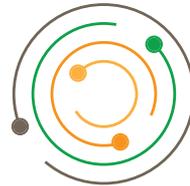




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**ANRD**

ALBANIAN NETWORK FOR RURAL DEVELOPMENT  
RRJETI SHQIPTAR PËR ZHVILLIMIN RURAL



# POLICY DOCUMENT

## The Dynamics of Implementation of the LEADER Approach and Its Way Forward in Albania

September 2020



Institute for Democracy and Mediation  
Instituti për Demokraci dhe Ndërmjetësim



This paper was prepared in the framework of the Project “Consolidating the role of Albanian Network for Rural Development toward a functional model of bottom-up and participatory perspective in national rural agenda”, which is implemented by the Institute for Democracy and Mediation (IDM) in partnership with the AgriNET and AgroPUKA organizations. The project is supported by the European Union in the frame of the IPA Facility for Civil Society and Media Program 2016-2017, Support for Capacities of Civil Society Organizations.

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The Albanian Rural Development Network (ANRD) represents a genuine civil society initiative that contributes to the sustainable development of rural communities, taking an active role in the reform processes of the agriculture and rural development sector, especially in the alignment with European Community Led Local Development (CLLD) policy.

The Albanian Network for Rural Development was established on December 11, 2015, crowning a series of efforts over the years to advance the role of the non-public sector in the rural development agenda of our country. ANRD is a membership structure, initially founded by fourteen and currently consisting of twenty-eight full-fledged member organizations, which have long and consolidated experience in various rural development topics and as well as geographical distribution throughout the territory of Albania.

The network promotes bottom-up advocacy for effective rural policies that are closer to the rural communities’ residents, designed with the participation of local communities, understood from and implemented with people on the ground. Efforts to date have reflected a willingness to support and contribute to the successful implementation of sustainable rural development policies and instruments.

For more information about ANRD please click: [www.anrd.al](http://www.anrd.al)

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## List of Abbreviations

<b>ANRD</b>	Albanian Network for Rural Development
<b>CABRA</b>	Conservation of Agrobiodiversity in Rural Areas of Albania
<b>CAP</b>	Common Agriculture Policy
<b>CLLD</b>	Community-led local development
<b>CSARD</b>	Crosscutting Strategy for Agriculture and Rural Development
<b>CSO</b>	Civil society organizations
<b>DCM</b>	Decision of Council of Ministers
<b>ENRD</b>	European Network for Rural Development
<b>EU</b>	European Union
<b>FA</b>	Framework Agreement
<b>FLAG</b>	Fisheries local action groups
<b>IFAD</b>	International Fund for Agricultural Development
<b>INSTAT</b>	Institute of Statistics of Albania
<b>IPA</b>	Instrument of Pre-Accession
<b>IPARD</b>	Instrument of Pre-Accession for Rural Development
<b>IUCN</b>	International Union for Conservation of Nature
<b>LAG</b>	Local action group
<b>LEADER</b>	Liaison Entre Actions de Développement de l'Économie Rurale (Links between the rural economy and development actions)
<b>MADA</b>	Mountain Areas Development Agency
<b>MoARD</b>	Ministry of Agriculture and Rural Development
<b>NUTS</b>	Nomenclature des Units Territoriales Statistiques (Nomenclature of Territorial Units for Statistics)
<b>OECD</b>	Organization for Cooperation and Economic Development
<b>SNV</b>	The Netherlands Development Organisation
<b>SRDMA</b>	Sustainable Development in Rural Mountain Areas Program
<b>SSAI</b>	Supreme State Audit Institution
<b>TAR</b>	Territorial-Administrative Reform

# 1. Executive Summary

Considered a success story in the European Union (EU) countries' rural development, the LEADER<sup>1</sup> approach has the potential of becoming a very important instrument for the empowerment of local communities and their orientation towards integrated development in Albania. While the efforts to implement the LEADER approach in Albania are relatively early and unpaired –albeit– with timely sustainable support, the features of the country's overall social-economic development identify it as a crucial factor in improving rural communities' living, in alleviating poverty, in reducing gender and territorial inequalities, and in strengthening social capital and local democracy.

Encouraging the bottom-up approach and the impact of the LEADER approach implementation (through the tripartite concept) in enhancing the trust, cooperation, and decision-making among public and non-public stakeholders give rural areas the option of being pivotal in their development policies in the long run. The important role of local, public and non-public leadership, civil society organizations and local associations as well as of the organization networks regarding the animation of local actors and territories and strengthening local democracies is becoming more evident. The promotion and sustainability of such bottom-up processes call for top-down encouragement and support, for know-how and capacities, and for the allocation of adequate resources. The IPARD II Program, the Measure "Implementation of Local Development Strategies – LEADER Approach" provides a positive momentum for the missing national endeavors relative to the application of this approach for empowering local communities.

This paper seeks to provide an overview of the dynamics and progress of the introduction and implementation of the LEADER approach as an instrument of rural development in Albania from

its beginnings to present day. In addition, the paper contends that the implementation of this instrument is indispensable for coping with the current problems of rural areas, unaddressed effectively to date by public policies. It offers, among others, a mapping of LEADER-like initiatives, local action groups (LAGs), and other established partnership structures shedding light on challenges and weaknesses that have affected the implementation of the LEADER approach. Finally, it offers a few of recommendations that not only would help the implementation of the LEADER approach in the framework of the IPARD II Programme but would also make it successful.

The overall goal of this paper is to mobilize the political will in supporting and prioritizing this instrument of the rural development policy and in speeding up its effective implementation as a crucial factor for improving the living of Albanian rural communities, particularly in curbing their depopulation and abandonment. After all, this approach constitutes the only rural policy that focuses in people as opposed to measures that focus in sustainable productivity of agricultural economies.



1 LEADER the acronym of "Liaison Entre Actions de Développement de l'Économie Rurale" which means, 'Links between the rural economy and development actions'.

## 2. Introduction

### The LEADER Approach – An Instrument of European Policy for Integrated Development of Rural Communities

The LEADER approach is one of the most important instruments of local development in the EU countries, dating back to year 1991. Piloting the LEADER approach as a community initiative sought to promote the development of local territories that were exploring ways to become or remain competitive. The key concept behind this approach is the consideration of differences existing among rural regions and the space for inclusion of public and non-public actors (private sector and civil society) in the development of the area by making use of the endogenous development potentials.

LEADER represents at both a development instrument and a philosophy. This method consists in connecting people living in rural areas through local action groups (LAGs)<sup>2</sup> with the aim of establishing partnership and increasing cooperation among public and private actors. (Niemi and Ahlstedt 2007). According to the LEADER methodology, the inhabitants of the local communities not only discuss, agree on, and then

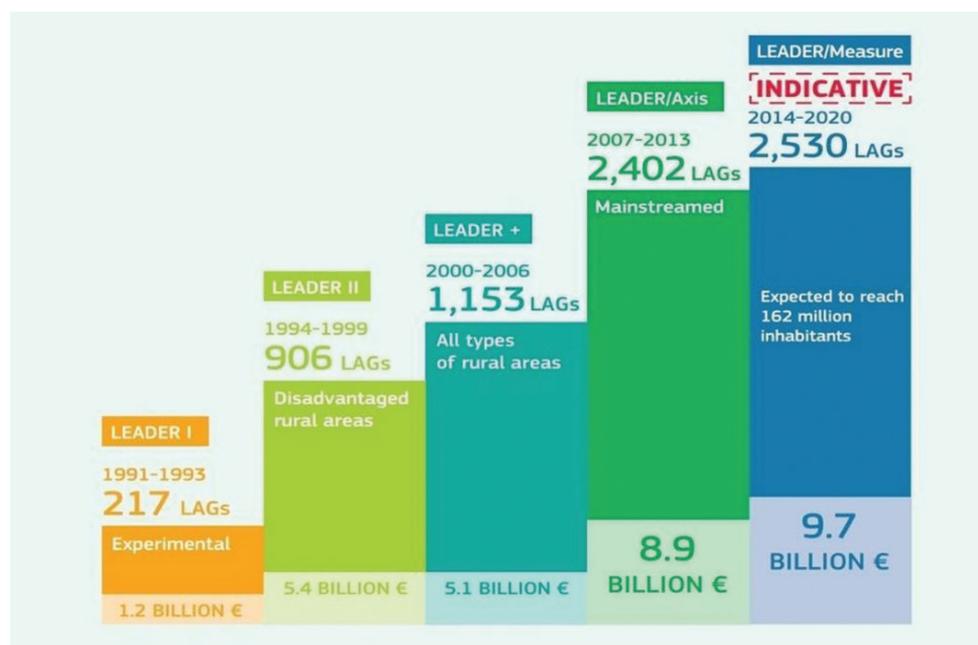
execute common projects but also ensure that agreed projects correspond to their real needs. (Pascua Peralta J. L. 2017)

The implementation of the LEADER approach in EU countries went through five<sup>3</sup> phases and was finalized following the new rules published by EU in December 2013 and regulated by law by the European Parliament and Council<sup>4</sup>. In the fourth period (2007-2013), the LEADER approach became an integral part of the European policy on rural development, while in the last period (2014-2020), it served to introduce CLLD<sup>5</sup> (Community-led local development) as an approach to development of peri-urban and urban territories as well.<sup>6</sup> Integration of LEADER with CLLD is considered by several authors (Aldofrai et al., 2016; Doitchinova et al., 2019) as an approach with positive impact on the development of rural areas.



- 2 The most important mechanism in the process of implementing the LEADER program at the local level is the structure called the Local Action Group which relies on local partnerships. The LAG consists of social, economic and public representatives who are part of the local community.
- 3 1. LEADER I (1991 - 1993) which was considered a development method that harmonizes the interests of local actors with the future of their territory, 2. LEADER II (1994 - 1999) which aimed to develop national and regional policies through the creation of new partnerships and operations, 3. LEADER + (2000 - 2006) where it was determined that LEADER should have a broader perspective than rural development - local development and territorial development - combined policies, 4 LEADER 2007-2013 - part of rural development program aimed at implementing effective policies that take into account the many needs of rural regions, 5. LEADER 2014-2020 - part of the rural development program + CLLD .
- 4 Regulation of the European Parliament and of the Council no. 1303/2013; Regulation no. 1305/2013; Regulation no. 1301/2013; Regulation no. 1304/2013; Regulation no. 508/2014
- 5 CLLD Community-Led Local Development - Community-led local development, which was defined through several European Parliament regulations as well as other EU guidelines.
- 6 The LEADER approach, which has been successful for 25 years, is continuing on this path thanks to the integration with the CLLD, which provides good governance, social innovation, “smart” rural initiatives, as well as capacity building and innovative practices for it. all types of territories within the EU (European Rural Parliament 2019) .

Figure 1. Evolution of LEADER



Source: DG AGRI 2014-2020 preliminary budget data

The implementation of the LEADER approach from its beginnings to present day has increased in terms of the number of supported local action groups (LAGs) as well as territorial coverage and topics addressed, including FLAGs (or fisheries LAGs). The LEADER approach started as a community initiative and currently represents an integrated development instrument for rural development programs of all EU member countries and those in the EU accession process. The IPARD II Program supports the implementation of the LEADER approach in Albania.

# 3. The LEADER approach and the Integrated Rural Development in Albania

## 3.1 Background

The promotion and implementation of the LEADER approach in Albania started in early 2000 thanks to the support from several donor programs. LEADER-type LAGs were considered and used by these programs as instruments to achieve their goals and objectives. Hence, LAGs themes were clearly identified in the very first years. Some of these LAGs include those created by Oxfam GB that aimed at empowering rural women in local decision-making. At a later time, forums of development of mountainous areas were established by the Mountain Area Development Agency (MADA). These forums operated like LAGs that worked for sustainable development of rural communities, with particular focus in mountainous areas. In the meantime, the SNV support focused in the creation of a LAG aiming at environmental protection and sustainable rural development.

These pioneer initiatives of the of the LEADER approach implementation in Albania have been of promise for a successful application of this important instrument for the integrated development of rural communities. Yet, the positive results attained by these programs were not further supported to ensure their sustainability. Support to created LAGs and the replication of this instrument in other rural territories to address their development challenges seem to be the missing kind of undertaking for a sustainable rural development. It should be pointed out that during these years and further on the rural communities have coped with a series of severe development problems that have

gradually led to their depopulation at an alarming rate.

The interest of various stakeholders to use the LEADER approach and LAGs as development instruments for a variety of thematic issues of rural development was extended over the years 2014-2020. Established through the support of the cross-border Albania-North Macedonia program, the 'Tourist Dibra' LAG aimed at boosting integrated development of tourism in the Deshat-Korab mountain ridge communities. Supported by the World Bank, the Ministry of Tourism used the LEADER approach and LAGs to manage natural resources in three municipalities. Lastly, LAGs will be instruments to promote local products in two rural communities in the areas of Elbasan and Korça, made possible by the Italian Region of Umbria.<sup>7</sup>

These are the most visible experiences in the implementation of the LEADER approach in Albania put in practice in the last two decades (2000-2020). While LAGs have been used as development instruments, these efforts have not been interlinked except for cases where LAGs were the deliverables of a single programme. A purely institutional leadership of national tier to document, network, and promote these LEADER-type experiences has been lacking.

In 2016, the Albanian Network of Rural Development (ANRD) started its work with the mission of implementing the LEADER approach in Albania. Information sessions, trainings and workshops, roundtables to map the LEADER approach experiences and networking activities



7 More detailed information on the mentioned LAGs can be found in section 3.3 Mapping concrete LEADER initiatives in rural communities in Albania

within the country, in the region and at European level, have been part of the activities implemented and supported by ANRD. Through these efforts, ANRD has mapped the LEADER initiatives in Albania as well as the structures of LAGs or similar to LAGs. Their recognition and documentation aim to contribute to the promotion and implementation of the LEADER approach in Albania for achieving sustainable rural development

### 3.2 The Legal, Strategic, and Institutional Framework on LEADER Approach in Albania

Regardless of the several experiences in implementing the LEADER approach in Albania during the last twenty years, the development of the legal framework has kept its proper pace. The domestic legal framework of the country has not been developed to match the interests shown by various stakeholders and their advocacy, although it is worth noting that they have not been an obstacle in implementing the LEADER approach. In terms of joint acts between the European Commission and Albania, the ratification of the agreements by the Albanian Parliament has been an achievement vis-à-vis the full incorporation of the LEADER approach in the legal framework.

#### 3.2.1 Albania's Domestic Normative Framework

The legal framework on LEADER approach in Albania was established for the first time in the Law on Agriculture and Rural Development.<sup>8</sup> The law regulates the process of drafting and implementing policy documents in the field of agriculture and rural development. Rural development policy measures are proposed in the National Plan and implemented by means of the action plan. Methods of implementation for these measures and the criteria for support are determined by means of the Minister's instruction.<sup>9</sup> The basic criteria, the sectors to be supported

and the amount of support from the program's fund are determined in a decision of the Council of Ministers.<sup>10</sup> The law defines the measure as "Support to launching local initiatives"<sup>11</sup> which includes the support of LEADER type initiatives.

#### Box 1: Legal provisions on local partnership-based initiatives

Article 19

Support to launching local initiatives

The support stimulates the initiatives that involve the farmers, the people working in the forest management, and other rural actors that can preserve and develop the natural and cultural local heritage, improve awareness on environment issues and promote the typical products, the tourism and the use of renewable energy resources. The main supporting actions in these areas include:

- a) Building of local capacity for partnerships, animation and enhancement of absorption capacity that can help to mobilize the local potential;
- b) Promotion of public – private partnership (PPP);
- c) Promotion of collaboration, boosting of entrepreneurship skills and promoting inclusion and local services.

Source: Law No. 9817, dated 22.10.2007 "On Agriculture and Rural Development"

The Law does not, however, provide specific dispositions on the design and implementation of local strategies in the frame of LEADER approach. The law is partly aligned with the EU Acquis on agriculture and rural development.



- 8 Law Nr. 9817, date 22.10.2007 "On Agriculture and Rural Development"
- 9 Article 15, point 2 and 3 of Law "On Agriculture and Rural Development"
- 10 Article 6, point 3 of Law "On Agriculture and Rural Development"
- 11 Article 19, Law "On Agriculture and Rural Development"

Nevertheless, year 2018 marked a qualitative leap regarding the legal framework on the establishment and operation of LAGs in Albania. As a result of the advocacy efforts of CSOs, the Ministry of Agriculture and Rural Development developed and consulted the draft Law “On the organization and functioning of local action groups”.<sup>12</sup> However, the draft law has not yet been adopted and the LAGs in Albania continue to operate on the basis of the law on non-profit organizations.

### 3.2.2 Common Acts of the European Commission and Albania

Under the Instrument for Pre-Accession (IPA), Albania relies both financially and technically on the reforms undertaken as part of the country’s EU integration efforts. Agriculture and rural development constitute one of the areas of assistance. In this context, two agreements have been signed between Albania and the European Commission: Framework Agreement (FWA)<sup>13</sup> and sectoral Agreement IPARD,<sup>14</sup> which regulate the implementation of EU financial support for the country. Both agreements constitute the legal basis for the provision of financial assistance in the field of agriculture and rural development and have been ratified by the Albanian Parliament, thus becoming part of the internal legal system of Albania. These agreements, inter alia, regulate issues related to local development according to LEADER approach. Accordingly, Albania is legally considered ready to implement local initiatives under the LEADER approach.

IPA assistance in the area of agriculture and rural development is implemented through the IPARD Program. The IPARD II Program includes eight sectoral supporting measures, which are divided into two packages of measures. Implementation of local development strategies - LEADER

approach, one of the measures of the program, is part of the second package of measures as well as those intended for the extension service as well as for the agri-environmental, climate, and organic agricultural services. While envisaged to be implemented during 2018, the LEADER approach was expected to be accredited during 2020, thus postponing its implementation to 2021. This postponement is attributed to the delay in the accreditation of the measure: Technical Assistance - first supporting measure of IPARD II, was the last measure from the first package submitted by the Managing Authority to MARD for EC accreditation. The implementation of this measure is expected to be accredited at best during the second half of 2020. The delay in the implementation of this measure has had its impact on the implementation of other IPARD II measures. In consequence, the delay in the implementation of Technical Assistance has negatively affected the implementation of the LEADER approach, given that a part of it would contribute to the preparation of various actors for the implementation of the LEADER.

The Framework Agreement and, more specifically, the IPARD sectoral agreement define the functions and responsibilities of the implementing structures. The Managing Authority in MARD has, among others, the function and responsibility for “approving the appropriate national legal basis for the implementation of IPARD II as well as its revision on as-needed basis.”<sup>15</sup> It is also stipulated that in accordance with the criteria, the mechanisms and the rules applicable to the IPARD II Program, the function (Projects’ selection) may be performed by the Managing Authority for the measures “Implementation of local development strategies – the LEADER approach” and “Technical Assistance”. The IPARD Agreement has set forth the intensity of assistance, the level of EU contribution, and eligibility.



- 12 This law aims to implement the EU approach to participatory rural development (LEADER approach) by setting preconditions for the establishment and operation of LAGs e
- 13 Framework agreement, ratified by law 37/2015 dated 9.4.2015
- 14 Sectoral Agreement (IPARD) ratified by law no. 30/2016 dated 17.3.2016
- 15 Law no. 37/2015 dated 09.04.2015 (Official Gazette No. 210, Wednesday, December 9, 2015), Law no. 30/2016 dated 17.03.2016 (Official Gazette No. 51, Monday, April 4, 2016 referred to as "IPARD") "On the ratification of the Agreement between the sector of the Republic of Albania, represented by the Council of Ministers of the Republic of Albania and the European Commission, which sets out the provisions for the management and implementation of EU financial assistance to the Republic of Albania, under this Instrument for Pre-Accession Assistance, in the field of "Agriculture and Rural Development" (IPARD).

<p>The IPARD agreement defines: Components of the LEADER approach at program level Conditions to be met by LAGs to benefit from the agreement</p>	<p>None of these two agreements (FWA and IPARD) define: Content or main components of the Strategy Legal form of establishment and operation of LAGs Duties and functions of LAGs</p>
<p>Area covered by the strategy Supporting measures of the LEADER approach</p>	<p>Procedures and decision-making in LAGs Relationship among stakeholders involved in the partnership (public authorities/economic and social partners/civil society representatives)</p>

Source: ANRD, 2016

### 3.2.3 Policy Documents on Rural Development and Agriculture

The Crosscutting Strategy for Agriculture and Rural Development (CSARD) is one of the main policy documents that provides the strategic framework for addressing the challenges faced by the agricultural sector and the development of rural areas.

The LEADER approach was first included in the CSARD 2007-2013.<sup>16</sup> Chapter IV of the strategy under the heading Participation in Rural Development introduced the LEADER method as an instrument for decentralized governance and integrated rural development.<sup>17</sup> Chapter IV provided the organization of Local Action Groups in rural areas, absorbing and conveying national funds but also those funds that would come from international institutions (Muça D. E. et al 2012). The community dimension was deemed important on the basis of which 5% of rural development funding

would be allocated specifically for community-based initiatives. However, the implementation of the strategy did not affect Chapter 4. Consequently, there were no tangible results in the implementation of the LEADER approach.

The strategy<sup>18</sup> of the following period (2014-2020) states that “the rural development is carried out in accordance with the requirements of the Common Agricultural Policy (CAP)<sup>19</sup>. This strategy plans the measure 8: Preparation and implementation of local strategies on rural development – the LEADER approach and introduces the seven characteristics of this approach. In the action plan, the expected result for this measure in 2020 is the support for 10 LAGs. While accurate, the definition for the LEADER approach to the 2014-2020 strategy did not affect the successful implementation of this measure.

In 2018, CSARD 2014-2020 integrated the concept of the integrated rural development through the Integrated Program for Rural Development,



16 Cross-cutting Rural and Agricultural Development Strategy (2007-2013). Ministry of Agriculture, Food and Consumer Protection (MAFCP) Tirana, October, 2007

17 Ibid.

18 Decision of the Council of Ministers no. 709, dated 29.10.2014 On the approval of the Strategy for agriculture and rural development 2014-2020 (Official Gazette No. 169, Wednesday, November 5, 2014) (referred to as "ISARD")

19 CAP (PPB) Common Agricultural Policy

also known as the 100-Village Program.<sup>20</sup> The 100-Villages Program aimed to coordinate development interventions in the rural area of 100 villages according to the crosscutting and multi-stakeholder approach. In addition, the program emphasized the importance of CSOs' and LAGs' involvement and its own implementation in line with the principles of the LEADER approach. Other provisions included the promotion of Local Action Groups establishment and funding of projects proposed by them through the program.

The Commentary "LEADER Approach and the 100-Villages Program"<sup>21</sup> brought to the attention of the public the need for a national action for the LEADER approach implementation, triggered by the perspective offered by 100-Villages Program. The commentary went a step further by proposing that coupling the Program's infrastructure investments with the bottom-up movement of stakeholders in each rural area would accelerate the pace towards sustainable rural development. The implementation of the 100-Villages Program accompanied by the introduction of the LEADER approach would provide a complementary and synergistic perspective for the integrated development of local communities.

While the 100-Villages Program<sup>22</sup>, for what it presented, is considered a turning point in the sector strategies its implementation remains controversial. Low transparency on the program implementation and the results achieved, the

questionable selection of 100 villages, the funds raised for the program implementation and other aspects related to the institutions that managed it, remain some of the issues raised in the course of the program implementation. The impact of the program on the implementation of the LEADER approach is not yet known due to the lack of information. The opportunity to offer a promising perspective for the integrated development of rural communities was not really assessed.

### 3.3.3 Classification of Rural Areas by the Nomenclature of Statistical Territorial Units

Albania adapted the NUTS system<sup>23</sup> in accordance with the classification of Territorial Units for Statistics (NUTS)<sup>24</sup>. Albania is composed of one NUTS I unit, which covers the territory of the Republic of Albania, of three NUTS II units, that means the division of Albania into regions, on which the country's economic and social development policies will be developed, as well as of twelve NUTS III units that are directly related with the administrative division by counties/qarks.

Based on the NUTS classification according to the European Commission, the OECD<sup>25</sup> has adopted the Regional Typology so as to provide a solid basis for the territory classification. This typology has also been applied in Albania, based on which the country is divided into five regions with rural predominance, five intermediate regions and two



- 20 Decision no. 21, dated 12.1.2018 for some additions to the decision no. 709, dated 29.10.2014, of the Council of Ministers, "On the approval of the cross-sectoral strategy for rural and agricultural development 2014–2020"
- 21 Commentary Leader approach and the 100 Villages program - A complementary and synergistic approach to integrated rural development. (Azizaj.E, Hroni. S) (January, 2018)
- 22 Decision of the Council of Ministers no. 21, dated 12.01.2018. On some additions to the Cross-cutting Strategy of Agriculture and Rural Development 2014-2020, the Integrated Rural Development Program through the 100 Villages Program.
- 23 Official Gazette No. 183 (2010). DCM-On the implementation of the nomenclature "Albania in 3 (three) regions NUTS II", according to the nomenclature of territorial units for statistics (NUTS), of the European Union no. 1037, dated 15.12.2010. [www.qpz.gov.al](http://www.qpz.gov.al)
- 24 European Commission (2013). EUROSTAT: [http://epp.eurostat.ec.europa.eu/portal/page/portal/nuts\\_nomenclature/introduction](http://epp.eurostat.ec.europa.eu/portal/page/portal/nuts_nomenclature/introduction)
- 25 According to (OECD 2011) the classification of regions is based on three criteria:
  1. Areas with urban predominance, in which the share of the population living in rural areas is below 15%;
  2. Intermediate areas, in which the share of the population living in rural areas is in the intervals of 15% to 50%;
  3. Areas with rural predominance, in which the share of the population living in rural areas is higher than 50%.

regions with urban predominance.<sup>26</sup>

This classification has, however, its limitations of the territory comparison taking into account that the administrative units have significant differences in terms of size regardless of improvements to reduce statistical errors caused by such difference among administrative units (INSTAT (b) 2014).

While the IPARD II Program has a list of rural territories, based on the country's former communes prior to the administrative-territorial reform of 2014, the methodology of how rural areas were determined is not known. Furthermore, in view of the territorial reform, we need to consider the compatibility of the list of rural territories with the newly consolidated municipalities.

### 3.3 Development Challenges of Rural Communities and the Importance of LEADER approach

Rural communities in Albania have encountered a variety of development challenges in the recent decades which have not been effectively addressed by the public policy. Major problems worth noting include the substantial depopulation, low living standards, limited prospects for the future especially for young people, etc. These consequence-problems are caused by many other interrelated problems on several levels. The range of the causes is broad and includes structural constraints, challenges in the agricultural sector, ineffective public policy as well as problems related to the traditional mindset. Among other problems can be mentioned deficient public services, low access to public services and markets,

social isolation, etc.

For almost 30 years since its launch as a community-based initiative, rural communities in the EU have used the LEADER approach to involve local actors in shaping the development of their future. Relying on good understanding of the problems, residents, women, youth, farmers, local government and the private sector design the local development strategy and implement it to address their priority problems. Due to encouraging results from implementing the LEADER approach, this method became an integral part and an instrument of the European rural development policy. The number of rural territories supported by the LEADER method has gradually increased and reached 2402 rural territories across EU member states. Also, the topics of the LEADER method have been expanded and have recently included around 300 fishery LAGs.<sup>27</sup>

#### 3.3.1 Poverty, Inequality and Social Exclusion of Rural Communities

Poverty is closely linked to social exclusion. Individuals living in poverty face barriers to their involvement in social, economic and political life. "Poverty is not a matter of low wellbeing, but the inability to pursue wellbeing because of the lack of economic means" (Amartya Sen 1992).

Evidence shows that the residents of rural areas, particularly those living in remote and mountainous zones, have lower living standards compared to those living in other parts of the country. Poverty is one of the main obstacles for the involvement of rural residents in local activities. Rural poverty has increased from 14.6% in 2008 to 15.3% in 2012 (INSTAT 2019). The Social



26 In regions with rural predominance more than 50% of the population lives in rural municipalities and communes (with less than 150 inhabitants per km<sup>2</sup>). They occupy 45.8% of the country's territory and represent 23.1% of the country's population. Representative regions are Dibra, Lezha, Gjirokastra, Kukes, Korça. In the intermediate regions 15% - 50% of the population lives in rural municipalities and communes. They occupy 45.8% of the territory of the country where 42.1% of the population lives. Representative regions are Berat, Elbasan, Fier, Vlora, Shkodra. There are only two regions with urban predominance Tirana and Durrës, which occupy only 8.4% of the territory and where 34.8% of the country's population lives. , the population lives in rural municipalities and communes..

27 Pathways to LEADER, A guide to getting the LEADER approach up and running in the Western Balkans, Turkey and beyond. p.14; (European Commission 2017)

Inclusion Policy Paper 2016-2020<sup>28</sup> identified the residents of rural areas and those involved in agriculture as one of the groups with the highest risk of poverty along with the unemployed, and persons with lower education level. Also, the self-employed or family farm workers in agriculture as well as persons living in rural areas possessing no land are among the two groups of persons categorized as disadvantaged.<sup>29</sup>

Programs that focus on rural development, such as improving public infrastructure, access to basic services, etc., reduce poverty and social exclusion barriers. The European Network of Rural Development (ENRD)<sup>30</sup> thematic work has highlighted that the LEADER/CLLD approach can help to identify specific problems at the local level, address these through tailor-made measures, and link together the various actors required to provide more effective solutions. To this end, considerable know-how and experience have been acquired through LEADER activities regarding the ways of responding to local challenges of social inclusion, particularly with regard to increase of access to employment and support of core services in rural areas.

### 3.3.2. The Need for Territorial Governance for Social-Economic Cohesion of Local Communities

Territorial governance is a relatively new and complex concept. It brings together the place-based approach and multi-level governance.<sup>31</sup> It has different forms depending on the institutional and political context, as well as past experience, etc. The main element required for the successful development of territorial governance is the

creation of a culture of territorial cooperation at all levels.

Place-based policies take on special significance in the local context of post-territorial-administrative reform. The reform and the decentralization process, on the other hand, have not been able to generate the desired effects towards the integrated development of the territory. The 61 newly consolidated municipalities with increased areas and larger populations faced the challenge of strengthening the socio-economic cohesion of the territory under their governance. Developmental disparities among various administrative units are present in today's municipalities, mainly due to a dominant central government approach and a low level of local financial autonomy.<sup>32</sup> The reform has further marginalized the new municipalities' rural population by concentrating investments mainly in municipal centers. It has also weakened the links of rural communities with their government and local institutions by deepening exclusion and reducing access to information and development opportunities.<sup>33</sup>

In this context, territory-based policies acquire more importance in addressing development challenges and in improving the local communities' quality of life. The LEADER/CLLD approach is a typical example of local territory-based development. The focus of this instrument is territorial. The tripartite partnership at the heart of this method through the LAGs involves local actors in the design and implementation of strategies on territorial development, decision-making and resource allocation to address priorities. LEADER/CLLD bears the potential to assist territorial reform in the integration of urban, peripheral and rural



28 Social Inclusion Policy Paper 2016-2020. Accessed on: [https://www.undp.org/content/dam/albania/docs/report\\_shqip\\_web.pdf](https://www.undp.org/content/dam/albania/docs/report_shqip_web.pdf)

29 VKM Nr. 56, dated 31.1.2018 On Determining Concrete Categories of Disadvantaged Groups

30 The European Rural Development Magazine. ENRD (Spring 2017).

31 Territorial Governance and Cohesion Policy, publication of the European Parliament [http://publications.europa.eu/resource/cellar/c1e8c363-a9e4-4c86-b39c-fbea378de89a.0001.03/DOC\\_1](http://publications.europa.eu/resource/cellar/c1e8c363-a9e4-4c86-b39c-fbea378de89a.0001.03/DOC_1)

32 RAT and the decentralization strategy - How close / far from the desired objectives we are after a governing mandate / Annual Review of Territorial Governance in Albania, I, 2018, 69-83; <https://doi.org/10.32034/CP-TGAR-I01-05>

33 Final Report of KLSH (Supreme State Audit) on performance audit about the functioning of municipalities in the framework of administrative-territorial reform \* (Decision of the Chairman of KLSH no. 146, dated 28.09.2018, recommendations)

territories, encouraging the involvement of all local actors (including citizens) in modern development practices.<sup>34</sup> ANRD has defined the successful implementation of the LEADER approach as an opportunity to help consolidate the reform in order to integrate the development of the whole territory using the potentials of all local actors.<sup>35</sup>

In conclusion, taking into account the above, it is indispensable for Albania to accelerate the implementation of the LEADER/CLLD approach as a model of cooperative governance that adapts to territorial diversity through the establishment of structures of dialogue, partnership and decision-making at the local level.

### 3.3.3 Gender Inequality and the Youth in Rural Areas

A worldwide phenomenon, gender inequality in rural areas is more noticeable in developing countries, as is the case of Albania (UN Women 2016). According to the data published by INSTAT<sup>36</sup>, women are disadvantaged over men in terms of access to labor market. For the same active age groups, the employment rate of women is about 20% lower than that of men. Activity status by gender also ranks women after men vis-à-vis paid employment, marking at the same time a higher rate of unpaid work. The same situation is identified in the age groups of young people, where unemployment among young women is about 30% higher than among young men. Although the percentage of active labor force in agriculture has decreased from year to year, the employment rate of women in this sector continues to be higher than that of men in relative terms (42.3% of total women and 33.5% of total of men). Statistics show that the position of women is weaker than that of men also in terms of ownership of active enterprises (agriculture, forestry, fishing) where only 10% of businesses in these areas are owned by women.

Studies on gender equality show that women are disproportionately affected by unpaid work (Arqimandriti M. et al 2019). In addition, women have traditionally been disadvantaged in the political field at all levels of government and representation, respectively at 29.51% for women and 70.49% for men (INSTAT d, 2020).

In addition to women, young people in rural areas are also one of the disadvantaged groups. Currently, most young people in rural areas consider agriculture an unattractive and difficult profession, with limited access to markets, or generating low income. Youth employment and limited prospects for the future remain major concerns. These reasons have led to the substantial abandonment of rural areas. The migration of young people from rural areas, especially from mountainous and remote rural areas, is one of the biggest challenges and the main risk to the sustainability of the entire agricultural and food security sector.

Both groups are also the most excluded groups in local decision-making processes and at risk for social exclusion. Failure to involve women and youth in various economic and social activities is also affected by rural-urban internal migration. Dislocated in major cities, members of both groups find it difficult to integrate due to their low level of education, lack of information, and their employment in the informal sector as a result of their need to survive in the city.<sup>37</sup>

Improving human relations and among rural communities is achieved when equality exists not only between genders but also among all social groups. The LEADER approach is a useful instrument for mobilizing women, youth and other disadvantaged groups to take an active part in the development of the community they belong to. LAGs should be a representation of the composition of rural communities. LAGs will need to include representatives of three sectors -



34 Commentary Leader approach and the 100 Villages program - A complementary and synergistic approach to integrated rural development. (Azizaj,E, Hroni. S) (January, 2018)

35 Ibid.

36 INSTAT 2019 (c) Labor Force Survey

37 This assumption is based on the Harris-Todaro model on population migration from rural to urban areas. Although migration is an individual choice people leave mainly because of their medium-term expectations in migrating countries.

the civil sector, public institutions and economic actors. Gender balance and youth participation in LAG boards provide a good opportunity to strengthen the role of women and youth in local development planning as well as in decision-making processes.

The EU experience in implementing the LEADER approach provides examples of LAGs working on women and youth issues. In Albania, too, LAGs have been used as an instrument to empower women's say in local decision-making. The three LAGs created by Oxfam GB – Maranaj LAG, Drini LAG and Adrijon LAG – employed this work approach.

### **3.3.4 Social Capital and Collective Initiatives**

Effective rural development depends on the actions of the government and other stakeholders. It is crucial that both sides work together: governance involves rural actors in policymaking and implementation, and rural actors are empowered to take initiatives that benefit rural communities. It goes without saying that the participatory local and central decision-making processes increase the interaction of stakeholders and gradually affect the improvement of trust between public authorities and citizens.

Studies show that the levels of trust are low in Albania. It is evident that trust is considered to be the missing factor in the relations among stakeholders at the local level. Lack of trust among stakeholders was presented as one of the joint conclusions of six parallel workshops held within the First Albanian Rural Parliament in 2017.

A missing dimension and, at the same time, an important factor for the country's sustainable development is the social capital - the link that holds a society united. The low social capital in Albania was affected by the process of collectivization during the communist period, but also by how life was organized in rural areas. It has been more vertical than horizontal as a result of the decision-making of the heads of village or clans. During the communist period, social capital was more imposed as a result of the organization of rural society in state-run cooperatives, while after the '90s, the lack of a consolidated social capital led to the loss of trust of the rural inhabitants. Oftentimes, this loss of trust has

negatively affected the successful implementation of development programs in various areas of the country, especially in terms of their sustainability.

Given the fact that it puts people at the center of local development through the LAGs, the LEADER approach requires trust and relies heavily on social capital. LAGs with their collective actions animate the territory and increase the interaction between public and non-public stakeholders with the aim of socially and economically developing the territory where they operate.

### **3.3.5 Strengthening Local Democracy**

The 2014-2020 programming period in the EU, followed by the announcement of the 2030 Sustainable Development Goals, in addition to achieving the goals of the Europe 2020 strategy (for smart, inclusive and sustainable growth), aimed to maintain the promotion of a more active and continuous participation of citizens in the decision-making processes in rural areas. This civic involvement and commitment are materialized through community-led local development (CLLD), the key of which is the LEADER approach. While a democratic local government is characterized by basic principles, such as transparency, accountability, participation, and inclusion, they are achieved through constructive processes and relations between representative democracy (local elections and the structures that emerge from them) and participatory democracy.

The bottom-up approach as one of the principles of the LEADER approach gives stakeholders the best access to the decision-making processes on local planning and to the selection of priorities. LEADER relies on the idea that residents of rural areas are more able than anyone to take care of their territory development. And this very spirit and the LAG at its core constitute an important instrument that helps strengthening the representative democracy that stems from elections. Building a democratic system presupposes participation and policymaking in the community, while local democracy is part and form of this participation. On the other hand, enhancement of local democracy by increasing the participation of rural communities in decision-making beyond local elections is a necessary

condition for poverty reduction in rural areas.<sup>38</sup>

Looking at the most recent past, the Territorial-Administrative Reform implemented, among other things, with the good intention of strengthening democracy and local government did not yield the expected results. The Supreme State Audit Institution (SSAI) report<sup>39</sup> concludes that: “although essential, the Administrative-Territorial Reform did not fully reflect the principles of the European Charter of Local Autonomy. As a consequence, there are inconsistencies between the reform objectives and the fiscal and budgetary policies of the central government, which have undermined local autonomy, thus undermining the strengthening of decentralization, subsidiarity and autonomy in the operation of municipalities.”

As already expected, the reform has generated a democratic deficit at the local level, especially in remote rural areas, due to the physical distance to access local decision-making processes as well as the lack of an active civil society. Under these conditions emerges the idea that participatory democracy can be helpful and complementary to the representative democracy (EU white Paper on Governance 2001), increasing the relevance of other stakeholders, such as civil society, producers, farmers, vulnerable groups, etc. Based on the experiences of evaluating the implementation of the LEADER approach in EU member states, taking the example of Ireland (Kearney et al, 1995; Fitzpatrick Associates 2004, RuDi, 2010), one can note that women and other groups in society, who traditionally have been underrepresented in local and central government structures, are better represented in the steering boards and those of the LAGs. These experiences suggest that LAGs make participatory democracy effective at the local level and are indicators of multi-tier governance. The implementation of the LEADER approach is linked, inter alia, with the core principles of

the EU integration process, such as civil society, democracy and participation through enhancing social capital and participatory governance.<sup>40</sup>

### 3.4 Mapping Tangible LEADER Initiatives in Rural Communities in Albania

Over the years, a considerable number of place-based rural development initiatives have been implemented in various areas of Albania. LAGs, thematic forums, and other partnership structures for the cooperation of the public, private sector and civil society have been established through them, but in general they have not been sustainable. Irrespective of a significant number of initiatives of this kind, one can note that those of the LEADER type have been limited in both number and scope. A total of eight LAGs and 21 LEADER forums have been established. These efforts were not entirely successful in providing solid partnership structures, as they proved unsustainable once donor funding ended.

As a civil society initiative that contributes to the sustainable development of rural communities, especially in aligning with EU community-led local development policy, the Albanian Network for Rural Development (ANRD) has placed great efforts to design LEADER initiatives in Albania. These efforts are organized in several rounds and consist of regional workshops<sup>41</sup>, surveys and interviews. The workshops conducted in four regional rural forums (Drini, Vjosa, Arbri and Egnatia) were finalized in close cooperation with MARD and the Managing Authority of IPARD. This cooperation confirmed the importance of consolidating the partnership between public and non-public actors in the implementation of the LEADER approach and the need to identify the LEADER approach initiatives and the prospects of its implementation



38 Local Democracy, Democratic Decentralization and Rural Development: Theory, Challenges and Policy Options. (Johnson C.A., December, 2002. Development Policy Review 19(4):521 - 532 DOI: 10.1111/1467-7679.00149)

39 Approved by the Decision of the Head of the Supreme State Audit, dated 8.09.2018.

40 (Pathways to LEADER, A guide to getting the LEADER approach up and running in the Western Balkans, Turkey and beyond. p.14; (European Commission, 2017)

41 “Existing experiences and the perspective of LEADER approach implementation”. Four regional workshops organized in March 2019. Read: <https://anrd.al/lajme/workshop-pervojat-ekzistuese-dhe-perspektiva-per-zbatimin-e-qasjes-leader-ne-territoret-e-forumeve-te-drinit-arberit-egnatias-dhe-vjoses-2/>

in Albania. Through these activities, the commitment of local actors to be involved in similar initiatives was tested by identifying past challenges as well.

In addition, as part of ANRD's contribution to the Balkan Network of Rural Development and beyond, questionnaires were handed out and interviews were conducted to identify all experiences, territories, local actors involved, and efforts invested in implementing the LEADER approach. The information gathered is helpful and contributes to the implementation of the LEADER approach under the IPARD II Program. The following is a summary of the main initiatives undertaken to implement the LEADER approach:

21 Forums for Development of Mountainous Areas also known as FORA were established in the framework of the Programme for Sustainable Development in Rural Mountain Areas Project, which was implemented by MADA (Mountain Areas Development Agency) during 2007-2013 financially supported by IFAD.<sup>42</sup> Only a few of them are currently active. SRDMA aimed to strengthen advocacy and stakeholder participation in mountainous areas and build the capacity of local government and local communities, especially in terms of resource mobilization and utilization. FORAs were established and operate as a model of LEADER-type LAGs and are registered as non-profit organizations. FORAs have implemented small-scale projects in the local territories they have covered. The FORAs' objective is to improve the living standard of residents living in mountainous areas.

Three LEADER-type LAGs have been established in the framework of the "Raise your voice: Promoting participation of poor women in governance" Program, which was implemented by Oxfam GB during 2008-2013. The three LAGs established – Adrijon in Vlorë, Maranaj in Shkodra, and Drini in Dibra– designed local development strategies (2012-2016) and implemented small scale projects. They were not legally formalized and are currently inactive.

The Cursed Mountains LAG/Prokletije Mountains<sup>43</sup> was established by SNV in one of the protected areas of Albania (Alps) and is registered as a nonprofit organization. In the last few years (2016-2018), the Conservation of Agrobiodiversity in Rural Areas of Albania (CABRA) revitalized the LAG with the aim of benefiting from the compliance with the EU requirements for the support of their area. To this end, the LAG prepared the Local Development Strategy (2018).

In 2012, the LAG of Deshati Dibra (registered as a non-profit organization) was established in the framework of a cross-border cooperation project between Albania and Northern Macedonia. The Deshati LAG was established as an instrument to support the development of rural and mountain tourism in the Deshat mountain ridge region.

In the recent years (2018-2019), under the Environmental Services<sup>44</sup> Project of the Ministry of Tourism and Environmental, with the support of the IBRD, three LEADER LAGs have been created to support the sustainable development in rural communities that rely on natural resources. The aim of the created LAGs is to improve the management of natural resources. LAGs are created at municipal level and they are: Pashtriku LAG in Has, Green Kolonja LAG and Puka LAG.

Another form of LAG initiatives include consortia that, although not in the form of a typical LAG, have their own characteristics and feature the potential to become one with little support and efforts. The two consortia created are:

The "Pro Permet" Consortium established by a voluntary union of agri-food, tourism, handicraft, etc. production entities in 2011, with the aim of promoting the territory, tourism development and guest and accommodation structures as well as environmental protection. The process of establishing the Pro Permet Consortium was assisted by CESVI. Pro Permet is currently an active civil society organization and a member of ANRD.



42 IFAD, Programme for Sustainable Development in Rural Mountain Areas Project, Completion Report Digest, 2014.

43 The LAG was established in the framework of the project "Environment for people in the Dinaric Arc" implemented by IUCN (International Union for Conservation of Nature), the Mediterranean Program WWF and SNV (Dutch Development Organization) funded by the Ministry of Foreign Affairs of Finland.

44 Read more about the project at <https://esp-albania.com/about-us>

The “Kelmendi Spirit” Consortium was established in 2009 aiming at the Malesia e Madhe rural communities’ socio-economic development, with particular focus on tourism. It is not a typical LAG, but it has the features of a LEADER-type LAG. The process of creating the Kelmendi Spirit was assisted by VIS Albania. Kelmendi Spirit is active in territorial promotion.

Regardless of the lack of their sustainability, the partnership structures mentioned in this section are important to map,, understand and especially to assess, the feasibility of implementing the LEADER approach in Albania. These initiatives and others that focus on research, capacity building, networking, and advocacy, etc., help and create a fertile ground for a nationwide undertaking implementing the LEADER approach. As a result, there is currently a critical mass of trained human resources, who have the required knowledge and skills to engage in LEADER-type initiatives and are in the best position to take on the role of change agent in relation to the application of this

approach.

The Albanian Network for Rural Development has delivered training and information, networking space for exchange of experiences and knowledge, and provided support for the promotion of animation processes in some rural areas, in which strong local leadership has been identified (see Table 3 below). Efforts to identify cohesive territories with similar development potentials have been undertaken, while there is still a need for such research studies to encompass the entire territory of the country. Mapping such territories would facilitate the undertaking of concrete actions and initiatives by various actors in implementing the LEADER approach and in creating LAGs.

The following table provides a summary of LAGs, partnership structures, animation processes, and local leadership for the implementation of the LEADER approach in the territory of Albania until September 2020.

**Table 1: Summary table of LAG initiatives in Albania (until September 2020)**

No.	Name	Description	Covered Area	Status
1	<b>Adrijon LAG</b>	The three LAGs were established about 10 years ago (Drini in 2010, Maranaj and Adrijon in 2011) on an initiative of Oxfam GB under the “Raise your voice” Program, which aimed to increase the participation of marginalized women and men in governance through the set up of LAGs that would establish the links between local government and rural communities by addressing women’s issues. Each of the LAGs has designed its own local action strategy (2012-2016) and implemented small local projects.	Vlora	Inactive
2	<b>Maranaj LAG</b>		Shkodra	Inactive
3	<b>Drini LAG</b>		Dibra	Inactive
4	<b>Cursed Mountains / Prokletije Mountains LAG</b>	Established by the SNV (the Dutch Development Organization) and registered as an NGO, this LAG has been assisted by the CABRA Project to increase its chances of taking advantage of compliance with EU criteria for support in this area. GIZ is supporting its revitalization.	Albanian Alps	Inactive

No.	Name	Description	Covered Area	Status
5	<b>Deshati LAG</b>	Established by ANTARC & ALCDF in 2021, under a cross-border cooperation project between Albania and North Macedonia, with the aim of supporting rural and mountainous tourism in the Deshat-Korab Mountain Chain. It is registered as an NPO under the name of Touristic Dibra	Deshtani Mt Ridge / Dibra Area	Active
6	<b>Pashtriku LAG</b>	LAGs established in 2017 by the Ministry of Tourism and Environment in rural areas that rely heavily on their natural resources with the aim of improving their utilization. The three LAGs are registered as NGOs. The Kolonja LAG has designed its own development strategy for 2018-2020.	Municipality of Has	Active
7	<b>Green Kolonja LAG</b>		Municipality of Kolonja	Active
8	<b>Puka LAG</b>		Municipality of Puka	Active

**Table 2: List of consortia (local partnership structures) focusing on rural development Albania's territory (until September 2020)**

No.	Name	Description	Covered Area	Status
1	<b>"Pro Permet" Consortium</b>	Established by a voluntary union of agri-food, tourism, handicraft, etc. production entities in 2011, with the aim of promoting the territory, tourism development and guest and accommodation structures as well as environmental protection. The process of establishing the Pro Permet Consortium was assisted by CESVI. Pro Permet is currently an active civil society organization.	The Vjosa River Valley (Municipality of Permet and Municipality of Kelcyra)	Active
2	<b>"Kelmendi Spirit" Consortium</b>	Created in 2009 and supported by the Italian Ministry of Foreign Affairs and the EU, the objective of this consortium is the socio-economic development of the rural area where it operates with special focus on tourism. It is not a typical LAG, but it has the features of a LEADER-type LAG. The consortium was assisted by VIS Albania and is registered as an NGO.	Malesi e Madhe	Active

\* Although not typical LAGs, the consortia have their characteristics and the potential to become LAGs.

Table 3: List of potential LAGs in Albania's territory (until September 2020)

No.	Name	Description	Covered Area	Status	Contact
1	<b>LAG Mirdita</b>	The CDI (Center for Development and Integration) has carried out an animation process of local actors in the territory of the municipality of Mirdita, with the final goal of creating a LAG in Mirdita. The initiative involves important local actors such as the Center for Development and Integration, AgroMirdita, Mirdita Women's Association, Infokulla, Municipality of Mirdita, local businesses, etc.	Municipality of Mirdita	Potential LAG	CDI (Center for Development and Integration) / rigertaloku@gmail.com
2	<b>LAGs in rural areas of the Municipality of Durres</b>	TAULEDA has shown leadership in recent years in establishing LAGs in rural communities of the Municipality of Durres. To this end, it has carried out an animation process of local stakeholders as a precondition to create a LAG in Durrës. Local actors include: TAULEDA, Durres Regional Council, Municipality of Durres, several local environmental and cultural associations, and local businesses have agreed to create a LAG that will cover the rural part of the municipality such as: Ishmi, Maminasi, Katundi i Ri, Sukthi.	Durres	Potential LAG	TAULEDA / tasim06@yahoo.it
3	<b>LAGs in rural communities of the Municipality of Elbasan</b>	In the frame of "Product Technologies and Traceability in Albania - Pro.tec.t." <sup>45</sup>  Project, supported by the Umbria Region, Italy, <sup>46</sup> a LAG is expected to be established in the region of Elbasan in 2021.	Elbasan	Potential LAG	Elbasan Agriculture Federation shbe. elbasan@gmail.com



45 In Albanian: Product Technologies and Traceability in Albania - Pro.tec.t

46 Read more about the project <https://www.parco3a.org/pagine/pro-tec-t-product-technologies-and-traceability-in>

No.	Name	Description	Covered Area	Status	Contact
4	<b>Potential LAGs in Korça</b>	In the frame of “Product Technologies and Traceability in Albania - Pro.tect.t.” Project, supported by the Umbria Region of Italy, a LAG is expected to be established in the region of Korça in 2021.	Korça	Potential LAG	Elbasan Agriculture Federation shbe. elbasan@g mail. com
5	<b>Potential LAG in the pathway of winery and olives</b>	The rural communities located along the wine and olive root in Tirana and Durres offer an ideal subregion (based on the cohesive potential of territorial development) for the creation of a LEADER-type LAG. ANRD organized a traveling workshop along the wine and olive pathway with key local actors to foster leadership for the stakeholder animation process. No concrete follow-up action has been undertaken so far.	Tirana and Durres	Potential LAG	Albanian Network for Rural Development info@anrd.al
6	<b>Potential LAG in the Vjosa River Valley</b>	The rural area in the Vlora river valley with strong territorial identity and development potential offers an ideal subregion for the creation of a LEADER-type LAG. Green Vision, a local organization working in the area, plans to promote an animation process of key development actors.	Vjosa River Valley, Vlora	Potential LAG	Green Vision – greenvisionvlore@gmail.com
7	<b>Potential LAG in Jezerca Mountain Ridge</b>	The Albanian Alps Alliance, a local organization with active focus in environmental issues, aims to promote the animation of actors in this territory. The Jezerca Mountain area is a cohesive territory with a strong territorial identity.	Jezerca Mountain Ridge, Municipality of Tropoja	Potential LAG	Albanian Alps Alliance voicealps@gmail.com

## 4. Conclusions and Recommendations

As a crosscutting approach involving a broad spectrum of actors, rural development according to European policy represents a new participatory rural development paradigm enabled through the implementation of the LEADER approach. The implementation of this approach in Albania is, however, coping with difficulties and challenges related mainly to the poor social capital, obvious lack of capacity in local governance, civil society organizations and business to enter into long-term partnerships that comply with the principles of the LEADER approach. This approach should be considered as a bridge among local and national actors and EU institutions.

The LEADER approach puts people at the heart of local development through LAGs and as such supports and seeks leadership, credibility and local ownership. However, this process calls for encouragement from the top regarding the establishment of a clear regulatory framework on the implementation of the LEADER approach as well as information, knowledge, and capacity. In this regard, proactive efforts are required from MARD to align the European rural development policy –community-led local development– with local dynamics and the needs of citizens.

Regardless of challenges and opportunities lost so far in terms of a possible national undertaking to implement the LEADER in Albania and irrespective of the lack of sustainability of the established partnership structures, the implementation of the LEADER approach must be based on prepared ground, on the critical mass of human resources exposed to this approach and its principles, on the discernable need for such a development philosophy at the local level, and, above all, on the positive momentum created by the IPARD II Program regarding the extent of the implementation of Local Development Strategies –

the LEADER approach.

The following are few recommendations based on the weaknesses identified in the assessment of the implementation dynamics of the LEADER approach in Albania:

### 4.1 Clear Regulatory Framework on Implementation of the LEADER Approach

Albania's domestic regulatory framework does not have provisions that specifically regulate the design and implementation of local development strategies – the LEADER approach. A clear regulatory framework guides all efforts of the private sector, relevant public institutions at national and local level as well as of the civil society towards the development of the LEADER approach and EU rural development policies. In order for local actors to be involved in sustainable LEADER approach initiatives, it is crucial that the current legal framework integrates provisions on the LEADER approach, including the following, but not limited to the following issues:

- Definition of CLLD, LAG, LEADER, local development strategy, etc.;
- Legal form of establishing LAGs;
- Content or the main components and elements of the strategy, the basis of constituent elements needs to be defined by them in pursuance of the Article 33(1) of the Regulation 1303/2013;<sup>47</sup>
- Responsibilities and functions of LAGs. The basis of responsibilities should be derived but not limited by Article 34 (3) of Regulation 1303/2013;

47 Regulation (EU) no. 1303/2013 of the European Parliament and Council

- Local partnership agreement (purpose, objectives, and main constituent elements);
- Determining the perimeter of each LAG through a clear territorial methodology;
- Relationship among actors involved in the partnership (public authorities / economic and social partners / civil society representatives);
- Awareness of local actors with regard to improving social capital;
- Procedures and decision-making in LAGs;
- Financial procedures (financing, co-financing, pre-financing);
- Transparency (reporting, sharing of information, etc.).

The integration of the abovementioned elements can be achieved by means of various legislative techniques such as a Council of Ministers' Decision "On LEADER Local Development", or through the adoption of a special Law "On the Establishment and Functioning of LEADER Local Action Groups".

In addition, the Law on Agriculture and Rural Development should be fully aligned with the EU regulations. The law should be supplemented, in particular, with provisions on community-led local development under Articles 32-35 of EU Regulation 1303/2013 and Articles 42-44 of EU Regulation 1305/2013.

## 4.2 Unambiguous Institutional Leadership of the Ministry of Agriculture and Rural Development

Given that the LEADER approach is an instrument of European rural development policy and its encouragement by the European Commission aims at boosting integrated development of rural communities, the MARD should embark on an unambiguous role and institutional leadership in the implementation of this instrument. This role should be undertaken both in relation to other line ministries and to other important actors implementing the approach, including local self-government units, regional development agencies, and other public institutions at regional and local

level, organizations and civil society and local groups as well as the private sector.

The lack of sustainability of the tripartite partnership structures mentioned above can be partly attributed to the lack of institutional leadership on the part of the Ministry. To this end, mapping LEADER-type initiatives, creating discussion forums on the challenges they face, generating financial support to ensure their sustainability, and undertaking rural policies that can mobilize partnership structures and human resources in rural development areas are an ongoing process that must be maintained by the Ministry.

## 4.3 The Role of the Albanian Network for Rural Development

Despite the challenges and uncoordinated dynamics in the implementation of LEADER initiatives, it can be concluded that the local level in Albania provides a ground where we can work and achieve positive results in relation to the implementation of this approach. The initiatives and structures identified in this document confirm that important steps have been taken so far to introduce the LEADER approach and implement it under the IPARD II program.

To advance this agenda, the Albanian Rural Development Network has, in the last five years, developed networking platforms, contact points at all levels (including Albania, the Balkan region and European level), discussion forums and capacity building not only at national level, but also beyond. Trained human resources, a certified LEADER approach team, awareness materials and advocacy are available to assist in the implementation of the approach, especially in terms of stakeholder animation processes and acquiring skills. The organizational structure of Albanian Rural Development Network itself creates space for membership and networking of LAGs. ANRD is an active actor in the institutional landscape of rural development, with a special focus on implementing the LEADER approach.

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# **POLICY DOCUMENT**

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