

# IMPLEMENTATION OF THE LEADER APPROACH IN SERBIA: EXPERIENCES AND RESULTS

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## Abstract

*“Leader approach” and local public-private and civil territorial partnerships, in form of “Local action groups” aim toward the development of rural areas by using local initiatives, activities, potentials and needs (so-called „bottom up” approach) and by preparing and implementing local development strategies. This kind of approach toward the development of local rural communities has been present for a long time in rural politics and practice of most European countries. In Serbia, full legal basis to support implementation of this approach at national level has been established in 2019, and local stakeholders were not sufficiently informed with LEADER principles, especially in rural communities which were sparsely populated, poor and economically undeveloped. In the following years, one should expect the continuation of initiative support at national level, accreditation of LEADER measure into IPARD III Program, as well as larger role of local territorial partnerships in initiating development and improvement of quality of life in rural communities.*

**Key words:** *Leader approach, LAG, rural development, Serbia.*

## Introduction

Leader initiatives or Community Led Local Development (abbr. CLLD), which is implemented through activities of local action groups (abbr. LAGs), is the only program in which local communities have an important and central role in creating and realizing strategies of their territories (Leader achievements, 2020).

Leader approach for development of local communities has been introduced in EU in the beginning of nineties, as “Community Initiative Programme” and it was financed from the European structural funds. During the program period 2007-2013, Leader was an integral and mandatory part of CAP, i.e. EU rural development policy, financed from EAFRD (COUNCIL REGULATION

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EC, No 1698/2005), as well as from national rural development programs in EU countries. During the program period 2014-2020, its role and name in EU rural development policy was unchanged (Regulation EU, No 1305/2013), but this concept was applied on all European structural and investment funds, with unchanged title and wider understanding “Community-Led Local Development“ (Regulation EU No 1303/2013).

“Community-Led Local Development“ (abbr. “CLLD”) has its focus on certain sub regional area. LAGs use it to incite not only local rural areas but also urban, fishing, coastal and peri-urban areas, and their mutual connecting, and it was tested also in areas outside EU, such as Western Balkans, Turkey, Georgia, Africa, Latin America and China (Leader achievements 2020; Regulation EU No 1303/2013).

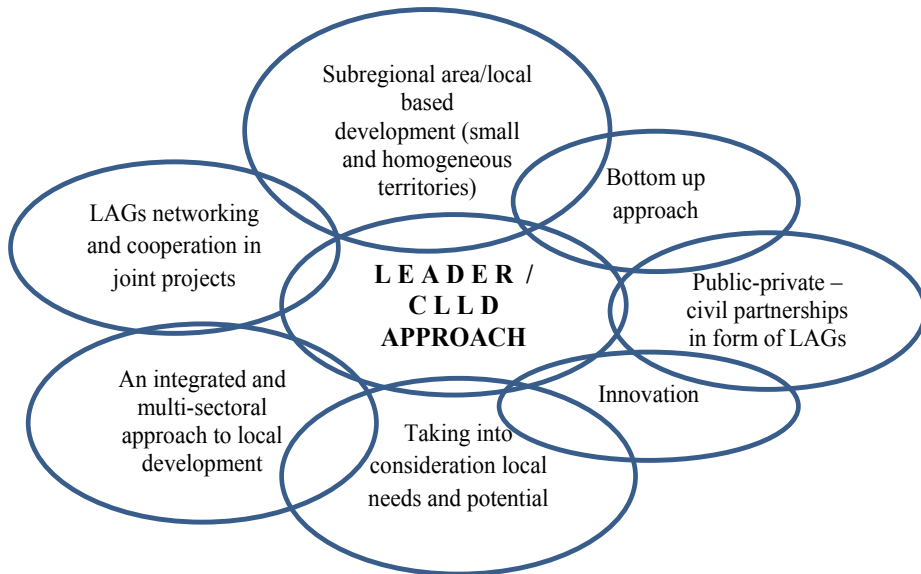
In the basis of Leader and CLLD approach is understanding, that, due to large diversity of rural communities, poor social and physical capital, low living standard and small population density, as well as other limitations of development, initiatives for local development and projects realization are most effective when lead by local actors/stakeholders.

### **Basic elements of LEADER – CLLD approach**

Leader is the approach or the method of rural areas development by mobilizing and networking of local actors and realizing their initiatives and projects (EC, 2006; Council regulation EC No 1698/2005). Its goal is to contribute to sustainable social, economic and ecological development of local rural communities, i.e. to improve the standard of living, quality and conditions of living and employment in rural areas (Ibidem).

Correct understanding of LEADER approach for rural development, as well as CLLD approach for overall local development, depends on correct and comprehensive applying of their core features (Scheme 1).

**Figure 1.** Core features of Leader – CLLD approach



Source: Authors based on: Regulation (EU) No 1303/2013; EC, 2006; Council regulation (EC) No 1698/2005.

Leader approach is realized by LAGs, which are only ones competent to bring and implement local development strategies (abbr. LDS), to make decisions, realize ideas and projects, conduct allocation and manage financial, material and other resources in the community. This initiative started some 30 years ago, with about 200 initial pioneering LAGs in rural communities, and now there are over 3,000 LAGs in the ENRD LAG Database.

According to EC (EC, 1303, Article 32), “LAGs are composed of representatives of public and private local socio-economic interests, in which, at the decision-making level neither public authorities, as defined in accordance with national rules, nor any single interest group represents more than 49 % of the voting rights“.

LAGs composition as defined for IPARD programmes is following: “At the decision making level, the economic and social partners as well as other representatives of the civil society, such as farmers, rural women, young people and their associations must make up more than 50% of the partnership. Moreover, a minimum of 20% should be representatives of the local authorities. Women must be present at decision-making level“(EC, 2017, p. 21).

LAGs are mostly registered as associations or foundations, although their legal frame depends on legislative framework of each country. According to Bogdanov (2007, p. 53), “LAGs have evolved into different legal formats in different countries – *limited companies in Ireland, non-profit consortia in Italy, inter-municipal associations and nature parks in France, but also co-operatives, associations and joint-stock companies in other parts of Europe*”.

### **Application of Leader approach in Serbia**

Implementation of Leader approach in Serbia is under authority of the Ministry of Agriculture, Forestry and Water Management (abbr. MAFWM), department for rural development. Since 2019, by enactment of “Rulebook on incentives to support programs related to the preparation and implementation of local rural development strategies” (“Official Gazette of the RS”, No 3/19), Serbia has full legislative and strategic frame for applying Leader approach according to EU demands, which consists of:

- **“Law on Incentives in Agriculture and Rural Development”** (“Official Gazette of the RS”, No 10/13, 142/14, 103/15 and 101/16), which, within incentives for rural development measures, includes also support to programs for making and implementing LDS in rural areas.
- **“The Strategy of Agriculture and Rural Development of the Republic of Serbia 2014–2024”** (“Official Gazette of the RS”, No 85/14) anticipates applying of Leader approach within the priority area 12 (“Improvement of social structure and strengthening of social capital”) and operative goals (“Mobilization of local human and social potentials by organizing LAGs and LEADER approach” and “Promoting cooperative organization and inclusion of cooperatives into LAGs”).
- **“National Rural Development Programme 2018-2020”** (abbr. NRDP) (“Official Gazette of the RS”, No 60/18), anticipates the measure “Incentives for creating and implementation LDS in rural area”. Measure is related to IPARD measure “Implementing LDS - LEADER approach”, and complementary with IPARD measure “Diversification of agricultural holdings and business development”, as well as with national measures in the field of rural economy diversification.
- **“Rulebook on incentives to support programs related to the preparation and implementation of local rural development strategies”** (“Official Gazette of the RS”, No 3/19). Rulebook defines that MAFWM is financing

full expenses for creating LSD, and that the right to use incentives for LDS (financing small priority projects) has only the partnership with approved and payed assets for creating LDS. Rulebook, among other, states that: (a) *“the right to use incentives has the partnership founded in accordance to the Law on Associations and registered in the Serbian Business Registers Agency, as well as association of representatives of public, private and civil sector of a certain rural area“*, (b) *“the area of partnership is coherent, geographically speaking continuous area, with population of more inhabited places, within territory of two or more units of local government, with at least 10,000, and the most 150,000 inhabitants; inhabited area within Partnership must not have more than 25,000 inhabitants“*.

- ***IPARD II Programme 2014-2020 of the Republic of Serbia*** (“Official Gazette of the RS“, No 30/16, 84/17, 20/2019, 55/2019). So far, the implementation of Leader approach was not supported by IPARD. In the following period LAGs can expect the support through measure 9 “Technical assistance“ (during the year 2020, EC officially approved accreditation of this measure), and in the later phase through measure 5 “Implementing LDS - LEADER approach“ (accreditation of this measure is expected in IPARD III program for period 2021-2027); measure 9 foresees financial support for preparing, establishing and building of capacities and skills of potential LAGs, which later, as elected LAGs, could use financial assets of measure 5 (financing mini-projects, current LAG activities, involvement of LAG population, etc.); beneficiary of measure 9 is IPARD Managing Body, which is responsible for planning and promoting LEADER activities, while the beneficiaries of measure 5 are elected LAGs.

In Serbia, the beginning of Leader approach, or approach similar to this approach, goes back to year 2005, when MAFWM started to build the capacity of civil sector and established the cooperation with this sector in the field of rural development.

During the year 2010, the Network for Rural Development of Serbia was officially formed, which included regional offices for rural development, and in the previous period, large number of donor projects were realized from EC and MAFWM (TAIEX workshops), SWG, regional development agencies, Standing Conference of Towns and Municipalities, national experts, etc. (SWG, 2018; RDA 2017).

The important project which largely introduced the concept “Leader” into the rural development of Serbia was conducted during the period 2011-2013, within IPA support (“Leader initiative in Serbia“, abbr. LIS). Through this project large number of local partnerships for territorial rural development were formed, of which about 20 were recognized as potential LAGs, such as: “Partnerstvo za razvoj Levča“, “Deliblatska peščara“, “Dolina jorgovana“, “Drina“, “Golija-Studenica“, “Podbrdska oaza“, etc.

Besides that, the Government of AP Vojvodina, “Provincial Secretariat for Agriculture, Water Management and Forestry” (abbr. PSAWMF) continuously from 2013-2016 provided support to making territorial partnerships in rural areas, creating their LDS and realizing small priority projects (only at the territory of AP Vojvodina), with the main idea that these partnerships prepare and strengthen their capacities for incentives utilisation from the national budget, when the time comes. Partnerships supported from the provincial budget in 2016, were: “Tromeđa“, “Gornji Tamiš“, “Partnerstvo za Potamišje”, “Srem IN”, “Podbrdska oaza”, and “Deliblatska peščara” (PSAWMF, 2016).

Although initially it was meant for LEADER approach in Serbia to be firstly supported by national measure (defined in NRDP), so that potential LAGs could be empowered to use „Implementing LDS - LEADER approach“ - IP-ARD measure, there was a significant delay in bringing required rulebook. Because of that, Directorate for Agrarian Payments in 2019 announced the first public call for incentives for creation of potential partnerships and their LDS. The results of this call are going to be known at the end of 2020.

Considering that financial support of LAGs and Leader approach from the national support scheme, were not exist until 2020, and that there is a delay regarding accreditation of IPARD Leader measure, most partnerships which were formed through LIS project, or were supported from provincial budget, now do not work, or work with limited capacity, and the initial enthusiasm, entrepreneurial initiatives of the local stakeholders and social capital in the community was decreased. As stated in the SWG report (2018, p. 119), *“the previous experience with the establishing of LEADER support suggests that the activation and mobilization of local actors and creating their partnerships should start once the whole system is prepared and ready to handle this measure regularly; otherwise, there is a risk that the lack of continuity, consistency, transparency and sustainability in policy implementation can cause a loss of interest or confidence of actors“*.

## Conclusion

In Serbia, the concept and principles of Leader approach to rural development is still insufficiently understood by civil society organizations, representatives of local authorities, and other potential LAGs participants, and the knowledge and skills of local actors to form partnerships, create and realize LDS are at the low level. National support scheme for rural development took a long time to announce the public call for LAGs financing support, which led to blockage the initial progress regarding understanding and application of the Leader approach, and enthusiasm and initial commitment of representatives of the potential LAGs were gone (potential LAGs developed through LIS project in 2011-13 and those supported by the provincial government in 2013-16).

From the LAGs in Serbian rural areas in next period should be expected larger engagement in creating of LDS and realizing mini-projects, which could improve the quality of life in villages and which would be in accordance with priority needs of local population. That could be different projects, such as: support to creating village manifestations, renovating local objects (cultural, sports), creating pedestrian/cycling paths, children's parks, branding and promoting traditional local products and specialities, smaller investments in village tourism, etc. The beginning of LAGs work should be volunteering, partnerships should be led by optimistic and enthusiastic young people, which know foreign languages, have the right education, vision, plans, so that LAGs do not get formed only for incentives utilisation. From MAFWM one should expect to continue financial support from national level for implementing Leader approach, forming and working of LAGs, as well as intensifying activities related to IPARD III Leader measure.

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