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Assessing Rural Potential in the Western Balkans



Key external stakeholders:

Vakakis International,
Ministry of Agriculture, Forest and Water Management, Serbia
Ministry of Foreign Trade (Agriculture Section), Bosnia Herzegovina

Practical implications for stakeholders:

The outcome of this research includes:

- Increased capacity of Ministry staff / policy support staff in Bosnia Herzegovina and Serbia to undertake geo-statistical analysis, monitoring and evaluation of rural development policy.
- Development of a policy initiative linking clearance of mines (Bosnia Herzegovina) with rural development payments.

Main results:

Based on the skills developed within two projects funded by Teagasc, an EU funded initiative sought to provide training and analysis in geostatistical techniques to public sector staff responsible for the design, implementation and monitoring of rural development initiatives in Bosnia Herzegovina and Serbia. The first examined restructuring of agriculture in Ireland whilst the second explored socio-economic development reshaping rural economies in Ireland. Both of these studies applied spatial typologies to summarize the differentiated geographic impacts of a variety of trends. Geo-statistical analysis was undertaken and a typology of rural regions in both Serbia and Bosnia Herzegovina was developed with the use of expert input.

Regions in both Bosnia Herzegovina and Serbia were identified for the future development of pilot rural development programmes based on the 'LEADER Approach'.

Opportunity / Benefit:

Training was provided to local Ministry / University staff in the use of geo-statistical approaches and techniques to enable them to apply this approach to design and monitor rural development programmes.

Collaborating Institutions:

Ministry of Agriculture, Forest and Water Management, Serbia
Ministry of Foreign Trade (Agriculture Section), Bosnia Herzegovina

Teagasc project team: Dr. David Meredith (PI)

External collaborators: Dr. Adrian Neal, Vakakis International

1. Project background:

This project initially set out to explore the implications of the patterns of economic development that were emerging in Ireland's rural economy, including the decline of traditional rural industries (agriculture, fisheries and manufacturing) and the growing prevalence of commuting to urban areas. The project was part of the Rural Ireland 2020 foresight study undertaken in conjunction with the UCD School of Agriculture and Food Science and the Geography Department, NUI Maynooth. This initial objective was completed at an early stage in the project. The skills developed during this phase of the project were subsequently applied to two projects in the Western Balkans. These projects sought to establish a Rural Development Programming and Monitoring capacity in the Ministry of Agriculture, Forest and Water Management (Serbia) and a similar programme and capacity in the Ministry for Foreign Trade (Agriculture Section) in Bosnia Herzegovina.

In both instances, a rural programming approach was developed that was not based on administrative regions but rather on "functional rural regions" identified through statistical analysis and expert input. The objective of this analysis was to move from a purely (political) administrative approach to rural development programming to one which highlighted the commonality of socio-economic development challenges facing rural areas and their associated communities. The research also sought to introduce the EU 'LEADER Approach' which involves mobilising local authorities and rural stakeholders in the development of locally appropriate responses ("integrated" and "bottom-up") to rural development challenges.

2. Questions addressed by the project:

- Identify an appropriate and culturally acceptable definition of rural areas within the context of post-socialist economic transition and recovery from the Balkan wars.
- Establish the degree to which there are differences in the level of socio-economic development between rural regions.
- Identify a rural region that will provide an appropriate test site to the implementation of a pilot integrated rural development programme.

3. The experimental studies:

Main components of this methodology are:

(a) The definition of rural areas in Serbia/Bosnia with criteria and indicators that consider prevailing structures in rural areas but which also are used at European level so to allow comparability of their socio-economic characteristics.

(b) The preparation of a typology of rural areas in Serbia/Bosnia, with the use of statistical methods (factor and cluster analysis), that take into consideration differences or similarities existing among municipalities, identify major factors of heterogeneity and main clusters of rural areas.

(c) The selection of pilot "rural regions" among the clusters identified, by applying criteria such as priorities in rural development, representativeness in socio-economic conditions, environmental conditions, etc.

4. Main results:

Teagasc were assigned specific tasks that sought to construct basic indicators and a methodology for identifying and selecting "rural regions" for the purpose of rural development programming. Whilst such research is normally pursued using a standard quantitative approach combining Principle Component Analysis with Cluster Analysis, a variant to this approach was required due to severe data limitations. Expert groups comprising policy makers, policy stakeholders and technical experts familiar with agricultural and rural economic development were convened. The experts provided an evaluation of the historic data

available for the analysis. As there is an absence of up-to-date regional level data in both countries, the experts were asked to give their assessment of current regional level trends and conditions. This model of expert informed evaluation facilitated the achievement of the project objectives, namely;

1. The definition of rural areas through the combination of policy, administrative and statistical variables with expert input.
2. Identification and selection of a pilot rural development programme area using statistical analysis.
3. Training of Ministry of Foreign Trade (MOFTAR) /University of Belgrade staff in the use of geo-statistical techniques in the area of policy analysis and programme evaluation.

5. Benefit:

Training of 6 MOFTAR staff (Bosnia) and 2 staff members in the University of Belgrade staff in the use of geo-statistical techniques in the area of policy analysis and programme evaluation.

Implementation of a rural development initiative in Bosnia Herzegovina that linked the clearance of land mines from high quality farm land to the receipt of rural development payments.

6. Dissemination:

Main publications:

Meredith, D., N. Bogdanov & S. Efstratoglou (2008) A typology of rural areas in Serbia. *Economic Annals*, 177, 7-29.

Meredith, D. (2007) Report on the current status and potential of rural regions in Bosnia Herzegovina. MOFTAR, Sarajevo.

Meredith, D. (2006) Report on selecting pilot rural regions in Serbia for rural development programming purposes. Office for Economic Policy and Regional Development, Belgrade.

7. Compiled by: David Meredith
