a united front that is more likely to influence decision-makers at local, regional, and national levels.
- Providing networking opportunities for LAGs, through implementation of study visits, networking events on national and international level and creating a platform for regular exchange of information and transfer of knowledge is instrumental in creating a supportive ecosystem that enhances collaboration, resource mobilization, and knowledge-sharing, ultimately contributing to the holistic development of rural areas.

#### **Recommendations:**

- It is essential for **RDN to explore diverse funding sources, prioritize budget allocations for key activities, and seek innovative approaches to overcome financial challenges.** This is important for the implementation of a frequent and comprehensive capacity building program for developing skills at local level for implementation of EU LEADER.
- It’s crucial to focus on **building awareness, fostering a sense of ownership among stakeholders, and promoting the benefits of active participation in the LEADER approach.** Engaging in

dialogue, addressing concerns, and demonstrating the positive outcomes of successful rural development initiatives can help garner the commitment and interest needed for effective implementation.

- Through **intensifying the work of its thematic hub on LEADER**, RDN can create a firm platform for developing capacities and collaboration among LAGs, establish a pool of experts who can offer technical assistance to the new LAGs and LAG initiatives, as well as strengthen its advocacy activities for policy changes or improvements that can enhance the effectiveness of the LEADER approach implementation.
- The membership of the Rural Development Network of North Macedonia in the European LEADER Association for Rural Development-ELARD is extremely important. As an advocacy organization, ELARD plays a crucial role in representing the interests of rural communities and promoting policies and initiatives that support their development.

RDN should continue with more active cooperation with ELARD in order to reach the policymakers at the European Union level to advocate for policies and funding programs that benefit rural areas. This involves analysing proposed policies, providing feedback and recommendations, and lobbying for changes that better reflect the needs and priorities of rural communities. Through ELARD, RDN can ensure that the voices of rural residents in North Macedonia are heard in policy discussions and decision-making processes at EU level.

- RDN can work together with ELARD on capacity building and support its member organizations, helping them to strengthen their advocacy efforts and effectively represent the interests of rural communities. This may include training on advocacy strategies, policy analysis, communication techniques, and networking skills. In addition, RDN can act as a facilitator for establishing relations with EU LAGs to exchange experience and implement joint projects.

## LAGs and development initiatives

### Conclusions:

- Lack of awareness and knowledge about LEADER and the work of Local Action Groups (LAGs) is a significant barrier to effective community involvement. Understanding the purpose, objectives, and potential benefits of LEADER is crucial for fostering commitment among local stakeholders. Adequate commitment is necessary for mobilizing resources, both financial and human. If stakeholders are not committed, it can be challenging to secure the necessary funding, expertise, and support for the implementation of actions outlined in the LEADER Road Map.
- The lack of financial resources directly impedes communication, outreach, and collaboration efforts. These constraints limit the ability of LAGs to effectively convey their goals, gather community input, and build partnerships, hindering the overall success of their initiatives. Persistent financial constraints can lead to a loss of motivation among LAG members. When members perceive a lack of support for their efforts, it may result in diminished enthusiasm, reduced commitment, and potential challenges in retaining a dedicated and engaged team.
- External factors, particularly political changes, pose a vulnerability to existing partnerships and collaborations between LAGs and government entities. The alignment of LAG priorities with the evolving political landscape becomes crucial for sustaining effective collaborations.

**Recommendations:**

- **Animation of local stakeholders** to educate local communities about LEADER and the role of LAGs. Utilize various communication channels, such as community meetings, workshops, social media, and local media outlets, to disseminate information effectively. Organize workshops and interactive sessions to actively engage local stakeholders. These sessions can provide a platform for open discussions, address concerns, and showcase successful examples of community-driven initiatives facilitated by LEADER and LAGs. Provide training sessions to build the capacity of local stakeholders, including community members and LAG members, on the principles of LEADER, project development, and effective community engagement. Highlight successful projects and initiatives driven by community involvement. Demonstrating tangible outcomes reinforces the positive impact of LEADER and LAGs, inspiring increased commitment and engagement among local stakeholders.
- **Explore and diversify funding sources** beyond traditional avenues. LAGs should actively seek grants, partnerships, sponsorships, and explore crowdfunding opportunities to supplement their financial resources and ensure a more sustainable funding base. Also, LAGs can engage in advocacy efforts to raise awareness about the importance of local development and the role of LAGs, advocate for increased funding from government bodies, private donors, and other relevant stakeholders to support the implementation of critical initiatives.
- LAGs should **prioritize adaptability and flexibility in their strategies and projects** to accommodate changes in government policies and political leadership. This approach allows for quick adjustments to align with shifting priorities. **They should also maintain open and regular communication channels with government entities and stakeholders.** Being informed about policy changes in advance allows LAGs to proactively adjust their plans and maintain collaborative relationships.
- **Transnational cooperation**  
Transnational cooperation among Local Action Groups (LAGs) in the Western Balkans region and the European Union (EU) offers numerous opportunities for exchange, collaboration, and mutual learning.  
Such cooperation can be beneficial for:
  - Exchange of Best Practices: Transnational cooperation between LAGs from North Macedonia and LAGs from Western Balkans and the EU will provide possibilities to share experiences, successes, and challenges in rural development. This exchange facilitates the identification of best practices and innovative approaches that can be adapted and implemented in different contexts, leading to more effective and impactful development initiatives.
  - Capacity Building: Collaboration between LAGs enables capacity building through training programs, workshops, study visits, and peer-to-peer learning activities. By acquiring new knowledge, skills, and expertise, LAG members can enhance their capacity to design, implement, and evaluate rural development projects that address local needs and priorities.
  - Access to Funding: Transnational cooperation opens up opportunities for LAGs to access funding from various sources, including EU programs, bilateral cooperation agreements, and international development initiatives. By partnering with LAGs from the EU, LAGs in North Macedonia can leverage additional resources to support their projects and initiatives.

- **Networking and Partnerships:** Collaborating with LAGs from the EU allows LAGs in North Macedonia to expand their networks and establish partnerships with a diverse range of stakeholders, including government agencies, non-governmental organizations, research institutions, and businesses. These partnerships enable joint project development, resource mobilization, and advocacy efforts, fostering greater impact and sustainability.
- **Policy Dialogue and Advocacy:** Transnational cooperation provides a platform for LAGs to engage in policy dialogue and advocacy at regional, national, and international levels. By collectively advocating for the needs and priorities of rural communities, LAGs can influence decision-making processes, shape policy agendas, and advocate for the allocation of resources towards rural development.
- **Cultural and Social Exchange:** Collaboration between LAGs promotes cultural and social exchange, fostering mutual understanding, respect, and solidarity among communities from different regions and countries. Through cultural events, exchange programs, and joint activities, LAG members have the opportunity to celebrate diversity, preserve cultural heritage, and build lasting friendships.
- **Transboundary Challenges:** Transnational cooperation enables LAGs to address common transboundary challenges, such as environmental degradation, natural resource management, and cross-border migration. By working together across borders, LAGs can develop coordinated responses and solutions to shared challenges, promoting sustainable development and regional stability.

In conclusion, transnational cooperation among LAGs offers a platform for collaboration, innovation, and solidarity in rural development. By harnessing the collective expertise, resources, and creativity of diverse stakeholders, LAGs can create positive change and contribute to building resilient, inclusive, and prosperous rural communities across borders.





# National Progress Report on Implementation of EU LEADER Approach Country/Territory: MONTENEGRO



## State of Play on LEADER approach in Montenegro

In Montenegro, under the Instrument for Pre-Accession Assistance for Rural Development (IPARD), the EU will support the establishment and consolidation of Local Action Groups (LAGs), aimed at improving rural living conditions and reversing depopulation trends. Amendments to national laws are currently in progress to facilitate the establishment of LAGs, aligning with the country's developmental goals and aspirations for EU integration. The LEADER approach in Montenegro is not just a funding mechanism but a strategy for local capacity building, rural economy enhancement, and quality of life improvement, supporting cross-border cooperation and alignment with EU standards.

Overall, the LEADER approach represents a significant shift in rural development policy, from a top-down to a more inclusive, participatory bottom-up approach, crucial for empowering communities, addressing regional challenges, and fostering sustainable development. Its application in the EU and adoption in Montenegro underscores its effectiveness in revitalizing rural areas and promoting local governance, marking a path towards more resilient and vibrant rural communities.

The cornerstone of the LEADER approach is the formation of Local Action Groups (LAGs), which are partnerships comprising stakeholders from the public, private, and civil sectors. These groups are instrumental in applying the LEADER approach to area development, directly involving local representatives in the development and implementation of local strategies, decision-making, and resource allocation. This structure fosters local empowerment through local strategy development, emphasizing a collaborative and integrative approach that leverages the strengths and resources of each sector.

The success of the LEADER initiative hinges on the effective coordination and collaboration among these stakeholders, ensuring that local development strategies are community-led and aligned with broader regional and national policies.

**Local Action Groups (LAGs):** In the context of Montenegro, Local Action Groups (LAGs) are yet to be formally established due to the absence of a legislative and regulatory framework for LEADER initiatives. Currently, there are only initiatives aiming at promoting the concept and preparing the groundwork for the future establishment of LAGs, focusing on developing local development strategies that cater to community-specific needs through collaboration across public, private, and civil society sectors. These initiatives, including notable ones like Boka, Gorska Vila, Sinjajevina, Župa, and Luštica, cover an area with over 62,000 inhabitants, rallying around the civil Network for Rural Development of Montenegro. Initiated by significant civil and business organizations in collaboration with local municipalities, they have started informal meetings and the development of local development strategies. Despite their relatively strong individual capacities, without the accreditation of Measure 5 under IPARD III and a legislative framework for LAG development, these initiatives cannot evolve into full-fledged LAGs in the EU sense. Their immediate needs are financial, to establish offices and begin activities directed at local residents, along with further education in the EU best practices to fully understand the LAG structure and the LEADER approach.

The collaboration between the Food and Agriculture Organization of the United Nations (FAO) and the Network for Rural Development of Montenegro signifies a vital partnership aimed at supporting the development and implementation of the EU LEADER approach in Montenegro. FAO has enlisted the Network's expertise to undertake essential tasks crucial for the successful execution of this approach. These tasks include stakeholder mapping, conducting a feasibility study on implementation of LEADER in Montenegro, organizing a stakeholder consultation workshop, and preparing a concise project proposal for potential follow-up initiatives. This cooperation underscores the significance of leveraging local knowledge and networks in conjunction with international support to foster sustain-

able rural development. By working together, FAO and the Network for Rural Development of Montenegro ensure that initiatives are tailored to national and local needs and conditions, maximizing their effectiveness and long-term impact on rural communities in Montenegro by implementing LEADER.

## I. Current state of the implementation of the actions defined in the LEADER Road Map

### Legal and institutional framework

Process Title ( <i>as defined in "Standing up for LEADER in South East Europe"</i> )	Actions defined ( <i>as defined in "Standing up for LEADER in South East Europe"</i> )	Responsible actor and other contributing actors	Current stage of implementation
IPARD III preparation, certification and implementation	Creation of the new Programme for the Development of Agriculture and Rural Areas of Montenegro in IPARD III.	Ministry of Agriculture, forestry and Water Management (MAFWM)	<p><b>Programme For Development Of Agriculture And Rural Areas In Montenegro Under IPARD III 2021-2027, EC adopted 29.06.2022.</b></p> <p>This program serves as a strategic blueprint for Montenegro's agricultural and rural development, indicating the nation's commitment to modernizing and enhancing these sectors.</p> <p>It plays a crucial role in setting out the vision and long-term goals for the agricultural and rural development sector, aligning with broader European Union standards and expectations.</p> <p>Measure 5 of the IPARD III</p> <p>Program is solely focused on the LEADER approach, detailing its aim to enhance rural development through community-led initiatives. It specifies eligibility criteria for Local Action Groups (LAGs), outlines financial support mechanisms, and emphasizes the importance of capacity building for effective strategy implementation.</p>

Process Title (as defined in "Standing up for LEADER in South East Europe")	Actions defined (as defined in "Standing up for LEADER in South East Europe")	Responsible actor and other contributing actors	Current stage of implementation
Introducing LEADER in the Law on Agriculture and Rural Development or some other relevant legislation created for LEADER implementation	Development of a legal framework proposal for creation, registration and funding of LAGs.	MAFWM Ministry of Public Administration (MPA)	<p><b>Law on Agriculture and Rural Development:</b></p> <p><b>Current Role and Function:</b> This law is the foundational legal document governing agricultural practices and rural development in Montenegro. It establishes the legal basis for policies, subsidies, and various support mechanisms within these sectors.</p> <p>As it stands, the law provides a general framework but does not delve into the specifics of implementing innovative and community-driven approaches like LEADER.</p> <p><b>Potential Amendments for LEADER Integration:</b></p> <p>There is a significant opportunity to amend or expand this law to include specific provisions for the LEADER approach. Such amendments would provide a much-needed legal foundation for the approach, ensuring clarity, consistency, and effectiveness in its implementation.</p> <p>Incorporating LEADER into the law would formalize the approach, giving it the necessary legal backing to establish Local Action Groups (LAGs), define their roles and responsibilities, and set clear guidelines for funding and project implementation. LEADER approach is incorporated in the <b>Strategy for agriculture and rural development 2023 – 2028.</b></p> <p>The collaboration between the Food and Agriculture Organization of the United Nations (<b>FAO</b>) and the <b>Network for Rural Development of Montenegro</b> signifies a vital partnership aimed at supporting the development and implementation of the EU LEADER approach in Montenegro. FAO has enlisted the Network's expertise to undertake essential tasks crucial for the successful execution of this approach. These tasks include stakeholder mapping, conducting a <b>feasibility study on implementation of LEADER</b> in Montenegro, organizing a stakeholder consultation workshop, and preparing a concise project proposal for potential follow-up initiatives. This cooperation underscores the significance of leveraging local knowledge and networks in conjunction with international support to foster sustainable rural development. By working together, FAO and the Network for Rural Development of Montenegro ensure that initiatives are tailored to national and local needs and conditions, maximizing their effectiveness and long-term impact on rural communities in Montenegro by implementing LEADER.</p>
	Development of a methodology for elaborating Local Development Strategies.	MAFWM Network for Rural Development of Montenegro (NRDMN)	<p>Network for rural development of Montenegro in cooperation with engaged expert for LAG initiatives created Local</p> <p>Development strategies for 4 LAG initiatives. Still waiting for defining methodology for Local Development Strategy that includes following scheme: diagnosis, mission/vision, goals/objectives, projects/tasks and monitoring.</p>

Process Title (as defined in "Standing up for LEADER in South East Europe")	Actions defined (as defined in "Standing up for LEADER in South East Europe")	Responsible actor and other contributing actors	Current stage of implementation
Introducing LEADER in the Program for Development of Agriculture and Rural Areas of Montenegro within IPARD III	Development of financial and technical support for the creation of potential LAGs.	MAFWM NRDMN	Defined financial support from the agriculture budget for potential LAGs. Support for the creation of potential LAGs is not foreseen in the Agri budget for 2024. Defined technical support for potential LAGs. Aside from training sessions, workshops, and study visits to best practice examples in Croatia organized by the Network for Rural Development of Montenegro, no additional technical support has been provided.
	Creation of a Sub-committee for LEADER/ CLLD implementation.	MAFWM	Sub-committee for LEADER/CLLD <b>not yet established</b> . This sub-committee has a steering and monitoring role in LEADER/ CLLD implementation. It should hold at least two sessions per year. This committee was responsible, during IPARD II, to the Directorate for Rural Development (Managing authority for IPARD II). • Members should be representatives of all relevant stakeholders from the public, private and civil sector. A representative of the Delegation of European Union in Montenegro should also be member.
Implementing LEADER in the Program for Development of Agriculture and Rural Areas of Montenegro within IPARD III	Registration and accreditation of LAGs.	MAFWM (Directorate for Rural Development) MPA	Local Action Groups (LAGs) are yet to be formally established due to the absence of a legislative and regulatory framework for LEADER initiatives.
	Start of the CLLD/ LEADER measure implementation and LAG/LDS funding.	MAFWM (Directorate for Rural Development/ DRD)	CLLD/LEADER measure implementation and LAG/LDS funding have not started. Ministry is currently carrying out the necessary preparations for the start of LEADER implementation. Amendments to the Law on Agriculture and Rural Development have been prepared, with the aim of creating a legal framework that will enable the establishment of local action groups in Montenegro.
Program monitoring and revision	Improvement of the procedures.	MAFWM / DRD	Improvements to the procedures may be based on past experiences and aligned with lessons learned from the implementation of the LEADER/CLLD approach..
	Improvement of the implementation of LEADER/CLLD.	MAFWM / DRD	Improvements to the procedures may be based on past experiences and aligned with lessons learned from the implementation of the LEADER/CLLD approach...

## Rural Development Networking

<b>Process Title</b> (as defined in "Standing up for LEADER in South East Europe")	<b>Actions defined</b> (as defined in "Standing up for LEADER in South East Europe")	<b>Responsible actor and other contributing actors</b>	<b>Stage of implementation</b>
Capacity building of rural stakeholders (CSOs, agricultural producers, community representatives, cluster and association representatives)	Creation of a long-term strategy for raising awareness on LEADER/CLLD.	Ministry of agriculture, forestry and water management (MAFWM) Network for Rural Development of Montenegro (NRDMN)	It is necessary to hire an external expert paid by the MAFWM/IPARD Technical Assistance/International donor and conduct this activity in partnership with NRDMN. Still not realized activity.
	Implementation of a long-term strategy for raising awareness on LEADER/CLLD.	MAFWM Network for Rural Development of Montenegro (NRDMN)	Awareness raising activities are to be implemented in two segments: (i) highlighting the importance and benefits of LEADER/CLLD on the development of rural areas of Montenegro, and (ii) steps towards LEADER/CLLD implementation in Montenegro. In the previous period, only the Network for rural development of Montenegro promoted the LEADER approach through activities that they organized, especially through the First rural parliament in Montenegro.
	Creation of a capacity building strategy	MAFWM NRDMN	It is necessary to hire an external expert paid by the MAFWM/IPARD Technical Assistance/International donor and conduct this activity in partnership with NRDMN.
	Implementation of a capacity building strategy	MAFWM NRDMN	Capacity building activities in the form of trainings, workshops for mapped stakeholders and local animators organized by Network for rural development.

## Local Action Groups and development initiatives

Process Title (as defined in "Standing up for LEADER in South East Europe")	Actions defined (as defined in "Standing up for LEADER in South East Europe")	Responsible actor and other contributing actors	Stage of implementation
Mapping process of potential LAGs in Montenegro for the BRDN	Mapping and stakeholder analyses for implementing LEADER/CLLD.	MAFWM NRDMN	The collaboration between the Food and Agriculture Organization of the United Nations ( <b>FAO</b> ) , <b>Ministry of Agriculture, Forestry and Water Management and Network for Rural Development of Montenegro</b> signifies a vital partnership aimed at supporting the development and implementation of the EU LEADER approach in Montenegro. FAO has enlisted the Network's expertise to undertake essential tasks crucial for the successful execution of this approach. These tasks include stakeholder mapping and NRDM create a list of public, private and civil sector stakeholders.
Capacity building of local stakeholders	Capacity building activities for recognized potential LAGs.	MAFWM NRDMN	In the implementation stage for capacity-building activities of Local Action Groups (LAGs) in Montenegro, the Network for Rural Development is actively collaborating with BRDN, SWG, GIZ, and FAO. Alongside the Ministry of Agriculture, they are organizing a series of relevant workshops aimed at enhancing the capabilities of these groups. These workshops focus on providing LAGs with the necessary tools and knowledge in project management, financial literacy, and sustainable practices, crucial for their development and alignment with EU standards. Additionally, this phase includes facilitating the initial creation of Local Development Strategies for four pioneering LAG initiatives: Boka, Gorska Vila, Sinjavevina, and Župa. These strategies are tailored to meet specific local needs, ensuring that each LAG can effectively contribute to sustainable rural development. This strategic effort is vital for equipping LAGs to operate sustainably and successfully in the future.
LAG and LDS creation	Creation of Local Development Strategies for registered and accredited LAGs.	LAG members, local animators, citizens of targeted geographical areas	The Network for rural development of Montenegro, in cooperation with expert hired for the LAG initiatives created Local Development strategies for 4 LAG initiatives.
Information and awareness raising of local stakeholders (CSOs, agricultural producers, Community representatives, cluster and association representatives)	Dissemination of the Local Development Strategies to key stakeholders and inhabitants of targeted local areas.	LAGs	Created Local Development Strategies should be disseminated through events, door to door campaigns and other promotional activities.



<b>Process Title</b> (as defined in "Standing up for LEADER in South East Europe")	<b>Actions defined</b> (as defined in "Standing up for LEADER in South East Europe")	<b>Responsible actor and other contributing actors</b>	<b>Stage of implementation</b>
Capacity building of local actors according to the LDS	Organization of specific trainings in areas defined in the Local Development Strategies.	LAGs	Currently, the Local Action Group (LAG) initiatives in Montenegro are operating informally due to the lack of formal accreditation and financial capacity. This situation restricts their ability to actively and consistently raise awareness among local stakeholders on a daily basis. Most of their activities are limited to disseminating the knowledge and skills acquired from workshops organized by the Network for Rural Development of Montenegro. With the anticipated accreditation of LAGs and the activation of the LEADER measure, it is expected that there will be a significant increase in activities. This development should enable these LAGs to engage more effectively in capacity building based on the areas defined in their Local Development Strategies.
LDS implementation	Support of LAGs small scale projects.	MAFWM (Directorate for Rural Development)	In the roadmap, the deadline for this activity is 31.12.2024. Tasks to be done: Call for proposal for small scale projects launched for a six- months period • Applications received • Evaluation committee assess the most successful applications in accordance with predefined criteria and selected applications that are to be financed • Selected LAGs sign the contract with Managing Authority • LAGs submit payment request • Monitoring of LAGs according to signed contract • Disbursement of project funds

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

## II. Identified issues that hinder or slow down the implementation of the actions defined in the LEADER Road Map

### At the level of the legal and institutional framework:

- **Policy and Strategic Planning:** Ministries and government agencies must possess expertise in integrating EU rural development policies with national strategies. This involves understanding the unique socio-economic dynamics of rural Montenegro and aligning them with the broader objectives of the LEADER approach.
- **Regulatory Compliance and Adaptation:** National authorities need to ensure that existing laws and regulations are conducive to the LEADER framework. This may involve reforming or enacting new legislation to facilitate community-led local development.
- **Financial Management:** Efficient allocation and management of funds are crucial. This includes budgeting, financial reporting, and ensuring transparency in the use of funds allocated for rural development.
- **Capacity Building:** National institutions must be capable of supporting local action groups through training, resource allocation, and ongoing support to ensure effective implementation of local development strategies.
- **Monitoring and Evaluation:** Developing mechanisms to regularly assess the impact of the LEADER program and adjust strategies as needed is essential for long-term success.

### At the level of Rural Development Networking:

- **Increased participation in working groups:** It is essential to significantly increase participation in working groups for the preparation and creation of strategic documents at the state and local levels.
- **Projects sustainability:** LEADER-related activities are based on individual projects, often supported by foreign donors through short-term projects. Ensuring continuity and a coordinated approach is necessary.
- **Strengthening financial capacities:** Human and financial capacities are necessary to continuously and systematically inform, promote, and educate key local actors about the benefits, opportunities, and ways of using the LEADER program and establishing LAGs.
- **Networking at regional and international levels:** The Network's participation in additional networking and connecting various actors, as one of the principles of the LEADER approach, is crucial. Insufficient collaboration between actors showing initiative for the formation of LAGs with other LAGs in the region (Western Balkans) and in EU countries.
- **Communication and coordination:** Connecting with a larger number of actors involved in regional or local rural development (development agencies, clusters, associations, etc.).

### At the level of LAGs and development initiatives:

- **Community Leadership and Engagement:** Local leaders must be skilled in mobilizing communities, facilitating participatory decision-making, and ensuring that local strategies reflect the needs and aspirations of community members.
- **Project Development and Management:** Skills in designing and managing development projects are crucial. Local actors should be able to translate strategic objectives into actionable and sustainable projects.
- **Local Economic Development Knowledge:** Understanding of local economic conditions, opportunities for diversification, and sustainable practices are key to developing effective strategies.
- **Network Building:** Creating and maintaining networks with other local groups, NGOs, and governmental bodies for resource sharing and knowledge exchange is vital.
- **Cultural Competence:** Recognizing and incorporating local cultural values and traditions into development strategies can enhance community buy-in and participation.
- **Adaptability and Innovation:** The ability to adapt to changing circumstances and innovate in response to local challenges is a critical skill for local actors.

## III. Conclusions and recommendations

### Legal and institutional framework:

#### Conclusions:

##### **Specific LEADER Legislation**

- Montenegro lacks specific legislation or regulations that directly address the implementation of the LEADER approach. This absence creates a vacuum in the legal infrastructure necessary for structured community-led rural development.

##### **Integration with Existing Laws:**

- The existing Law on Agriculture and Rural Development in Montenegro does not explicitly incorporate the principles or methodologies of the LEADER approach. This law needs amendments to include provisions that facilitate community-led initiatives.

##### **Local Action Groups (LAGs) Legal Status:**

- There is no legal recognition or framework for LAGs in Montenegro, hindering their formation and operation.

##### **Funding and Financial Management:**

- There is a lack of clear legal guidelines on funding mechanisms for LEADER projects, including how funds are to be managed and monitored at the local level.

##### **Project Selection and Evaluation Criteria:**

- Montenegro lacks specific criteria and guidelines for selecting and evaluating LEADER projects, which could lead to inconsistencies and inefficiencies in project implementation.

##### **Stakeholder Engagement and Partnership Models:**

- There is an absence of legal provisions that encourage or facilitate multi- sectoral partnerships and comprehensive stakeholder engagement in rural development initiatives.

#### Recommendations:

##### **Policy and Legislative Framework:**

- Establishing Laws and Subsidiary Legislation: Formulate all necessary legislative instruments to enable LEADER measures in Montenegro, ensuring compliance with EU standards.
- Unified Regulation for LEADER Measure: Develop comprehensive regulations covering all aspects of the LEADER approach, including accreditation of Local Action Groups (LAGs) and guidelines for Local Development Strategies (LDS).
- Responsibility and Collaboration: The Ministry of Agriculture, Forestry and Water Management, in conjunction with the Ministry of Public Administration, will spearhead these efforts. This coordinated approach ensures effective and context-specific implementation of the LEADER approach in Montenegro.

##### **National Coordination and Support for LEADER/CLLD Implementation:**

- National Coordinating Body: Establish a dedicated national body responsible for overseeing the LEADER approach in Montenegro. This body will ensure coherence and standardization across different regions.
- Sub-committee Formation: Develop a specialized sub-committee focused on the implementation of LEADER/CLLD (Community-Led Local Development) strategies, playing a pivotal role in guiding and monitoring the process.

##### **Funding and Financial Mechanisms**

- Financial and Technical Assistance: Provide robust financial and technical support mechanisms for the formation and development of potential Local Action Groups (LAGs). This support is crucial for empowering local communities to effectively engage in and benefit from the LEADER approach. The provisional financial and technical assistance is closely linked to the initiation of IPARD III, indicating that the timing and availability of support may vary depending on the program's start.

##### **Awareness and Education Campaigns:**

###### **For the Ministry of Agriculture, Forestry, and Water Management:**

- Study Tours: Facilitating study tours to other countries or regions that have successfully implemented the LEADER approach. These tours can provide valuable insights and practical examples for the Ministry to adapt to the Montenegrin context.
- International Networking: Arranging networking events or conferences where representatives from the Ministry can connect with their counterparts from other countries or international organizations involved in rural development. This exchange of knowledge and experiences can foster collaboration and learning.
- Specific Trainings: Providing specialized training sessions for Ministry staff on topics related to LEADER implementation, such as project management, community engagement, and EU funding mechanisms. These trainings can enhance the Ministry's capacity to support and oversee LEADER initiatives effectively.

**For all national target groups (local communities, businesses, public institutions):**

- **National Awareness Initiatives:** Implementing nationwide campaigns designed to raise awareness about the LEADER approach. These campaigns will focus on highlighting the benefits and opportunities offered by the LEADER method to different stakeholders including local communities, businesses, and public institutions.
- **Educational Content and Materials:** Developing educational content and materials that provide comprehensive information on the LEADER approach. This includes the creation of guides, brochures, and online resources that offer easy-to-understand insights into how LEADER works, its goals, and its benefits.
- **Workshops and Training Sessions:** Organizing workshops and training sessions across Montenegro. These sessions will be aimed at educating local leaders, community members, and business owners about the LEADER approach, with a focus on practical application and best practices.
- **Responsibility:** It should be a joint effort involving key stakeholders such as the Ministry of Agriculture, Forestry, and Water Management and the National Rural Development Network of Montenegro (NRDM), with external support from international organizations like BRDN and SWG. These entities can collaborate to implement nationwide awareness initiatives aimed at highlighting the benefits of the LEADER approach to various stakeholders.

## Rural Development Networking

### Conclusions:

- Incorporating the essence of the civil sector's contribution and the specific roles of Local Action Groups and Non-Governmental Organizations in Montenegro creates a powerful synergy for rural development.
- Network for rural development of Montenegro had the most significant role in promoting and raising awareness of the LEADER approach
- It is necessary to identify areas for establishing LAGs

### Recommendations:

- **Comprehensive Mapping:** Conduct a detailed mapping process across Montenegro to identify potential areas for establishing LAGs. This should consider geographical, socio-economic, and cultural factors.
- **Stakeholder Analysis:** Include a thorough stakeholder analysis to identify key local actors, their interests, capabilities, and potential roles in LAGs. This will facilitate targeted and effective collaboration within the LAGs.
- **Community Consultation:** Engage with local communities to understand their specific needs, aspirations, and challenges. This participatory approach will ensure that the LAGs are well-aligned with local priorities and are more likely to receive community support.
- **Resource Assessment:** Evaluate the resources available in potential LAG areas, including human, financial, and infrastructural resources, to gauge the feasibility and potential areas of focus for each LAG.
- NRDMN should take on the responsibility for conducting comprehensive mapping, stakeholder

analysis, community consultation, and resource assessment processes in order to ensure a bottom-up approach to establishing potential Local Action Groups (LAGs) in Montenegro.

**Capacity Building of Local Stakeholders:**

- **Targeted Skill Development:** Implement training focused on project management, financial literacy, and sustainable practices tailored to the specific needs of each LAG. Use the expertise from regional organizations like BRDN, SWG, NRDNM.
- **Expert-led Workshops:** Conduct workshops led by experts in rural development, community engagement, and EU funding mechanisms.
- **Mentorship Programs:** Establish mentorship programs connecting new LAG members with experienced individuals from successful LAGs or relevant organizations.
- **Resource Centers:** Create local resource centers providing access to materials, tools, and guidance for project planning and implementation.

## LAGs and development initiatives

### Conclusions:

- Local Action Groups (LAGs) are yet to be formally established due to the absence of a legislative and regulatory framework for LEADER initiatives.
- The lack of practical knowledge and awareness about LEADER and CLLD is evident
- Lack of administrative capacity for formation of LAGs
- Communication and coordination between key actors are at a very low level

### Recommendations:

- **Formation of Local Action Groups (LAGs):** Facilitate the formation of LAGs by guiding communities through the process. Provide templates and resources for establishing LAGs that reflect the unique characteristics and needs of each community.
- **Local Development Strategies (LDS) Development:** Support LAGs in creating tailored Local Development Strategies. This involves identifying local needs, setting achievable goals, and outlining clear action plans.
- **Collaborative Planning Sessions:** Organize workshops and meetings where LAG members can collaborate on LDS development, ensuring community input and ownership.
- **Expert Guidance:** Offer access to experts in rural development and strategic planning to assist LAGs in creating effective and sustainable LDS.
- **Monitoring and Evaluation Frameworks:** Implement frameworks to monitor the progress of LDS and evaluate their impact, ensuring they remain aligned with community needs and LEADER principles.

The implementation of these steps is crucial for the successful establishment and functioning of LAGs in Montenegro. Comprehensive mapping ensures that LAGs are established in areas with the most potential and need. Capacity building empowers local stakeholders to effectively contribute to their communities' development. Finally, the creation of LAGs and LDS, with adequate support and guidance, lays a solid foundation for sustainable and community-led rural development in line with the LEADER approach.





**National Progress Report  
on Implementation of  
EU LEADER Approach  
Country/Territory:  
Republic of Serbia**



## State of Play on LEADER approach in Republic of Serbia

The Local Action Group (LAG) represents a new form of interest-based association comprising the public, civil and private sectors. The difference in relation to the civil sector and non-governmental organizations in the Republic of Serbia is the application of the LEADER approach, the so-called “bottom up” principle, according to which LAGs operate, and which is one of the main goals in the Statute. The LEADER approach is linked to the activities of empowering local rural communities through the preparation of the Local Rural Development Strategy. This way, LAGs are enabled to deal with local issues and solutions in order to connect and strengthen the links between rural and urban areas. The LEADER approach allows rural areas to develop effectively in accordance with specific needs and local needs, thus encouraging sustainable economic growth and improving the quality of life of the rural population.

Implementation of the LEADER Program in the countries of the Western Balkans, candidates for EU membership, takes place within the framework of the IPARD Program. In Serbia, an IPARD Managing Authority, within the Ministry of Agriculture, Forestry and Water Management and Directorate for Agrarian Payments (IPARD Agency), has the task of establishing a practical system for the implementation of the LEADER approach that is harmonized with EU rules and national policy priorities.

Activities aimed at raising the awareness of local communities about issues related to LEADER began in 2007 through the implementation of various civil sector projects. Although the Ministry of Agriculture and the donor community have invested some efforts in establishing local partnerships, the lack of experience, knowledge and necessary legislation has led to significant operational difficulties in the continued existence of potential LAGs.

**LEADER within the IPARD II Program** - In the period from 2014 to 2020, efforts were made to harmonize national legal regulations and strategies with the requirements of the EU, including rural development. The LEADER measure is not fully developed. In order to prepare for the implementation of the LEADER measure according to EU regulations, the Law on Incentives in Agriculture and Rural Development was amended in 2013, which made it possible to finance the preparation and implementation of the LSRR from the national budget. Also, the Rulebook on the formation of potential LAGs was adopted and in 2019 a Public Call for their establishment was announced. As a result of this call, 21 partnerships (potential LAGs) were established.

**LEADER within the IPARD III Program** – In the period from 2021 to 2027, support for the LEADER approach is planned under two measures:

- Measure 9: Technical Assistance, which will include activities related to the preparation and implementation of Local Strategies for Rural Development (LSRR), as well as a Public Call for the formation of new potential LAGs.
- Measure 5: LEADER, which is planned for accreditation.

In 2023, the LSRRs of the currently formed potential LAGs expired. Some LAGs have continued their activities by utilizing other sources of funding (both national and international). However, due to the lack of continuous financial support from state institutions, the majority of LAGs remain passive.

Also, an important aspect in the implementation of the LEADER approach is the role of the established national network of Serbian LAGs, which has 12 members representing potential

local action groups. The network is a member of the Monitoring Committee of the IPARD III program and a member of ELARD since 2023, which gives the opportunity to lobby for the interests of rural communities. In the activities related to the animation of potential local actors, difficulties were observed related to the loss of people’s interest, due to the long interval of waiting for the implementation of the LEADER approach. The activities of the Network with relevant institutions, potential LAGs and local actors are reflected in the organization of education and promotion of sustainable rural development for a better understanding of the LEADER philosophy. Through various cooperation projects, efforts are made to strengthen the capacity of its members to affirm the LEADER approach in local communities.

Today, LAGs in Serbia, during the period when **Measure 5-LEADER** should be accredited, continue to implement projects funded from other sources, in line with the LEADER approach, focusing on different aspects of rural development, such as agriculture, rural tourism, social services and other areas of importance for the local community. The Ministry of Agriculture, Water Management and Forestry is continuously working on improving the IPARD program management process. The instrument of financial support to potential LAGs could be implemented through national rural development measures used by local self-government units, which are currently focused on other activities in the field of agriculture.

## I. Current state of the implementation of the actions defined in the LEADER Road Map

### Legal and institutional framework

Process Title (as defined in “Standing up for LEADER in South East Europe”)	Actions defined (as defined in “Standing up for LEADER in South East Europe”)	Responsible actor and other contributing actors	Current stage of implementation
<b>Development of a national rulebook for LAGs and selection of LAGs</b>	<ul style="list-style-type: none"> <li>• Definition of national measures necessary for forming local partnerships.</li> <li>• Definition of criteria for partnership selection and evaluation of LDS.</li> </ul>	<ul style="list-style-type: none"> <li>• Ministry of Agriculture, Forestry and Water Management (Sector for Rural Development and IPARD Managing Authority) and</li> <li>• Directorate for Agrarian Payments (IPARD Agency)</li> </ul>	<ul style="list-style-type: none"> <li>• <b>Law on Subsidies in Agriculture and Rural Development</b> was adopted in 2013 in order to prepare for the implementation of the National LEADER- like measure (similar to the LEADER measure in the EU).</li> <li>• Amended law on Agriculture and rural development 2021 for the needs of the IPARD III Program.</li> <li>• Defined LEADER measure;</li> <li>• Defined what the Local Rural Development, Strategy (LDS) is and status LAG defined.</li> </ul>

Process Title (as defined in "Standing up for LEADER in South East Europe")	Actions defined (as defined in "Standing up for LEADER in South East Europe")	Responsible actor and other contributing actors	Current stage of implementation
<b>IPARD preparation and implementation</b>	<ul style="list-style-type: none"> <li>• Accreditation of LEADER within IPARD.</li> <li>• Delegation of tasks, responsibilities and control of implementation.</li> </ul>	<ul style="list-style-type: none"> <li>• Ministry of Agriculture, Forestry and Water Management (IPARD Managing Authority) and</li> <li>• Directorate for Agrarian Payments (IPARD Agency)</li> </ul>	<ul style="list-style-type: none"> <li>• <b>IPARD III Programme of the Republic of Serbia for the period 2021- 2027</b> was adopted by EC on 9<sup>th</sup> March 2022 (first amendment was adopted on 20<sup>th</sup> October 2023). The RS Government adopted the IPARD III Programme on 14<sup>th</sup> December 2023. Support for the LEADER approach is provided within two measures through the IPARD III Programme; <ul style="list-style-type: none"> <li><b>Measure 9:</b> Technical assistance (support to the IPARD Managing Authority for the implementation of the IPARD Programme)- Under this measure, activities related to the preparation for the implementation of <b>Measure 5</b> will include a variety of activities (meetings, seminars, training sessions, etc.). These activities aim to acquire necessary skills, animate the inhabitants of pLAG territories, and prepare local rural development strategies. The ultimate goal is to establish and make LAGs operational. <b>Measure 5:</b> Implementation of the local development strategies – LEADER approach. Eligible activities under this measure are: <ol style="list-style-type: none"> <li>1. "Acquisition of skills, animating the inhabitants of LAG territories" for capacity building and animation of selected LAGs;</li> <li>2. "Running costs" for running the selected LAGs;</li> <li>3. Implementation of "small projects";</li> <li>4. "Cooperation projects".</li> </ol> </li> </ul> </li> </ul>
<b>Ensuring continuous financing for LAGs</b>	<ul style="list-style-type: none"> <li>• Set up a budget for LAGs and partnerships to implement LEADER programme.</li> <li>• Evaluating operational costs for LDS small projects.</li> </ul>	<ul style="list-style-type: none"> <li>• Ministry of Agriculture, Forestry and Water Management (Sector for Rural Development and IPARD Managing Authority)</li> <li>• IPARD Agency) and</li> <li>• Local Action Groups</li> </ul>	<ul style="list-style-type: none"> <li>• LEADER approach in the RS has been supported mainly through donor projects and partially by state institutions from. Continuous financing for LAGs is not present. Under the National LEADER like measure, the RS financed the establishment of pLAGs (Partnerships) and their animation activities, as well as the preparation of LDS in the amount of RSD 2,000,000 (approximately EUR 17,000) in 2019 from the national budget.</li> <li>• The Action Plan for Technical Assistance for 2024 was adopted. Through Measure 9 in 2024, it is planned to finance activities related to preparation of LDS and activities connected to the start of the implementation of Measure 5.</li> <li>• The IPARD Managing Authority is intensively working on the preparation of the entrustment package for Measure 5. Several working meetings of representatives of the IPARD Managing Authority and the IPARD Agency were organized in order to prepare draft rulebooks for implementation of Measure 5 (Rulebook on the methodology for the preparation of LDS and register of LAGs and Rulebook on subsidies for implementation of LDS- LEADER approach). Potential LAGs (Partnerships) were included in the consultation process regarding the Annex of Rulebook: List of eligible activities. After the LEADER measure entrustment under IPARD, LEADER will be implemented only through IPARD support.</li> </ul>

## Rural Development Networking

Process Title (as defined in "Standing up for LEADER in South East Europe")	Actions defined (as defined in "Standing up for LEADER in South East Europe")	Responsible actor and other contributing actors	Stage of implementation
<b>Collecting and analysing information about relevant activities in rural areas</b>	<ul style="list-style-type: none"> <li>Capacity research, forming data reports and feeding the database.</li> </ul>	<ul style="list-style-type: none"> <li>Network of Local Action Groups of Serbia and</li> <li>Rural Development Network of Serbia</li> </ul>	<ul style="list-style-type: none"> <li>The process is ongoing and there is progress in communication and cooperation with IPARD Managing Authority.</li> </ul>
<b>Providing support, expertise and assistance for policy implementation</b>	<ul style="list-style-type: none"> <li>Participating in meetings and networking events such as workshops and training sessions.</li> <li>Activating consultants and experts in different fields of knowledge for Rural Development.</li> </ul>	<ul style="list-style-type: none"> <li>Network of Local Action Groups of Serbia and</li> <li>Rural Development Network of Serbia</li> </ul>	<ul style="list-style-type: none"> <li>Network of Local Action Groups of Serbia is a member of ELARD and the IPARD III Monitoring Committee since 2023 and provides all information related to LEADER.</li> <li>12 LAGs are members of the Network of Local Action Groups of Serbia</li> </ul>
<b>Capacity building with necessary training and expert consultancy for members of LEADER programme</b>	<ul style="list-style-type: none"> <li>Enrolling NGOs and Civil Participants and Activists to the sector of Rural Development.</li> <li>Promotion program and Ministries responsible for different measures.</li> </ul>	<ul style="list-style-type: none"> <li>Network of Local Action Groups of Serbia</li> </ul>	<ul style="list-style-type: none"> <li>Implemented European project for Local democracy in Serbia, France and Estonia which aims to exchange experience, knowledge and examples of good practice in the implementation of the LEADR approach.</li> <li>Realized cooperation with other networks/ institutions and exchange of experience international and regional actions on LEADER.</li> </ul>

## Local Action Groups and development initiatives

Process Title (as defined in "Standing up for LEADER in South East Europe")	Actions defined (as defined in "Standing up for LEADER in South East Europe")	Responsible actor and other contributing actors	Stage of implementation
<b>Animation of local rural communities through meetings, trainings and promotion of sustainable development concepts</b>	<ul style="list-style-type: none"> <li>Setting up the infrastructure for initiatives to take place.</li> <li>Promotion of sustainable agriculture and LEADER principles.</li> <li>Organizing workshops and training sessions.</li> </ul>	<ul style="list-style-type: none"> <li>Local Action Groups and</li> <li>Network of Local Action Groups of Serbia</li> </ul>	<ul style="list-style-type: none"> <li>Established 21 Partnerships approved by Ministry of Agriculture, Forestry and Water Management.</li> <li>In the RS, 21 pLAGs (Partnerships) cover 373,000 people which makes up 12.7% of the rural population covered by LDS. There is interest in forming new LAGs.</li> </ul>
<b>Project coordination and proactive support to local actors (and joint-cooperative organizations and local partnerships)</b>	<ul style="list-style-type: none"> <li>Consultancy meetings for LDS success.</li> <li>Initiating small project programs with NGOs and civil participants.</li> </ul>	<ul style="list-style-type: none"> <li>Local Action Groups</li> <li>Network of Local Action Groups of Serbia and</li> <li>Civil associations</li> </ul>	<ul style="list-style-type: none"> <li>A certain number of LAGs are active and implement different projects for the promotion of activities in rural communities such as the organization of fairs, education, but are financed by other funds or national public calls not from the LEADER program.</li> <li>Possibility of cooperation with other LAGs from EU and non-EU countries through the Network of Local Action Groups of Serbia.</li> </ul>
<b>Implementation of Local Development Strategy</b>	<ul style="list-style-type: none"> <li>Implementation of small projects up to 5,000€.</li> </ul>	<ul style="list-style-type: none"> <li>Local Action Groups</li> </ul>	<ul style="list-style-type: none"> <li>LDS that was valid until 2023 (National LEADER-like measure).</li> <li>Expected New Local Rural Development Strategies for the period from 2023 to 2027 (supported is planed under IPARD Measure 9).</li> <li>Entrustment of Measure 5- Implementation of local rural development strategies- LEADER approach is planned for the end of 2024.</li> </ul>

## II. Identified issues that hinder or slow down the implementation of the actions defined in the LEADER Road Map

### At the level of the legal and institutional framework:

- The requirements for the LEADER approach are met, but political will is needed for a continuous process. Implementation of LEADER measure (Measure 5) under the IPARD is planned after entrustment by EC.

### At the level of Rural Development Networking:

- The lack of continuous funding affects the implementation of LEADER principles, projects and the motivation of people involved in the work of LAGs. Limited funding affects the animation of local communities, promotion and mobilization of interested parties at the local level. The existing Networks in the Republic of Serbia try to involve interested parties through the organization of various expert gatherings and influence a better understanding and promotion of the LEADER approach, and through study visits provide a presentation of concrete projects financed from the LEADER measure.

### At the level of LAGs and development initiatives:

- Poor understanding of the LEADER program and support in the establishment and operation of LAGs by representatives of local self-government units. Also, the lack of continuous funding. There is a need for a greater degree of engagement of the Permanent Conference of Cities and Municipalities, which is involved in promoting the LEADER approach and has a significant influence on the decisions of representatives of local governments.

## III. Conclusions and recommendations

### Legal and institutional framework:

#### Conclusions:

- The institutional framework in the Republic of Serbia supports the LEADER approach, which is recognized in national strategic documents and relevant laws (Law on Agriculture and Rural Development), but a more effective application and implementation of LEADER is needed.

#### Recommendations:

- The formal approval (entrustment) for the implementation of *Measure 5- Implementation of the local development strategies – LEADER* by the IPARD
  - Managing Authority must be accelerated in order to maintain the interest of local actors and the activities that have been implemented so far.
- For the LEADER measure implementation procedure, it is necessary for IPARD Managing Authority to provide additional support measures to overcome the problem of pre-financing LAG projects in the IPARD III Programme procedure before financing through the Measure 5 begins.

- While various public calls are available on the territory of the Republic of Serbia for potential LAGs and other registered associations, it is recommended to establish a dedicated Public Call specifically for financing activities exclusively for LAGs.

## • Rural Development Networking

### • Conclusions:

- There is a need to promote the LEADER approach for the establishment of new LAGs and to strengthen the capacities of all existing LAGs for the implementation of smaller-scale projects.

### • Recommendations:

- Technical support in the establishment of new LAGs in such a way as to provide the right information about the basic principles of LEADER implementation to potential stakeholder groups.
- Through the contacts of the Network, provide LAGs cooperation, education, exchange of experience and examples of good practice of LEADER projects with other LAGs and organizations from EU and non-EU member countries.
- Finding other sources of funding for projects related to the demonstration of the strategy by LAGs, which would give the opportunity to learn the process of preparation, selection and implementation of projects.
- Active participation in meetings of IPARD III Monitoring Committee and ELARD in order to represent the interests of LAGs and share the right information related to LEADER.

## LAGs and development initiatives

### Conclusions:

- Established 21 partnerships approved by the Ministry of Agriculture, Forestry and Water Management, limited funding makes it difficult to engage employees, animate stakeholders and expand activities at the local level. It also affects the weaker understanding of LEADER principles, so they are interpreted as a mechanism for obtaining funds from EU funds, and not as a way of life in rural communities. Another problem was identified with the lack of understanding of LEADER by representatives of municipalities, so they provide a low level of support in the activities of LAGs.

### Recommendations:

- Strengthen the capacity of LAG leaders to coordinate the process of development and implementation of LDS.
- Ensure continuous promotion of the LEADER program by LAG leaders due to raising awareness at the local level, which aims to attract new members to the LAG.
- Provide training and information for representatives/employees in municipalities about their role and support for the implementation of the LEADER program.
- Leverage alternative funding sources to maintain the motivation of people who are actively involved in the work of the LAGs and cooperation projects with other LAGs.









