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Republic of Macedonia
Ministry of Agriculture, Forestry
and Water Economy

**MACEDONIAN AGRICULTURAL
ADVISORY SUPPORT PROGRAMME
(MAASP)**

**Creating Synergies for Initiating
EU Activities in Rural
Development and Implementing
LEADER Methodology**

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Acronyms and Abbreviations

AFSARD	Agency for Financial Support of Agriculture and Rural Development
CAP	Common Agricultural Policy (of the EU)
CARDS	Community Assistance for Reconstruction, Development and Stability
DDA	Doha Development Agenda
DDR	Doha Development Round
DEAO	Department of Economics and Agricultural Organisation
DG	Directorate-General of the European Commission
DG AGRI	Directorate-General for Agriculture and Rural Development
EAR	European Agency for Reconstruction
EARDF	European Agriculture and Rural Development Fund
EC	European Community
EFTA	European Free Trade Association
EU	European Union
EUR	European Union Currency
FAO	Food and Agriculture Organization (of the UN)
FTA	Free Trade Agreement
GDP	Gross Domestic Product
GTZ	German Technical Cooperation
IBID	"The same place" - abbreviation
IFAD	International Fund for Agricultural Development
IPA	Instrument for Pre-Accession assistance
IPARD	IPA for rural development (IPA component 5)
LAG	Local Action Group
LEADER	Liaison entre Actions de Development de l'Economie Rurale
MA	Managing Authority
MAASP	Agriculture Advisory Support Programme
MAFWE	Ministry of Agriculture, Forestry and Water Economy
MKD	<i>Macedonian Denar</i> (currency of the country)
MoLSG	Ministry of Local Self Government
NAO	National Authorising Officer
NARDS	National Agricultural and Rural Development Strategy
NGO	Non-Governmental Organisation
NRDP	National Rural Development Programme
NUTS	Nomenclature of Statistical Territorial Units
OECD	Organisation for Economic Cooperation and Development
PRSP	Poverty Reduction Strategy Paper
RD	Rural Development
SAPARD	Special Accession Programme for Agriculture and Rural Development
SIDA	Swedish International Development Agency
SMEs	Small and Medium Enterprises
SWOT	Strengths, Weaknesses, Opportunities and Threats analysis
UN	United Nations
UNDP	United Nations Development Programme
USAID	United States Agency for International Development
USD	United States Dollar
WB	World Bank
WTO	World Trade Organization
ZELS	Zaednica na edinici na lokalnata samouprava

Executive Summary

Rural development is used to denote the actions and initiatives taken to improve the standard of living in non-urban neighborhoods, countryside, and remote villages. These actions are mostly focused at the social and economic development of the rural areas. These initiatives are using a bottom up approach in their aim to meet their needs and to comply with previously designed national/regional programmes and plans.

Rural development is a concept which focuses on the development potentials in the rural areas and it includes the agriculture, but also environment and infrastructure improvements and provision of social and cultural services. As a concept it demands interaction between different stakeholders, both on national and local level and creation of synergies between these entities and a development of a cohesive policy for implementation of their actions. Moreover, it requires decentralization and delineation of responsibilities, creation of partnerships at local level and integration of all spheres of human and community life.

Republic of Macedonia is a EU Candidate Country and it has started with restructuring of its legislation, institutions and mechanisms related to agriculture and rural development to bring them in compliance with those of the EU. The National Strategy for Agriculture and Rural Development has been developed and was adopted in 2007; the National Plan for implementation of the strategy was designed and adopted in 2007, the Payment Agency for IPARD had achieved national accreditation at the beginning of 2009 and currently it is putting its efforts towards obtaining accreditation from EU institutions. Even though many things have been undertaken in order to restructure this sector of the Macedonian society, many other things have still to be undertaken in order to fully comply with the EU regulations. For example, one of the crucial steps is to complete the national strategy with measures for Axis 2 (Environment) and Axis 4 (LEADER). In addition to this and as a result from the introduction to these axes within the National Strategy, a national LEADER programme should to be launched in order to develop capacities within local rural communities and prepare them for implementation of the EU LEADER approach when Macedonia becomes a Member State.

These measures and steps require involvement of many different actors and stakeholders from local and national level in the process of development of national and local programmes for rural development. More importantly, need support in building capacities to manage the processes of implementation of these programmes in the field since they these actors will be ultimately responsible for designing their own future.

The Central Government has to develop a mechanism and create synergies between MAFWE, which is responsible authority, and the other key actors on national and local level. This will provide solid ground for effective implementation of rural development activities by creation of cohesive policy for interaction of different actors. One of the initial support tools is a National Network for Rural Development. This network has to be supported by governmental instruments in order to secure interface between national and local authorities and entities on horizontal and vertical level.

Creating synergies for initiating EU activities in Rural Development and implementing LEADER methodology

MAFWE has to communicate all the aspects, measures and benefits of the rural development policy with different groups of beneficiaries. For that purpose each beneficiary group should be addressed the most appropriate tools so as to be able to explain the potential benefits for each group.

The MAFWE, as the main player, has to involve the rest of the key players from central, regional and local level in all of the stages of preparation and implementation of the National Strategy for rural development, especially in the preparation period for initiating and implementing the national LEADER programme. This is important since LEADER requires an integrated approach where different stakeholders are involved in the processes of decision making and implementation by a utilizing bottom up approach. Additionally, the principle of subsidiarity has to be implemented on all levels during implementation of national and local strategies. In doing so, the Managing Authority as responsible body for implementation of the rural development policy has to develop adequate consultation mechanisms.

The initial thing which shall be done is to follow the Council decisions on Community strategic guidelines for rural development for the programming period 2007 to 2013.

A. The EU Concept of Rural Development and its implementation in the Republic of Macedonia

1. Background

It is common knowledge that few, if any countries, have ever experienced economic progress or improved the wellbeing of their population without first making progress in agriculture and rural communities. Thus, everyone should know that poverty cannot be reduced effectively and the progress cannot be made if rural development is neglected.

Rural development is the most difficult, the most demanding and the least visible area – at least in the short term – in terms of impact, and the most complicated by virtue of its multi-sectoral nature and the number of public and private actors involved in the process.

Rural areas are home to more than half of the population in the Republic of Macedonia and this population lives on more than eighty percent of the territory of the entire country. Most of these citizens are impoverished people, who will have to confront additional challenges in foreseeable future such as climate change and the need to adapt, population reduction in rural communities, spiraling energy costs, etc.

It is also well known that if there is any one policy area where joint and synchronized efforts are needed and where a participatory approach makes sense, it is rural development. This participatory approach is, moreover, the very essence of democracy and further decentralisation.

The challenge is huge.

2. Rural Development

Development usually means the enhancement of people's lives through improved education, earning power, skills development and employment opportunities. Development also means improvement of people's standard of living, so people should have decent housing, and that they should have security within their homes.

Rural development means more than just agriculture. Rural development in general is used to denote the actions and initiatives taken to improve the standard of living in non-urban neighborhoods, countryside, and remote villages. These communities can be identified with a low ratio of inhabitants to open space¹. Agricultural activities may be prominent in this sector and economic activities would relate to the primary sector, through the production of foodstuffs and raw materials based on plants and animals.

One of the definitions² used describes rural development as process for sustainable and integrated development of the rural community from economic, environmental, cultural aspects.

Rural development actions mostly aim at the social and economic development of the areas. These programs usually are initiated as top-down initiated by the national, regional or local authorities. But then, local entities and populations are important and play a key role in bringing endogenous initiatives for development. These initiatives are using a bottom up approach in their aim to meet their needs and to comply with previously designed national/regional programmes and plans.

In recent years, rural development is receiving increased attention in Europe. The European Commission has declared rural development as the second pillar of its Common Agricultural Policy (CAP Reform) and also contributes greatly to the development of disadvantaged (rural) regions through its various structural funds³. A reason for the heightened attention is the deep structural change in Europe's rural areas, which includes not only changes in the rural economy, but also important demographic, social and cultural transitions. But beside this facts and most importantly, Rural Development is a broad concept focusing on the development possibilities in the rural areas of the country. This includes – of course – agriculture, but also decentralisation, environment, infrastructure improvements and provision of social and cultural services.

However, the concept of “rural development” in the European Union has evolved over in the past three decades.

Until the 1970s, rural development was identical with agricultural development and, hence, focused on increasing agricultural production. This centre of attention seems to have been determined mainly by the interests of the manufacturing industries to

¹ The OECDs methodology for definition and classification of rural area is only internationally recognised definition of rural areas. The OECD definition is based on the share of population living in rural communes (i.e. with less than 150 inhabitants per km²) in a given NUTS III region. See Extended Impact Assessment — SEC(2004) 931. However, in some cases, it does not fully take into account the population living in more densely populated rural areas, particularly in peri-urban zones. Mainly, it is used only for statistical and descriptive purposes.

² http://www.iiasa.ac.at/Research/SRD/rc/rc_10.htm

³ http://ec.europa.eu/agriculture/capreform/index_en.htm

extract surpluses from the agriculture sector to reinforce industrialization. With the focus on increasing agricultural production, the stated objective of most countries was to support smallholder agriculture. Over time, this smallholder agriculture-centric concept of rural development underwent changes. By the early 1980s, according to the World Bank defined it as "...a strategy designed to improve the economic and social life of a specific group of people—the rural poor."⁴ Four major factors appear to have influenced the change: increased concerns about the persistent and deepening of rural poverty; changing views on the meaning of the concept of development itself; emergence of a more diversified rural economy in which rural non-farm enterprises play an increasingly important role; and, increased recognition of the importance of reducing the non-income dimensions of poverty to achieve sustainable improvements in the socioeconomic well-being of the poor.

The fact that rural development in the European Union has been strongly linked with agriculture implies that no analysis of rural development and rural development policy can afford to ignore agriculture and agricultural policy. The common agricultural policy (CAP) has had a significant impact on rural development: agricultural policy is fully integrated at European level and accounts for half of the Community budget. The overall objective for the European Commission, as far as rural development in all EU countries is concerned, is to stimulate and to support satisfactory progress towards a sustainable approach for improving the livelihoods and quality of life of rural populations.

The Republic of Macedonia is a nation with candidate status for EU and it is reorganising its institutions, legislation and mechanism, including the sphere of agriculture and rural development, in accordance to those of the EU. It has an overall aim to synchronise its society with EU practices. In the past (until 2007), the EU has provided support to the Republic of Macedonia under a variety of financial instruments, including Community Assistance for Reconstruction, Development and Stabilisation (CARDS).

Currently, the support of the EU for the Republic of Macedonia is organised under the Instrument for Pre-Accession Assistance (IPA) programme. The purpose of support under this Instrument is to help the candidate country progress towards fully meeting the Copenhagen political and economic criteria as well as adopting and implementing the EU *acquis*. The actions will complement and add value to the support given under the relevant National Programmes. In addition, this process is supported by other international organisations as well as organisations which are supporting the country at the bilateral level (USAID, GTZ, Sida, etc).

There are five components of the IPA programme:

1. Transition Assistance and Institution Building
2. Cross-Border Co-operation
3. Regional Development
4. Human Resources Development
5. Rural Development

⁴<http://web.worldbank.org/WBSITE/EXTERNAL/TOPICS/EXTARD/0,,menuPK:336688~pagePK:149018~piPK:149093~theSitePK:336682,00.html>

GRM International / Macedonian Agricultural Advisory Support Programme

Under the IPA fifth component for rural development (Instrument for Pre Accession for Rural Development - IPARD), Macedonia is entitled to pre-accession financial aid for sustainable agriculture and rural development with focus on preparation for the Common Agricultural and Rural Development Policy and related policies and for the European Agricultural Fund for Rural Development (EAFRD) and adjusting the sector towards the Common Market. The focus of the IPARD component requires an integrated approach and consolidation of the activities not only of MAFWE but of a range of other national institutions and stakeholders at the national and local level.

3. Internal EU Agriculture and Rural Development Policy - Common Agricultural Policy

The European model of agriculture and rural development consists of two pillars of the **Common Agricultural Policy (CAP)**: *agricultural market support* (first pillar) and *rural development policy* (second pillar).

The *Common Agricultural Policy (CAP)* is a comprehensive and pan-European mechanism for regulating farming produce and prices. Based on Treaty of Rome⁵ its implementation is spread through numerous pieces of legislation including Communiqués, Regulations, Directives, Decisions.

The CAP contributes to the multifunctional dimension of the European agricultural sector aiming at, *inter alia*, the sustainable production of food and non-food products, safeguarding the countryside and providing environmental services, employment in rural areas and helping to reinforce the economic, social and cultural cohesion between groups and regions.

Other areas covered by the CAP are: Direct payments, Agricultural markets, Rural development, Agriculture and environment, Forestry measures, Organic farming, Quality policy, Promotional measures, Financing the CAP, State aid, Evaluation, Research.

Over the past decades, focus on the second pillar has increased, although direct aid and market measures remain important. This was not only necessary from an internal policy reform perspective but also to better respond to the changing international trading environment. It is necessary to look at both of these pillars in some detail given an emerging importance of rural development in the EU⁶.

One of the significant changes within the policy is the Single Payment Scheme⁷, which came into force in 2005. This scheme was designed to replace a number of existing direct subsidy schemes.

3.1 Rural Development as the Second Pillar of the CAP

With over 60 % of the population in the 27 Member States of the European Union (EU) living in rural areas, which cover 90 % of the territory, rural development is a vital policy area. The strengthening of EU rural development policy has therefore become an overall EU priority.

⁵ March 25, 1957, Treaty of Rome for establishment of the European Economic Community

⁶ More on the evolution of the *Common Agricultural Policy* in Annex 2

⁷ The Single Payment Scheme (or Single Farm Payment, SPS) for direct subsidy payments to landowners was introduced as fundamental reform of the Common Agricultural Policy (CAP) in 2003. The Single Farm Payment is linked to meeting environmental, public, animal and plant health and animal welfare standards and the need to keep land in good agricultural and environmental condition. The scheme intends to change the way the EU supported its farm sector by removing the link between subsidies and production of specific crops. This reform focuses on consumers and taxpayers, while giving farmers the freedom to produce what the market want. Member States have the choice to maintain a limited link between subsidy and production to avoid abandonment of particular production. More on: http://ec.europa.eu/agriculture/capreform/infosheets/pay_en.pdf

The new legal framework of rural development policy focuses more clearly on boosting growth and creating jobs in rural areas – in line with the Lisbon Strategy⁸– and on improving sustainability - in line with the Göteborg sustainability goals.

3.2 Rural Development policy 2007- 2013

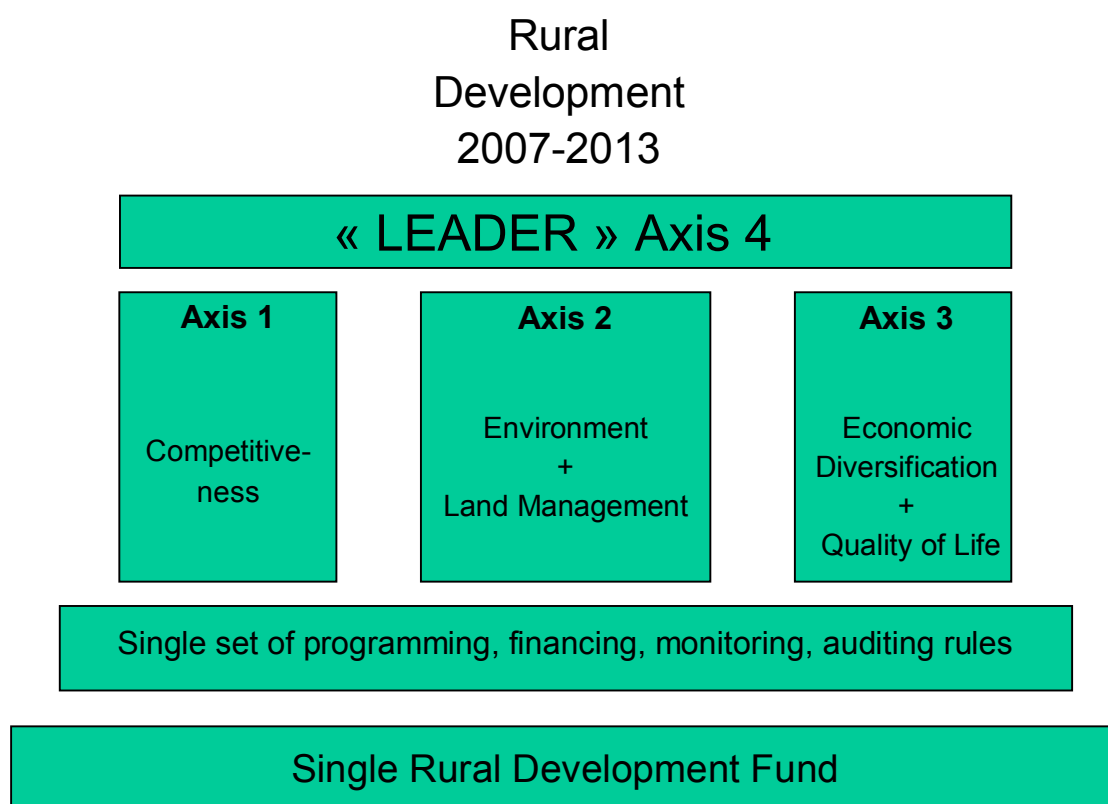
The Common Rural Development Policy essential rules and policy measures available to Member States and regions were brought forward with Council Regulation (EC) No. 1698/2005.

The EU rural development policy focuses on three main objectives:

- Improving the competitiveness of the agricultural sector through support for restructuring
- Enhancing the environment and the countryside through support for land management
- Enhancing the quality of life in rural areas and promoting diversification of economic activities

These objectives are implemented through the Four Axes:

1. Competitiveness of the farm and forestry sector
2. Environment/land management
3. Economic Diversity and Quality of life
4. LEADER approach



⁸ http://europa.eu/scadplus/glossary/lisbon_strategy_en.htm

3.3 The LEADER Approach

A *fourth axis* called "LEADER", based on experience with the Leader Community Initiatives, introduces opportunities for locally based bottom-up approaches to rural development. This LEADER axis has its own methodology and this methodology could be applied as a tool for implementing the rest of the axes, but in general, it is focused on highly individual projects both designed and executed by local partnerships. The Projects must address specific local problems.

LEADER encourages rural territories to explore new ways to become or to remain competitive, to take advantage of their assets and to overcome the challenges they may face, such as an ageing population, poor levels of service provision, or a lack of employment opportunities. In this way LEADER contributes towards improving the quality of life in rural areas both for farm families and the wider rural population. It uses a holistic approach to address rural problems.

The LEADER approach⁹ in brief:

- It is a method rather than a list of measures;
- It may be applied to any of the three other axes and measures and/or to a combination of them;
- Its 7 distinctive features should be implemented as a set, they complement each other;
- Must be well balanced between public and private partners (50/50) through Local Action Groups;
- Is particularly suited for innovation since measures are not pre-defined and networking facilitates knowledge transfer;
- Experience shows that it is a successful approach, but that it takes time to implement well; and,
- Cooperation and networking (at national and European level) are useful for exchanging experience, realising collective projects, acquiring capabilities.

The diversification of rural economies and the improvement of the quality of rural life, more so when realised through LEADER, are key factors for:

- Providing a more positive context for farmers;
- Facilitating the economic and social sustainability of rural areas;
- Reducing the abandonment of rural areas through job creation and innovation in all sectors; and,
- Creating an attractive environment for society at large.

There are prognoses that future reform of the CAP will be in line with even much stronger support of rural development including stronger financial support. The new programming period provides a unique opportunity to refocus support available from the new rural development fund on growth, jobs and sustainability.¹⁰ These prognoses will request even greater cooperation between different entities and stakeholders from all three sectors (public, private and civil) on national, regional, and local level and on vertical and horizontal level.

⁹ More on LEADER Approach in Annex 3

¹⁰ DG AGRI official site, rural development policy 2007-2013: http://ec.europa.eu/agriculture/rurdev/index_en.htm

3.4 Implementing the LEADER Programme at local level – Local Action Group

LEADER is implemented at local level through a legal entity, created as local partnership, known as a “Local Action Group” (LAG). Its task is to identify and develop a local development strategy, to make decisions about the allocation of its financial resources and to manage them. LAGs are made up of public and private partners from the rural territory, and must include representatives from different socio-economic sectors. They receive financial assistance to implement local development strategies, by awarding grants to local projects. LAGs are approved by the managing authority of the Member State¹¹.

LAGs are likely to be effective in stimulating sustainable development because they:

- Bring together and combine available human and financial resources from the public sector, the private sector, the civic and voluntary sector;
- Associate local players around collective projects and multi-sectoral actions, in order to achieve synergies, joint ownership, and the critical mass needed to improve the area’s economic competitiveness;
- Strengthen the dialogue and co-operation between different rural actors, who often have little experience in working together, by reducing potential conflict and facilitating negotiated solutions through consultation and discussion;
- Facilitate, through the interaction between different partners, the processes of adaptation and change in the agricultural sector (e.g. quality products, food chains), the integration of environmental concerns, the diversification of the rural economy and quality of life.

A LAG should link public and private partners, be well-balanced and representative of the existing local interest groups, and be drawn from different socio-economic sectors in the area. At the decision-making level the private partners and associations must make up at least 50% of the local partnership. LAGs may be set up *ad hoc* in order to access LEADER support, or may be based on previously existing partnership. Endowed with a team of practitioners who have decision-making powers, the LAG represents a model of organization that can influence the delivery of actions in a positive way.

LAGs decide the direction and content of the local rural development strategy, and make decisions on the different projects to be financed.

¹¹ MAFWE is selected as Managing Authority for rural development measures for the Republic of Macedonia

4. Rural development in action – EU strategic guidelines, National Strategy Plans

The Member States of EU need to accept and implement European strategies and rules¹². This explicitly is applicable to the CAP and in that context also to rural development. The Member States must adopt on the basis of EU CAP their own National Strategic Plans. These plans become bases for preparation of national and regional rural development programs and plans in the Member States. In order to achieve a common approach in all member states, *EU strategic guidelines*¹³ were adopted¹⁴.

The EU strategic guidelines identify the areas important for the realisation of Community priorities and a range of options which Member States could use in their *National Strategy Plans* and *Rural Development Programmes*. National Strategy Plans translate Community guidelines into the national context in the light of identified needs of the regions. Rural Development programmes implement the National Strategy Plans.

For each set of priorities, the EU strategic guidelines suggest *key actions*. Member States' national rural development strategies are based on *six Community wide strategic guidelines*:

1. Improving the competitiveness of the agricultural and forestry sectors;
2. Improving the environment and the countryside;
3. Improving the quality of life in rural areas and encouraging diversification;
4. Building local capacity for employment and diversification;
5. Ensuring consistency in programming; and,
6. Complementarities between Community Instruments.¹⁵

The Community strategic guidelines are shortly described below¹⁶:

¹² In order to be able to use the Instruments for Pre-Accession, including the IPARD, the Candidate Country needs to adjust its legislation and accept and implement EU strategies and rules as well.

¹³ "Strategic approach - Taking into account the political priorities set at Community level, the Council establishes strategic guidelines for rural development to implement the defined priority headings. Each Member State then produces a national strategic plan. This includes its own priorities for action and those of the Fund, taking into account the strategic guidelines. The plan also sets out the specific objectives and levels of support from the Fund and other financial resources. These national strategic plans serve as a benchmark for Fund programming.

Implementing the national strategic plans is carried out through rural development programmes containing a package of measures grouped according to the headings defined in Title IV of the Regulation (improving the competitiveness of the agricultural and forestry sector, improving the environment and the countryside, the quality of life in rural areas and diversification of the rural economy, and the Leader approach). Each programme sets out a strategy covering a period from 1 January 2007 to 31 December 2013, which includes an analysis of the situation, defines the priorities chosen and the expected impact. It must also propose the measures required for each heading. Lastly, a financing schedule is drawn up to complete the programme.

Concerning the strategic follow-up, the Regulation provides for each Member State to submit a summary report, first in 2010 and subsequently every two years, setting out the progress made in implementing its strategy and objectives and their contribution to achieving the Community strategic guidelines defined by the Council. The Commission also has the task of presenting a report every two years summarising the main developments, trends and challenges connected with implementing the national strategic plans and the Community guidelines."

<http://europa.eu/scadplus/leg/en/vb/l60032.htm>

¹⁴ Annex 4 - Council Decision on Community strategic guidelines for rural development (programming period 2007 to 2013) - (2006/144/EC);

<http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=OJ:L:2006:055:0020:0029:EN:PDF>

¹⁵ DG AGRI official site, rural development policy 2007-2013: http://ec.europa.eu/agriculture/rurdev/index_en.htm

¹⁶ The Council Decision 2006/144/EC on Community strategic guidelines for rural development (programming period 2007 to 2013) in its original form is annexed in the ANNEX 3

I. Improving the competitiveness of the agricultural and forestry sectors

The guideline suggests that the resources devoted to Axis 1 should contribute to a strong and dynamic European agricultural and food sector by focusing on the priorities of knowledge transfer, modernisation, innovation and quality in the food chain, and on priority sectors for investment in physical and human capital. In Macedonia the main responsibility for implementation of the priorities under this guideline is within MAFWE and AFSARD.

II. Improving the environment and the countryside

The guideline suggests that the resources devoted to Axis 2 should contribute to three EU-level priority areas:

- a. Biodiversity and the preservation and development of high nature value farming and forestry systems and traditional agricultural landscapes;
- b. Water; and,
- c. Climate change.

Additionally, this guideline recommends that the measures available under Axis 2 should be used to integrate these environmental objectives and contribute to the implementation of the agricultural and forestry Natura 2000 network, to the Göteborg commitment¹⁷ to reverse biodiversity decline by 2010, to the objectives stated in Directive 2000/60/EC of the European Parliament, establishing a framework for Community action in the field of water policy, and to the Kyoto Protocol targets for climate change mitigation. Even though Axis 2 is not incorporated in Macedonia in the NARDS 2007 - 2013, it shall be in the near future. MAFWE and Ministry of Environment and Physical Planning (MoEPP) and Agency for Financial Support to Agriculture and Rural Development (AFSARD) are the key institutions with competency to implement the priorities under this guideline.

III. Improving the quality of life in rural areas and encouraging diversification

This guideline suggests that the resources devoted to Axis 3 should support the priority of creation of employment opportunities and environment for growth. The range of proposed measures available under this axis should be particularly used to promote capacity building, skills acquisition and organisation for local strategy development. Additionally, these measures should be exploited to ensure that rural areas remain attractive for future generations. The specific needs of women, young people and older workers should be considered in applying these measures. In Macedonia there are several ministries and institutions, which shall be involved in implementation of the priorities under this guideline: MAFWE, Ministry of Finance, MoEPP, MLSG, Agency for Employment, Bureau for Unemployed Persons, Bureau for Economically Underdeveloped Regions and Municipalities, AFSARD, Council for Balanced Regional Development of the Republic of Macedonia, Council for Development of the Planning Region and others.

¹⁷ http://ec.europa.eu/governance/impact/background/docs/goteborg_concl_en.pdf

IV. Building Local Capacity for Employment and Diversification

This guideline proposes that the resources devoted to Axis 4 (LEADER) should contribute to the priorities of Axes 1 and 2, and especially of Axis 3, but also, they should play an important role in the horizontal priority of improving governance and mobilising the endogenous development potential of rural areas.

This guideline also states new and very important direction: that the support offers the possibility, in the context of a community-led local development strategy building on local needs and strengths, to combine all three objectives — competitiveness, environment and quality of life/diversification. Such integrated approaches, which involve farmers, foresters and other rural actors, can preserve and enhance the local natural and cultural heritage, raise environmental awareness, and invest in and promote specialty products, tourism and renewable resources and energy. In Macedonia the LEADER (Axis 4) is not part of NARDS 2007 -2013 as well. However, this Axis must be incorporated within the Strategy in the near future*. The main responsibility for implementation of the priorities under this guideline is within MAFWE, MLSG, Bureau for Economically Underdeveloped Regions, AFSARD, Council for Balanced Regional Development of the Republic of Macedonia, Council for Development of the Planning Region and others.

V. Ensuring consistency in programming

This guideline promotes advice on the process of development of national strategies. It proposes that in this process, the Member States should ensure that synergies between and within the axes are maximised and potential contradictions avoided. The guideline proposes development of integrated approaches where it is appropriate. It suggests to take into account the rest of the EU-level strategies, such as the Action Plan for Organic Food and Farming, Strategy for use of renewable energy resources¹⁸, the EU Forestry Strategy and Action Plan (related to support of the growth and employment as well as the sustainability objectives) and the priorities set out in the Sixth Community Environment Action Programme laid down by Decision No 1600/2002/EC of the European Parliament and of the Council¹⁹, as well as the need to develop EU strategy to combat climate change²⁰. This strategic guideline clearly stipulates that MAFWE as the responsible national institution for implementation of rural development policy and Managing Authority for Rural Development has to develop effective instruments for establishment of efficient communication between this Ministry and the others in order to implement rural development measures and policies all the way down to the final recipients-beneficiaries of this Policy and Fund.

VI. Complementarities between Community Instruments

The guideline recommends further creation of synergies between structural, employment and rural development policies. It proposes that the Member States should ensure complementarity and coherence between actions to be financed by the European Funds: EU Regional Development Fund, the Cohesion Fund, the EU Social Fund, the EU Fisheries Fund and the EAFRD²¹ on a given territory and in a

* It is planned to incorporate in NRDP in 2010

¹⁸ Presidency conclusions of the European Council of Brussels (25 and 26 March 2004).

¹⁹ OJ L 242, 10.9.2002, p. 1.

²⁰ Presidency conclusions of the European Council of Brussels (22 and 23 March 2005).

²¹ European Agricultural Fund for Rural Development

given field of activity. The guideline states that the main guiding principles regarding demarcation line and the coordination mechanisms between actions supported by the different funds should be defined in the national strategic reference framework and the national strategy plan.

This guideline is clearly pointing at creation of synergic and strategic approach in consolidation of national efforts about creation of a systematic and cohesive approach related to socio-economic development of rural areas. Such an approach seeks inclusion of all relevant decision makers and stakeholders both on national and local level as well as interaction of these entities on vertical and horizontal level.

Briefly, by implementing these guidelines in the process of development of National Strategies²², the following is expected to be achieved:

- *identify the areas where the use of EU support for rural development adds the most value at EU level;*
- *make the link with the main EU priorities (for example, those set out under the Lisbon and Göteborg agendas);*
- *ensure consistency with other EU policies, in particular those for economic cohesion and the environment;*
- *assist the implementation of the new market-oriented CAP and the necessary restructuring it will entail in the old and new Member States.*

These guidelines show once again that rural development is a very difficult and demanding area, with no visible short-term impact and few tangible short-term results. At the same time, it is the most complicated by virtue of its multi-sectoral nature and the number of public and private actors involved in the process.

5. Agriculture and Rural Development in the Republic of Macedonia

The EU concept of Rural Development which defines policies and measures for socio – economic development of rural communities is relatively new in the Republic of Macedonia and many of its mechanisms have yet to be introduced. The Republic of Macedonia is just starting to build awareness of the meaning of the EU concept for rural development within its institutions and among its citizens and legal entities. So far, rural development was seen as synonymous with agricultural development and it was part of the agricultural measures in the one hand, and in the other, in partial development of rural infrastructure as part of governmental interventions through other ministries and local government units.

The Law on Territorial Organization of the Local Self-Government (OG 55/2004, 12/2005) in Article 6: The Definition of the Populated Areas (settlements) of the Territory of the country defines villages as “mono-functional populated areas, in which one business activity is prevalent and whereas the area has agricultural physiognomy and function”.

In fact, there is still very strong and vivid stereotype about the Macedonian village as a underdeveloped community and a home of impoverished farmers living from agriculture only. The idea for overcoming this situation was based on measures based on actions to support the agriculture and improve the basic infrastructure.

²² http://ec.europa.eu/agriculture/rurdev/index_en.htm

Even though this picture is mostly true, the situation changes and the villages started to accept other characteristics. The picture of the Macedonian village does not correspond with the definition within the Law on Territorial Organization of the Local Self-Government or the stereotype described above that was common several decades ago. The Macedonian village has become a home of citizens with diverse social, economic, cultural and educational backgrounds. Not only farmers live there and the need of the rural communities members are different, thus the approach in meeting their needs must be composed of different measures, in an integrated manner.

No single measure can stimulate progress in Macedonian rural areas and certainly not specific agricultural measure if it is not accompanied with other actions. The future of development of Macedonian rural areas is within the acceptance of the EU concept of Rural Development and its full integration and implementation in national and local institutions and their initiatives and measures. Such implementation will not only secure a solid basis for creation of its own dynamic and effective national modalities, but it will provide a platform for progress and integration of Macedonian rural development model and society within those of the EU.

In order to understand the importance of this pillar we have to say that 52% of the population lives in rural areas on 89% of the overall territory of the country²³. For most of these people, agriculture is still the primary field of work. In order to generate a clear picture about the agriculture in the Republic of Macedonia, we present below its role and its figures in share of national economy.

6. Agriculture in the Republic of Macedonia

Agriculture, including food processing, plays a major role in the national economy with 12% (crop production - 8% and livestock production – 4%) in the GDP. The food industry increases this number additionally and it has a total share of about 16%²⁴. The sector represents 17 % of total exports (out of total exports of 2.04 billion USD in 2005, exports of agricultural products had a value of 0.34 billion USD).

The share of agriculture in employment at national level is about 21% of the working population (average 2000 – 2001). Agriculture employs about 120,000 people full-time, while another 40,000 are involved on part-time basis. Based on these figures and considering that 52% of the population lives in rural areas, revenue levels in agriculture are around 75% of the average revenue in the total economy. However, as statistics on employment are still not very reliable, actually employment in agriculture may be higher and subsequently the average income may be lower.

At the same time rural/urban poverty (excluding Skopje) rose to 28.4% (2004)²⁵. Pure rural poverty rates remained high, too, at 28.6%, with many people living just below the poverty line (27.5% in 2001). The government Poverty Reduction Strategy Paper (PRSP) of 2000 defined poverty as “households with less than 60 percent of median

²³ Republic of Macedonia has used the OECD methodology and developed classification/division of areas and municipalities. According to the Regulation for Criteria for Definition of Rural Areas in the Republic of Macedonia there are 64 municipalities (out of 84) which are classified as rural. 52% of total population live in this municipalities. The territory of these municipalities is 89% of the overall territory of the country. This document can be found as Annex 1 in this study.

²⁴ Data obtained from Department of Economics and Agricultural Organisation (DEAO) of the Faculty of Agricultural Sciences and Food at the University of Skopje.

²⁵ NARDS 2007-2013

household income”, whereas it defined the poverty line as an individual income of “about 75 USD per month in 1996 prices”. Even though the PRSP presented a broad framework for rural poverty alleviation no evidence of its implementation exists to date.

In order to create a better picture why agriculture plays vital role in national economy we present some facts:

The agricultural area²⁶ of the Republic of Macedonia is 12.225 km² or 47.6% out of the total land area. Out of the total agricultural area, 35.8% are arable. There have been significant decreases in the arable area during the last ten years. The size of arable land in the period 2000-2006 decreased from nearly 500 thousand ha to 439 thousand ha in 2006, while the meadows and pastures have increased from 692 up to 747 thousand ha. Almost half of the arable land is under cereal crops. Wheat is the dominant crop with a production area of nearly 108 thousand ha. Vine-growing is present on about 25 thousand ha, orchards on about 15 thousand ha, vegetable production on 50 thousand ha and tobacco on about 24 thousand ha.

The livestock population includes around 260,000 heads of cattle, 1,2 million sheep, 150,000 goats, 65,000 horses and 160,000 pigs. There are more than 2,4 million of poultry and about 70,000 beehives. They produce each year about 200 million litres of milk, 38,000 tons of meat, 2,500 tons of wool, some 340 million eggs and more than 950 tons of honey.

However, despite these facts and contrary to conventional picture that equates villagers with agriculture; rural residents in Macedonia often rely heavily on activities other than farming for their income.

7. Agrarian and Rural Development policy

The Republic of Macedonia began developing its own agrarian policy after it became an independent country. Following the independence of the country, the agricultural policy incorporated in the overall changes of the economy of the Republic of Macedonia from centralized to market-oriented model. The aim of this agricultural policy in Macedonia was the creation of a market-oriented production, liberalization of agricultural production from the protection of the state and stimulating the individual agricultural sector for increased productivity. In order to achieve these aims, the Republic of Macedonia primarily started to overcome legal and administrative barriers.

The country, for the first time, officially inaugurated some measures related to Rural Development Policy within its last Strategy (National Strategy for Agriculture and Rural Development: 2007 – 2013). Even the name of the strategy is an indication of these changes.

With this Strategy MAFWE defined the goals for agricultural and rural development as follows:

²⁶ Ibid

- Strengthening of the competitive ability of the Macedonian agriculture on the integrated regional markets of the European Union and South – East Europe by introducing measures for increasing the efficiency of agricultural production, processing and marketing;
- Building appropriate, effective public and private institutions;
- Improving agricultural income;
- Ensuring that the consumers have access to safe and healthy food;
- Optimum usage of the limited resources of land, forests and water in a ecologically sustainable manner; and,
- Building viable rural communities through sustainable rural development

The Strategy admits that Rural Development as a concept and national measure was introduced for the first time and states: Rural Development in the EU policy meaning is new for the MAFWE²⁷. Therefore, the Strategy recommends coordination between relevant institutions as well as establishment and operation of new institutions, such as an Inter Institutional Coordination Body and IPARD Payment Agency and modification or introduction of enabling legislation in the period 2007-2013.

However, not all of the EU CAP Axes are part of this Strategy. Only Axis 1 (Competitiveness of the farm and forestry sector) and Axis 3 (Economic Diversity and Quality of life) while Axis 3 (Environment/land management) and Axis 4 (The LEADER approach) remain to be integrated in the future.

The key Ministry responsible for Rural Development is the Ministry of Agriculture, Forestry and Water Economy. At the same time it is named as the Managing Authority for Rural Development and its roles are as listed below:

- Strategic decision making and managing authority of European Agriculture and Rural Development Funds;
- Development and approval of regulations;
- Accountable for the spending of EU funds;
- Set the agenda for the NRDP;
- Enable the creation of appropriate networks and processes for rural development;
- Strategic decision making and policy setting;
- Contact with the EU in relation to rural development processes, approach and management; and,
- Liaise with other ministries.

This Ministry is supported by the EU and other organizations such as Sida, USAID, FAO, UNDP and others in its efforts to optimize the capacities to carry out the upcoming responsibilities related to the newly acquired role in Rural Development.

However, as the Strategy states and identifies the need for delineation of tasks and responsibilities and coordination of activities, there are other relevant ministries and institutions, such as: Ministry of Local Self-Government, Ministry of Environment and Physical Planning, Ministry of Economy, Ministry of Finance, Bureau for

²⁷ NARDS 2007-2013

Economically Underdeveloped Regions and Municipalities and others, which shall play significant role in the process of support of Rural Development, especially in the steps of decision making and implementation of rural development activities, both on vertical and horizontal level. Furthermore, stepping down at local level, the municipalities shall play a key role in achieving national development objectives at local level by developing their own countermeasures and objectives. These local measures and objectives have to be developed through the prism of the local people, addressing their needs and opportunities. And ultimately in the near future, business entities and NGO sector will become significant partner in the process of designing and implementing plans and programmes related to rural development, both on national and local level. This situation will inevitably lead towards establishment of partnerships between the entities from all three sectors (public, private and civil) which have role or are interested in rural development initiatives.

7.1 Development of the process of formulation of Rural Development Policy in the Republic of Macedonia

Despite the fact that first concrete steps related to creation of Rural Development Policy and Strategy were put into practice in 2007, the initial efforts to formulate the ground for development of policy for Rural development have were earlier. These steps are presented below in chronological order:

2001:

- National Strategy for Poverty Reduction was developed and adopted. This Strategy established the first need for formulation of an integrated policy for Rural Development.
- Republic of Macedonia signed the Stabilisation and Association Agreement with the European Community and their Member States.

2005:

- The EU made a decision to give to the Republic of Macedonia a candidate status for membership.

2006:

- MAFWE appointed as institution in charge for Rural Development.
- First Pilot Programme for Rural Development²⁸ initiated.
- Inter Institutional Coordination Body, managed by MAFWE, established
- Sub-sectors for support of IPARD funds identified.
- Assessment of the selected sub-sectors for support of IPARD funds undertaken by an independent entity (company).

2007:

- Annual Programme for Rural development – 2007 adopted. It becomes an official programme supported by the National Budget²⁹.

²⁸ Establishment of a National Animal Identification System; European Commission (06/2002 - 10/2004)

²⁹ Annual Programme for Rural development - 2007 is the first national programme, focused on rural development. It becomes official governmental document which realization is supported through the National budget

- National Strategy for Agriculture and Rural Development: 2007 – 2013 adopted.
- Law on Agriculture and Rural Development adopted.
- Law on Establishing an Agency for Financial Support in Agriculture and Rural Development (AFSARD) adopted.
- National Plan for Agriculture and Rural development - IPARD Programme 2007 – 2013 adopted.

2008:

- Annual Programme for Rural Development – 2008 adopted.
- Regulation for implementation of Rural Development policy adopted.
- Regulation (Criteria) for Definition of Rural Areas in the Republic of Macedonia adopted.
- List of Rural areas in Macedonia developed and adopted.
- IPA ratification.
- Framework agreement and IPARD sector agreement.

2009:

- AFSARD was granted national accreditation by the National Authorizing Officer (NAO).

Even though the process of adaptation of national regulations and mechanisms which are related to Agriculture and Rural Development has been started, there is still much to be done in this process in order to transform Macedonian legislation and institutions in compliance with those of the EU.

The socio-economic situation, the demographic conditions and the status of the environment of the rural areas and communities, in general, have similarities with those of the EU Member States. The main difference is the period of time when these situations have been clearly emerged on the surface of the society and when the societies have become aware to search for strategies and tools for determination. This means that Macedonia has to follow and fully implement the EU strategic guidelines on rural development within its national context of developing Strategies and Programmes for rural development.³⁰

8. Development of Strategic Documents – Creation of synergies of governance at all levels

When it comes to the preparation of the strategic documents in EU and adoption of legislation (including the one containing specific measures) the concept of multi level governance must be applied. The concept itself explores vertical and horizontal relations between different levels of government. In the case of CAP that is supranational policy vertical shifts are taking place. In question is Policy that needs to be implemented in Member States, through acceptance of rules, changes in the legislation and adoption of separate measures. Still Member States can set their own priorities in agriculture and rural development that correspond to their national circumstances. Those priorities however have to communicate and be in accordance

³⁰ EU strategic guidelines have been explained above within the chapter: Rural development in action – EU strategic guidelines, National Strategy Plans

with the CAP priorities. Therefore, the introduction of the LEADER approach into the CAP and Rural development policy is of great importance since these experiences can bring local needs closer to the wider state level and further to the European level. In practice it is always difficult for balance to be achieved. Therefore, various means of cooperation and consultations are in use. The known and already implemented are workshops, meetings, public hearings, correspondence, professional and political debates, consultation support, conferences, participation of the wide public, business sector, NGO sector, LAG's etc. On all occasions the most important element in consultations is the will for cooperation as complex situations require complex solutions.

Also an important issue is the manner of the implementation of CAP Policy from the top to the bottom and means used in this respect.

In addition the obligation of the Member States is to help ensure a balanced approach to policy. Therefore they are obliged to spread their rural development funding between all three of thematic axes. A further requirement is that some of the funding must support projects from Axis 4, based on experience with the LEADER Community Initiatives.

“As before 2007, every Member State (or region, in cases where powers are delegated to regional level) must set out a rural development program, which specifies what funding will be spent on which measures in the period 2007 to 2013. A new feature for 2007 to 2013 is a greater emphasis on coherent strategy for rural development across the EU as a whole. This is being achieved through the use of National Strategy Plans which must be based on EU Strategic Guidelines³¹.”

³¹ http://ec.europa.eu/agriculture/rurdev/index_en.htm

9. EU Cases – Models for creation of synergies on national and local level to develop and implement national strategies and plans for rural development

i. Case – Sweden

The implementation of the Rural Development Program in Sweden is secured by establishment of a formal network. The network has approximately 100 members but the number is not final. It is an open network in which it is expected that anyone dealing with the Rural Development program especially at national level can join the Network.

The purpose of the Rural Network is to contribute to: the widening of the exchange of information, experiences and methods; reinforcing the national actors' dialogue with the local and regional actors who take part in the implementation of the Rural Development Program; reinforcing the dialogue and cooperation with actors in other countries; and, reinforcing the link between rural policy, regional growth policy and environmental policy.³²

The cooperation between the network and the management authority³³ is through the National Network unit of the Rural Network situated at premises of the authority. Management authority is management authority of the Rural Development Program too. Cooperation is more secured through an established steering group of the network consisted of 12 members of the network.³⁴ The Board of Agriculture chairs the steering group.

The network must work on a wide basis in order to reach its goals, and it is therefore important that all members get involved. For instance the following can be done by members: cooperating in an exchange of information, allowing people within the organization to work with mobilization and inspirational activities.

LEADER is an important part of the Rural Development Programme. Therefore, it is important that the LEADER Network constitutes a natural part of the Rural Network, like a sub network. The Rural Network has aimed certain measures at the Local Action Groups (LAGs), for instance in the form of network points for international exchange of experiences and preparation for cooperation projects, as well as mentor support for new LAGs. In addition, the Rural Network arranges two large meetings every year for the LAGs, with the aim of encouraging an exchange of experiences and present good examples.

Other activities are training courses related to partnership, innovation, transnational cooperation etc. A LEADER of the Year Award is also organized.³⁵

³² <http://www.landsbygdsnatverket.se/download/18.677019f111ab5ecc5be80004898/Brief+information.pdf>

³³ The Swedish Board of Agriculture is the Government's expert authority in the field of agricultural policy, and is responsible for the sectors agriculture, horticulture and reindeer husbandry. The Board of Agriculture is also the administrative authority for the district veterinarians, and is responsible for food preparedness.

³⁴ For 2007 and 2008 were The University of Agricultural Sciences, The Federation of Swedish Farmers, The Swedish Society for Nature Conservation, The Federation of Private Enterprises, The Swedish Federation of Rural Economy and Agricultural Societies, The Village Action Movement, Leader, a youth network called U-land, The County Administrative boards, The Rural Development Agency, Swedish Association of Local Authorities and Regions and The Board of Agriculture. The Board of Agriculture chairs the steering group.

³⁵ <http://www.landsbygdsnatverket.se/download/18.677019f111ab5ecc5be80004898/Brief+information.pdf>

ii. Case – Ireland

The wide consultation process took place during the preparation of the Ireland Rural Development Program 2007 – 2013. The public (general and specific) was invited to express interest if they wished to be consulted on the Draft National Rural Development Strategy and Program. The organizations that replied were considered having legitimate interest and were formally designated as consultative partners. There were 84 organizations to which the draft document was made available for consultation. The opinions expressed covered priorities, measures and other factors for incorporation into the strategy/program. All collected opinions were shared in the form of an outline to the consultative partners participating at the seminar. Furthermore the seminar was a forum for consultative partners to express additional ideas and thoughts over the draft in question.

The list of consultative partners was wide and comprehensive. It included political parties, other government departments as Department of the Environment, Heritage and Local Government; Department of Communications, Marine and Natural Resources; NDP Gender Equality Unit; Department of Justice, Equality and Law Reform. Other partners were Farm Bodies; Environmental Bodies; Forestry Groups; Public Bodies (incl. Regional Assemblies/Authorities and Western Development Commission); Social Inclusion Groups; Community Environmental Groups; Rural Economy Groups (LEADER Groups) and Other Interested Parties³⁶.

Widely involved consultations ensured that this specific and complex document not only had a support from the consulted public and institutions but a real opportunity for successful implementation since the had ownership of the document. The actors consulted actually participated in the implementation of the strategy/program measures.

iii. Case – Malta

In order for the National Rural Development Strategy Plan and the Rural Development Programme 2007-2013 of Malta to be formulated, wide consultative activities were undertaken.

Activities lasted for at least two years before the strategic documents were adopted. The most used consultative activities were seminars, workshops and one-to-one meetings. The institution responsible for its organization was Rural Development Department of the government of Malta. At the beginning, the process was partly supported by a twining project with Holland.

A series of seminars took place and the opinions, attitudes and contributions from the workshops were organized in reports and send back to the participants in packages with the presentations for another set of comments. The list of stakeholders includes public officials in the Agricultural Services and Rural Development Division involved in the implementation process, public officials from various Ministries and public

³⁶ This includes a small number of other interested parties and individuals that includes requests for, among other things, a scheme to fund Farmer Accident and Sickness insurance and a request to fund a project which will deliver an integrated Information Technology (IT) farm software package for farmers and agricultural organisations. The regulatory terms and/or the available funding do not allow these requests to be pursued under the programme.

authorities and representatives from environmental and cultural NGO's and Farmers' Cooperatives.

The purpose of these workshops was to further raise awareness among stakeholders of the new rural development policy; to aid the continuation of the consultation process; to provide building blocks for the new national strategy and programme 2007-2013; to explain the regulation behind the next RDP 2007-2013 and also the structure and purpose of the National Strategy Plan for rural areas; and to explain new EAFRD regulation and existing funding possibilities. Another tool used for consultation was the local LEADER groups. They were consulted and involved into the process as all other stakeholders that were connected to rural development.

Finally, one to one meetings with officials from public and private sector were used. The purpose of these meetings was to ensure that all involved in the processes of rural development should become even more familiarized with the new Rural Development Regulation and funding opportunities for the sectors concerned and obtain their feedback on the needs of the particular sectors. The meetings were also used as tool to identify and pinpoint main issues facing the agricultural sector and to ensure consistency of the future rural development plan with other national development strategic documents from one side and EU policies and measures from the other side.

Within this process, institutions from all three sectors have been consulted, starting from the Office of the Prime Minister, Ministries for Rural Affairs, Tourism and Culture and Resources and Infrastructure, Ministry of Gozo³⁷, Department of Local Councils, Municipalities through National Parks, Business Chambers, Universities, Institute for Agriculture, Farmer Cooperatives and different NGOs.

As a result of the two year long process for preparation of the Rural Development Plan a partnership between the involved stakeholders has developed and set up in the form of the rural development network of Malta in accordance to the EC Regulation 1698/2005. It consists of representatives from the various public and private entities.

iv. Conclusion (from cases)

EU Legislation has certain impact on the national legal system of the member state. The above country cases show that coordination between various stakeholders on supranational and national level especially is essential. This is because a demanding area is under discussion. It is an area that involves cross cutting issues like environment, poverty reduction, production of quality food, sustainable development of the local areas, ensuring market balance etc. By being approved, the strategic documents are incorporated into national legal system through appropriate legislative acts, and so it is connected to the national legal system. The legislation shall take the same flow as any other in the country. At the same time enforcement and implementation has to be as the specific legislation pace would require. However, it is visible as well that real consultation during preparation and planning period is crucial.

³⁷ Gozo is one of the three Islands of Malta

B. The Legal framework related to Rural Development and incorporation and implementation of the LEADER methodology in the Republic of Macedonia

Rural Development is also known as an area based approach in socio-economic development of rural communities. Such an approach is one of the seven basic features of the LEADER Axis (Axis 4). This approach takes a small, homogenous, socially cohesive territory, often characterized by common traditions, a local identity, a sense of belonging or common needs and expectations, as the target area of policy implementation. Very often, this territory consists of a number of administratively separate territories which belong to several neighboring municipalities. From the perspective of development of such a region, the country has to develop ability to communicate, interact and effectively implement measures through different institutions which usually do not belong to only one department of the society nor one Ministry. Thus, it requires very careful adjustment of the national legislation in the first place in order to create legal framework for this interaction to take place.

The Republic of Macedonia has already undertaken reforms in this field and there is enough legal space for the reforms in rural development to be continued.

The Law on agriculture and rural development³⁸ defines the Ministry of Agriculture and the self-government units (municipalities) as institutions responsible for managing the agricultural policy and the policy for rural development. Therefore, the creation of synergy through establishing good cooperation between these institutions would be one of the important tools for successful implementation of the EU programs for rural development and more specifically the LEADER programme. The legal basis for cooperation between the Ministry of Agriculture and the municipalities is contained within the laws that regulate the functions and authorities of these institutions primarily the Law on agriculture and rural development, Law on local self-government³⁹ and the Law on balanced regional development⁴⁰. Presented below are some articles from these laws relevant for our subject of consideration.

According to the **Law on agriculture and rural development** the agricultural policy and the rural development policy objectives⁴¹ are:

- Providing stable production of quality and cheaper food and providing the population with sufficient quantities of food;
- Increase of the agriculture competitiveness;
- Providing stable level of income for the agriculture holding;
- Sustainable development of the rural areas; and,
- Optimal utilization of natural resources respecting the principles for protection of nature and leaving environment

These goals are in accordance with the EU programme for rural development and the LEADER concept.

³⁸ "Official gazette of RM" no.134 from 06.11.2007

³⁹ "Official gazette of RM" no.5 from 29.01.2002

⁴⁰ "Official gazette of RM" no.63 from 22.05.2007

⁴¹ Law on Agriculture and Rural Development, Art. 3

In order to implement these objectives the Government of RM approves the **National strategy for agriculture and rural development** (for period of 7 years) and the National program for agriculture and rural development (for period of 3 years). In accordance to the above two documents the Government at a proposal of the Ministry of Agriculture approves the **acts for implementation of the policies for regulating the primary and processing agricultural products markets and the rural development**. The Government has an administrative body authorized to give opinion in the areas of agriculture and rural development. That is the **Agriculture and Rural Development Council**. The Association of the Units of Local Self-Government (ZELS) has one representative-member in this Council.

For achieving the agricultural policy and the rural development policy objectives the Law determines the *measures* for agricultural policy and the policy of rural development. The financing of these measures is covered by the Budget, donations and other sources⁴²:

The measures of the rural development policy⁴³ are grouped as follows:

- Investments to improve competitiveness;
- Measures for agriculture activity useful to improve the environment and the rural areas;
- Measures to increase the employment in rural areas and improve the quality of life in rural areas; and,
- Other measures for rural development

Especially relevant for the LEADER programme are the last, so called **other measures for rural development**. These measures are aimed at:

- Improving the management of local self-government units and improving local economic development;
- Development of tourism in rural areas;
- Encouraging micro-business and entrepreneurship; and,
- Support to non-profitable and non-governmental organization that work on development of rural areas

The local self-government units can implement measures for rural development that have to be in accordance to the Government acts. The financing for these measures is provided from the local self-government unit's budget and other sources determined with in the law⁴⁴. This gives the municipalities an opportunity to participate in financing and implementing of the activities related to their economic development.

The LAG's activities are financed by the EU funds for LEADER program and by other sources. Once established, the LAG can have many positive effects in the development of the municipality. More specifically, with the LAG the municipalities gain an additional institutional and professionally established instrument for implementation of rural development policy on local level. The LAG activities can be easily seen as part of the above **other measures for rural development**. These

⁴² Law on Agriculture and Rural Development, Art.12

⁴³ Law on Agriculture and Rural Development, art.26

⁴⁴ Law on Agriculture and Rural Development, art.30

activities can be financed by the LEADER program and by the municipalities' budget as well.

1. The municipalities as carriers of the initiative for implementation of LEADER

The authority of the municipalities as carriers of the initiative for implementation of LEADER is not legally contradictory to the authorities of the Government and the Ministry of Agriculture, Forestry and Water Economy. Furthermore, in the Macedonian legal system there is a complete adjustment of the objectives of agricultural policy and the policy of rural development of the Ministry of Agriculture with the objectives and the policy of rural development of the municipalities from one side and the EU strategy for rural development on the other side. The **Law on local self-government** is regulating the cooperation between municipalities and the Government and the cooperation between the municipalities themselves for which it anticipates forming mutual administrative bodies.

The above Law says that in the performance of their competencies the municipalities may cooperate among themselves. For the purpose of accomplishing common interests and performing common tasks they may join funds and establish shared public agencies, in accordance with law. In order to perform certain competencies, the municipalities may also establish shared administrative bodies in certain areas. They may cooperate with units of local self-government of other states, as well as international organizations of local communities, and may be members of international organizations of local governments as well.

Municipalities, within the legal framework, and in accordance with the principle of *subsidiarity*, shall have the right to perform activities of local importance in their territory that are not outside their competency or are not under the competency of the organs of the state administration⁴⁵.

The municipalities can perform the following activities:

Urban and rural planning, protection of the environment, nature and space regulation, local economic development, communal activities, culture, sport and recreation, social welfare and child protection, education, healthcare, execution of preparation and undertaking of activities for protection and rescuing of citizens and goods at their territory against war destructions, natural and other disasters as well as against the consequences caused by them in the state of war, fire-fighting activities, supervision over the performance of activities from under municipal competency, and other activities determined by the Law⁴⁶.

The municipality may delegate the performance of certain activities of public interest to other legal or physical entities, on the basis of **an agreement**⁴⁷ for the performance of activities of public interest, according to law. This competence is of particular importance and it provides solid ground for further decentralisation of its competencies and secures legal framework for establishment of the LAGs in future. This competence can guarantee and promote the future LAGs as responsible for

⁴⁵ Law on Local Self-Government, Art.20

⁴⁶ Law on Local Self-Government, Art.22

⁴⁷ Law on Local Self-Government, Art.24

rural development activities at local (regional) level and designers and implementers of rural development strategies, plans and activities.

The Law on local self-government is regulating the **complete cooperation between the Government and the municipalities**⁴⁸ determining that:

The municipalities shall be consulted on time and adequately in the procedure of planning and decision-making on issues, which refer to them. This would be regulated in separate law. For coordination during the planning, programming and implementation of the policies in particular spheres or group of spheres, the Government may sign **agreements for cooperation** with one or more municipalities in the spheres or sectors of mutual interest.

The Government shall cooperate with the municipalities on the issues that are of their interest, such as:

- the laws that refer to the municipalities;
- the amount of general subsidy that shall be allocated to the municipalities during a current calendar year; and,
- the sources of financing of competencies.

For the cooperation regarding these issues, a report shall be prepared which shall include issues that consent is reached for and issues for which there is no consent.

The Association of the Local Self-Government Units (ZELS) shall cooperate with the Government as well on issues that are important for the municipalities in RM. This Law regulates the cooperation between ZELS and the Government and its cooperation with similar organizations in other countries.

This Law also says that the mayor may delegate the performance of certain activities of direct interest and everyday importance for the life and work of the inhabitants to the president of the council of the urban i.e. neighborhood community, in a way determined by the statute of the municipality⁴⁹.

2. Balanced regional development policy

With the **Law on Balanced Regional Development** the Government introduces a third level in creation of the rural development policy which can be clearly seen in the specification of the rural development policy objectives⁵⁰.

Stakeholders of the policy for stimulation of balanced regional development are⁵¹:

- Government of the Republic of Macedonia;
- Council for balanced regional development of the Republic of Macedonia;
- Ministry of Local Self-Government; and,
- Council for development of the planning region.

⁴⁸ Law on Local Self-government, Chapter 11

⁴⁹ Law on Local Self-Government, Art.86

⁵⁰ Law on Balanced Regional Development, Art.3

⁵¹ Law on Balanced Regional Development, Art.15

The Bureau for regional development and the Centers for development of planning regions also take part in the regional development planning and implementation of regional development planning documents.

Council for balanced regional development⁵² ensures harmonization of the policy for stimulation of balanced regional development with policies of different sectors and the macro-economic policy of the Republic of Macedonia; drafts the Proposal-Strategy for regional development and does other activities defined by the Law. Members of the Council for balanced regional development are among others the Minister of Agriculture and the President of ZELS. The Ministry of Local Self-Government provides the expert and administrative and technical support of the work of the Council.

Ministry of Local Self-Government⁵³ is authorized to carry out the policy for stimulation of balanced regional development.

A Council for development of the planning region⁵⁴ is established for each planning region. The planning regions are established by the Act of the Government of the Republic of Macedonia for regulating the nomenclature for territorial units for statistical purposes (NUTS). Members of the Council for development of the planning region are the Mayors of the units of local self-government which are part of the planning region. One of the responsibilities of this Council is drafting of an annual list of project proposals for development of the planning region and ensuring coordination of the activities of the units of local self-government, civic associations, state agencies and institutions within the region which work in the field of regional development. It also initiates reviews of issues related to regional development which require coordination between the units of local self-government and partners from the private and civic sector.

The Bureau for regional development⁵⁵ is a body within the Ministry of Local Self-Government, with the status of a legal entity. The Director of the Bureau is appointed and dismissed by the Government of the Republic of Macedonia.

The Bureau for regional development prepares the analytical and administrative basis for the drafting of the strategic and operative planning documents for regional development and performs other activities determined by the Law.

The Center for development of the planning region⁵⁶ is established for the purposes of carrying out professional tasks relevant for the development of the planning region. Each planning region has its own Center for development of the planning region. Its work is funded by budgets of the local self-government units that are part of that planning region. The regional development is funded by the country's budget, budgets of the local self-government units, EU funds, from other international sources, donations and sponsorships from physical persons and legal entities and other funds stipulated by the Law.

⁵² Law on Balanced Regional Development, Art.16

⁵³ Law on Balanced Regional Development, Art.18

⁵⁴ Law on Balanced Regional Development, Art.19

⁵⁵ Law on Balanced Regional Development, Art.22

⁵⁶ Law on Balanced Regional Development, Art.24

The allocation of funds for the balanced regional development⁵⁷ is done in the following manner:

- 70% for financing projects for development of the planning regions;
- 20% for financing projects for development of areas with specific development needs; and,
- 10% for financing projects for development of villages.

From the perspective of LEADER, the cooperation can be established between the LAGs and the Centers for development of the planning region and the municipalities for preparation and implementation of the projects that are important for the region. In preparation of their strategies the LAGs should take into account the Ministry for Local Self-Government policy for stimulation of the balanced regional development.

The project proposals that need financing in the following year are prepared by the Center for development of the planning region which delivers them latest by December 15th of the current year to the Bureau for Regional Development⁵⁸.

For the purposes of granting the funds for financing projects for development of areas with specific development needs, the Bureau for Regional Development publishes a public invitation for gathering project proposals. The right to submit project proposals will have the units of local self-government with identified areas with specific development needs on their territories⁵⁹.

For the purposes of granting the funds for financing projects for development of villages, the Bureau for Regional Development publishes a public invitation for gathering project proposals. The right to submit project proposals will have the units of local self-government which belong to the planning region⁶⁰.

The submitted project proposals for development of planning regions, areas with specific development needs and villages are reviewed and evaluated by the Committee for evaluation of project proposals⁶¹. This Committee is established by the Minister of Local Self-Government. Following the evaluation of the projects, the Committee prepares a proposal list for financing of the projects. The Council for balanced regional development, on the basis of the proposal lists, drafts a proposal for financing specific projects for development of planning regions, areas with specific development needs and villages⁶². The Government of the Republic of Macedonia on the basis of the Council's proposal adopts a decision for granting funds for financing of the projects.

On the basis of this decision for granting funds, the Bureau for Regional Development concludes agreements for implementation of the projects with the Centers for development of the planning regions in cooperation with the relevant municipalities. The Agreements for implementation of projects for development of areas with specific development needs and development of villages are concluded with the municipalities which are the implementers of the projects⁶³.

⁵⁷ Law on Balanced Regional Development, Art.29

⁵⁸ Law on Balanced Regional Development, Art.34

⁵⁹ Law on Balanced Regional Development, Art.35

⁶⁰ Law on Balanced Regional Development, Art.36

⁶¹ Law on Balanced Regional Development, art.38

⁶² Law on Balanced Regional Development, art.41

⁶³ Law on Balanced Regional Development, Art.43

The project proposals for development of the planning regions and the project proposals for development of the regions with specific development needs should arise from the defined priorities within the Program for development of the planning region that is prepared by the Center for development of the planning region.

In accordance to the Law on balanced regional development there is a potential opportunity for cooperation between the Centers in the particular planning region and the LAGs formed in those regions. The LAG could implement projects that should be in accordance to the regional development policy which opens a possibility for using an EU funds from LEADER program and funds from the country's budget as well.

C. Conclusions:

1. Better communication between MAFWE and other relevant institutions and authorities at national level is needed in order to secure more effective implementation of rural development measures. The Inter Institutional Coordination Body, managed by MAFWE has to be given authority to play a more proactive role in this process and to involve other interested parties in its work.
2. A National Network for Rural Development has to be created and supported by governmental instruments in order to secure interface between national and local authorities and entities on horizontal and vertical level.
3. Axis 2 (Agro - Environment) and Axis 4 (The LEADER) have to be integrated within the National Strategy for Rural Development in order to fully implement the directions and guidelines of the EU CAP. This would allow other authorities, institutions and entities to contribute in the process of development of Macedonian rural areas.
4. A national LEADER programme has to be started in order to develop capacities of local rural communities and prepare them for implementation of the EU LEADER approach when Macedonia becomes a Member State

LAG's activities could be easily considered as part of *the other measures for rural development* anticipated by the Government, for which the funding could be provided from the municipality budget (apart from LEADER).
5. The authority of municipalities as carriers of the initiative for LEADER implementation is not in legal contradiction with the authority of the Government and the Ministry of Agriculture, Forestry and Water Economy.
6. Law on Local Self-Government regulates the modes of cooperation between the municipalities and the Government and between the municipalities themselves. Forming of mutual administrative bodies is anticipated for that purpose.
7. Municipalities can delegate the implementation of activities of public interest of local importance to other legal entities and physical persons and can conclude an agreement with them for implementation of activities of public interest in accordance with the Law.
8. The LAG could implement projects that should be in accordance to the regional development policy which opens a possibility for using an EU funds from LEADER program and funds from the country's budget at the same time.

D. Recommendations:

1. Full integration of all four EU CAP axes with the national Strategy and other related documents remain as responsibility of the country in the process of approximation of Macedonian legal framework and development of institutions and instruments in compliance with those of the EU. This process will take place in near future and as it becomes a reality, it is projected that new partnerships will be created and the role of other, “non agricultural” institutions and entities will become bigger.
2. The partnership between the public and the private sector (LEADER’s 3rd characteristic) assumes participation of the municipalities in the so called Local Action Groups (LAGs).
The LAG’s task is to coordinate the development of local rural areas. More precisely, its role is to identify, design and implement strategies for local development, to carry out decisions for distribution of the financial resources and their management, etc. That means that the LAG decides on the strategy of local rural development and its content and which projects should be financed.
3. The LAG’s strategy has to be in accordance to the rural development strategy implemented by the Government through the Ministry of Agriculture and with the regional strategies and programs for rural development and the activities of municipality (ies) on which territory the respective LAG is to be established. These strategies for rural development have to be in compliance with the Local strategies for sustainable development and the strategies for development of the eight statistical regions in order to secure strategic overall coordination of the balanced development of the state, starting from local level and moving to the regional and national level. Therefore coordinated approach on horizontal and vertical level has to be undertaken and when it comes to rural development and development of rural micro regions, the Ministry of Agriculture has the ultimate responsibility. As the main player and with the regulations and instruments, it has to involve the rest of the key factors from central, regional and local level in all of the stages of preparation and implementation of the National Strategy for Rural development. Special attention to these processes has to be given in the preparation period for initiating and implementing the National LEADER as methodology and mechanism. This is important since LEADER requires integrated approach where different stakeholders have to be involved in the processes of decision making and implementation of the decisions by utilizing bottom up approach. And last, but not the least, the principle of subsidiarity has to be implemented on all levels during implementation of National and Local Strategies.
4. MAFWE has to communicate all the aspects, measures and benefits of the Rural Development policy with different groups of beneficiaries and for that purpose each beneficiary group should be communicated in the most appropriate way by using adequate tools which will be able to explain the potential benefits for each group. For that purposes, establishment of Rural Development Network at national level is of primary interest. This network will represent the interest of all three sectors of the society: public, private and civil. Additionally, at local level, MAFWE should agree with municipalities to use their tools for services provision and information dissemination such as: Municipal Service Centres and other Information centres in order to

communicate with local population and interact in the processes of creation and implementation of the national and local strategies and plans. Finally, MAFWE should utilize its branch offices and the regional and local offices of NEA in the communication process with the beneficiaries. Utilization of these options will be cost effective in one hand this and in the other hand it would secure better communication with the ultimate beneficiaries – local population and entities from rural communities.

5. Development of consultation mechanisms in Republic of Macedonia for rural development must be supported by MAFWE and the National Government. This can be seen as:
 - a. A model of synergies' creation. The EU approach might be used taking into consideration EU rural development principles already incorporated in rural development strategic documents of the country. In practice that would mean "top to bottom" and "bottom to top" or "bottom up" (LEADER) approaches to meet on half way. This means already created strategic goal on national level to be incorporated into local strategic documents and additionally widened with local interests and goals. Financing goals with national character from the national budget through allocating finances from the central budget and local goals by local authorities' budgets⁶⁴ would be a way for meeting provisions in Law on agriculture and rural development and EU principles for cooperation on EU and national level.
 - b. Additionally the process of creation of rural development measures on national level should be consultative process in which central, local governments, local communities and all interested in rural development parties will participate. This can be a path to creation of synergies as well;
 - c. The Minister of the Ministry for agriculture, forestry and water economy in accordance to article 26, section 2 of the Law on agriculture and rural development is authorised to prepared by-law in which manner and procedure for implementation of measures in rural development will be defined. Having in mind the authorisation of the Ministry to prepare and monitor implementation of the policy for rural development and opportunity of the municipalities given in Art.30 from the same law to develop additional measures for rural development on local level and to monitor them, the later mentioned by-law can be a tool for establishing principles and simple procedures for coordinated implementation of the measures for rural development on all levels. The better if the by – law itself is a product of coordinated and based on consultation process among the Minister (Ministry) and Municipalities (ZELS);
 - d. Creation of synergy through establishing of a good cooperation between these institutions would be one of the important tools for successful implementation of the EU programs for rural development and more specifically the LEADER programme. Basic rules for cooperation of central and local governments are in general regulated within Law on local self government. They includes continuous cooperation, consultations through joint meetings, participation of municipal and ZELS

⁶⁴ Rural development measures in rural development , Art 30, Law on agriculture and rural development

representatives in working groups for preparation of laws related to local self governments etc. Those basic principles need to be introduced more closely to the rural development stakeholders both by the Ministry (MAFWE) and local governments. Without any further delay, basic concept of consultations must be introduced and further developed in context of the rural development by its stakeholders and interested parties;

- e. The Law on Balanced Regional Development in its Art.6 provides bases for planning specific measures in the context of the balanced regional development in rural areas as areas with specific development needs. These areas not necessarily fit into boundaries of only one municipality. They might overlap with territory of several municipalities or several planning regions. Also might be included national interest for the development of that specific area. These complicated and overlapping needs puts forwards once more the need for cooperation and consultations. Planning of the rural areas as areas with specific planning needs must be coordinated and must fit the overall strategic goals and documents. Opposite when the overall strategic goals and documents are prepared, areas with specific planning needs need to be considered with special attention;

Annex 1 - Regulation for Criteria for Definition of Rural Areas in the Republic of Macedonia

ТЕРИТОРИЈАЛНА РАСПРЕДЕЛБА НА УРБАНИ И РУРАЛНИ ПОДРАЧЈА ВО РЕПУБЛИКА МАКЕДОНИЈА СПОРЕД NUTS III И ПО ОПШТИНИ

Изработено за потреби на Министерство за земјоделство, шумарство и водостопанство, а во рамки на Проектот за поддршка на МЗШВ, финансиран од Шведската агенција за меѓународен развој - СИДА

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1. ВОВЕД

За потребите на изработка на Национален план за рурален развој за период 2007-2010 година (ИПАРД план) извршена е распределба на општините во Република Македонија според тоа дали припаѓаат на рурални или урбани средини. Исто така направена е класификација и по статистички региони според НУТС III, на 8 статистички единици односно статистички региони. Исто така материјалот треба да послужи за идна расправа за употреба на податоците за реализација на политиката на рурален развој, како и список на потребни идни анализи.

2. МЕТОДОЛОГИЈА

Поделбата на општините (84) во република Македонија на урбани и рурални, направена е врз база на методологија на OECD и тоа според критериумот густина на население. Според ова методологија општини кои имаат над 150 жители на км² припаѓаат на урбани општини, а општини со густина под 150 жители на км² на рурални општини.

На ниво на региони поделбата е направена според процентот на жители што живеат во урбани односно рурални општини и тоа:

Критериум:	Тип на регион
• повеќе од 50% жители во рурални општини од реден регион	Доминантно рурален регион
• од 15% до 50% жители во рурални општини од еден регион	Значајно рурален регион

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- помалку од 15% жители во рурални општини од еден регион

Доминантно урбан регион

Исто така направени се анализи на ниво на населени места (1926 населени места и села). Резултатите од овие анализи не се прикажани во овој извештај, но можат по потреба да послужат на МЗШВ при донесување на одлуки за критериуми за изведување на мерките .

3.АНАЛИЗА ПО ОПШТИНИ

Според Сл.Весник на РМ бр.55/04, територијата на Република Македонија е поделена на 84 општини. Користејќи ја методологијата на ОЕЦД состојбата со урбани општини е дадена во табела број 1.

Таб. 1 Урбани општини во Република Македонија

рб	Регион	Општина	Жители	Км2	жит/км2	Тип
1	Скопски	Чаир	64.773	3,52	18401,4	урбано
2	Скопски	Центар	45.412	7,52	6038,8	урбано
3	Скопски	Аеродром	72.009	21,85	3295,6	урбано
4	Скопски	Шуто Оризари	22.017	7,48	2943,4	урбано
5	Скопски	Карпош	59.666	35,21	1694,6	урбано
6	Скопски	Кисела Вода	57.236	34,24	1671,6	урбано
7	Скопски	Бутел	36.154	54,79	659,9	урбано
8	Скопски	Гази Баба	72.617	110,86	655,0	урбано
9	Скопски	Горче Петров	41.634	66,93	622,1	урбано
10	Југозападен	Кичево	30.138	49,14	613,3	урбано
11	Скопски	Арачиново	11.597	31,3	370,5	урбано
12	Полошки	Тетово	86.580	261,89	330,6	урбано
13	Североисточен	Куманово	105.484	509,48	207,0	урбано
14	Полошки	Боговиње	28.997	141,65	204,7	урбано
15	Југоисточен	Струмица	54.676	321,49	170,1	урбано
16	Полошки	Теарце	22.454	136,54	164,4	урбано
17	Скопски	Илинден	15.894	97,02	163,8	урбано

18	Полошки	Врапчиште	25.399	157,98	160,8	урбано
19	Полошки	Гостивар	81.042	513,39	157,9	урбано
20	Скопски	Сарај	35.408	229,06	154,6	урбано
Вкупно урбани општини			969.187	2791,34	347,2	

Од вкупно 84 општини во РМ, 20 општини (со вкупно 253 села) имаат карактер на урбани општини. Во нив живеат 969.187 жители што претставува 48% од вкупното население. По површина урбаните општини зафаќаат 2.791 км², што претставува 11% од вкупната површина на Република Македонија. Просечна густина на урбаните општини изнесува 347,2 жит/ км².

Во табела број 2 даден е список на рурални општини во РМ. Рурални општини има 64 а во нив живеат 1.053.360 жители што претставува 52% од вкупното население. Руралните општини зафаќаат површина од 22.086 км² што претставува 89% од вкупната територија на РМ. Просечната густина на руралните општини изнесува 47,7 жит/ км².

Таб. 2 Рурални општини во Република Македонија

рб	Регион	Општина	Жители	Км2	жит/км2	Тип
1	Југозападен	Охрид	55.749	389,93	143,0	рурално
2	Југозападен	Дебар	19.542	145,67	134,2	рурално
3	Југозападен	Струга	63.376	483	131,2	рурално
4	Вардарски	Велес	55.108	427,45	128,9	рурално
5	Полошки	Желино	24.390	201,04	121,3	рурално
6	Пелагониски	Битола	95.385	787,95	121,1	рурално
7	Југозападен	Вевчани	2.433	22,8	106,7	рурално
8	Источен	Кочани	38.092	360,36	105,7	рурално
9	Североисточен	Липково	27.058	267,82	101,0	рурално
10	Полошки	Брвеница	15.855	164,3	96,5	рурално
11	Југоисточен	Босилово	14.260	161,99	88,0	рурално
12	Југозападен	Осломеј	10.420	121,09	86,1	рурално
13	Југозападен	Пласница	4.545	54,44	83,5	рурално
14	Источен	Штип	47.796	583,24	81,9	рурално

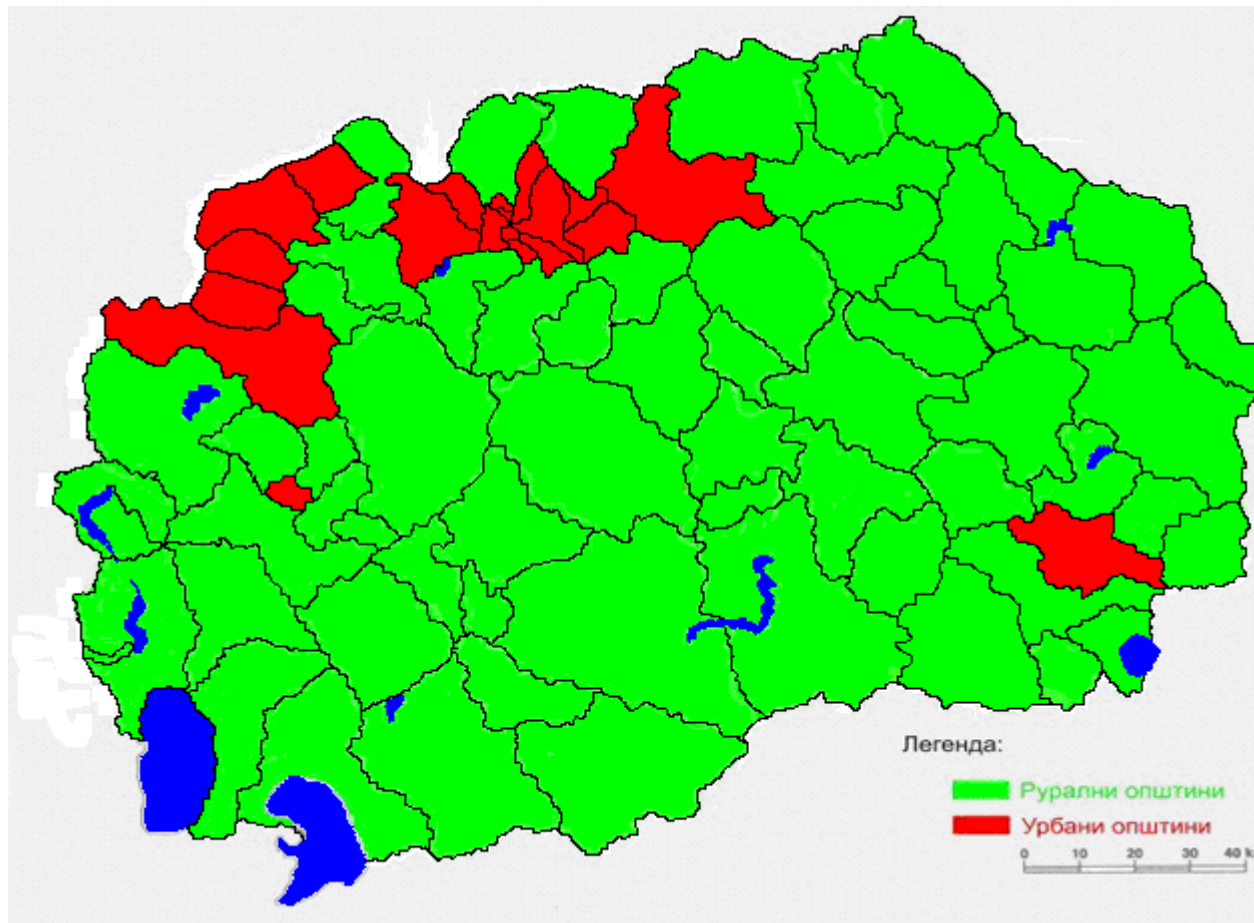
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15	Југоисточен	Богданци	8.707	114,54	76,0	рурално
16	Југозападен	Зајас	11.605	161,08	72,0	рурално
17	Пелагониски	Кривогаштани	6.150	93,57	65,7	рурално
18	Пелагониски	Прилеп	76.768	1194,44	64,3	рурално
19	Скопски	Студеничани	17.246	276,16	62,4	рурално
20	Полошки	Јегуновце	10.790	176,93	61,0	рурално
21	Југозападен	Центар Жупа	6.519	107,21	60,8	рурално
22	Источен	Зрновци	3.264	55,82	58,5	рурално
23	Југоисточен	Радовиш	28.244	497,48	56,8	рурално
24	Источен	Чешиново	7.490	132,2	56,7	рурално
25	Југоисточен	Василево	12.122	230,4	52,6	рурално
26	Пелагониски	Крушево	9.684	190,68	50,8	рурално
27	Источен	Пробиштип	16.193	325,57	49,7	рурално
28	Југоисточен	Ново Село	11.567	237,83	48,6	рурално
29	Југоисточен	Гевгелија	22.988	483,43	47,6	рурално
30	Источен	Виница	19.938	432,67	46,1	рурално
31	Вардарски	Неготино	19.212	426,46	45,0	рурално
32	Североисточен	Крива Паланка	20.820	480,81	43,3	рурално
33	Источен	Макед. Каменица	8.110	190,37	42,6	рурално
34	Источен	Делчево	17.505	422,39	41,4	рурално
35	Скопски	Петровец	8.255	201,93	40,9	рурално
36	Вардарски	Кавадарци	38.741	992,44	39,0	рурално
37	Источен	Свети Николе	18.497	482,89	38,3	рурално
38	Југоисточен	Валандово	11.890	331,4	35,9	рурално
39	Скопски	Чучер Сандево	8.493	240,78	35,3	рурално
40	Пелагониски	Долнени	13.568	412,43	32,9	рурално
41	Вардарски	Росоман	4.141	132,9	31,2	рурално
42	Пелагониски	Ресен	16.825	550,77	30,5	рурално

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43	Североисточен	Кратово	10.441	375,44	27,8	рурално
44	Југоисточен	Дојран	3.426	129,16	26,5	рурално
45	Источен	Пехчево	5.517	208,2	26,5	рурално
46	Пелагониски	Могила	6.710	255,62	26,2	рурално
47	Скопски	Сопиште	5.656	222,1	25,5	рурално
48	Источен	Берово	13.941	598,07	23,3	рурално
49	Скопски	Зелениково	4.077	176,95	23,0	рурално
50	Пелагониски	Демир Хисар	9.497	480,13	19,8	рурално
51	Источен	Карбинци	4.012	229,7	17,5	рурално
52	Североисточен	Ранковце	4.144	240,71	17,2	рурално
53	Источен	Лозово	2.858	166,32	17,2	рурално
54	Вардарски	Градско	3.760	236,19	15,9	рурално
55	Југоисточен	Конче	3.536	233,05	15,2	рурално
56	Вардарски	Демир Капија	4.545	311,06	14,6	рурално
57	Полошки	Мавр.-Ростуше	8.618	663,19	13,0	рурално
58	Југозападен	Дебарца	5.507	425,39	12,9	рурално
59	Југозападен	Вранештица	1.322	109,13	12,1	рурално
60	Североисточен	Ст. Нагоричане	4.840	433,41	11,2	рурално
61	Вардарски	Чашка	7.673	819,45	9,4	рурално
62	Југозападен	Другово	3.249	383,24	8,5	рурално
63	Југозападен	Макед.Брод	7.141	888,97	8,0	рурално
64	Пелагониски	Новаци	3.549	753,53	4,7	рурално
Вкупно рурални општини			1.053.360	22.085,67	47,7	



Карта бр. 1 РУРАЛНИ И УРБАНИ ОПШТИНИ ВО РЕПУБЛИКА МАКЕДОНИЈА

4.АНАЛИЗА ПО РЕГИОНИ NUTS III

Според NUTS III територијата на Република Македонија е поделена на 8 единици односно статистички региони и тоа:

Таб. 3 Статистички региони во Република Македонија

р.б.	Статистички региони	Население	Површина км2	жит./км2
1	Скопски	578.144	1.818	318,0
2	Полошки	304.125	2.479	122,7
3	Пелагониски	238.136	4.719	50,5
4	Југозападен	221.546	3.280	67,5
5	Источен	203.213	4.188	48,5
6	Североисточен	172.787	2.306	74,9
7	Југоисточен	171.416	2.741	62,5
8	Вардарски	133.180	3.346	39,8
	Вкупно Р.М.	2.022.547	24.877	81,3

Користејќи ја методологијата на ОЕЦД за определување на рурални и урбани региони состојбата во Република Македонија е следна:

1. Скопски регион**Таб.4 Урбани и рурални општини во Скопски регион**

р.б.	Општина	Жители	Површ.км2	жит/км2	
1	Чаир	64.773	3,52	18401	Урбано
2	Центар	45.412	7,52	6039	Урбано
3	Аеродром	72.009	21,85	3296	Урбано
4	Шуто Оризари	22.017	7,48	2943	Урбано
5	Карпош	59.666	35,21	1695	Урбано

6	Кисела Вода	57.236	34,24	1672	Урбано
7	Бутел	36.154	54,79	660	Урбано
8	Гази Баба	72.617	110,86	655	Урбано
9	Горче Петров	41.634	66,93	622	Урбано
10	Арачиново	11.597	31,3	371	Урбано
11	Илинден	15.894	97,02	164	Урбано
12	Сарај	35.408	229,06	155	Урбано
13	Студеничани	17.246	276,16	62	Рурално
14	Петровец	8.255	201,93	41	Рурално
14	Чучер Сандево	8.493	240,78	35	Рурално
16	Сопиште	5.656	222,1	25	Рурално
17	Зелениково	4.077	176,95	23	Рурално
ВКУПНО		578.144	1.818	318.0	

Скопскиот регион има 17 единици (општини според најновата територијална поделба на Република Македонија, Сл.Весник на РМ бр.55/04). 12 општини имаат карактер на урбани, а 5 рурални општини. Вкупно во овој реон има 578.144 жители, од кои 534.417 или 92,4% живеат во урбани средини, а 43.727 или 7,6% жители живеат во рурални средини. Скопскиот регион според методологија на ОЕЦД е **доминантно урбана средина**.

2. Полошки регион

Таб.5 Урбани и рурални општини во Полошки регион

р.б.	Општина	Жители	Површ.км2	жит/км2	
1	Тетово	86.580	261,89	331	Урбано
2	Боговиње	28.997	141,65	205	Урбано
3	Теарце	22.454	136,54	164	Урбано
4	Врапчиште	25.399	157,98	161	Урбано
5	Гостивар	81.042	513,39	158	Урбано
6	Желино	24.390	201,04	121	Рурално

7	Брвеница	15.855	164,3	97	Рурално
8	Јегуновце	10.790	176,93	61	Рурално
9	Маврово-Ростуше	8.618	663,19	13	Рурално
ВКУПНО		304.125	2.479	122.7	

Полошкиот регион има 9 општини од кои 5 општини се урбани и 4 општини рурални. Во овој регион живеат 304.125 жители. Во урбани општини живеат 244.472 жители или 80,4%, а во рурални општини живеат 59.653 жители или 19,6%. Овој регион има карактер на **значајно рурална средина**.

3. Пелагониски регион

Таб.6 Урбани и рурални општини во Пелагониски регион

р.б.	Општина	Жители	Површ.км2	жит/км2	
1	Битола	95.385	787,95	121	Рурално
2	Кривогаштани	6.150	93,57	66	Рурално
3	Прилеп	76.768	1194,44	64	Рурално
4	Крушево	9.684	190,68	51	Рурално
5	Долнени	13.568	412,43	33	Рурално
6	Ресен	16.825	550,77	31	Рурално
7	Могила	6.710	255,62	26	Рурално
8	Демир Хисар	9.497	480,13	20	Рурално
9	Новаци	3.549	753,53	5	Рурално
ВКУПНО		238.136	4.719	50.5	

Во пелагониски регион има 9 општини и сите се рурални. Во него живеат 238.136 жители сите (100%) во рурални општини. Пелагонискиот регион е **доминантно рурален**.

4. Југозападен регион**Таб.7 Урбани и рурални општини во Југозападен регион**

р.б.	Општина	Жители	Површ.км2	жит/км2	
1	Кичево	30.138	49,14	613	Урбано
2	Охрид	55.749	389,93	143	Рурално
3	Дебар	19.542	145,67	134	Рурално
4	Струга	63.376	483	131	Рурално
5	Вевчани	2.433	22,8	107	Рурално
6	Осломеј	10.420	121,09	86	Рурално
7	Пласница	4.545	54,44	83	Рурално
8	Зајас	11.605	161,08	72	Рурално
9	Центар Жупа	6.519	107,21	61	Рурално
10	Дебарца	5.507	425,39	13	Рурално
11	Вранештица	1.322	109,13	12	Рурално
12	Другово	3.249	383,24	8	Рурално
13	Макед.Брод	7.141	888,97	8	Рурално
	ВКУПНО	221.546	3.280	67.5	

Во југозападен регион од вкупно 13 општини, 12 општини се рурални а една општина е урбана. Има вкупно население од 221.546 жители од кои во урбани општини 30.138 или 13,6%, а во рурални општини 191.408 жители или 86,4%. Овој регион има карактер на **доминантно рурална средина**.

5. Источен регион**Таб.8 Урбани и рурални општини во Источен регион**

р.б.	Општина	Жители	Површ.км2	жит/км2	
1	Кочани	38.092	360,36	106	рурално
2	Штип	47.796	583,24	82	рурално
3	Зрновци	3.264	55,82	58	рурално

4	Чешиново	7.490	132,2	57	рурално
5	Пробиштип	16.193	325,57	50	рурално
6	Виница	19.938	432,67	46	рурално
7	Макед. Каменица	8.110	190,37	43	рурално
8	Делчево	17.505	422,39	41	рурално
9	Свети Николе	18.497	482,89	38	рурално
10	Пехчево	5.517	208,2	26	рурално
11	Берово	13.941	598,07	23	рурално
12	Карбинци	4.012	229,7	17	рурално
13	Лозово	2.858	166,32	17	рурално
ВКУПНО		203.213	4.188	48.5	

Во источен регион има 13 општини и сите 13 се рурални. Целото население од 203.213 жители живее во рурални општини. Овој реон има карактер на **доминантно рурален**.

6. Североисточен регион

Таб.9 Урбани и рурални општини во Североисточен регион

р.б.	Општина	Жители	Површ.км2	жит/км2	
1	Куманово	105.484	509,48	207	урбано
2	Липково	27.058	267,82	101	рурално
3	Крива Паланка	20.820	480,81	43	рурално
4	Кратово	10.441	375,44	28	рурално
5	Ранковце	4.144	240,71	17	рурално
6	Старо Нагоричане	4.840	433,41	11	Рурално
ВКУПНО		172.787	2.306	74.9	

Во североисточен регион од вкупно 6 општини, 5 општини се рурални а една општина е урбана. Во овој регион живеат вкупно 172.787 жители, од кои во урбани општини 105.484 жители или 61%, а во рурални општини 67.303 жители или 39%. Овој регион има карактер на **значајно рурална средина**.

7. Југоисточен регион**Таб.10 Урбани и рурални општини во Југоисточен регион**

р.б.	Општина	Жители	Површ.км2	жит/км2	
1	Струмица	54.676	321,49	170	урбано
2	Босилово	14.260	161,99	88	рурално
3	Богданци	8.707	114,54	76	рурално
4	Радовиш	28.244	497,48	57	рурално
5	Василево	12.122	230,4	53	рурално
6	Ново Село	11.567	237,83	49	рурално
7	Гевгелија	22.988	483,43	48	рурално
8	Валандово	11.890	331,4	36	рурално
9	Дојран	3.426	129,16	27	рурално
10	Конче	3.536	233,05	15	рурално
ВКУПНО		171.416	2.741	62.5	

Во југоисточен регион од вкупно 10 општини, 9 општини се рурални а една општина е урбана. Од вкупно 171.416 жители, 31,9% или 54.676 жители има во урбани општини, а 116.740 или 68,1% живеат во рурални општини. Овој регион има карактер на **доминантно рурална средина**.

8. Вардарски регион**Таб.11 Урбани и рурални општини во Полошки регион**

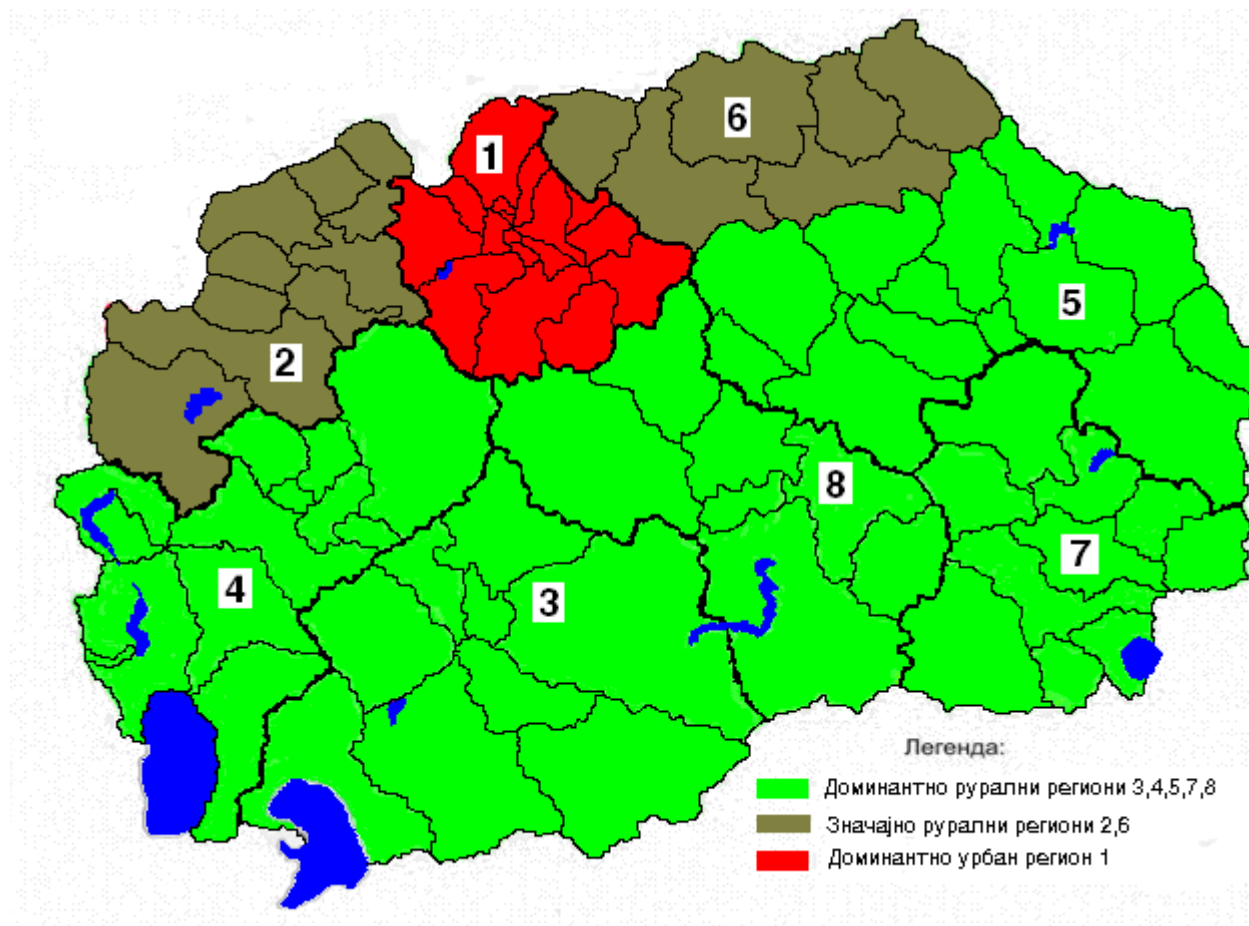
р.б.	Општина	Жители	Површ.км2	жит/км2	
1	Велес	55.108	427,45	129	рурално
2	Неготино	19.212	426,46	45	рурално
3	Кавадарци	38.741	992,44	39	рурално
4	Росоман	4.141	132,9	31	рурално

5	Градско	3.760	236,19	16	рурално
6	Демир Капија	4.545	311,06	15	рурално
7	Чашка	7.673	819,45	9	рурално
ВКУПНО		133.180	3.346	39.8	

Во источен регион има 13 општини и сите 13 се рурални а реонот е **доминантно рурален**.

Таб. 12 Процент на урбано и рурално население по статистички региони во Република Македонија

Статистички региони	Вкупно население	% на урбано население	% на рурално население	Тип на Регион
Скопски	100,0	92,4	7,6	Доминантно урбан
Полошки	100,0	80,4	19,6	Значајно рурален
Пелагониски	100,0	0,0	100,0	Значајно рурале
Југозападен	100,0	13,6	86,4	Доминантно рурален
Источен	100,0	0,0	100,0	Доминантно рурален
Североисточен	100,0	61,0	39,0	Доминантно рурален
Југоисточен	100,0	31,9	68,1	Доминантно рурален
Вардарски	100,0	0,0	100,0	Доминантно рурален
Вкупно РМ	100,0	47,9	52,1	



Карта бр. 2 ТИПОВИ НА СТАТИСТИЧКИ РЕГИОНИ ВО РЕПУБЛИКА МАКЕДОНИЈА

5.ЗАКЛУЧОЦИ И ПРЕПОРАКИ

Со извршената анализа добиена е класификација на региони која во целост одговара на ОЕЦД критериумите и може да се употреби за потреби на планирањена политиката на рурален развој и тоа со цел за прикажување на состојбата. Препорачуваме да резултатите се внесат во планот за рурален развој.

Употребата на овие податоци за дефинирање на мерки на политиката е помалку поволна. Критериумот е многу груб и никако не би смеело да се употреби, во смисла овие региони може да добиваат подршка, а други региони не. Што е можно, а и препорачливо е да сите физички и правни лица од територијата на Република Македонија да имаат можност да учествуваат на тендерите, а оние коишто се во најнеповолни услови да имаат дополнителни бенефиции.

Препорачуваме и да се пристапи кон класификација на Less Favoured areas по критериуми на Европска Унија. Поради недостаток на релевантни податоци, комбинирање на разни системи на бази на податоци, изработка на карти и слично, најдобро би било да се вклучат странски експерти во комбинација со експерти од Факултетот за земјоделски науки и храна во Скопје.

Annex 2 – Common Agricultural Policy (CAP) – an evolution

The European Union was created in order to achieve economic welfare for countries of Europe. Through its development, since the early fifties of the last century, various changes have taken place. Common to all of them is the supranational character of the Union on specific competences dedicated to the Union. The Common Agricultural Policy of EU (CAP) is the oldest and for a long time, the only common European policy with an exclusive Community Competence.

The aim of the CAP when created was to support production of food in the years of food insufficiency in Europe after the 2nd World War. The measures were directed towards improvement of agriculture, its modernization or moreover its industrialization. It focused on subsidising production of basic foodstuffs in the interests of self-sufficiency and food security. These measures resulted after some years of implementation in overproduction of food. Therefore, the EU decided instead of financial support on products to make changes and to switch towards direct support to the farmers in order that the negative influences of increased agricultural production could be overcome.

This was made in order European market to be kept stable, to avoid overproduction of particular products and to identify paths to overcome poverty in the rural population. As result of the development the industrialized agriculture and highly developed large agricultural holdings (resulting from the amalgamation of small farms) have been established. This situation negatively impacted the individual agricultural production. In the same time as the strength of the big farms was increasing the number of workers needed was decreasing. Later this was case for small farms too. The continued existence of society of rural areas was challenged.

One can say that switch of the Policy paradigm from pure agriculture to rural socio-economic advice was a necessary step. In the same time the concept of rural development was introduced. It meant taking into consideration not only pure agricultural questions but also issues of unemployment, sustainable development, environment, rural tourism etc. and their treatment in order life in rural areas to be improved. In this way the complexity of rural development was recognized.

As a result of successive CAP reforms since 1992, subsidies on quantities produced have largely been replaced by direct payments to farmers. These help to ensure a decent income for farmers, but are also linked to compliance with broader objectives, such as standards on food safety, plant health and animal welfare and environmental issues such as preservation of traditional rural landscapes, as well as wild life. The CAP is also a financial safety net for farmers hit by natural disasters or animal diseases.

By moving towards support that does not distort trade by directly affecting farm gate prices is also in line with new world trade disciplines. Targeting support to farmers instead of products, reduces the risk that trade will be distorted by subsidies for export of excess production. These changes prepared the EU for the WTO “Doha Development Round”⁶⁵. Today, the combined agricultural and food sector forms an important part of the EU economy, accounting for 15 million jobs (8,3 % of total employment) and 4,4 % of GDP.

⁶⁵ The Doha Development Round or Doha Development Agenda (DDA) is the current trade-negotiation round of the World Trade Organization (WTO) which commenced in November 2001. Its objective is to lower trade barriers around the world, which allows countries to increase trade globally. As of 2008, talks have stalled over a divide on major issues, such as agriculture, industrial tariffs and non-tariff barriers, services, and trade remedies.

Annex 3 – The LEADER Approach

What is LEADER?

LEADER is the abbreviation of “Liaison entre Actions de Development de l’Economie Rurale” which means Links between Actions for the Development of the Rural Economy. Looking back at the development of Leader as a successful European Community instrument, there are certain factors that made it such a success. It is a method of initiating and delivering rural development in local rural communities. Experience has shown that Leader can make a real difference to the daily lives of people in rural areas.

The Leader initiative started in 1989 as a tool to promote Community interests such as trans-national co-operation. It was meant from the start as a tool to introduce and test new methods and new concepts.

Leader I (1991 – 1993) marked the beginning of a new approach that was clearly **territorial: area based**, integrated and participative. Creativity has been a key element from the start.

Leader II (1994-1999) continued the same approach but the emphasis was put on the **innovative character** of the Leader **projects and methods**.

Leader + (2000-2006) focused on the **quality** of local strategies. The Leader + was already applicable in all rural areas of the European Community.

The success of Leader becomes clear from the explosion of the number of Local Action Groups alone; from 217 under Leader I to 1157 under Leader +.

Good practices and results must be disseminated: this is why in the new programming period the Leader approach is taken further and is integrated in the different axes of rural development. Bringing Leader into the mainstream will do well to local development in rural areas.

For the **2007-2013** programme period, Leader will be mainstreamed in all national rural development. As Macedonia moves towards EU-accession, experience in Leader – type programme should prepare all stakeholders for a more integrated approach to rural development.

Leader encourages rural territories to explore new ways to become or to remain competitive, to make the most of their assets and to overcome the challenges they may face, such as an ageing population, poor levels of service provision, or a lack of employment opportunities. In this way Leader contributes towards improving the quality of life in rural areas both for farm families and the wider rural population. It uses a holistic approach to address rural problems. It recognizes, for example, that being competitive in the production of food, having an attractive environment and creating job opportunities for the local population are mutually supportive aspects of rural life, requiring specific skills, appropriate technologies and services that need to be tackled as coherent package and with tailored policy measures.

LEADER approach presents a unique opportunity to implement joined-up delivery of rural development with local endorsement. Key opportunities are:

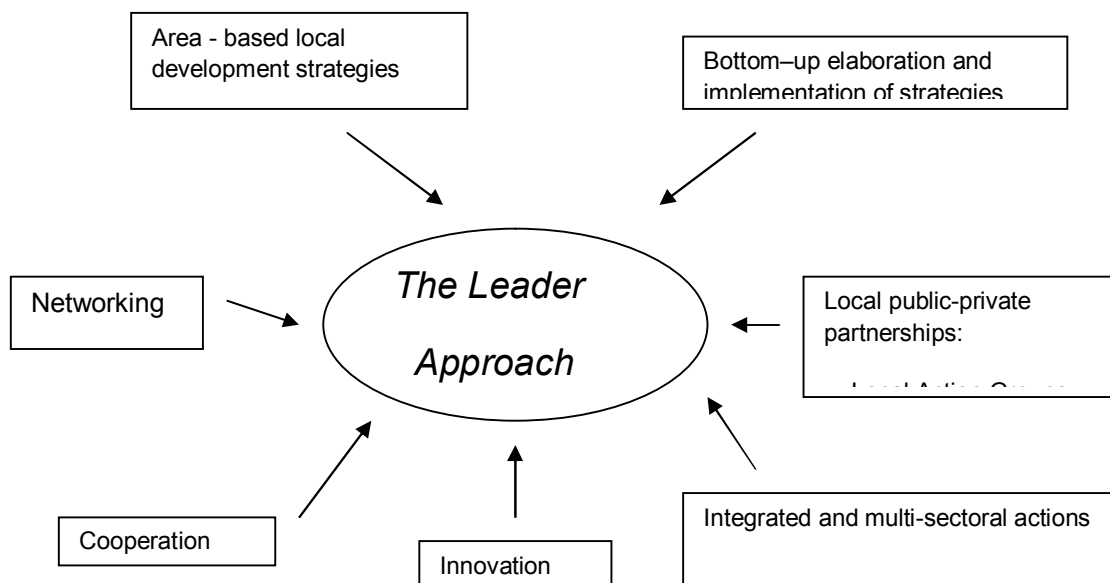
- The bottom-up approach and the local area-based strategy ensure that strategic priorities at national and regional levels are reflected in local initiatives whilst tailored to local needs;
- The bottom-up approach also supports the building of the capacity of local players to respond effectively to the needs of their local areas;
- Being partnership led and part of a network encourages links with other complementary initiatives and should prevent duplication locally as well as regionally and nationally;
- The multi-sectoral approach supports innovation and enables intervention where benefits are shared amongst more than one sector, whereas traditional funding streams tend to be limited by their sector nature.

LEADER can be an effective, win win mechanism for delivery of the new Rural Development Regulation. It can deliver in an integrated way and contribute to sustainable development. This means recognition of the environmental and social dimensions of sustainability, as well as the economic dimension both in terms of needs assessment and delivery.

The key features of the Leader approach

Seven key features summarize the Leader approach. They are described here separately, but it is important to consider them as a tool – kit. Each feature complements and interacts positively with others throughout the whole implementation process, with lasting effects on the dynamics of rural areas and their capacity to solve their own problems.

The seven key features of Leader

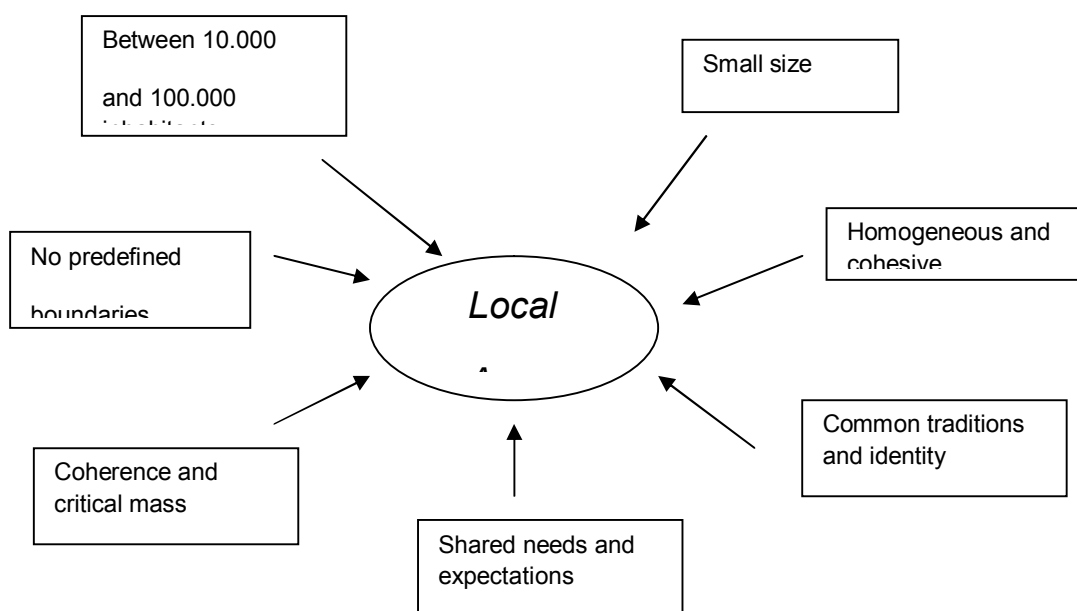


Feature1: Area-based local development strategies

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

This approach is likely to work better than other approaches because it allows actions to be tailored more precisely to suit real needs and local competitive advantage. The area chosen must have sufficient coherence and critical mass in terms of human, financial and economic resources to support a viable local development strategy. It does not have to correspond to pre-defined administrative boundaries.

Characteristics of an area-based approach



Feature 2: Bottom-up approach

The bottom-up approach means that local actors participate in decision-making about the strategy and in the selection of the priorities to be pursued in their local area. Experience has shown that the bottom-up approach should be not considered as alternative or opposed to top-down approaches from national and/or regional authorities, but rather as combining and interacting with them, in order to achieve better overall results.

Of the seven features of Leader the most distinctive one is the bottom-up approach. Rural policies following this approach should be designed and implemented in the way best adapted to the needs of the communities they serve. One way to ensure this is to invite local stakeholders to take the lead and participate. This is important in countries aspiring to EU membership where there are structural problems in agriculture and many opportunities to improve the quality of rural life.

The involvement of local actors includes the population at large, economic and social interest groups and representative public and private institutions. Capacity-building is an essential component of the bottom-up approach involving:

- awareness raising, training, participation and mobilization of the local population to identify the strengths and weakness of the area (analysis);
- participation of different interest groups in drawing up a local development strategy;
- establishment of clear criteria for selection at local level of appropriate actions (projects) to deliver the strategy.

Participation should not be limited to the initial phase but should be extended throughout the implementation process, contributing to the strategy, the accomplishment of the selected projects and in stock-taking and learning for the future. There are also important issues of transparency which need to be addressed in the mobilization and consultation procedures in order to reach consensus through dialogue and negotiation among participating actors.

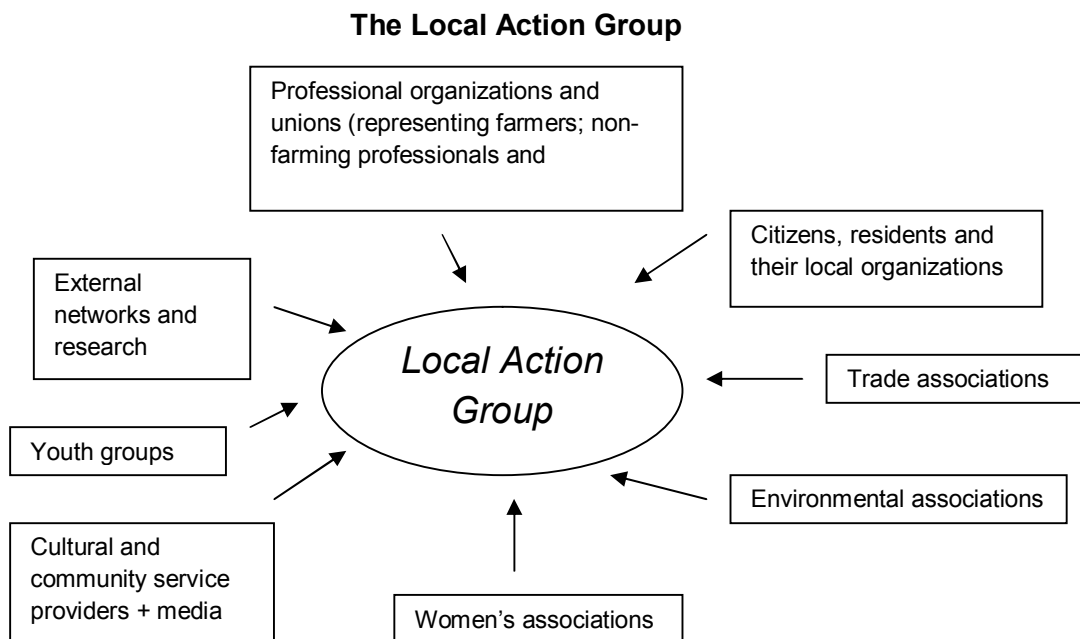
Feature 3: Public-Private Partnership: The Local Actions Groups (LAG's)

Setting up a local partnership, known as a 'Local Action Group' (LAG) has the task of identifying and implementing a local development strategy, making decisions about the allocation of its financial resources and managing them. LAGs are likely to be effective in stimulating sustainable development because they:

- Aggregate and combine available human and financial resources from the public sector, the private sector, the civic and voluntary sector;
- Associate local players around collective projects and multi-sectoral actions, in order to achieve synergies, joint ownership, and the critical mass needed to improve the area's economic competitiveness;
- Strengthen the dialogue and co-operation between different rural actors, who often have little experience in working together, by reducing potential conflict and facilitating negotiated solutions through consultation and discussion;
- Facilitate, through the interaction between different partners, the processes of adaptation and change in the agricultural sector (e.g. quality products, food chains), the integration of environmental concerns, the diversification of the rural economy and quality of life.

A LAG should associate public and private partners, be well-balanced and representative of the existing local interest groups, drawn from different socio-economic sectors in the area. At the decision-making level the private partners and associations must make up at least 50% of the local partnership. LAGs may be set up *ad hoc* access Leader support, or may be based on previously existing partnership. Endowed with a team of practitioners and decision-making powers, the LAG represents a model of organization that can influence the delivery of policies in a positive way.

LAGs decide the direction and content of the local rural development strategy, and make decisions on the different project to be financed.



A Local Action Group is expected to:

- Draw together the relevant interest groups of an area around a joint project;
- have decision-making autonomy and the capacity to take a fresh look at local resources;
- Link the different measures;
- Be capable of seizing the opportunities offered by the local mix of resources;
- Be open to innovative ideas;
- Be able to link and integrate separate sectoral approaches.

Feature 4: Facilitating innovation

Leader can play a valuable role in stimulating new and innovative approaches to the development of rural areas. Such innovation is encouraged by allowing LAG's wide margins of freedom and flexibility in making decisions about actions they want to support.

Innovation needs to be understood in a wide sense. It may mean the introduction of a new product, new process, a new organisation or a new market. This common definition of innovation is valid for rural as well as urban areas. However, rural areas, because of their low density and relatively poor level of human and physical resources, have weaker linkages with research and development centres and may find it difficult to produce radical innovations, although this is of course possible.

Innovation in rural areas may imply the transfer and adaptation of innovations developed elsewhere, the modernisation of traditional forms of know-how, or finding new solutions to persistent rural problems which other policy interventions have not been able to solve in a satisfactory and sustainable way. This can provide new responses to the specific problems of rural areas.

Introducing the Leader approach, with its seven features, may be an innovation in policy-making in its own right, which may generate innovative actions by the original policy-delivery method that has been adopted. For example, the bottom-up approach

Creating synergies for initiating EU activities in Rural Development and implementing LEADER methodology

described above may stimulate the emergence of new project ideas which may then be supported by the LAG because it is not bound by a fixed menu of measures. The adoption of information and communication technologies in rural areas may become an important channel for wider access to innovations by the rural population.

Feature 5: Integrated and multi-sectoral actions

Leader is not sectoral development programme; the local development strategy must have a multi-sectoral rationale; integrating several sectors of activity. The actions and project contained in local strategies should be linked and coordinated as a coherent whole. Integration involves actions linked to a single sector, or most importantly, links between the different economic, social, cultural, environmental players and sectors involved.

Feature 6: Networking

Networking includes the exchange of achievements, experiences and know-how between Leader groups, rural areas, administrations and organisations involved in rural development within the region and nationally, whether or not they are direct beneficiaries. Networking is a means of transferring good practice, of disseminating innovation and building on the lessons learned from local rural development. Networking forges links between people, projects and rural areas and so can help overcome the isolation faced by some rural regions. It can help stimulate co-operation projects by putting Leader groups in touch with each other.

Feature 7: Co-operation

Co-operation goes further than networking. It involves a Local Action Group undertaking a joint project with another Leader group, or with a group taking a similar approach in another region.

Co-operation can help Leader groups to boost their local activities. It can allow them to resolve certain problems or add value to local resources. For example, it can be a way of achieving the critical mass necessary for a specific project to be viable, or of encouraging complementary actions e.g. joint marketing by Leader groups in different regions whose areas share a specialisation in a specific product or developing joint tourism initiatives based on a shared cultural heritage.

Annex 4 – COUNCIL DECISION - Community strategic guidelines for rural development (programming period 2007 to 2013) (2006/144/EC)

(PDF Format)