

# Rural Economy Diversification & Its Importance for Serbia. Role Of Rural Development Network

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## ONE UN for SUSTAINABLE RURAL DEVELOPMENT OF SERBIA

#### **GOAL**

 The Joint Programme (JP) aims to support the diversification of the rural economy through sustainable tourism.

#### **TARGET AREAS**

 Activities of the JP are implemented in four target regions, namely South Banat on the Danube, East Serbia, Central Serbia and Lower Danube.



Image from rural Serbia and part of the visual identity of the Joint Programme



## **PARTNERS**

The Joint Programme is **implemented by five UN agencies**, **namely FAO**, **UNDP**, **UNICEF**, **and UNWTO** in cooperation with a number of Government of the Republic of Serbia national partners:

- Ministry of Economy and Regional Development;
- Ministry of Agriculture, Forestry and Water Management; and
- Tourism Organization of Serbia.

On the local level, main implementing partner for FAO component is Serbian Rural Development Network — regional centers in Vrsac, Ljig, Zajecar, Veliko Gradiste and Loznica

The Spanish Millennium Development Goals Achievement Fund (MDG-F) is providing 4 million USD for the implementation of the Joint Programme.



### **ACTIVITIES**

- The development of the National Rural Tourism Master Plan and the National Rural Development Programme;
- Provision of guidance for public investment aimed at creating national and international partnerships between public, civil and national sectors;
- Strengthening the capacities of rural tourism entrepreneurs, tourism organizations and NGOs; and
- Promotion of innovative development approaches through Local Action Groups (LAGs) and Tourism Governance Organizations, and the provision of special support to local projects through the Joint UN Fund for Sustainable Rural Tourism.



## ...DONE SO FAR

- Completed the National Rural Tourism Master Plan, IPARD measures for axis 2 and 3 related to conservation of rural environment of importance to rural tourism and rural economy diversification and number of studies for better understanding conditions for rural tourism development
- Strengthened the capacity of rural tourism stakeholders through 21 training sessions (523 participants) including Food safety standards, Project Management and Strategic planning, enabling them to define and channel local needs for sustainable tourism development
- Fostered partnerships between public, civil and private sectors, which will be the foundation for sustainable rural development.
- Joint Call for Proposals Diversification of Rural Economy through Tourism completed and approved 6 best ranked project proposals

## Key statistics

- 85% of Serbia's territory is classified as rural;
- 55% of Serbia's population lives in rural areas;
- the poverty rate in rural areas (9.8%) remains twice the poverty rate in urban areas (4.3%); and
- 86% of villages in Serbia are witnessing depopulation.

Aging of rural communities continuing

Further decrease of quality of life in rural areas is also reality...

...degradation of natural resources – land, waters, forests, grasslands is still ongoing...



Nevertheless Rural IS moving Serbia!!!



- Increasing production
- Increasing quality
- Improving food safety
- Reestablishing regional trade & exports in general
- Rehabilitating food chains
- Moving forward with tourism and services development



## The Main Reasons For The Failure

(It's not just money or it's not at all...)

- General attitude: In Serbia "rural" is considered synonyms for bad, dirty and shame ...peasant is an offensive word!
- Local level lacks knowledge to adapt rural economy to available resources- natural and human neither by its structure nor intensity;
- Central level is mostly self-centered and ignorant about the available resources and incapable to design adequate support policy;
- Information flow between them is weak and insufficient;
- The experts available are mostly self-content and pretend to tailor conclusions out of pure statistics – analytics is not followed by reality checks and than development actions;
- All stakeholders in rural development tend to simplify situation and ignore differences of territories, psychologies and individual initiative;
- Populist approach and copy paste are the most popular and cherished approaches and techniques in planning actions;
- Cooperation is a strange word; capacity for illusion is considered a virtue



## Resources still unused & ...

#### Real:

- Suitable soils
- Available lands
- Agriculture/food production tradition



#### **Potential**

- High biodiversity
- Available waters; wind energy...
- Local skills and talents
   (off farm and non-agricultural activities)



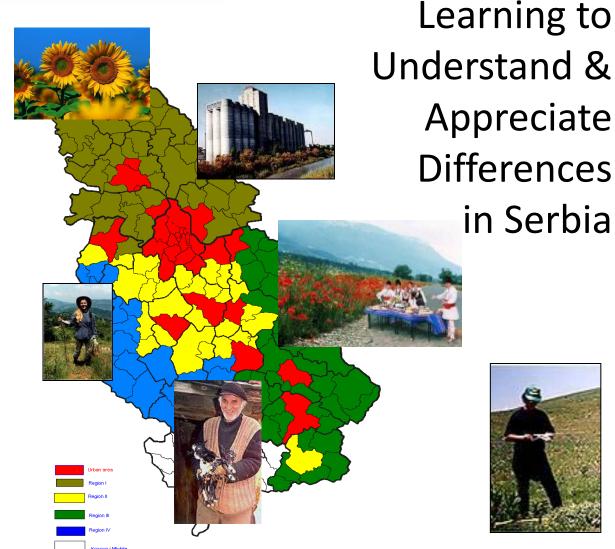
The cluster analysis identified four homogeneous groups of municipalities as representative types of rural areas in Serbia

High productivity agriculture and integrated economy;

Small urban economies with labour intensive agriculture;

Natural resource oriented economies mostly mountainous;

High tourism capacity and poor agricultural structures;





in Serbia

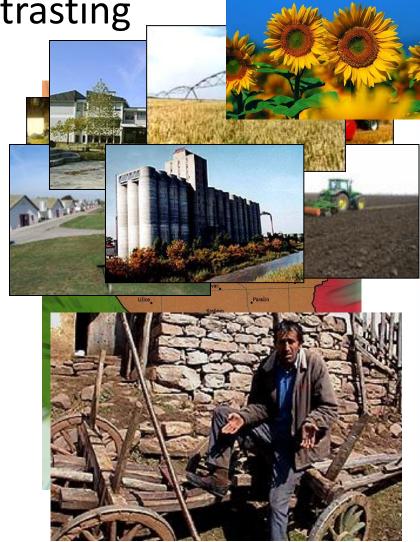
Assess and update Accordingly!!!

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...Basic characteristic –contrasting

- from developed vital one, having all characteristics of urban
- to the abandoned and degraded one lagging behind for almost a century
- Decades of turbulent history, social and economic devastation of the rural environment, as much as society in general become extremely expressed
- Mountain environment is particularly depressed due to
  - unsuccessful agriculture
  - natural conditions for its development.
- The most developed one is, of course lowland area which provides building easy competitive agriculture, but the tradition of its organisation and property development created also differences within this one.





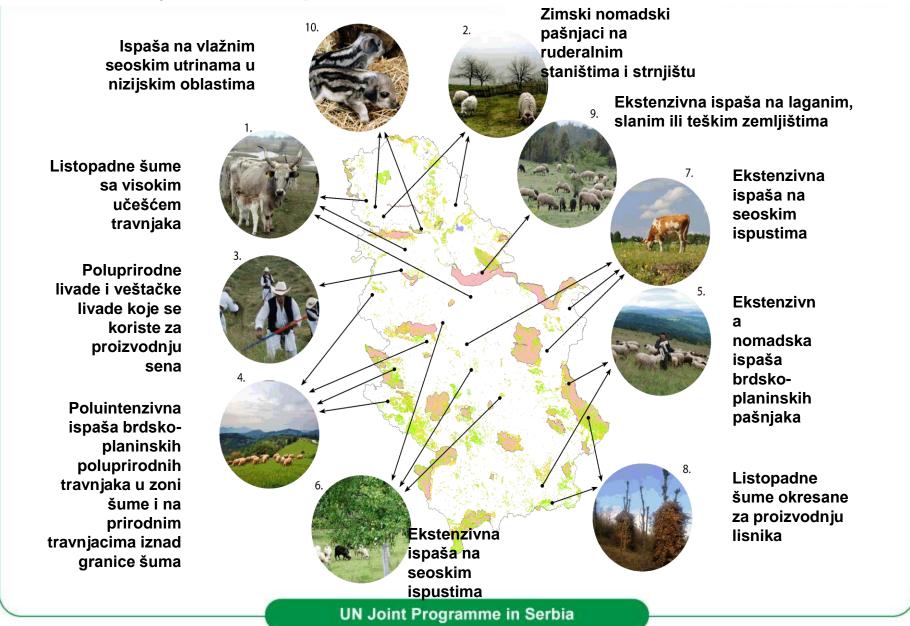
## Culturally &naturally diverse/tremendous value

An important aspect for the further development of rural areas of Serbia

- Valuable cultural heritage to be preserved since not always vital enough to easily survive.
- Culture in lively connection with natural environment to be supported
- Natural & cultural heritage offering variety of opportunities for rural sustainable economy diversification



## Have a look on recently made map of farming systems of low intensity which represent basis for HNVF areas definition





## ...3 wrong assumption to be abandoned

Regions which are lagging behind are only remote, border and mountain areas

No, rural Serbia is generally lagging behind

Regions are good for production of «healthy food» whatever that means, so its good to emphasise agriculture production there

Agriculture alone can't provide welfare for all rural regions; environment is under threat for various reasons

Natural resources will be recovered, because of abandonment of agriculture land, so particularly forests will grow tremendously and provide additional benefit to the country

Rural environment is endangered, not all natural processes of rehabilitation of vegetation can bring economic benefit







Village IDs database developed by RDN in last few years present data for serious concern for complete rural space of Serbia



- Agriculturist
- Ethno-psychologist
- Sociologist
- Environmentalist
- Financial expert
- Economist
- Lawyer
- Communication expert
- Driver (off-road is an advantage)
- Computer expert
- To drive a tractor, heal animals, talk to prime-ministers, play tennis with First Secretary of the American embassy and golf with the whole EC delegation...and speak there language (not English, that's out of question but you know the one with IPARD, CAP, LFA, RD, LAG etc, abbreviated and coded
- AND YOU HAVE TO KNOW EVERY REGION BY HEART TO BE ABLE TI SUGGEST SUSTAINABLE SOLUTION OR TO BE AT LEAST USEFUL IN FINDING SOME!!!

Working with rural development in Serbia is complicated. Why? You have to be simultaneously:



# And "RD Serbian support crew" often miss exactly that-besides RDN most of people dealing with rural development live in urban areas and don't move anywhere! and...

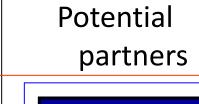
- We miss also management skills
- We miss communication skills
- We miss pedagogical skills
- We miss sense for multi-functionality
- We miss skills for participative work
- We miss culture of cooperation
- We are too specialized ...

RD can't stand this!



## Necessity for change...

... to recruit all national capacities in science, education, diverse GOs and NGOs, local communities etc. to be able to harmonize RD actions with the reality ...to help them establish cooperation and train them properly to be able to address all problems in rural areas





NGOs

Municipalities

**Counties** 

Chambers, agencies

**Advisory** services

**Project teams** 

Regional
Coordination
Centers

MDG IF

- Information
   dissemination about
   support available
- Data collection and monitoring
- Facilitation of establishment of local partnerships
- Assistance with applications and fund rising
- Assistance in project design and project implementation
- Organization of capacity building
- Service to research
- Advocacy for local communities towards central governance

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Area RD

support

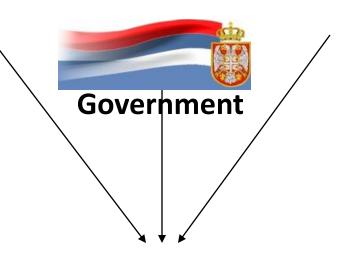
Centers



#### - INTERSECTORIAL COOPERATION -

## Ministries, Secretariats, Agencies:

- Economy and regional development;
- Infrastructure;
- Environment and spatial planing;
- Science;
- Work and social politics;
- Education;
- Culture;
- Diaspora;
- Agencies MSP, SIEPA etc.



## NATIONAL COUNCIL FOR RURAL DEVELOPMENT

GOVERNMENTAL TEAMS, UMBRELA STRATEGIES AND PROGRAMS:

- PRSP;
- NIP;
- Sustainable development etc.;



Since we do expect stubborn beet of RD problems to grow more, we need strong capacity building action with existing RD support structures.

While new mice are still welcome!!! in despite how small they are, mentioned will need adequate formal and non-formal education.





# Brand new and more important role for Serbian rural development network to support rural economy diversification

- Support to capacity building for economy diversification by identification of expertise in every regional (an areal center) through establishment of Centers for excellence to run non-formal education programs
- Centers of excellence to bi linked with academic rural development centers in Serbia and the region; later Europe/worldwide
- Centers of excellence of The Serbian rural development network should provide a hub for rural people and communities to link with any other source of knowledge required for solving their problems; network should be able to identify kind of problem and possible assistance available to inform beneficiary about their available support.









## Rural ecology

- Rural natural heritage and its role in rural development
- Sustainable management of natural resources
- Nature and environmental protection and its role in rural development; EIA, HNVNF,
- LFA, Nature 2000 areas etc.



First Belgrade high school students and teachers, local community, and the JP team joined the national 'Clean Up Serbia action', Senokos village, 5 June 2010











## Rural economy

Learning how to catch the fish
-UNJP STDR have switched
In 2011 from theoretical
lectures to practical exercises
and coaching to build skills
needed and scored!

- Principles of rural and regional development,
- Value of natural capital
- Agriculture, forestry, collecting practices and paraagriculture their importance in rural economy (including conversion from subsidence traditional farms to modern farms - farm based development planning, marketing of products, introduction of new technologies, farm business management, FADN
- Multi-functionality of agriculture and environmentally friendly agriculture productions and their role in rural areas
- Food processing and other industries and their importance for rural development (with emphasize on SMEs and traditional handcrafts, standards and branding of products and regions, adding value)
- Tourism and services in rural development
- Sustainable diversification of rural economy
- Social employment and entrepreneurship,
- Good practices in rural development
- Banking and insurance, taxation, laws









## Rural development management

- Strategic and action planning on the national and local levels Data collection and analytics, mapping of resources and needs/situation analysis of rural areas, participative work (SEAGA, PLA/PRA), GIS and data management, documenting, reporting Territorially specific programming; Strategic and action planning; Change management; Financial managements, Environment impact assessments,
- RD support and organizations: Models of making local public-private partnerships (LAGs. And LEADER approach), civil society development, NGOs (nonpartisan, non-profit organizations), cooperatives (profit organization) and their role in RD; Networking for rural development support, good practices
- Institutional building: Local governance and role of local self-governments in rural development, National level structures for rural development support
- RD organizations management: Organizational skills, team work, team building, staff, conflicts,), managerial skills, leadership, human resource management, multitasking thinking
- PCM (with examples of the logic needed to be followed for writing projects for IPARDP and other calls; use of for instance PRINCE methods, M&E, Pilot projecting and implementation; Operating of strategic plan/implementation of strategies
- Fund rising in RD, IPA/IPARD
   EU funds, national funds



We hope to keep developing rural development support network to lead **the effort to create a critical mass** of progressive sequence of developments leading to **improvement of rural life in Serbia**, in a **sustainable**, integrated manner.

Thank you for your attention

For more details about our programme,

please visit:

http://rs.one.un.org/strd

