



RURAL DEVELOPMENT NETWORK  
OF THE REPUBLIC OF MACEDONIA



**European Rural Parliament 2015**  
**National Report for Republic of Macedonia**  
prepared by  
**Rural Development Network of the Republic of Macedonia**

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## **I. Introduction**

This report contains the processes and outputs of the national campaign conducted by the Rural Development Network of the Republic of Macedonia (RDN) expressing the aspirations and concerns of the rural people which they wish to be heard by the national and European authorities, and provide the inputs to the Second European Rural Parliament, 2015.

The ERP 2015 campaign is driven by the belief that the interests of rural communities (i.e. all people who live or work in rural regions) are under-represented in national and European debates and in the shaping of policies and programmes; that rural people themselves have the best understanding of their strengths, opportunities and needs; and that rural communities should be encouraged to take action in pursuit of their own well-being, and to be positive partners of governments at all levels.

If the European Rural Parliament is to enable the voice of rural people to be heard, then that voice must come from the rural people, at grassroots level. Therefore RDN joined the initiative for 'upward cascade of ideas' which truly draws upon the concerns and hopes of rural people in rural Europe. This 'cascade' started at local level by gathering ideas in counties and regions, and were synthesized at national level and later on assembled at European level to form a draft European Rural Manifesto to be debated, amended and approved at the ERP 2015 gathering.

The RDN was invited to act as national champion to play the key role in gathering and synthesizing the upward cascade of ideas from the rural stakeholders in Republic of Macedonia and to contribute to the pool of ideas at European level.

The RDN brings together 64 CSOs as members represented at the RDN Assembly and is working closely with about 1,500 rural leaders. Thus, the latest estimate is that the RDN is interacting through the member CSOs with 100,000 rural families in Macedonia and is voicing their concerns at national level.

## **II. Collection and processing of the ideas**

In March 2015 the RDN of RM conducted regular Assembly meeting for its member organizations. By using this opportunity RDN succeeded to gather ideas from rural communities represented by diverse CSO structure (farmers, rural women, youth, handcrafts, ecologists etc.) for the purposes of the ERP 2015.

During this event RDN organized a participative workshop with members of the network which was conducted by 6 facilitators. They divided the participants into thematic groups on the basis of the preselected themes of interest. In this session the groups identified various problems existing in the rural areas and defined possible ideas for solutions within the frame of the preselected themes. The participants started with mapping, analysis and valorization of the most significant problems from each theme. The problems were prioritized and then in continuation of the session they proposed adequate project initiatives as possible solutions.

Later on, the gathered information from each group was synthesized synchronized and competed with the rest of the gathered information in this report.

In order to obtain larger stakeholder outreach from the rural territories, RDN continued with the process for upward cascade of ideas on several regions of the country by using RDN regional offices (western and eastern part of RM) local Government (western and southwest part of RM) and National Extension Agency (advisors from south western part of RM). RDN used participative methods by comprehensive participation of relevant stakeholders within the rural areas (individuals, representatives from rural businesses, municipalities, service



providers, other public representatives) with a support of the above mentioned partners. The RDN used different communication tools for the assessment: meetings with focus groups, and interviews. The gathered ideas were processed and competed with the rest of the gathered information in this report.

### **III. Number of people involved**

During the entire process for collection and processing of ideas the following people were involved

1. Zvonko Naumoski – coordinator of facilitators
2. Vesela Lambevaska Domazetova – RDN Head office
3. Aleksandra Todorovska RDN Head office
4. Ana Damoska RDN Head office
5. Petar Gjorgievski RDN Head office
6. Nadica Madzirova “Polimat 13” - RDN member
7. Sasho Angelovski – RDN regional office Bitola
8. Liljana Jonoski RDN Regional office – Gostivar

### **IV. Methodology**

A set of 6 preselected themes were identified based on the RDN’s insight and bottom up approach implemented through constant communication with the rural stakeholders and coordination with ERP implementing partners. The themes guided the participants to express their concerns, identify ideas for solutions of the specific problems in order to come up with clear stand for development of the rural communities. Through discussions and brainstorming the participants were able to identify at least 5 concerns/problems per topic, from which minimum 3 of them were prioritized. For prioritization of the concerns/problems the following factors were utilized: Eligibility (relevancy); territory (range) of the problem; target groups and inclusiveness and negative effects of the problem. Each of the identified concerns/problems was analyzed and rated from 1 to 10. The identified problems with highest priority were the ones that were rated with highest rate (10) for each factor.

The possible solutions were defined through analysis by using the factors: solution capacity, establishment of partnerships and finances. The factors for solutions were also rated from 1 to 10.

### **V. Themes discussed**

- **Challenges and potentials of small scale family farmers contributing to security and safety of food supply;**
- **The need for networking and demand driven pluralistic rural advisory services;**
- **Diversification of rural economic activities to add value of the local farming production systems and development of other non-farm activities like crafts production and support to rural tourism development in the countryside;**
- **Social cohesion and sustainable demographic development in the rural areas;**
- **Access to employment for young population and other vulnerable groups in the rural areas;**
- **Absorption of available Government funds of the potential beneficiaries involved in agriculture and rural development.**

*(Details of prioritized concerns/problems and solutions by stakeholders - Annex 1)*



## **VI. Conclusions from the discussed themes**

### **1. Challenges and potentials of small scale family farmers contributing to security and safety of food supply;**

The small scale family farmers are dominant stakeholder group in food production, there are many factors that have a negative effects for successful development of the family farming. These factors include fulfilling agro-ecological conditions, specific territorial characteristics, adequate policies, lack of access to market, dissected land, unused natural resources, old technology, lack of finances, unfavorable demographic, economic and socio-cultural conditions, absence of possibilities for specialized education etc.

As possible solutions, the stakeholders stated that the rural development programmes should support small family farms in supporting production technology systems. The quality of the products can be enhanced by introduction and developing post harvesting facilities that will also contribute to the food safety standards and better marketing of the products. There are only a few enterprises that have provided EU export licenses so that the capacity for utilization of the free trade agreements is on a very low level. The agricultural sector needs to introduce measures for better environmental protection, increase awareness and introduce agricultural adaptive measures towards climate change, improve advisory services and marketing information system of the food products produced by the small scale farmers as well as to develop more favorable conditions for crediting.

### **2. The need for networking and demand driven pluralistic rural advisory services;**

The networking reflects exchange of experience achievements knowledge between all stakeholders (rural areas, authorities and different organizations involved in rural development). From the stakeholders statements, it can be concluded that there is a lack of sharing information and transferring of good practices among the people from the rural areas that isolates many regions in the country.

There is a need for innovative advisory services that can significantly contribute to the process of networking in the rural communities, especially in distribution of prompt information. This requires inclusion of greater spectrum of service providers that will result with better quality of advisory services. It is expected that increased networking will contribute to diversified provision of services in the rural areas focusing on:

- Decentralized selection of service providers
- Possibilities for introduction of new technologies
- Encourage establishment of stronger linkages among service providers and clients

There is an obvious need for promotion and support activities for networking of the rural population. These activities must support the motivation of the people using the positive experiences from the networking benefits and their contribution to the public good.

Membership in different organizations should be increased by sharing experiences from successful stories among associations at regional national and multinational level.

### **3. Diversification of rural economic activities to add value of the local farming production systems and development of other non-farm activities like crafts production and support to rural tourism development in the countryside;**

Rural population in Macedonia lacks alternative ways in order to reduce dependency from traditional agricultural production as only source of income. This is due to the economic



changes that happened in the last 20 years like free market economy, globalization, increased competition, migration processes from the rural to urban areas, lack of innovation etc.

Agricultural production is the backbone of the economy in the rural areas. However, taking into consideration the small size of the farms (1, 5 hectares), it is difficult for the families to ensure continuity of income because agriculture is seasonal and has uncertain market. Macedonian agricultural sector includes a relatively narrow range of crops and livestock products : so, starting from this point, it has huge potential for diversification. New alternative agricultural activities can promise more profit ... but again this requires farmers who are committed to innovation, risk, sharing of information, acquire knowledge, additional investments and networking.

Other means and possibilities for generating income in the rural areas were identified during the discussion. These possibilities are not linked with agricultural production, but are directly or indirectly linked with the economies of the rural families like; rural tourism, gastronomy, cultural and sport activities, crafts, aquaculture, collection of wild herbs, forest fruits, etc.

Production of crafts has a long tradition and it is considered as significant component in the social, economic and cultural life in the rural areas. The transitional period, lost markets, new technologies influenced this sector slowly to disappear. But also other reason for this is that the handicrafts are characterized with very low level of entrepreneurial and business skills.

Rural tourism in its different forms (agro, village, eco, cultural, religious, sport, gastronomic, hunting, spa, etc.) is underdeveloped.

The development of rural tourism is one of the possible measures for rejuvenation of the rural areas and the rural heritage and can significantly contribute to ; creation of jobs, increase cooperation between urban and rural areas, strengthen local and regional structure by introducing public and private partnership and increase the awareness for the values of the natural and cultural resources.

#### **4. Social cohesion and sustainable demographic development in the rural areas;**

Rural areas in Macedonia are facing with problems like every country that is in process of transition - intensive depopulation, low activity on the labor market, slow restructuring process of the agricultural economy, high percentage of small/ mixed farms with low income.

Macedonia has unfavorable migration average net rate 1.45/1,000 inhabitants. From 1981 to 2002, the number of young people (0 to 19 years) decreased from 41 to 32.2% while the population from 65 years and more increased from 8 to 32.2%.

The education rate in the rural areas is very low (10.5% are illiterate and 27% don't have primary education), due to migration of young population; lack of education institutions; isolation of the underdeveloped villages etc. The problems with education are obvious, because only 8% have university education while the majority 54% has secondary school education and the rest 38% do not own any skills.

The improvement of the age structure in the rural areas should be high on the priority list of the rural development policy. Measures like additional help to the young farmers or schemes for early retirement can encourage the farm inheritance process that further will increase the entrepreneurship, introduction of innovation, farm modernization etc.

On the other hand, education is the driving force of the socio economic development and factor for readiness to innovation. The education system plays an important role in the capability of the young population for valuing local products and local tradition thus the



quality of the education and the lifelong learning processes can reduce the inequalities among the urban and rural areas.

### ***5. Access to employment for young population and other vulnerable groups in the rural areas;***

Similar like in other countries of the Western Balkans, the labor market in Republic of Macedonia is estimated as insufficiently inclusive, despite the existence of national legislation in the area of labor relationships and equal opportunities for employment. The inclusion of certain groups from the population like women, young and old workers remains as a major challenge for the country, taking into consideration the high rates of unemployment of these particular groups. Characteristic of the unemployment are its durability, old-fashioned economic structure and lack of investments for its change and modernization.

The integration of young people in the labour market needs to be promoted by constant opening of vacancies, harmonisation of the education system with the needs of the labor market, and especially strengthening the interest and the conditions for young people to start their own business. Besides that by giving support for first employment of young people and by acquiring experience through internships, a great number of young people could be employed and thus socially included.

Diversification of the economic activities in the rural areas should increase the possibilities for employment as a source of additional income that will have an influence for improvement of the living standard and to the quality of life in the rural areas.

### ***6. Absorption of available Government funds of the potential beneficiaries involved in agriculture and rural development.***

As a candidate country, Macedonia has access to all five Instruments for EU Pre-Accession Assistance (IPA). The overall objective of the IPARD programme is to enable Macedonia to get ready for effective implementation of structural funds under EARDF upon accession; to contribute to the sustainable development of the agricultural sector by helping that sector to meet EU standards in policy areas like food safety, veterinary and phyto-sanitary issues; and to stimulate growth and quality of life in the rural areas.

The principal areas covered under the IPARD programme 2007-2013 are the following:

- Under Priority Axis 1: Measure 101 "Investment in agricultural holdings" and Measure 103 "Investments in processing and marketing of agricultural products" with focus on the fruit and vegetable (fresh and processing), grapes and wine, milk and dairy and meat and meat products sub-sectors;
- Under Priority Axis 3: Measure 302 "Diversification and development of rural economic activities" targeting the assistance towards support for establishment of micro-enterprises and crafts in rural areas and support to rural tourism development.

During implementation of IPARD Programme 2007-2013, the number of applications has been limited, and the rejection rate was high (50%-70%), leading to low absorption capacity. The initial financial allocation to the programme was around €85 million for the period 2007-2013 and further decreased to €60 million following de-commitments and transfer from IPA component V to component I. De-commitment for 2010 and 2011 allocations amounted to about €20 million.

In this context, the Government has identified the introduction of new measures in the IPARD programme and the strengthening of the management and control systems as one of the main area for mitigation of the de-commitment risks. At the same time, increased awareness and capacity of potential beneficiaries involved in agriculture and rural



development is needed for efficient absorption of the available funds. Measure 501 "Technical Assistance" is planned to be accredited in June 2015 and measure 301 "Investments in rural infrastructure" is under preparation.

During the discussion in the thematic group, several facts that prevent the absorption of the IPARD funds were elaborated. First, the process of gathering the relevant documentation for completion of the applications : very often, there is lack of coordination among relevant institution at local level responsible for issuing such documents. Second, a major obstacle for farmers is access to flexible loans from the banks to be able to match with the IPARD 50% and to complete the entire financial investment. Third, the money claim is too complicated and requires eventual support from Government in a form a Guarantee Fund or similar. This situation brings disinterest and distrust among the potential beneficiaries of IPARD. The National Programme for supporting rural development is another possibility for the rural stakeholder to access funds : it is based on similar conditions to IPARD, but it is more flexible and it is therefore more acceptable for many potential beneficiaries.

In order to improve the current situation and increase the absorption power of the Government funds, the participants of the thematic group emphasized several important points. Advisory services are a significant link that connects farmers, companies and entrepreneurs from rural areas and IPARD, creating preconditions for market-oriented partnership. The National Extension Agency (NEA) and private consultants should be encouraged and supported to write investment programmes and business plans for potential IPARD beneficiaries and to follow their progress in success or failure. However the mutual cooperation between all stakeholders in the Programme is a key element in improving Macedonia's agriculture and rural development and preparing it for the enlargement and new CAP 2014-2020.

It is of an essential importance to improve the access to different financial sources (banks or informal credit products). The Government could support this through developing mechanisms, like guarantee funds, and by encouraging banks to widen their inclusiveness in rural credit and investment. Another possibility is to create a formal financial institution for supporting rural development.

## **VII. *Achievements of the rural communities***

Rural Development (RD) has become a central priority for Macedonia and this has contributed to a new, institutionally and thematically pluralistic perspective on how rural actors can work together for local economic development. Since 2009, RD has become part of development policy in Macedonia. In the past, development priorities focused on urban areas and agriculture. Rural young people were generally encouraged to pursue their futures in the towns and cities. A new perspective on RD has been stimulated by two changes.

The first was the introduction of a law that decentralised significant power, to municipalities. It was not initially seen as a way of reviving rural development processes. At first, the municipalities focused almost entirely on improvement of utilities and facilities within their small urban areas. This opportunity for independence gradually began to focus more on local economic development, and with that interest has grown in RD.

The second change that has stimulated local and national authorities to begin thinking about RD in earnest was the growing realisation that the accession timetable was coinciding with a significant shift of EU's internal priorities away from agriculture per se, to a broader focus on multifunctional rural development. National actors began to recognize that, in order to benefit from EU accession and to synchronise local and national development strategies with wider trends in the EU, there must be increased emphasis on rural development within the country.



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The vast majority of National Rural Development Programme and Instrument for Pre – Accession in Rural Development (IPARD) investments are flowing into agricultural production and processing with the individual producer/processor driving the activity. However, the path to LEADER as an aspect of RD took a different course.

Other international agencies (UNDP, USAID and GIZ) had begun working with municipalities to assist their newly expanded local economic development teams develop individual strategies : these were notably weak in the area of rural development. With the support of the Swedish International Development Agency (SIDA), the Rural Development Network (RDN) entered the field of rural development, with an initial focus on helping to reorient these and other local development strategies towards rural areas.

RDN supported the formation of municipality based multi-stakeholder rural development groups that encouraged local government to consider rural development in the scope of their municipal activities. LEADER-like activities were organised, in order to provide examples of what could be achieved through the mobilization of different stakeholders. Young, relatively well-educated residents of rural municipalities who were already active in the grassroots NGO and CBO sector became particularly engaged. Synergies have arisen through a combination of awareness raising at all levels, small pilot initiatives at local levels, and RD sub-strategies adopted by municipal councils and lobbied for by multi stakeholder groups.

In this way, rural development has gone from being a vague minor priority to being recognized as a significant local responsibility. Finally in 2015 LEADER became part of the new IPARD 2 measures. The implementation of the LEADER approach should contribute to the development of civil society in rural areas, facilitate good governance through local partnerships and foster socio-economic rural development. The measures should include activities aiming at enhancing the capacity of rural stakeholders, including LAGs members, in order to ensure the good management of the LAGs, the preparation and efficient implementation of relevant LDS through local projects.



## VIII. Successful case studies

### BITOLA

**Project title: DAYS OF PELISTER'S PRODUCTS**

Project Concept by:

Local Group for Rural Development of Municipality of Bitola

**Partners:**

Municipality of Bitola – Mayor of Bitola and representatives of LED

National Park "Pelister"

PCE "Komunalec" Bitola

PE "Makedonski sumi" - BO „Kajmakcalan" – Bitola

**Key elements:**

The **overall goal** of the project was to improve the livelihood of the rural population in sub-mountain region through identification, by promotion and sale of local agricultural and hand made products, development of alternative tourism and sustainable use of natural resources, through establishment of a Fair of local products and rural services.

The **target group** of the project were local farmers, artisans and handmade producers from four mountain villages of Dihovo, Nize Pole, Trnovo and Magarevo. The wider target group is the local population from these villages as well as all local businesses and social-economic institutions in the area.

The **main activity** of this Project was the Fair of local products and services from 4 sub-mountain villages in Pelister Region. The Fair gave a chance to more than 30 exhibitors to present and sell their products and services to the visitors of the fair in order to promote them and to establish good business relationships between different stakeholders in the region.

**Outputs:**

The fair was organized in the mountain village of Trnovo (on 28th of August every year, big national holiday). 30 stands were installed in the backyard of the village church. 28 exhibitors exposed their products and services to the visitors. The fair was very well attended (700 – 800 visitors) and the visitors showed great interest for the exhibited products and services. This was confirmed by the observation from the members of the Group for Rural Development. The fair was properly covered by the media and highly supported by the officials of the Municipality – Teams from 5 TV stations recorded the event and interviewed the visitors and exhibitors; The Major of Municipality of Bitola officially opened the fair in presence of 7 members of the city council and 2 members of the Parliament.

**Outcomes:**

Lot of products were sold during the Fair, good communication was established between different stakeholders and preliminary discussions for future cooperation was made. The owners of 3 restaurants in the sub-mountain region established cooperation with 7 local farmers for future offering of their domestic products to the visitors of the restaurants. The representatives of 2 Travel Agencies were very interested in the possibilities for rural tourism and agreed future cooperation with the 2 farmers who offers their village houses for accommodation of tourists.

The Mayor of Municipality of Bitola committed further Municipal support for the Fair in order this Fair to become a traditional event. The members of the LGRD and Municipality (Local Economic Development LED) unit will continue to monitor the follow up activities and try to support them in order to provide sustainability of the achieved results.



## PEHCEVO

**Project title: ARRANGEMENT OF WATERFALLS IN PLACE CALLED CRN DOL - DEVELOP RURAL TOURISM IN MUNICIPALITY OF PEHCEVO AND PROMOTION OF LOCAL PRODUCTS AND SERVICES**

Project Concept by:

Local Group for Rural Development of Municipality of Pehcevo

**Partners:**

Municipality of Pehcevo – Mayor of Pehcevo and representatives of LED  
PE “Makedonski sumi” - BO „Ravna Reka” – Pehcevo

**Key elements:**

The **overall goal** The overall goal of the project was to support rural development through promotion of natural beauties and traditional products and services (on the same place near the waterfalls, farms and local road) and attraction of investments and visitors.

The **target group** of the project were local producers of healthy food, services providers, owners of the restaurants, motels and owners of private accommodation, who are already involved in rural tourism in this area. The beneficiaries were all tourists and potential visitors of the Malesh region.

**Outputs:**

The waterfalls are arranged in a place called Crn Dol.

Installed facilities: six bridges, eight tables and sixteen benches around the waterfalls, four wooden stands on the yard of motel „Zagorka,, nursery „Malina,, and two are installed close to the waterfalls.

**Outcomes:**

The representatives of the travel agencies showed interest for developing rural tourism activities and agreed future cooperation with the 2 motels and 5 farmers offering their houses for accommodation of tourists.

The owners of the houses for accommodation of tourists, also offered a good traditional food for the visitors. Good business relations were established between the local business sector and rural population. Most of all, this project succeeded to establish contacts and relationships between owners of the houses for accommodation, motels and farmers from one side, and the visitors and potential investments from the other side. The members of the LGRD and Municipality LED will continue to monitor the follow up activities and try to support them in order to provide sustainability of the achieved results.



**IX. *Addressed needs and demands of the rural stakeholders to relevant authorities representing local, regional, national and EU administration.***

There is a need for an adequate complex strategy for rural development in order to keep the rural population in the villages.

The need for funds to support the rural development is acknowledged, however the participation and the amount of budget transfers for rural development needs to be increased. The current orientation towards the direct payments should gradually decrease and change with other policy goals with equal importance for the rural population and wider social community (investments, protection of the environment, survival or transformation of the small farms etc.)

The decentralization is an important principle in creation of the rural development policy and needs strengthening of the capacities of the stakeholders in order to actively participate in this process. That is why different informative and promotional activities are necessary for raising awareness in order to reach to a critical mass of local participants.

The national and local authorities but also the civil society organizations should make effort to promote the opportunities from the rural development policy in front of the rural population, so they can recognize their needs and improve human and material capacities in order to utilize these opportunities. One way is through using the LEADER approach and formation of the Local Action Groups.

At the same time there is a need for continuous communication and cooperation among the research community and policy creators and implementers. In this direction a comprehensive approach is necessary that will include relevant theories, methods and continuous strengthening of the analytical capacity of the research community.

The lack of knowledge and information among the rural population regarding the government support programs should be overcome with well-structured education system in agriculture and rural development created on the basis of functional and efficient linkages among institutions, advisory service providers and the rural stakeholders. The modules for training and knowledge transfer needs to be adapted to the needs of the rural stakeholders



**X. Annex 1 - Prioritized concerns/problems and solutions by stakeholders**

DISCUSSED THEMES	Prioritized concerns/problems and defining solutions stated by stakeholder groups		
	Civil Society Organizations	Local authorities and the local businesses	National agricultural advisory services
1. Challenges and potentials of small scale family farmers contributing to security and safety of food supply	<p><b>I. Problem:</b> Unequal competition, <u>Possible solution1:</u> Regular quality control of the products <u>Possible solution 2:</u> Establishment of mechanism for quality agricultural production</p> <p><b>II. Problem:</b> Low value of the agricultural products, <u>Possible solution 1:</u> Specialization and training for farmers for new production technologies <u>Possible solution 2:</u> Contract farming</p> <p><b>III. Problem:</b> Unadjusted programs for support of farmers and rural stakeholders <u>Possible solution:</u> Development of programs for support of the small agricultural enterprises</p>	<p><b>I. Problem:</b> Climate changes <u>Possible solution1:</u> Utilization of new production agricultural climate change adaptive technologies <u>Possible solution2:</u> Increasing awareness of the rural population regarding the negative effects of the climate change</p> <p><b>II. Problem:</b> Lack of markets of the agricultural products <u>Possible solution1:</u> Working through agricultural cooperatives <u>Possible solution2:</u> Access to new markets</p> <p><b>III. Problem:</b> Old agricultural mechanization <u>Possible solution1:</u> Effective utilization of the IPARD funds <u>Possible solution2:</u> Reduction of the interest rates of the banks providing loans for purchasing agricultural mechanization</p>	<p><b>I. Problem:</b> Unsecured market of the agricultural products <u>Possible solution:</u> Contract farming and establishment of cooperatives</p> <p><b>II. Problem:</b> Old production technologies <u>Possible solutions:</u> Introduction of informal education and creation of more favorable conditions for providing new production technologies</p> <p><b>III. Problem:</b> Small and dissected agricultural land <u>Possible solutions:</u> Land consolidation and implementation of market information system</p>



DISCUSSED THEMES	Prioritized concerns/problems and defining solutions stated by stakeholder groups		
	Civil Society Organizations	Local authorities and the local businesses	National agricultural advisory services
2. The need for networking and demand driven pluralistic rural advisory services	<p><b>I. Problem:</b> Lack of field on presence</p> <p><u>Possible solution1:</u> Networking by mobilizing rural actors</p> <p><u>Possible solution2:</u> Provision of funds for financing of projects</p>	<p><b>I. Problem:</b> Disinterest of the stakeholders regarding networking</p> <p><u>Possible solution:</u> Organization of local events and promotion networking as a tool for cooperation</p>	<p><b>I. Problem:</b> Lack of sharing prompt information between Government bodies and the National Extension Agency</p> <p><u>Possible solution:</u> On time flow of information by the Ministry of Agriculture Forestry and Water Economy</p>
	<p><b>II. Problem:</b> Lack of access in the rural areas</p> <p><u>Possible solution:</u> Development of advisory packages and provide access for desalination among rural population</p>	<p><b>II. Problem:</b> Lack of human resources</p> <p><u>Possible solution1:</u> Strengthening of capacities of stakeholders through training and seminars</p> <p><u>Possible solution2:</u> Encourage young population for higher inclusion in the networking processes</p>	<p><b>II. Problem:</b> Lack of field presence and networking of the National Extension Agency due to deficiency of funds</p> <p><u>Possible solution:</u> Availability of funds based on the needs of the National Extension Agency</p>
	<p><b>III. Problem:</b> Inefficient rural advisory services</p> <p><u>Possible solution:</u> Additional education and exchange of experience</p>	<p><b>III. Problem:</b> Lack of awareness regarding networking</p> <p><u>Possible solution1:</u> Formation of local informative centers in the rural areas</p> <p><u>Possible solution2:</u> Organization of forums meetings and involvement of media</p>	<p><b>III. Problem:</b> Lack of human resources in the National Extension Agency</p> <p><u>Possible solution:</u> Develop plan for employment of new staff based on their expertise</p>



DISCUSSED THEMES	Prioritized concerns/problems and defining solutions stated by stakeholder groups		
	Civil Society Organizations	Local authorities and the local businesses	National agricultural advisory services
3. Diversification of rural economic activities to add value of the local farming production systems and development of other non-farm activities like crafts production and support to rural tourism development in the countryside	<p><b>I. Problem:</b> Emigration and aging of rural population</p> <p><u>Possible solution 1:</u> Improving the infrastructure</p> <p><u>Possible solution 2:</u> Raising the awareness of young population in rural areas</p> <p><u>Possible solution 3:</u> Restoring the cultural centers in rural areas and creating programs for youth</p>	<p><b>I. Problem:</b> Lack of accommodation capacities</p> <p><u>Possible solution 1:</u> Adapting the existing buildings</p> <p><u>Possible solution 2:</u> Building new accommodation capacities</p>	<p><b>I. Problem:</b> Lack of entrepreneurial initiatives</p> <p><u>Possible solution:</u> Educating the rural population and supporting ideas</p>
	<p><b>II. Problem:</b> Lack of governmental support for development of rural areas</p> <p><u>Possible solution 1:</u> Improving the cooperation and exchange of information among civil society and governmental sector</p> <p><u>Possible solution 2:</u> Tax relief for craftsmen and farmers</p> <p><u>Possible solution 3:</u> Bigger financial support for self-employment and small businesses</p>	<p><b>II. Problem:</b> Poor infrastructure</p> <p><u>Possible solution 1:</u> Investing in the infrastructure</p> <p><u>Possible solution 2:</u> Utilizing the EU funds</p> <p><u>Possible solution 3:</u> Increasing the rate of capital investments in the municipalities from the national budget</p>	<p><b>II. Problem:</b> Emigration of rural population</p> <p><u>Possible solution:</u> Providing conditions for quality life in rural areas</p>
	<p><b>III. Problem:</b> Lack of entrepreneurship in rural areas</p> <p><u>Possible solution 1:</u> Conducting trainings for entrepreneurial skills</p> <p><u>Possible solution 2:</u> Exchange of experience and good practices</p> <p><u>Possible solution 3:</u> Improving the cooperation and coordination of the initiatives in rural areas</p>	<p><b>III. Problem:</b> Old crafts die out</p> <p><u>Possible solution 1:</u> Subsidizing the old crafts</p> <p><u>Possible solution 2:</u> Activating the Crafts Chamber for promotion of old crafts in rural areas</p> <p><u>Possible solution 3:</u> Opening classes for learning old traditional crafts in vocational schools</p>	<p><b>III. Problem:</b> Poor infrastructure in rural areas</p> <p><u>Possible solution:</u> Creating proper rural development politics</p>



DISCUSSED THEMES	Prioritized concerns/problems and defining solutions stated by stakeholder groups		
	Civil Society Organizations	Local authorities and the local businesses	National agricultural advisory services
4. Social cohesion and sustainable demographic development in the rural areas	<p><b>I. Problem:</b> Poor infrastructure for support of demographic development</p> <p><u>Possible solution 1:</u> Multi sectorial approach in improving the demographic development</p> <p><u>Possible solution 2:</u> Improving the road infrastructure</p> <p><u>Possible solution 3:</u> Improving the water and sewerage system</p> <p><b>II. Problem:</b> Lack of services and inadequate services (social, health, education and culture)</p> <p><u>Possible solution 1:</u> Improving the health care services</p> <p><u>Possible solution 2:</u> Improving the social services</p> <p><u>Possible solution 3:</u> Providing more opportunities for education in rural areas and more cultural activities</p> <p><b>III. Problem:</b> Deficit of qualified human recourses</p> <p><u>Possible solution 1:</u> Improving the advisory services</p> <p><u>Possible solution 2:</u> Conducting capacity building trainings</p> <p><u>Possible solution 3:</u> Implementing LEADER Approach</p>	<p><b>I. Problem:</b> Migration of employable population</p> <p><u>Possible solution 1:</u> Opening new industrial capacities</p> <p><u>Possible solution 2:</u> Better utilization of existing capacities</p> <p><u>Possible solution 3:</u> Stimulating the entrepreneurship</p> <p><u>Possible solution 4:</u> Processing the agricultural products into final product</p> <p><b>II. Problem:</b> Decreased birth-rate</p> <p><u>Possible solution 1:</u> Decreasing migration</p> <p><u>Possible solution 2:</u> Improving the socio-economical aspect of living in rural areas</p> <p><b>III. Problem:</b> Unequal access to health care for rural population</p> <p><u>Possible solution 1:</u> Stimulating medical workers to engage in rural areas</p> <p><u>Possible solution 2:</u> Dispersing the on duty medical services</p>	<p><b>I. Problem:</b> Poor infrastructure</p> <p><u>Possible solution:</u> Creating better rural development politics</p> <p><b>II. Problem:</b> Decreased birth-rate</p> <p><u>Possible solution:</u> Creating programs for increasing the birth rate</p> <p><b>III. Problem:</b> Emigration of rural population</p> <p><u>Possible solution:</u> Providing conditions for quality life in rural areas</p>



DISCUSSED THEMES	Prioritized concerns/problems and defining solutions stated by stakeholder groups		
	Civil Society Organizations	Local authorities and the local businesses	National agricultural advisory services
5. Access to employment for young population and other vulnerable groups in the rural areas	<p><b>I. Problem:</b> Lack of knowledge about the existing programs and funds for self-employment</p> <p><u>Possible solution 1:</u> Providing Information meetings</p> <p><u>Possible solution 2:</u> Promoting the opportunities for support of self-employment</p> <p><u>Possible solution 3:</u> Educating the rural population</p>	<p><b>I. Problem:</b> Insufficient suitable job opportunities</p> <p><u>Possible solution 1:</u> Opening new industrial capacities in rural areas</p> <p><u>Possible solution 2:</u> Attracting domestic or foreign investors</p> <p><u>Possible solution 3:</u> Founding farmer cooperatives</p>	<p><b>I. Problem:</b> Lack of organization among young population in job searching</p> <p><u>Possible solution:</u> Activating the civil society sector in rural areas</p>
	<p><b>II. Problem:</b> Centralization of employment capacities</p> <p><u>Possible solution 1:</u> Lobbying with relevant factors</p> <p><u>Possible solution 2:</u> Simplifying the bureaucratic procedures</p> <p><u>Possible solution 3:</u> Subsidizing</p>	<p><b>II. Problem:</b> Lack of interest among young population for employment because of the low incomes</p> <p><u>Possible solution 1:</u> Increasing the minimum salary</p> <p><u>Possible solution 2:</u> Subsidizing the employment of vulnerable groups</p>	<p><b>II. Problem:</b> Low awareness about employment of vulnerable groups</p> <p><u>Possible solution:</u> Providing campaigns for raising public awareness</p>
	<p><b>III. Problem:</b> Politicization in every segment of living</p> <p><u>Possible solution 1:</u> Raising democratic awareness of the population</p>	<p><b>III. Problem:</b> Undeveloped entrepreneurship</p> <p><u>Possible solution 1:</u> Conducting trainings for entrepreneurship</p> <p><u>Possible solution 2:</u> Stimulating young population for self-employment</p>	<p><b>III. Problem:</b> Lack of employment programs for young population in rural areas</p> <p><u>Possible solution:</u> Creating and implementing programs on local and national level</p>



DISCUSSED THEMES	Prioritized concerns/problems and defining solutions stated by stakeholder groups		
	Civil Society Organizations	Local authorities and the local businesses	National agricultural advisory services
6. Absorption of available Government funds of the potential beneficiaries involved in agriculture and rural development	<p><b>I. Problem:</b> Lack of banks' flexibility for IPARD applicants <u>Possible solution 1:</u> Reducing the interest rates <u>Possible solution 2:</u> Providing more favorable conditions for mortgage deposit <u>Possible solution 3:</u> Creating guarantee funds</p> <p><b>II. Problem:</b> High application criteria of IPARD <u>Possible solution 1:</u> Simplifying the application criteria</p> <p><b>III. Problem:</b> Large documentation required for IPARD application <u>Possible solution 1:</u> Reducing required documents for IPARD applications</p>	<p><b>I. Problem:</b> Lack of information about funding opportunities <u>Possible solution 1:</u> Organizing information events <u>Possible solution 2:</u> Disseminating promotional materials about funding opportunities</p> <p><b>II. Problem:</b> Weak financial power of rural population for providing co-financing <u>Possible solution 1:</u> Creating guarantee funds <u>Possible solution 2:</u> Reducing the interest rates</p> <p><b>III. Problem:</b> Administrative barriers <u>Possible solution 1:</u> Reducing required documents for IPARD applications <u>Possible solution 2:</u> Improving the "one-stop" desk system <u>Possible solution 3:</u> Train final beneficiaries for preparation of the documents</p>	<p><b>I. Problem:</b> Lack of institutional capacities and coordination <u>Possible solution:</u> Activating and involving the monitoring committee in improvement of the institutional coordination</p> <p><b>II. Problem:</b> Lack of institutional flexibility (for example: criteria, referent prices) <u>Possible solution:</u> Including all stakeholders in revising of criteria (for example: referent prices)</p> <p><b>III. Problem:</b> Lack of financial support (for example credit lines and guarantee fund) <u>Possible solution:</u> Establishing guarantee fund with defined favorable conditions for beneficiaries</p>