

'Environmental services project. Supporting Development of Local Action Groups in Albania (LEADER Approach)'

Piloting LEADER approach in Albania

January 2019

WHY LEADER IS PILOTED IN ALBANIA

The LEADER method was initiated in the European Union (EU) in 1991 as a pilot programme, aimed at identifying new ways of solving economic, social and environmental challenges in rural territories. The LEADER approach, which formed the bases for the Community-led Local Development (CLLD) in 2014-2020 financial framework, is an obligatory part of the Rural Development Programmes of the European Union (EU) member states. As the Government of Albania has declared the goal of becoming a Member of the EU, the rural areas and the institutions have to be prepared to meet the requirements raised for the EU members.

The implementation of LEADER-type initiatives and establishment of pilot LAG type organizations in Albania has been driven by different donor organizations. At least three donor organisations implemented *LEADER* type projects, so far: SNV, MADA and OXFAM GB. In total there were 29 Local Action Group (LAG) type organisations established, therefore, none of them were sustainable and practiced the whole cycle of LEADER approach through development and implementation of the local development strategies (LDS). Mainly, the donors provided support for establishment of the informal partnerships groups and building the capacities of their members.

The World Bank (WB) initiated the piloting of the overall LEADER approach in Albania in order to get ready the country for implementation of the LEADER approach through the pre-accession funds.

THE PILOTING OF LEADER APPROACH

The Ministry of Tourism and Environment (MOTE) of Albania and the World Bank (WB) is implementing the Environment Service Project (ESP), where one of the subcomponents is establishment of the pilot LAGs in three selected areas. The EuroPartners Development is a services provider of implementation of this component.

There were three rural areas selected for piloting the LEADER appraoch: Has, Kolonje and Puke (marked in yellow in Figure 1). The LAGs were established following the LEADER principles and operational rules common in the EU, but with the specific focus on forestry sector, as it is one of the key economical resource in many of the deprived rural areas. Therefore, coverage the territory by the forestry was one

of the criteria in selecting the areas for establishment of pilot LAGs. The population of LAG area had to be from 5,000 to 150,000 inhabitants, including settlements up to 25,000 inhabitants.

All three pilot LAGs have developed the pilot strategies, which will be implemented in 2019 through the additional funding of USD 300,000 under the ESP (indicatively, USD 100,000 per pilot LAG). The call for projects will be launched in the beginning of 2019.

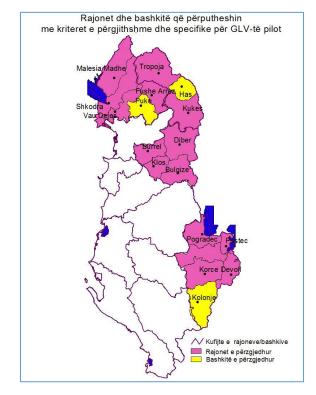
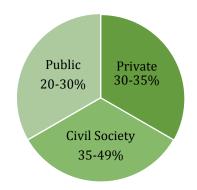


Figure 1. Selected areas for establishing pilot LAGs under the ESP

The membership of the LAG was required to keep the balanced and representative selection of partners drawn from different social economic sectors, where representation of the forest and pastry sector was obligatory.

The LAG Board was required to be formed from the representatives of the three sector - public, private and civil society, where any single sector have not more than 49% of its members in the Board, and the public sector (local authorities) have not less than 20% of the members (Figure 2). The women have to be no less than 35%, as well as the young people, aged below 40 years old, has to be no less than 35% of the members of the management body.

Figure 2. Structure of the pilot LAG's Board



Strengthening of LAG's capacities and building of rural skills was one of the important part of the ESP. Three packages of the various curricula and the training materials were developed: for the LAG's Board, the Rural Development Specialists and the Community Animators.

The LAG Boards and staff were provided with the trainings on LEADER approach, sustainable local development, participatory strategic planning, project cycle management, conflict management and community development.

The Rural Development Specialists, selected from various public and civic institutions, were trained upon similar to LAG's Board members' curricula, with the complementary themes on rural development policy and consultation skills. The trained specialists will form the intellectual and knowledge basis for future LEADER implementation in Albania.

The Community Animators, selected at local community level, were trained on community leadership, community mobilization, and project circle management. They will be the ones to animate local people and provide them assistance on development and implementation of local projects.

THE FUTURE OF THE LEADER APROACH IN ALBANIA

This time the LEADER approach will not be limited by the assistance of the donors, as will be continued through the support of the EU pre-accession funds.

According to the Law on Agriculture and Rural Development, adopted in 2007, the Ministry of Agriculture and Rural Development and Water Administration (MARDWA) is designated as a Managing Authority (MA) for the EU Instrument for Pre-Accession Assistance for Rural Development (IPARD) and the Agriculture and Rural Development Agency (ARDA) performs the functions of the Paying Agency for the national support schemes for agriculture and rural development.

In the 2009-2011 period, the administrative capacity building of the IPARD operating structure made considerable progress in the preparation for the management of pre-accession support. Albania prepared the IPARD Programme for the period 2011-2013, which was used as a framework for the preparation of IPARD II programme for 2014-2020.

The MARDWA will support implementation of the LEADER approach through the Rural Development Programme 2014-2020 under IPARD II programme¹. The ARDA, as the Paying Agency of the IPARD II for 2014-2020, will be in charge for the implementation of the LEADER measure. The Technical Assistance (TA) measure under IPARD II will be used for initial capacity building of LAGs and preparation of the local development strategies, while measure 'Preparation and implementation of local development strategies - LEADER approach' will support actions for animation of the territories, further capacity building and implementation of small-scale projects. There will be up to 10 LAGs established covering 10 percentages of the rural areas of Albania through the LEADER Measure of the IPARD II. The measure was programmed to start implementation in 2018 and the indicative allocation is EUR 2.4 million.

The LEADER will be promoted also through the activities of the National Rural Development Network (NRDN), which is to be established within the IPARD II through the TA measure. The framework of the NRDN will be open to all stakeholders that are active and willing to cooperate and get involved in rural and agricultural development. For the operations of the NRDN, a service provider will be selected,

¹ Source: Inter-sectoral strategy for Agriculture and rural development in Albania, 2014, MARDWA

through tendering following the procedures of the TA measure, which will plan and organise communication, set up and maintain website and databases, provide trainings, organise information events and networking activities, publications, organisation and dissemination of thematic surveys, and other activities related to all the IPARD II measures, including 'LEADER approach'.

The objective of implementing the LEADER approach is to increase the participation of the rural population and to develop civil society and social dialogue within the rural population, to facilitate good governance through local partnerships and to foster employment and develop human capital.

The resources devoted to the LEADER approach should also contribute to the promotion of rural development through local initiatives and partnerships. The measures should aim at enhancing capacity among rural inhabitants and LAG members through training and education to develop, organize and run LAG and to prepare and implement the Local Development Strategy through local projects.

OVERVIEW OF RURAL AREAS IN ALBANIA²

Albania had a population of 2.8 million people in 2013. This marks a significant decrease compared to the 2001 Census, when the Albanian population exceeded 3 million. This decrease is the result of a combination of emigration and lower birth rates.

Albanian rural areas are highly dependent on agriculture. Farming creates the majority of jobs (about 55 percent) in rural areas and is the main source of income for rural households. Other important sectors of the rural economy are industry and construction, contributing to 7-8 percent of employment each. Among the services, the most important is the retail and wholesale sector. About 10 percent of jobs are created in public administration, education and health sectors. However, agriculture will remain a major sector of employment even in 2020.

In recent years Albania has been characterized by macroeconomic stability. Economic growth has ranged between 3 percent and 4 percent, while inflation has not exceeded 3.6 percent. Albanian GDP per capita is about ALL 447 000 (about EUR 3 200) per capita.

Agriculture plays an important role in the Albanian economy. Agriculture accounts for 18.3 percent of GDP in 2012 - this value is higher compared to 2011and 2010, but also compared to 2007. This is because agriculture has grown at a quicker pace than the rest of the economy in recent years.

Tourism has started to make a tangible contribution to incomes and employment in some regions. Among the greatest obstacles for tourism development in rural areas in Albania are: underdeveloped infrastructure (creating difficult access to tourism amenities, national parks and tourist sites), insufficient development of tourist attractions and facilities, limited information and tourist services, and a limited amount of trained human resources.

Only 15 percent of all women entrepreneurs are located in rural areas. The main economic activities in which women entrepreneurs are concentrated are agri-businesses, textiles, wholesale and retails, handicrafts, and services.

Deforestation is considered a major environmental problem in Albania. Forested areas have decreased in recent decades due to deforestation, either for fuel-wood or for increasing areas of arable land. Overall, forests have registered a decline of about 10 percentage points in the last 50 years.

² Source: IPA Rural Development Programme 2011-2013

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