

Project for Sustainable Agriculture and Rural Development in Mountain Regions (SARD – M)

**Assessment of strengths and weaknesses of mountain policies
in South-Eastern Europe (SEE)**

Regional report

(Based on the National Assessments in Albania, Bulgaria and FYR Macedonia)



CONTACT INFORMATION

Regional Focal Point

Contact: Vlatko Andonovski
Address:
Bul. Jane Sandanski 26-1/17
1000 Skopje
FYR Macedonia
Phone: (+389) 70 332113
Fax: (+389) 2 2430927
E-Mail: bfsc@mt.net.mk
Website: www.balkanfoundation.org

SARD-M Team

Contact: Jean Gault
Address:
Sustainable Development Department
Food and Agriculture Organization of the United Nations (FAO)
Viale delle Terme di Caracalla
00153 Rome, Italy
Phone: (+39) 06 570-54204
Fax: (+39) 06 570-53250
E-mail: jean.gault@fao.org
Website: www.fao.org/sard/sard-m

Table of Contents

	<i>Page</i>
Executive summary	5
List of figures	7
List of tables	8
Abbreviations and Acronyms	9
Introduction	12
1. Mountain Area Specificities	18
2. Agriculture and Forestry	20
3. Survey of rural development	30
4. Policies, Institutions and Strategies affecting directly or indirectly SARD in the mountain areas	41
5. Impacts, Strengths and Weaknesses of Policies, Institutions and Processes	57
5.1. Albania	57
5.2. Bulgaria	60
5.3. FYR Macedonia	61
5.4. SWOT Analyses for SARD-M	66
6. Main findings	72
7. Recommendations and Proposals	74
Annex	
Draft Framework Convention on the Protection and Sustainable Development of the South East European Mountain Region	82
References	91

Executive Summary

The "Assessment of the strengths and weaknesses of mountain policies in the South – East European countries (SEE) (Balkans): National reports for Albania, Bulgaria and the Former Yugoslav Republic of (FYR) Macedonia" was made within the framework of the **Sustainable Agriculture and Rural Development in Mountain Regions** (SARD-M) Project. The SARD M Projects aims at supporting the rural livelihoods of mountain people by facilitating the design, review, implementation and evaluation of relevant policy packages and institutional processes for promoting SARD in mountain regions at global, regional, national and local levels.

In September 2006, during the regional workshop "Learning Lessons and Good Practices on Policies for Sustainable Livelihoods in the Mediterranean Mountain Regions" organized by CIHEAM-IAM Bari within the framework of the SARD-M Project in Tabarka, Tunisia, the participating SEE countries expressed the need and requested support for making assessments of the strengths and weaknesses of mountain - related policies, including social, economic, environmental, legal and institutional aspects, in relation to SARD principles.

The SARD-M policy assessments in the three SEE countries were viewed as complementary to the background issue paper on "Cooperation for the Protection and Sustainable Development of Mountain Regions in South-Eastern Europe – Assessment of Baseline, Needs and Opportunities" made by the Balkan Foundation for Sustainable Development (BFSD) in May 2006. Based on the recommendations and proposals from this issue paper, the SARD-M policy assessments were conducted in these three SEE countries: Albania, Bulgaria, FYR Macedonia.

This activity develops synergies with the ongoing process for the Convention for Protection and Sustainable Development of Mountain Regions in SEE countries facilitated by UNEP-Interim Secretariat of the Carpathian Convention (ISCC), in collaboration with BFSD and the European Academy (EURAC, Bolzano). The SARD-M policy assessments will support the future Working Group on sustainable rural development, agriculture and forest land use, to be established by the First Meeting of the Conference of the Parties to the SEE Convention in proposing appropriate strategies and policy instruments based on the comprehensive information generated.

The national assessments for **Albania, Bulgaria and FYR Macedonia** facilitate the identification of national problematic areas that need to be addressed (e.g. by the related Protocol to the future SEE Convention). In addition, they try to bring a better understanding of how the SARD framework is applicable to the SEE (Balkans) Mountains, with due attention to how the comparative advantages of mountains can be utilized to promote development in a sustainable manner.

In the process of making the assessment, national consultants individually gathered general information on specific aspects of agriculture, forestry and rural development in the SEE (Balkans) Mountains of the three surveyed countries, and attempted to bring a

better understanding of how the SARD framework is applicable, with due attention to how the comparative advantages of mountains can be utilized to promote development in a sustainable manner.

The national assessments took into consideration the opinions of the different components of society at different levels, i.e. the national and decentralized levels of government and civil society, including private sector. They specifically focus on crucial aspects that need to be taken into consideration to provide elements for a diagnostic of policies, institutions and processes for SARD-M in the South-East Europe (Balkans), namely: agriculture, forestry sector, land-use, rural development, institutional processes and SARD-M related policies. The reports provide relevant information at the national level regarding the mountain areas specificities, agriculture and forestry, rural development, institutional processes and SARD-M related policies. It also contains SWOT analyses of the national SARD-M related policies, institutions and processes in the mountain regions (Strengths, weaknesses, opportunities and threats).

List of figures

Figure (cover page) – South-East European (Balkan) mountains

Figure 1 - Geographical map of the South Eastern Europe (Balkans)-(page 13)

Figure 2 – Geographical map of Albania –(page 13)

Figure 3 – Geographical map of Bulgaria – (page 14)

Figure 4 – Geographical map of FYR Macedonia – (page 15)

Figure 5 - Structure of the agricultural lands (Bulgaria)-(page 22)

Figure 6 - Structure of Utilized Agriculture Area by category of use, 2004 (FYR Macedonia) – (page 27)

Figure 7 - The timber cut structure according to purpose, 2004 (FYR Macedonia) –(page 29)

List of tables

Table 1 - The percentage of mountain area of the three SEE (Balkan) countries as defined by UNEP-WCMC methodology and national criteria –(page 20)

Table 2 - Fruit and livestock sector data (Albania) –(page 20)

Table 3 - Land Use, 2004 (percentage in the mountains - Bulgaria) –(page 22)

Table 4 - Total forest area in Bulgaria in 2005 –(page 25)

Table 5 - General data on livestock, in the period from 1997 to 2005 (FYR Macedonia) –(page 28)

Table 6 - Absolute poverty rates in Albania –(page 30)

Table 7 - Administrative-territorial structure of the country with Six Planning Regions (NUTS 2 level - Bulgaria) –(page 34)

Table 8 - Population by Age (2004 - Bulgaria) –(page 35)

Table 9 - Economically Active Population and Employed in Rural and Urban Regions (2004 - Bulgaria) – (page 36)

Table 10 - Rural Development Strategy – axes, titles and related funds (Albania) –(page 42)

Table 11 - National Rural Development Plan measures starting in 2007 (Bulgaria) –(page 47)

Abbreviations and Acronyms

2KR	Second Kennedy Round
ALA	Albanian Livestock Association
ALL	Albanian Lek (national currency)
AWU	Annual Working Unit
BA	Biodiversity Act
BANSIC	Code of the physical nomenclature of the survey for the planted crops and the use of the territory of the country
BAS	Bulgarian Academy of Sciences
BFSD	Balkan Foundation for Sustainable Development
BGL	Bulgarian Lev (national currency)
BSPB	Bulgarian Society for Preservation of Birds
CAP	Common Agricultural Policy
CEFTA	Central European Free Trade Agreement
CGAP	Code of good agricultural practices
CoM	Council of Ministers
CS	Certification scheme
DADP	Disadvantaged Areas Development Programme
DFID	UK Department for International Development
DPDC	Department of Strategy and Donor Coordination
EAFRD	European Agricultural Fund for Rural Development
EC	European Commission
EEA	Environmental Executive Agency
EIA	Environment Impact Assessment
EPA	Environmental Protection Act
ESU	Economic Size Unit
EU	European Union
Eurostat	European Statistical Office
FAO	Food and Agriculture Organization of the United Nations
FAWF	Forest Areas for Wood-Felling
FLOUA	Farm Land Ownership and Use Act
FMP	Forest management plans
GDP	Gross Domestic Product
GEAC	Good agricultural and environmental conditions
GMO	Genetically Modified Organisms
GoA	Government of Albania
GVA	Gross Value Added
HNV	High Nature Value
HNVF	High Nature Value Farm
HR	Human Resources
IFAD	International Fund for Agricultural Development (of the UN)
IFF	International Forest Forum
INSTAT	Albanian Institute of Statistics
IPARD	Rural Development component of International Paying Agency
IPS	Integrated Planning System
IT	Information Technology

IUCN	International Union for the Conservation of Nature and Natural Resources
LAU	Local Administrative Unit
LED	Local Economy Development
LFA	Less Favoured Areas
LFS	Local Forest Service
MADA	Mountain Area Development Agency
MAFCP	Ministry of Agriculture, Food and Consumer Protection
MAFF	Mountainous Areas Finance Fund
MAFWE	Ministry of Agriculture, Forestry and Water Economy
MBDS	Macedonian Bank for Development Support
MDGs	Millennium Development Goals
MEDF	Macedonian Enterprise Development Foundation
MKD	Macedonian Denar
MoAF	Ministry of Agriculture and Forestry
MoAFCP	Ministry of Agriculture, Forestry and Consumer Protection
MoEPP	Ministry of Environment and Physical Planning
MoES	Ministry of Education and Science
MoEW	Ministry of Environment and Waters
MS	European Union Member State
MTBP	Mid-Term Budget Programme
NAAS	National Agriculture Advisory Service
NAEP	National Agri environmental Programme
NARDP	National Agriculture and Rural Development Plan /under SAPARD Programme/
NARDS	National Agricultural and Rural Development Strategy
NATO	North Atlantic Treaty Organisation
NEAP	National Environmental Action Plan
NFB	National Forestry Board
NFF	National Forest Fund
NFPS	National Forestry Policy and Strategy
NGO	Nongovernmental Organization
NM	National Monument
NNPS	National Nature Protection Service
NP	National Park
NPA	National Programme for Approximation to the European Union
NPAA	National Programme for Adoption of the Aquis Communautaire
NPISAA	The National Plan for the implementation of Stabilization and Association Agreement
NPPS	National Plant Protection Service
NSDI	National Strategy for Development and Integration
NSI	National Statistics Institute
NSP	National Strategy Plan for Rural Development
NSRF	National Strategic Reference Framework
NSSD	National Strategy for Sustainable Development
NSSDFS	National Strategy for Sustainable Development of the Forest Sector
NTFP	Non- timber forest products
NUTS	Nomenclature of Territorial Units for Statistics
OECD	Organisation Economic Co-operation and Development

OG	Official Gazette
PAs	Protected Areas
PMCP	Pelister Mountain Conservation Project
RC	Regional Council
RDCS	Regional Development Cross-cutting Strategy
RDP	Rural Development Plan
RDS	Rural Development Strategy
RFF	Rural Finance Fund
RIA	Regulatory Impact Assessment
SAA	Stabilisation and Association Agreement
SAPARD	Special Assistance Program for Agriculture and Rural Development
SARD	Sustainable Agriculture and Rural Development
SARD-M	Sustainable Agriculture and Rural Development in Mountain regions
SCA	Saving and Credit Association
SDC	Swiss Agency for Development and Cooperation
SEE	South East Europe
SEECF	South East Europe Cooperation Process
SEn	Strategy for Environment
SIDA	Swedish International Development Agency (Bilateral Aid)
SLR	Structural and Legislative Reform (an EAR funded project)
SME	Small and Medium Enterprise
SoE	Strategy of Education
SoH	Strategy of Health
SPC	Strategic Planning Committee
SSAF	Sectoral Strategy for Agriculture and Food
STr	Strategy of Transport
STu	The Strategy for the Development of the Albanian Tourism Sector
TBS	Territory Belonging to the Settlement
UAA	Utilised Agriculture Area
UN	United Nations
UNDP	United Nations Development Programme
VCF	Village Credit Funds
WTO	World Trade Organisation

Introduction

The South-Eastern Europe (Balkans), SEE (Balkans) is considered one of the richest areas within Europe as regards natural habitats and biological diversity, with unique mountain areas, karst phenomena, lakes and rivers ranging from the Adriatic Coast up to the Dinaric Alps and Carpathian Mountains.

The Balkan mountains stretch across South Eastern Europe, crossing 8 national borders, as well as the future boundary of the EU. The high mountain ranges or massifs of SEE (Balkans) are characterized by a great deal of biological diversity. They are the **most biologically diverse mountains in Europe**, with particularly high numbers of relic and endemic species, habitat of a remarkable flora and fauna, multitudes of people and rich conglomerates of cultures and religions. The chain includes the **most extensive beech forests in Europe** (Stara Planina – Bulgaria) and a very rich avifauna recognised by Bird Life International as one of the most important regions in Europe.

Land-use within the SEE (Balkans) is still characterised by small farms and traditional farming practices, including old breeds of domestic animals. Large temperate grasslands form a typical habitat in the mountains and the plains. Mountain agriculture has a long tradition in the SEE (Balkans). Almost **45 percent** of the total population are living in the rural areas. Agriculture – as well as forestry – are the dominant forms of land-use in the SEE (Balkans). Many practices are based on century-old approaches and result in a high level of extensive small-scale and organic agriculture with a high diversification, especially in remote mountain areas. In these areas, there is a balance between local needs and local capacity. Rural depopulation and an ageing demography are typical, as young people migrate in search of work. In many cases this leads to a breakdown in the rural fabric, the decline of traditional lifestyles, the abandonment of land and, as a consequence, the loss of biodiversity.

Geographical Location: The Balkan Peninsula lies south of the Rivers Drava (46.5°N) and Danube (44°N) and is surrounded by the Adriatic (14°E) and Ionian Seas in the west, the Mediterranean Sea in the south and the Aegean, Marmara and Black Seas in the east (28°E). The Balkans is the historic and geographic name used to describe **South-Eastern Europe**. It takes its name from the **Balkan Mountains** which run through the centre of Bulgaria into eastern Serbia. The region has a combined area of 550,000 square km, and a population of around 53 million.

Broad Geographical Definition: In the broadest geographical sense, the Balkan Peninsula encompasses the area where there are today 11 states: Albania, Bulgaria, continental Greece, (southeast) Romania, European Turkey, Slovenia, Croatia, Bosnia and Herzegovina, Serbia, Montenegro and FYR Macedonia.



Figure 1. Geographical map of South Eastern Europe (Balkans)

Present definition: *In this regional report, we shall consider a definition which includes the following 8 countries: Albania, Bosnia-Herzegovina, Bulgaria, Croatia, FYR Macedonia, Greece, Montenegro and Serbia. The common geography places are all in the south eastern part of Europe. Romania has a special status among the Balkan countries since it has different political and cultural features, and that is why it belongs more to the Carpathian region.*



Figure 2. Geographical map of Albania



Figure 3. Geographical map of Bulgaria



Figure 4. Geographical map of FYR Macedonia

Problem Statement

Over the last twenty years, the countries of the Balkan Peninsula except Greece have experienced **periods of high instability, war, economic crisis and transition towards a market economy and EU integration**. While Greece and Slovenia are full EU members, Bulgaria and Romania joined the EU in 2007, Croatia is currently negotiating its accession, FYR Macedonia got EU candidate status in 2005, Bosnia and Herzegovina, Serbia, Montenegro and Albania are negotiating their stabilization and association agreements with EU. The region is under **strong economic development pressure**, and the need to generate income and improve the living standards of the population is leading to the growing exploitation of natural resources. Agricultural, Environmental and Rural Development policies and institutions have suffered a long period of eclipse and are now being rebuilt, although with varying results. At present the people living in the SEE (Balkans) mountains are facing many problems, such as: **depopulation, poverty, high unemployment rate, environmental problems, communication and infrastructure problems and political and economic marginality**.

In the SEE (Balkans), it is difficult to find institutions or people capable of working on the **integral development of mountain regions**. Integral development means the encouragement of development that strives for economic growth while taking into account social and cultural aspects as well as an improvement, or, at least, the stabilisation of the quality of the environment.

Regarding socio-economic development, the region is currently facing further local economic deterioration, increasing dependence on global economic forces, demolition of social and welfare structures; and reckless deregulation of existing socio-economic safeguards.

The prosperity of the mountain regions in South East Europe (Balkan) depends on the development of socio-economic activities that can be readily harmonized with the natural heritage. At the same time, however, the regions must surmount various obstacles and be able to support the higher costs resulting from their relative isolation and extreme climate and altitude.

The challenges that SEE (Balkans) are confronted with, remain at the frontier of interest among policy makers. The present situation in this region impedes any efforts by regional and international actors to promote and advance the necessary reforms required by the EU accession process, while at the same time compromising the prospects for security and development within the geographic borders of the European continent.

Improved legislation for agriculture, rural development, nature conservation and protected area designation and management is a future challenge for the SEE Europe (Balkans). Throughout the region, legislation on the (re)distribution of land and rights needs to fully consider its effects on rural development. At least as important as

appropriate legislation, are the regulations, plans and resources to implement it, because these are lacking to a greater or lesser extent.

The future for the SEE (Balkans) region is very challenging. This region in transition is still facing many difficulties and threats. Specifically in the light of EU accession, of the increasing integration with Western Europe and of the liberalization of markets, governments have to take the responsibility to steer development towards a sustainable future. Conditions in the various parts of the SEE (Balkans) Mountains vary widely, and in terms of economic and social aspects the regional states represent small markets. Their economic sustainability depends on the creation of a common economic area that will attract foreign investors. In this sense, the **regional approach is a necessary precondition** for sustainable development. Solutions to the problems of the region should emanate from the countries of the region themselves.

The cooperation process on the protection and sustainable development of mountain regions/areas in South-Eastern Europe or the so-called "**South East European (Balkans) Framework Convention**" started in 2005 in order to ensure conservation and a sustainable future for the region. At the last Intergovernmental meeting for the preparation of a legal framework for the protection and sustainable development of mountain regions in South Eastern Europe – "SEE Mountain Convention Process", held in Bolzano, Italy, from 3 to 4 November, 2006, **the framework text convention was adopted** by the participating SEE countries. It was also affirmed that a legal framework should include Albania, Bosnia and Herzegovina, Bulgaria, Croatia, FYR Macedonia, Montenegro, Serbia, Kosovo (under UN interim administration), and involve Greece and Slovenia. (See Annex)

The Convention shall provide for the protection and sustainable development of the SEE Mountains in their entirety as a uniform regional ecosystem. Parties shall agree to establish a comprehensive policy towards this end, and endeavour to cooperate in several areas of common interest, including **biodiversity, agriculture and rural development, forest land use, management of water resources, transport, tourism, cultural heritage and traditional knowledge, energy and spatial planning.**

The Convention is designed as a framework-type agreement: its substantive provisions are set out in general terms, which need, for their effective implementation, to be specified through additional protocols.

The SEE Convention shall be a framework for an integrated view of sustainable development embracing environmental, economic and socio-cultural aspects.

During the period of negotiation of the legal documents (protocols), the convention shall have a "defensive" role, and during the implementation it shall have a "constructive" role.

The protection and sustainable development of the South East European Mountain Region shall be guided and pursued *inter alia* by the following principles:

- **An integrated approach;**
- **Precaution and prevention;**
- **The polluter pays;**

- **Good neighbourliness;**
- **Transboundary and international cooperation;**
- **Public participation and stakeholder involvement.**

The process of negotiating a new legal framework, establishing a Secretariat and implementation will require financial resources. These additional costs and accompanying bureaucracy have to be weighed against the potential benefits.

A legal framework by itself can never be a miracle cure. This clearly will require strong political will for implementation, as well as a range of programmatic activities supporting the framework's provision.

SEE (Balkan) Convention should be more than a collection of legally binding protection rules which is often reduced in public perception: its texts should be not limited to a defensive approach. It should also give constructive orientations for an integrated sustainable development, and its organs should develop future-oriented projects and networks. Based on an intensive discussion of development objectives and the explicit commitment of the SEE (Balkan) States, the SEE (Balkan) Convention can be the catalyst and a legitimate framework for jointly developing the vision for a common future of the Balkans and for providing corresponding instruments. For fully developing this role, it will need committed partners.

Structure and contents of the report

The report is comprised of seven chapters. Each chapter is divided into three national surveys on the related issue. The first three chapters aim to articulate concerns and highlight the present condition of mountains, agriculture and forestry, and outline the rural development status in the mountain regions of the three countries. Chapter four examines the major existing national policies, institutions and strategies affecting, directly or indirectly, sustainable agriculture and rural development in the mountain regions of each country. Chapter five outlines the impacts, strengths and weaknesses of national institutions responsible for designing and implementing the policies for SARD in the mountain areas, including an analysis of their strengths and weaknesses.

And, finally, the main findings as well as the recommendations and proposals for the follow-up activities are given in Chapter seven of the report. It is worth emphasizing that at present, agriculture and rural development are facing challenges that need to be addressed by adequate responses, through the consolidation of SARD-M policies into a unique document (recommendation for Albania), incorporation of a "mountain" component into national policies and national rural development strategies, or even Development of a National Strategy for Sustainable Development of the Mountain Regions (recommendation for FYR Macedonia).

The future scope of development of a SARD-M could cluster a range of initiatives in the field of sustainable tourism, agriculture, forest management, sustainable use of land, water and natural resources, energy efficiency, waste management and recycling, education and capacity development (example from Bulgaria).

1. Mountain Areas Specificities

Albania

The mountain areas in Albania are a very important part of the whole country because they occupy more than 60% of the whole Albanian land, and 35% of the Albanian population work and live in these areas. Only 16% of the land lies below 100 m, 55% falls between 100 and 1,000 m and 29% is above 1,000 m. Accordingly, the land used for agriculture is often quite sloping, with only about 44% of the agricultural land having a slope of less than 5%.

Development of handicrafts and traditional work like wood, leather and wool processing, are the main work engagements in these areas.

They are rich in natural resources (minerals, hydro resources, forests, food products of a high quality and a high level of livestock raising), but their actual development is still very low.

Living conditions in these areas are inferior to those in other regions of Albania. Public services such as hospitals, centres of health care, schools and kindergartens in many cases lack quality or are sometimes nonexistent. In addition, mail service, telecommunication, roads, water and energy supply are still problematic in these areas.

The areas are also known for cooking some special types of food. They have great possibilities for the development of the tourism sector in general and specifically the natural tourism, historical tourism, agro-tourism and especially cultural tourism.

Bulgaria

The mountain areas cover 45 % of the territory of Bulgaria or approximately 50 000 sq. km. There are 39 mountains with more than 120 peaks more than 2000 m a.s.l. altitude. The mountain areas are rich in natural resources: 82 % forests, 71 % of pasture areas, 65 % of tobacco fields and potatoes, etc. are located in these regions. The whole area of the virgin forests (103 350 ha or 2,9% of the total forest area) is also located in the mountainous areas.

In the past few decades, the mountain regions witnessed a process of accelerating depopulation and aging population. Lack of job creation opportunities, agriculture market and extension problems and poor living conditions (bad road infrastructure, inadequate medical care and social life, education of young, lack of culture events, poor broadcast media covering) discourage young families to stay in the region. Mountain municipalities have significant problems to maintain the quality and accessibility of basic services in those small settlements. Given the small size of the population, access to basic services is highly dependent on the quality and accessibility of the road infrastructure. The lack of job opportunities in these areas leads to high level of long-

term unemployment. In 2004, the long-term unemployment rate in rural areas was 11.3% compared to 3.6% in urban areas. Although there are no precise data about mountainous areas - given it is a general tendency in this country - the unemployment rate in the mountain settlements is even higher. The tendency for migrating to the urban areas is significant.

Since 1st of January 2007, Bulgaria joined the European Union, thereby adding some 50 000 km² mountainous areas and less than 1 250 000 inhabitants to the European mountain community. The future of this area is equally important for Bulgaria and for the EU, as it is part of the European mountain areas.

FYR Macedonia

The FYR of Macedonia is a mountainous and hilly country. Mountain and semi-mountain areas comprise around 80% of the national territory, and 30% of the Macedonian population live in 1,028 communities in those areas. There are 52 peaks with heights over 2000 meters above sea level.

Agriculture is the most important economic activity and income source in the mountain regions. These regions in particular are extremely suitable for safe, high-quality food production.

The potentials of the mountain regions are defined by their natural characteristics, namely, the hydrological potential, the mineral resources and distinct geomorphologic forms. Additionally, mountains are characterised by valuable natural forests, and sub-alpine meadows. Furthermore, the great wealth of natural and cultural resources, and the traditional hospitality of the people make the mountains an ideal place for development of sustainable tourism forms such as rural, eco and spa tourism.

But despite this fact, the "mountain areas" are not a specific focus for sustainable development on the national level in the Republic of Macedonia.

In addition to all the above mentioned, mountain regions in general can be characterized as marginalized rural areas with their fragile ecosystem due to steep slopes, deforestation and over use of resources, with extremely poor infrastructure.

Poor essential living conditions are the main cause of the high level of depopulation, as well as poor school environments manifest in deteriorated classes and the absence of sanitary facilities and tap water. The quality of the education and the life-long learning in the mountain rural areas are of very low level.

The specific features of mountain regions call for the development of approaches that duly consider the natural, social and cultural values, as well as the particular constraints that recognize mountains as providers of essential goods and services to the national economy. There are very limited quantitative data available in FYR Macedonia concerning the environmental problems related to the specificities of mountain regions.

Table 1. The percentage of the mountain areas of the three SEE (Balkan) countries as defined by UNEP-WCMC methodology and national criteria

	UNEP-WCMC definition		National definition	
	Mountain area (km ²)	% of national territory	Mountain area (km ²)	% of national territory
Albania	20,604	71.7	15,000	60
Bulgaria	44,730	40.3	44,000	40
FYR Macedonia	21,530	83.7	20,000	80

2. Agriculture and Forestry

Albania

Table 2. Albania / Fruit and livestock sector data

Description	Years					
	2000	2001	2002	2003	2004	2005
Fruit trees (000 trees)	5573	5726	6029	6530	6785	7120
Fruit tree production (000 ton)	64.9	63.8	75.8	77.4	85.3	90.0
Pergola (000 trees)	4638	4793	4806	5022	5224	5364
Vineyard Total (ha)	5824	6275	6800	7180	7605	7994
Grapes total (000 ton)	79.3	85.1	83.1	105.5	97.1	115.1
Cattle (000 heads)	728	708.4	690	684	654	700
Goats (000,000 heads)	1.1	1.0	0.9	1.0	0.9	1.0
Sheep (000,000 heads)	1.9	1.9	1.8	1.9	1.8	1.8

Source: Albanian Institute of Statistics (INSTAT) & Shundi, 2006, Albania: Fodder Production

Forests comprise some 36 percent of the country's land area and constitute an extremely important natural resource base. The potential exists for the sector to increase its contribution to economic recovery by generating revenues from timber sales, by increasing rural employment, and by generating environmental benefits. Improved watershed management should seek to gradually transfer user rights of state-owned forests and pastures to communities and villages on a long-term basis with

the view to supporting the livelihood of these communities. By ensuring long-term user rights, it is assumed that the interest of local communities in the sustainable management of these forest and pasture resources will be increased, thereby contributing to reduced erosion.

Albania has a rich biological and landscape diversity that maintains a wide variety of plant and animal species. About 30 percent of all European floras are in Albania and the high forests are home to communities of large mammals such as wolves, bears, lynx, wild goats and the characteristic bird communities associated with virgin forests. Albania is also an important crossroad for bird, bat, and insect migration. There are about 91 globally threatened species in Albania. The major types of endangered ecosystems and habitats include sand dunes, river deltas, alluvial forests, inland lagoons, coastal lakes, alpine meadows, continental and glacier lakes as well as broadleaf and coniferous forests. Well managed, these areas have significant potential to provide income from tourism and recreation, as well as to provide ecosystem services.

Albania's fresh water resources will be subject to increasingly competitive demands by household consumption, industrial use, hydroelectric power generation and agricultural irrigation.

Bulgaria

The country's **agricultural land** is 5,725 663 ha, or 51.6% of Bulgaria's total area. This figure sums up the utilized agricultural areas (UAA) and agricultural lands, which were not used in the last three years (NSI, 2005). In the period 2000-2005, about 149 000 ha underwent change in their use and have been moved to other land category. During this period, the UAA decreased by about 317 000 ha, and arable lands by 272 000 ha. The UAA includes arable lands, permanent grasslands with agricultural purposes, and family private and green houses. In 2000- 2005, the abandoned lands increased by about 168 000 ha. The share of LFA (less favoured areas) is relatively stable, while the area of grasslands with low productivity potential was increasing.

The arable land includes permanent crop areas, fallow land and temporary grasslands. It represents 76.8% of the total agricultural land and is concentrated in 3 of NUTS2 regions -North-East, North-Central and South-Central region (2004, MoAF statistics). Permanent grasslands and meadows-orchards accounted to 34% of the UAA (1.8 million ha) and permanent crops for 4% (0.2 million ha).

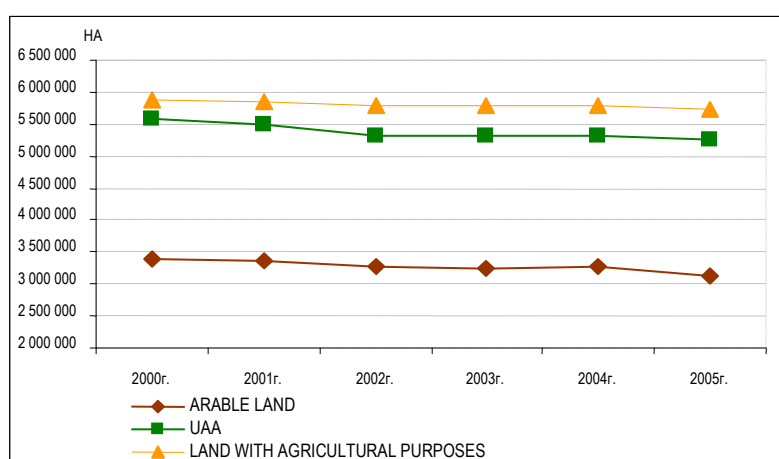
- **Utilized agricultural land (UAA):** 5.3 million ha (48 % of country territory)
- 4% of the **UAA** are perennial crops
- 34% of the **UAA** is grassland

Table 3. Bulgaria / Land Use, 2004 (percentage in the mountains)

Type	ha (000)	% of total area	% of UAA
1. Land area	10 876.1	98.0	
1.1 Utilised agricultural area	5 330.5	48.0	
<i>Of which</i>			
<i>Arable land</i>	3 296.8		61.8
<i>Permanent grassland</i>	1 800.8		33.8
<i>Permanent crops</i>	215.8		4.0
<i>Other areas including house gardens</i>	15.1		0.3
<i>Crops under glass</i>	2.0		0.0
1.2 Wooded area	3 734.5	33.6	
<i>Of which Forest area</i>	3 601.3		
1.3 Other land area	1 811.1	16.3	
2. Inland waters	223.2	2.0	
Total area	11 099.4	100.0	100.0

Source: Agrostatics Directorate, MAF, 2004.

The fallow land was 0.44 million ha or 8.2% of the arable land. Fallow lands are part of the arable lands, but with no production value in the year of monitoring. They are kept under this category for two years, no matter if they are maintained or not. In 2005 the surface of fallow areas was 348 000 ha or 11,1% from the arable land.

Figure5. Bulgaria / Structure of the agricultural lands

Source: MoAF, Directorate: Agro statistics

The surveys show that 20% to 40% of the arable land is used for monoculture production or is kept as fallow land more than one year. The process of land restitution

has resulted in a significant fragmentation of the land ownership in Bulgaria. The average size of the agricultural plots is 0.6 ha. The size of the plots varies by regions, depending on the natural conditions and the crop structure - from 0.26 ha in Smolyan NUTS 3 region to 1.99 ha in Dobrich region. Due to the fragmented land ownership, 79% of UAA of agricultural holdings are leased. About half of the land used by the holdings of natural persons and 93% of the land of cooperatives and farming companies are leased.

There were about 7000 agricultural holdings, managed by legal entities in 2003 (including cooperatives). They accounted for 70% of the UAA of all holdings, included in the 2003 census, with an average of 290 ha per holding. Agricultural co-operatives used to make an important contribution to the agricultural value added in the transition period, but their role declined in the last 2-3 years. In 2003, there were about 2000 cooperatives, which farmed 40% of the UAA. The 2005 Farm Structure Survey registered a 23% decline in the number of cooperatives and a 24% drop of their UAA. The large share of very small agricultural holdings contributes to the small average size of Bulgarian agricultural holdings – on average 1.6 Economic Size Units (ESU). These holdings are primarily self-subsistent farms, which market only a fraction of their produce. There are substantial differences between the size of the holdings managed by natural persons and those managed by legal entities (cooperatives, limited companies, sole traders, partnerships). In 2003, the vast majority of the agricultural holdings were operated by natural persons (658 600). These were predominantly small agricultural holdings, 99% of which reported less than 5 ha of UAA.

In terms of area of permanent crops, the most important permanent crop is grapes, which accounted for 129.6 thousand ha or 61% of the total permanent crop area. In 2004, about 85 thousand ha of vineyards were harvested and about 351 thousand tons of grapes were produced. About 50% of the vineyards are kept by physical entities. Tobacco is an important industrial crop in Bulgaria. The total output of tobacco (raw leaves) in 2004 was estimated at 69.6 thousand tons. The South Central region accounts for 61% of all the tobacco produce. In 2004, there were about 62 thousand registered tobacco growing producers. About three-fourths of them planted less than 0,5 ha, but they accounted for one third the total produce. A significant part of the crop production comes from agricultural holdings with mixed type of farming. Mixed holdings produce half of the root crops, one third of barley, vegetables and maize.

Livestock production contributed to 35.7% of the Bulgarian agricultural output. In 2004, the cattle herd amounted to 672 thousand, sheep – 1 692 thousand, pigs – 931 thousand, goats - 718 thousand. In 2004, the poultry-stock amounted to 19.5 million, out of which 88% - hens. The predominant part of the poultry production is concentrated in large holdings (93%). It is worth noting that 38% of the poultry, 28% of the pigs, 3% of the cattle, sheep and goat are bred in holdings, which have no UAA. The structure of stock-breeding farms - which is typical for Bulgaria in the last years – included numerous small farms, and preserves in 2002 as well. In 2002, the total number of stock-breeding farms increased by 2.2% compared to 2001. A new element in stock-breeding development in 2002, is the expansion of the national structure for

preservation and reproduction of valuable breeds of animals and birds with high genetic potential.

According to the data from Agricultural Census (2003), 1.35 million people were engaged in agricultural activities, of which 93% were engaged in farms less than 5 ha and 72% in farms less than 1 ha. The percentage of full time employees is only 25%. The 2005 Farm Structure Survey, registered a significant decline of 20% in the number of people, engaged in agricultural activities. The number of the full-time employed shrunk by a higher percentage – 25% and went down to 254 000 people. One of the major problems in the sector is the unfavourable age structure of the farmers. According to the agricultural census data, barely 5% of the holdings' owners are young people - less than 35 years of age. The overall structure of the agricultural labour force – 156 800 was less than 35 years of age and their number was reduced by 55 000 in the 2003-2005 period. The exodus of young people from agriculture is a serious problem that requires special measures for retaining the young labour force.

In 1991, the Law for Agricultural Land Ownership and Land Use launched the restitution of land ownership rights. The Law was designed on the basis of historic justice. Efficiency objectives were not considered a priority. As a result of land reform, 98% of agricultural land now is privately owned and the remaining 2% is under legal dispute. As regards the grasslands and pastures, the share of public and state ownership is still predominant and represents 71.3%.

Bulgarian **forests** are subdivided into three groups according to their main functions: commercial forests (designed for timber production), protective forests, also called forests of special functions (designed for protection of water, soil etc.) and protected areas.

The commercial forests include all the forests where the primary goal, along with maintaining their ecological functions, is timber harvesting. The protective forests include quite variable sub-categories: water-preserving, erosion-preventing, soil conserving, recreational, green zones and systems, country parks etc. In 2000, the share of forests with economic functions is 65.9% of the total forest area; protective and recreational forests amount to 26.6% and the forests and forestland in protected areas are 7.5%.

A National Forest Policy and Strategy "Sustainable forest development in Bulgaria 2003-2013" was adopted in 2003. The audit report notes the strategy as a good example of a document establishing a framework for sustainable development. The strategy is a framework and basis for the identification of activities funded by the grant scheme.

The mountain forest represents about 2/3 of all forests in Bulgaria – e.g. in the Rhodopy area the share of forest owned by natural individuals varies 1% and 18%, with the highest percentage of municipal forest ownership observed in the Haskovo district constituting 10%. Two-thirds of the municipalities are with 50% and above forest coverage, which determines a crucial role by the forestry sector for the development of the region.

Bulgaria possesses a great diversity of forests due to its specific geographical position, its mountainous relief, and mainly the human impact. In terms of the total forest area, 89.7% is wooded land; 68.1% of this wooded land (2.5 million ha) has primarily timber

production functions. The other 21.6% are protective forest areas; 6.5% of which are recreation forests and 15.1% are forests with other protective purposes. The remaining 10.3% of the total forest area is made up of tracks and natural meadows.

Table 4. Bulgaria/Total forest area in Bulgaria in 2005

Total Forest Area	million ha	% of total
Wooded land	3.65	89.7
(High stems forests)	(2.5)	61.4
(Coppice forests)	(1.2)	29.5
Non wooded land and grassland	0.42	10.3
Total	4.07	100.0

Source: National Forestry Board, 2006.

High stems forests account for 61% of the forestry area in Bulgaria. They produce high quality timber (saw timber and furniture). On the other hand, coppice forests are established for fire wood supply and cannot reach the high quality and quantity of timber of the high stems forests. For this reason, for the last 40 years the forestry policy in Bulgaria has been focused on the transformation of coppices into high stems forests.

The surface of virgin forest in Bulgaria is 103 350 ha, which represents 2,9% of the forest area. The future management and usage of these forests are an extremely important issue at the national level. About 75 000 ha from the virgin forest are included in the protected area network. The natural high-stem forest occupied 30% from wooded area (1,1 mln ha) and are an extremely important genetic resource. Most of it is in the mountain area.

About 32% of the forest fund is managed in order to protect the environmental functions of the forests: 13,4 % of the forest fund is designated as protective forests, diminishing the erosion processes, etc., while the recreational forest (6,4%) and some other protective forests (3,8%); pastures cover 8,2 % (335 381 ha) of the NFF national forest fund. The forests are also a refugee for about 80% of the protected species and 60 % of endangered species (429 species, of which 43 are recognized as a globally threatened species). During the last ten years the area of protected areas was not extended at all.

Bulgarian forests were subject to nationalisation in 1947. In 1998, the process of restitution started. By 2005, the process of restitution was considered almost completed. Nowadays (2005), the state continues to be the biggest owner possessing 76,8% of the national forest fund. Municipal forests represent 11,5%, private forests 9,6% and other legal entities represent 2,1% (schools, churches and monasteries, forest cooperatives, etc.).

Due to the ongoing restitution of former non-state forests, the share of non-state forests will increase. The structure of forests' ownership is uneven throughout the country. The private forests are in the form of small plots, predominantly below 1 ha. Because of the small plot sizes of private forest property and the fact that owners often live in urban areas away from their forest plots, interest in managing these forests is low.

It is estimated that more than 30% of all private forest owners live in big cities without any relationship to their ownership. They have no motivation to do appropriate and expensive silvicultural activities in their forests.

The majority of biodiversity in Bulgaria finds its natural habitat in the forests. The species composition of forests is very rich as a result of their particular situation. Their biogeographic position between the Mediterranean, Steppe and European broadleaved forest areas and from sea level up to 2900 m explains the great diversity in species composition. Also the variety in relief and of basic rocks that contributed to the variety of soils and the wide range of hydrological conditions, have established ecological niches for rich biological diversity, including trees and shrubs. Nowadays, the territory of the Bulgarian forests is preserving: over 80% of the protected plant species; over 60% of the endangered animal species; over 60% of the priority habitats; 8 of the 12 landscape complexes - defined in the national strategy for the preservation of biodiversity as unique and representative of Bulgarian biodiversity - as well as populations of 43 globally endangered species.

The average age of the forests in Bulgaria is 51 years with a wide spread. In non-state forests, more than 119 000 hectares are younger than 40 years old. This corresponds to a share of approximately 64% of the total area of all non state owned conifer forests. Furthermore, more than 60% of all forests are younger than 40 years, especially in coniferous forests. The young conifers dominate in non-state forests in Bulgaria. These are plantations, which were established 20-40 years ago in a very high stand density. For this reason, the stability against wind, heavy snows and insects is much lower in comparison to natural forests. Therefore, these stands require thinnings and other actions to improve their stability and productivity.

There is no official data on the contribution of the forestry sector to the GVA (gross value added) and employment. Unofficial estimates assume that the forestry share is about 0.5% of GVA. According to FAO, about 34 300 people were employed in the forestry sector in 2000.

The main silviculture practices in Bulgaria for transforming coppiced forests are clear cuts, if these stands are between 40-60 years old. Due to the low quality stands as well as the decrease of increment in the next generation, transforming coppice into high stem forests is urgent.

The insufficient road infrastructure and its poor maintenance hamper forestry activities. In Bulgaria, the average density of forest roads is approximately 7.8 m/ha, and it varies between 3 m/ha in mountain regions up to 15 m/ha in low lands. Most of them are not usable for timber trucks because of poor maintenance. In the mountains in particular, more than 100 million m³ of growing timber stock is not open for use.

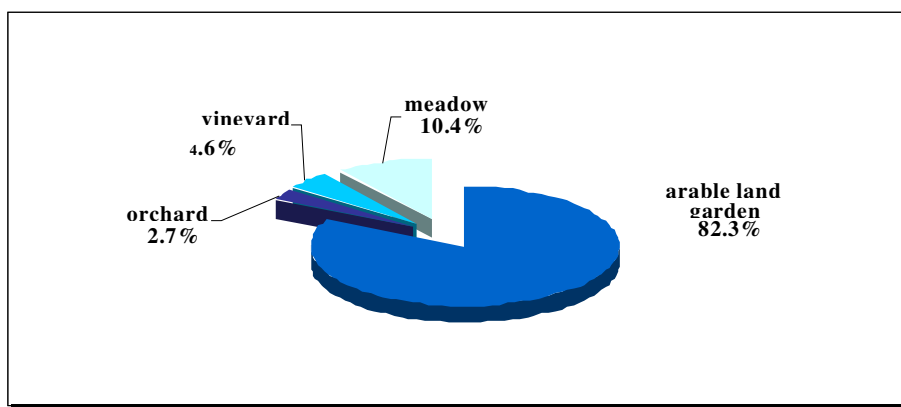
Significant investments, however, are needed for the improvement of the forest-management, wood felling and forest infrastructure. The improvement of the economic value of forests could be achieved by planting appropriate species for timber production, including biomass production and investing in installations and equipment for processing and utilization of this wood biomass.

FYR Macedonia

Total **agricultural** land amounted to around 1,265,000 ha in 2004 (or less than 50% of the total area of the country). The structure of the total agricultural land is as follows: 44% arable agricultural land (560,000 ha), approximately 55% pastures (704,000 ha), and less than 1% swamp land and fisheries (1,000 ha).

Concerning the farm structure and land ownership, individual farmers own or rent approximately 80 percent (which is approximately 463,00 ha) of all arable land; with the remaining 20 percent (196,841 ha) owned by the state and rented to agricultural companies with a right to use the land and enrich it without any compensation for a certain period of time, or by individual farmers with compensation. The majority of pastureland is owned by the state and managed by public enterprises.

Figure 6. FYR Macedonia / Structure of Utilized Agriculture Area by category of use, 2004



Source: State Statistical Office, 2005.

Pastures also follow the general decreasing trend registered in the total arable agricultural land according to category of use in 2004 in comparison with the area of land under pastures in 2003. The decrease rate is around 4% in comparison with the land under pastures in 2003 (from 733,000 ha in 2003 to 706,000 ha in 2004). Still, if we compare the overall development of pasture land in the period 1999-2004, there is an obvious annual increase in the period 2000-2002, with a downward slope in the last few years.

Despite its economic and social advantages as well as its contribution to the sustaining of rural communities under conditions of structural reforms in the economy, agriculture has largely contributed to soil, water and air pollution and biodiversity destruction as a

result of unfavourable production practices and land use. In general, agriculture is an important economic activity, but at the same time it puts pressure on the environment. The long-standing tradition of encouraging single crop production and intensification of agriculture has led to serious threats to the environment. In the last couple of years, public awareness of the ecological aspects of agricultural industry has been on the rise with increasing talk of developing alternative methods of agricultural production and introducing Good Agricultural Practices as a level of reference above which environmental aspects are largely respected.

In the long run, focused efforts to establish sustainable agricultural practices by means of reducing agricultural production systems that are harmful to the environment and by increasing positive influences of agricultural activities on the environment can at the same time exert a major positive influence on economic and social conditions. The integration of agriculture into environmental protection and the introduction of an environmental component in the developing of agricultural policy are among the most important objectives in the future development of agriculture.

Agriculture production in the mountain regions is generally carried out through several main branches. Cereal crops are the most frequently sown on the arable agricultural areas. However, the area planted with cereal crops in 2004 was 14% lower compared to that in 2000. Vegetables and fruits are modestly developed in the mountain regions with the exception of certain crops.

A crucial branch mainly carried out in the mountain areas is the livestock production. It is broadened in perimeter on the northern, western and eastern borders in a belt that is between 10 and 80 km wide. The livestock production regions border the regions for production of agricultural crops, thus increasing the interaction of the usage of agricultural by-products for feeding the stock.

Historically seen, livestock breeding is the dominant activity of the individual agricultural sector, except the pig breeding that used to be carried out on large state farms. During the last decade, with the reduction and transformation of the big agro-complexes, the owners' structure of the livestock production farms has not changed to a great extent. Such a development basis contributed to maintaining the structure of livestock production farms as predominantly private holdings. In other words, the current structure of livestock production in the country consists of a large number of individual farm producers whose production is mainly for their own consumption, a certain number of commercially-oriented family farms that are on the rise, and big specialised livestock production enterprises, whose number is declining.

Table 5. FYR Macedonia / General data on livestock, in the period from 1997 to 2005.

	1997	1998	1999	2000	2001	2002	2003	2004	2005
Cattle	289.428	267.459	270.147	264.968	265.266	258.973	259.976	254.803	248.185
Sheep	1.631.034	1.315.176	1.288.733	1.250.686	1.285.099	1.233.830	1.239.330	1.432.369	1.244.000
Pigs	184.293	196.839	226.047	204.135	189.293	196.223	179.050	158.231	155.753
Poultry	3.274.570	3.338.764	3.223.184	3.713.369	2.749.637	2.900.966	2.417.362	2.725.298	2.617.012

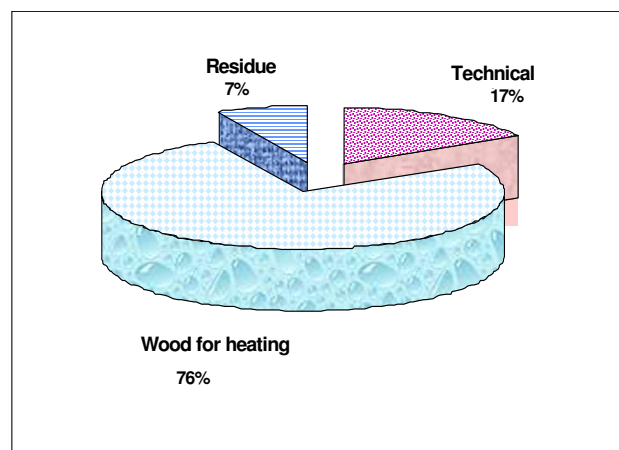
Source: State Statistical Office, 2005.

Forests are characterized by very rich biodiversity. FYR Macedonia has significant non-timber forest resources: medicinal plants, mushrooms, forest fruits etc. and diverse game. The importance of forests is emphasized by the fact that the main part of the territory of the protected areas in this country are under forest.

The total area under mountainous forests in the country is 955,300 ha, that is, 37% of the territory of the country. Forests are 82% deciduous, 12% coniferous and 6% mixed species. According to their origin, 29% of the forests are categorized as high forest and 71% as low forest. Of the total area under forests, the State owned forests cover 91.6%, while their share in the timber reserves is 92.2%. The private forests cover 9.86 % (94,146 ha) of the total area under forests, and their share in the total timber reserves is 7.8%. Out of the total forest and forest land area, 8% are not planned.

The total timber volume is 74,343.000 m³, and the annual growth is 1,830.000 m³, with an average of 2.02 m³. The annual planned timber cut is about 1,300.000 m³; of which about 70% is used. Out of the total annual timber cut, the share of firewood is 80-85%.

Figure 7. FYR Macedonia / The timber cut structure according to purpose, 2004



Source: State Statistical Office, 2005.

With the help of the Forestation Fund (that was active until 1990) more than 140,000 ha of bare lands were planted and it achieved an increment of the total afforested area by the index of 1.6.

Forestry is an economy branch that participates in the Gross Domestic Product with 0.3 - 0.5 %, but if the multifunctional uses are valorised, the contribution will be bigger.

The contribution of the forest industry (primary and secondary wood processing, furniture, paper and celluloses) is 2.5 - 3 %.

Some of the main threats and problems in forest management and governance are: illegal logging that takes huge proportions, other illegal activities, forest fires which have affected nearly 100 000 ha for the last 10 years, climate changes through the

process of the drying of the forests, insect calamities and diseases. All these lead to enormous economic and environmental losses to the sector.

3. Survey of rural development

Albania

There have been tremendous developments during transition in terms of rural development. Ownership transformation and migration (emigration) have dramatically changed the landscape in rural Albania.

Poverty in rural Albania is still high despite of all the positive developments in recent years, as shown in the following table:

Table 6. Albania / Absolute poverty rates in Albania

	2002			2005		
	Urban	Rural	Total	Urban	Rural	Total
Total	19.5%	29.6%	25.4%	11.2%	24.2%	18.5%
Mountain	24.7%	49.5%	44.5%	17.1%	27.7%	25.6%

Source: INSTAT - LSMS 2002-2005

Poverty in rural areas remains still high as twenty four percent of rural population fall below the poverty line. During the period 2002 to 2005 (latest data), there has been substantial positive development in poverty reduction, including in rural areas. The data show that poverty has fallen more rapidly in mountainous areas – one in four people was poor in 2005 in rural mountainous areas as compared with one in two people in 2002. Poverty reduction in mountainous areas during this period has been quite impressive in both urban and rural areas with more rapid poverty reduction in rural areas.

At any case, the poverty rate in mountain areas is still high. It is about three times higher than in Tirana. Extreme poverty in rural areas in 2005 was 4.5% (3.5% for all strata) with a slight decrease as compared with 2002. The extreme poverty rate in rural areas for 2002 was 5.2% (4.7% for all strata).

The agriculture (farming) sector represents the main activity in rural areas. As already mentioned 2/3 of the rural population is employed in agriculture. Despite the impressive achievements so far, there are still many problems with respect to Albanian agriculture. Agriculture in Albania is now dominated by small farmers who produce both for home consumption and for a market serviced only by private traders, agro-processors and input suppliers. Production systems remain basic, yields are low, many farms are too small and fragmented to be viable, physical infrastructure is poor, and private sector activity has yet to fully fill the vacuum left by defunct state processing and marketing

agencies. Thus, while impressive, the changes to date are only the beginning of the transformation process.

The rural economy depends on opportunities in the non-farm rural sector. Current non-farm development is minimal and informal in character. It is restricted to low-grade construction, small technical and personal services and petty trade. Only about 20 percent of non-farm enterprises are located in rural areas. In addition, over the last decade, the economy has grown fastest in and around the country's principal lowland urban areas, where the concentration of factors of production has allowed better and quicker returns to investment.

While agriculture has been successful in underpinning food security, it remains essentially subsistence-oriented. Limited agricultural surpluses are reflected in low agrobusiness development. In addition, the development of the non-farm rural economy has suffered from a severe lack of institutional arrangements needed for its development.

Remittances can be a vehicle for investment in rural areas. While remittances help to provide the opportunity to start a business, improved access to financial resources for the start-up of non-farm business in rural areas would be needed to jump-start the development. Lack of off-farm employment opportunities is an obstacle to further rationalization of agricultural production and the benefits of economies of scale. There has been a steady reduction in skills of the rural labor force through ageing, migration, and the absence of education and training of new entrants. Taken together, these factors have contributed to a persistent situation of structural unemployment in the countryside.

For many Albanians, remittances from abroad have been, and continue to be, an important means of meeting their food and other basic consumption needs. A survey of household income found that agriculture accounted for 37 percent of total income, remittances for 31 percent, and non-farm business for only 16 percent of total income. A typical rural household in Northeast Albania, the poorest region of the country, earned 8 percent of its income from agriculture, 21 percent from livestock, 1 percent from processing, and 67 percent from non-agricultural sources, principally remittances. At the household level, earning and providing remittances through migration is often seen as a way to supplement consumption or invest in home improvement, education or farm inputs.

A number of initiatives are underway to support rural finance. The *Rural Finance Fund* (RFF) is one of the most important institutions that provide microfinance services in the rural villages of Albania. It originates from a World Bank project started in 1992. RFF manages a network of Savings and Credit Associations (SCA) spread over eight districts. Almost half of these loans are used to buy livestock, a quarter for agricultural activities, and slightly less than a quarter for trade. SCA have also united in what is named Saving and Credit Associations Union. *Mountainous Areas Finance Fund* is the only financial institution involved in retail lending in the mountain districts of Albania. Its objectives include poverty alleviation in the mountain areas, and increasing welfare by promoting employment and providing income-earning opportunities. There are also some other

initiatives with modest results in terms of financing rural development. The role of commercial banking in rural areas is understandably limited.

Rural infrastructure deficiencies are quite high in rural areas. This migration has increased the pressure on infrastructure services in coastal plains and urban centers and has decreased services in rapidly depopulating areas. This vicious circle makes it difficult to strike a balance between the high demand and need for infrastructure services in more populated areas in the plains and the equally critical infrastructure needs in the more remote and less densely populated regions. Finding this balance will be critical for the development of Albania over the coming years.

Water and Sanitation: Rural areas face severe problems with water supply and sanitation. Improvements (in water supply) in rural areas will be closely linked with the decentralization process in which the local governments will be responsible for the operation of the water supply. A rural water and sanitation strategy has been prepared. The Government role should be to facilitate the new institutional set-up and to provide the necessary regulatory framework that ensures the participation of communities in drinking water supply management and decision making.

Rehabilitation of *irrigation and draining systems* needs to be continued over the coming years. Water user associations (WUA) have proven to be good vehicles to manage irrigation infrastructure and water distribution on the local level and have tremendously improved the access and management of the water resources on the local levels. Building on these successes, more attention will need to be given to the capacity building of the authorities coordinating and facilitating the operation of the large canals while maintaining the concept of a user - managed system. In addition, farmers should receive more advice on the efficient use of irrigation water and improved management of the resource as well as sustainable handling.

The rural road network is extremely poor and in bad condition. Most rural road maintenance has been neglected in the last decade. While a number of roads have been upgraded with donor assistance in the last few years, and most of the construction and rehabilitation of rural roads has been decentralized to the communities, conditions have not improved significantly in the more remote areas. Very little maintenance is conducted even on newly constructed roads due to both lack of funding, and lack of capacity and organization. An improvement in the rural road network is critical for the economic development of rural areas.

Access to *electricity* is another critical factor. Ongoing problems of supply and distribution of electricity continue to hinder growth, in particular, the increase of rural industries and businesses. The electricity grid has a broad reach, but most rural areas receive power for only a couple of hours per day due to regular power cuts and supply problems. Over 90 percent of the electricity in Albania is derived from hydropower plants. However, droughts have reduced water levels to their lowest in 30 years in 2006. It will be essential to improve the electricity supply in rural areas. The lack of electricity is frequently mentioned as one major impediment to business development. It also makes the operation and expansion of social services more difficult.

According to assessments done, most Albanians believed that the quality of education has declined over the past 10 years, that education levels have fallen, and that illiteracy

is emerging, particularly in rural areas and some newly formed peri-urban settlements. Many parents, teachers, school administrators, and political leaders believe that poor teaching quality and reduced student attendance were the principal reasons for the decline. Enrolment numbers have declined more steeply in rural areas than in urban areas except at the preschool level. Peri-urban locations, often inhabited by migrated rural poor, are predicted to have below average enrolment rates. Analysis also shows that the quality of the schools has an effect on the enrolment rates, thus reducing the attendance even further in rural areas.

Albania's rural sector is beginning to witness the emergence of community-based private groups and associations. Many have received technical and financial assistance from government/donor-financed programs during their formation. For example, there is now a large number of registered Water User Associations in the country responsible for managing rehabilitated irrigation infrastructure, although not all are fully functional yet. Also Forest Users Associations are operating in a large number of communes and are responsible for management and improvement of pasture and forest resources in their communities. The formation of credit groups has been underway since 1992. Village Credit Funds (VCFs) have been formed under World Bank and IFAD-supported projects, including in the mountainous areas. In addition, a number of Credit Unions and Savings and Credit Associations (SCAs) have been constituted, with the first ones formed starting in 1997.

Bulgaria

Bulgaria is divided into 6 planning regions (NUTS 2). Mountainous landscape is dominating in five of them: Northwestern (West Stara planina), North Central (north slopes of Central Stara planina) South Western (Pirin, Rilo-Rhodopian mountains), South Central (Central Stara planina and Rhodopy mountains), and to some extent South Eastern region (Strandza and Sakar mountains) .

Table 7. Bulgaria / Administrative-territorial structure of the country with Six Planning Regions (NUTS 2 level)

Planning regions (2003)

Planning regions	Area 2003 (km ²)	% of the total area of the country	Population 2003 (persons)	% of the national total	Population density (persons / km ²)	Arable land 2003 (m ² /capita)	Number of districts	Number of municipalities
Republic of Bulgaria	111001.9	100.0	7801273	100.0	70.3	6.400	28	264
Northwestern	10288.2	9.3	512593	6.6	49.8	11.900	3	32
North Central	18320.0	16.5	1165806	14.9	63.6	8.600	5	41
Northeastern	19923.4	17.9	1285803	16.5	64.5	9.300	6	49
Southeastern	14647.6	13.2	782653	10.0	53.4	8.600	3	22
South Central	27516.2	24.8	1944382	24.9	70.7	5.000	6	68
Southwestern	20306.5	18.3	2110036	27.0	103.9	2.500	5	52

There are 28 administrative regions (NUTS 3) and 263 municipalities (LAU 1), of which 231 municipalities are classified as rural ones. The settlement network in Bulgaria consists of 7 large cities with population above 100 000, 27 medium-sized towns (with population between 30 000 and 100 000, 174 towns with population from 10 000 – 30 000 inhabitants and 200 rural towns with population below 30 000. The total number of Bulgarian settlements is 4667, of which 3650 are with a population less than 2000 inhabitants.

The settlement network in Bulgaria consists of 7 large cities with population above 100 000, 27 medium-sized towns (with population between 30 000 and 100 000), and 200 rural towns with population below 30 000. The bigger portion of the rural population is living in small settlements. There are 3650 settlements with a population below 2000 people and about 15% of the rural population is living in settlements below 500 residents.

The rural areas represent 81% of the Bulgarian territory and 42% of the population. The population density in the rural areas is half the country average (35.8 inhabitants/km² vs. 71.8 inhabitants/km², 2001, respectively). There are 3650 settlements with a population below 2000 people and about 15% of the rural population is living in settlements below 500 residents.

Although, there are no precise data about the settlement network of the mountain regions, based on the expert's estimations about 1715 settlements can be considered as mountain ones. It is an expert's estimation that population living in the mountains are approximately 1 250 000, of which 450 000 citizens are living in towns, while the rest (app. 800 000 citizens) are living in villages. There is only one district town located

in the mountain area - Smolyan, located on an altitude of 800 - 1000 m. a.s.l., with a population of 47 160 citizens. Nine of all 27 district centers are in the proximity of mountain areas Blagoevgrad, Vratza, Gabrovo, Kyustendil, Pazardzik, Pernik, Plovdiv, Sliven, and the capital Sofiya. They belong to five administrative territorial units levels NUTS II (Planning regions: North West, North Central, South West, South Central, and South East planning regions).

The mountain areas are barely populated or have no settlements at all. The settlement of Stara Planina, Pirin and Rila are located on the foothills of the mountains, while there are scattered rural settlements within the Rhodopy area, Sredna gora, Strandza and Sakar Mountain. The Rhodopy area has more villages than any other mountain region of Bulgaria. The approximate total population of small towns and villages within the Rhodopy is approximately 370,000 inhabitants.

The educational status of the rural population is significantly lower than that of the urban population. The illiteracy rate in rural municipalities is two times higher than in urban areas (1.7% of the population between 25 and 64 years of age. Almost half of the population in rural areas have no secondary education, compared to 20% in urban areas. There are significant differences in the shares of the population of university education: 5.5% in rural areas versus 20.6% in urban areas. The share of adults 25-64 participating in education and training is only 1.3% in Bulgaria, and in the predominantly rural NUTS 2 regions it is even lower representing 0.9%.

According to the NSI Labour Force Survey (LFS) in 2004, the economically active population in the predominately rural areas was 1 851 000 people and in the intermediary rural areas 878 000 people.

Table 8. Bulgaria / Population by Age (2004)

Type of Region	Population Below Working Age		Population at Working Age		Population Above Working Age		Total	
	Thousand	%	Thousand	%	Thousand	%	Thousand	%
OECD definition								
Predominantly Rural regions	710.0	15.8	2 721.0	60.4	1 071.5	23.8	4 502.5	100.0
Intermediate Regions	302.3	14.8	1 254.1	61.6	481.0	23.6	2 037.4	100.0
Predominantly Urban regions	162.1	13.3	806.7	66.1	252.3	20.7	1 221.2	100.0
National definition								
Rural	517.7	16.0	1 836.3	56.8	878.2	27.2	3 232.2	100.0
Urban	656.7	14.5	2 945.5	65.0	926.6	20.5	4 528.9	100.0
Total	1 174.4	15.1	4 781.8	61.6	1 804.9	23.3	7 761.0	100.0

Source: NSI (MAF calculations).

Table 9. Bulgaria / Economically Active Population and Employed in Rural and Urban Regions (2004)

Type of Region	Economically active population		Employed		Economic activity rate	Employment Rate
	Thousand	%	Thousand	%	%	%
Predominantly Rural regions	1 850.6	55.7	1624.0	55.6	47.9	42.1
Intermediate Regions	878.1	26.4	764.3	26.2	49.9	43.4
Predominantly Urban regions	593.3	17.9	533.9	18.3	56.1	50.5
Total	3 322.0	100.0	2922.2	100.0		

Source: Labour Force Survey, NS (MAF calculations)

According to 2004 LFS, the total number of employed in the predominately and intermediary rural regions was 2 388 000 people. The employment rate was very low representing 42% of the labour force. The registered unemployment rate in rural municipalities has been decreasing for the last years but still it remains very high –as it represents 19.2% in 2004. In 34 rural municipalities, the unemployment rate exceeds 30%. There are significant and persistent disparities in the unemployment rate of urban and rural areas.

A significant problem in rural municipalities is the high level of long-term unemployment. In 2004, the long-term unemployment rate in rural areas was 11.3% compared to 3.6% in urban areas. The high long-term unemployment rate is explained by the lack of employment opportunities in rural areas and the deteriorating quality of the labour force. The surveys of rural areas show that despite the high unemployment, entrepreneurs encounter difficulties in finding qualified labour force. The high unemployment rate of young people is an additional problem that leads to emigration of the young labour force from rural areas.

The share of people living in poverty is significantly higher in rural areas. This is related to the lower wages, the higher unemployment and underemployment rates, the high share of population living on pensions and social security benefits, as well as to the high costs of social services. The latest World Bank study on poverty in Bulgaria revealed

that poverty rates were four times higher in villages, and the households that lived in villages comprised 66% of the poor population. The survey also revealed higher poverty rates among ethnic minorities.

In all rural municipalities, the settlements are grouped around the municipal centre (usually a small rural town, or a big village). In the municipal centre are located institutions, providing part of the basic services for the rural population – secondary and/or vocational schools, healthcare centres, bank offices, etc. The small rural towns are evenly spread throughout the country. On the other hand, there is an uneven dispersion of large towns, and related to it different access to specialised services, science, education and culture, etc. The remoteness of the large portion of rural areas from large urban centres results in disparities in socio-economic development within the rural areas.

A special problem is the high share of the rural population living in small settlements. There are 3850 settlements with a population below 2000 people. Nearly half of the rural population resides in these settlements. In very small settlements below 500 residents live about 15% of the rural population. Municipalities have significant problems to maintain the quality and accessibility of basic services in small settlements. Given the small size of the population, access to basic services by the population in small settlements is highly dependent on the quality and accessibility of the road infrastructure.

The share of the population below working age in rural areas was about 45% of the total population below working age in 2004. The rural areas, however, have problems in retaining the young population, as in rural areas the population at working age is 7 percentage points lower than population below working age in the same areas. It is 38% of the total population at working age.

The quality of technical and social infrastructure in rural areas has deteriorated significantly due to under-investments in infrastructure development and maintenance. This results in deterioration of the quality of life and threatens the ability of rural areas to maintain their population and attract investments. The quality of the infrastructure differs by type and size of settlements. The gaps between the municipal centres and the villages are quite pronounced. The municipal centres usually have better street infrastructure, water supply, and sewage and waste collection systems.

The road network in rural areas is relatively well developed but it is poorly maintained. A recent World Bank survey indicated that nearly two-thirds of the rural residents expressed discontent with the quality of inter and intra municipal settlements roads, and half of them were not satisfied with the quality of roads to agricultural fields.

The municipalities are responsible for the management of more than 16 000 km of municipal roads and the streets within the rural settlements. A large portion of the municipal roads have not been repaired for more than 15 to 20 years and are in poor condition.

The recreational function of the mountains is the main prerequisite for the development of tourism in this region. The main type of tourism in the region is winter ski tourism, concentrated in the Pirin area – Bansko and Dobrinishte, and Rhodope – Pamporovo. Despite the existence of protected territories and wealth of biodiversity, the alternative

forms of tourism as eco-tourism and rural tourism are relatively little known and underdeveloped.

Bulgarian rural municipalities have a rich historical and culture heritage. There are about 330 museums. About 6 500 cultural monuments of national and local importance are located in the rural municipalities as well as in mountains. Quite rich is the historical and cultural heritage of the Strandza and Rhodopy and Stara Planina mountain.

There is a good potential for development of green tourism in rural municipalities, but it is still underdeveloped.

More than 80% of rural municipalities put tourism as a priority in their development strategies for the period 2007-2013. Nearly two-thirds of rural municipalities identified specific projects for rural tourism development in their strategies. Thus, there are about 1200 projects for the development of tourism infrastructure, restoration of historical and cultural monuments, and other tourism related projects, amounting to 185 MEUR. About one-third of these projects are identified in smaller rural municipalities, with the population below 10 000. More than 60% of these projects are implemented in the mountain areas.

Currently rural tourism generates a very small share of the Bulgarian tourism revenues and particularly to the mountainous regions. It is concentrated in a limited number of regions: mainly West and Central Stara Planina Mountains, and the Rhodopi Mountains). During the past few years, a small number of villages located close to the National Parks offered rural tourism products, mainly one-day round tours. Most of the rural sites are visited by Bulgarian tourists during their holidays or during weekends /national holidays. There are rural tourist products offered to foreign markets, as well.

There is a significant problem, namely the lack of trained human resources and strategic planning and marketing of rural tourism resources and products. Few municipalities have some kind of touristic strategies including identified tourist products, bed and breakfast services, etc. They are West Stara Palnina: Chiprovtsi, Central Balkan: Aprilci, Kalofer, and a variety in the Rhodopy Mountains. Consequently, the capacity of non-profit organisations offering support for rural tourism development has improved significantly.

FYR Macedonia

The economic and social importance of the rural areas is evident in the fact that 86.7% of Macedonia is rural and home to 40.2% of the population. Agriculture is the main economic activity and rural households represent a significant portion of productive capacity (73% of arable land, 90% of livestock, 96% of tractors). It also plays an important role in the economy. Many villages have suffered from demographic, economic and social decay over the past decade. Approximately 60% of the villages are affected by de-population, particularly the sensitive hill and mountain regions. The socio-economic structure of rural areas affects the level of social insecurity and social exclusion. Today's rural social problems do not arise solely from the economic transition (although the latter is one of the factors of negative influence), but are a result of the

levels of economic and social development inherited from past years. These problems were present before the transition, and are present in rural areas today.

One of the main consequences of the neglect of rural areas and their intense sense of exclusion is the uncontrolled rural exodus which resulted in emptying rural areas and in the de-vitalization of the rural population. In contrast to 1948, when 72% of the population lived in villages, today 40% of the total population lives in villages. According to the 1994 Census, 121 villages have been completely de-populated (i.e. no inhabitants live there). The problem lies in particular in the fact that 360 villages with fewer than 50 residents account for 20.6% of the villages in Macedonia. Within this group, it could be expected that some communities, particularly villages with up to 10 residents, will become completely depopulated. There are 104 such villages.

The number of population living in hills and mountains is decreasing significantly, which means accelerating external migration. In Macedonia there are 14 compact undeveloped regions or areas that include several communities with pronounced low level of economic activity, inadequate economic and public infrastructure, high migration and low population density. In these regions the population fell by 70% from 92,646 in 1948 to 27,598 in 1994. What makes the problems of villages particularly difficult is the significant proportion of the elderly and illiterate in the total population. Mostly young and vital segments of the population are leaving the villages, leaving the older and less educated behind.

The rural population in Macedonia is facing meager incomes and lack of basic infrastructure facilities in rural communities. The recent study *"Strategy, Policy and Management of development of rural areas in Macedonia"* (implemented at the Institute for Sociological, Political and Juridical Research in Skopje) indicates that 40.2% of the rural population has no income from farming, 36.1% are not satisfied by the level of farming income, only 21.6% are partially satisfied and 1.6% are fully satisfied.

The basic structure in the mountain areas is far from satisfactory; except for electricity (99.7% of the rural population has electricity). The percentage of the rural population which has access to plumbing is 72.3% (compared to 87.7% for the total population); 18.6% of the rural population has access to water cisterns which supply water under pressure (8% of the total population); 8.96% of the rural population does not have any access to plumbing (4.03% of the total population). The percentage of the rural population which has sewerage system is very low and is estimated to 17.7% (it is 60.1% of the total population). The total rural population which does not have sewerage is 8.9% (or 4% of the total population).

The Macedonian road infrastructure was fairly developed in the past, and contains 9,573 km of roads in a categorised road network (1995 data). Railroad transportation is poorly developed and includes a network of 699 km of open railway lines, 226 km of rail yards and 102 km of industrial tracks. Residents of many rural settlements, especially in mountain and remote villages, experience poor public transportation services (bus lines) to reach modern roads and from hence stores, schools, markets, etc.

In term of waste management, a need to support local initiatives for solving the solid waste problem in the rural communities was identified. There is still no sustainable solid

waste management system established and the awareness and knowledge of the local communities on waste minimization and treatment practices is on very low level.

Very small farms or micro agricultural enterprises which cannot be modernized, and as such are not competitive on the market, will be forced to close their business and to seek new forms of operation as rural enterprises.

The official data (2005) indicate that 10% of the total number of business persons in the country is based in the rural municipalities and 2.9% of the total number of registered enterprises is in the area of agriculture, hunting, forestry and fishery (5,024) – of which 21.4% are based in the rural municipalities.

However, the rural population still faces problems related to property rights, access to credits, especially high interest rates, as well as high transactional fees and risks which justify the small investments in the rural areas and the low rate of newly opened business.

The development objective is to establish a replicable model for sustainable development and improvement of the economic potential through the strengthening of local institutions' providing services to citizens, improvement of conditions for economic regeneration and promotion of growth-oriented and competitive small and medium enterprises.

The average number of businesses per thousand inhabitants in rural municipalities in the country is 40.43 compared to 78.89 in urban municipalities (the national average is 86.8). In 2005, according to the State Statistical Office, 10 percent of the total number of business entities' headquarters is located in rural municipalities and 2.9 percent of the total number of registered enterprises is in the areas of agriculture, hunting, forestry and fishery (5,024), of which 21.4 percent are based in the rural municipalities.

Generally, rural areas are not attractive to businesses for several reasons: property right problems, lack of concentration of population, poorer educational achievements, lesser flexibility of the potential workforce, and distances from potential markets (for both inputs and outputs). All this puts businesses in rural areas at a cost disadvantage. Poorly developed and diversified economic infrastructure and the consequent lack of quality jobs are common features of the rural mountain areas.

Social care Infrastructure (kindergartens, schools, public community centres, libraries, and clubs) were developed in the past, but in the majority of cases they are now either in very bad condition or totally abandoned.

Most of the population from the mountain areas, especially those living in high-mountainous villages, are lacking fundamental health services, including primary health services.

There are rural organizations in the mountain areas developed on non-satisfactory level comparing to the farmers' associations that are quite strengthened. Besides, initiatives for propagating greater development of the mountain areas , based on the participation of the population in presenting its demands are not being organized in a proper way or with due intensity. In principle, the local institutions are very weak and they should be strengthened in order to provide sound and sustainable communities.

4. Policies, Institutions and Strategies affecting directly or indirectly SARD in the mountain areas

Albania

There is no any SARD-M or SARD related strategy as such in Albania. The Forum for the Development of Mountainous Areas, convened at the beginning of 2005, concluded that: *mountainous areas are not part of any social, economic or environment analysis; and that sensitivity of the Parliament, the Government of Albania, political parties, main Albanian state institutions, foreign institutions and civil society to the problems faced by mountainous areas is quite low.*

Having said that, different aspects of sustainable agriculture and rural development are implicitly being addressed by the National Strategy for Development and Integration, Mid-Term Budget Programme, three crosscutting strategies (Rural Development Strategy, Regional Development Strategy, Strategy of Environment) and five sectoral strategies (**Agricultural and Food Strategy, Strategy of Tourism Development , Transport Strategy, Health Strategy, and Education Strategy**). The above mentioned strategies are being prepared or updated in the framework of new NSDI Preparation.

In the **National Strategy for Development and Integration (NSDI) – 2005 Annual Progress Report**, the Government of Albania (GoA) considers *agriculture and particularly agro-industry as one of the priority fields for economic development over the next 10-15 years* (for more information, please see the country report).

Main areas of government support and policies include: non-agricultural business, infrastructure and rural services (power and water supply, health and education, and territorial planning), environment protection and rights to natural resources, decentralization and institutional development in rural areas.

NPISAA contains a large number of legal and institutional measures aiming at integrated rural development.

The **Mid-Term Budget Programme (MTBP)** which is a financial instrument supposed to support NSDI, puts special emphasis on integrated rural development. The Integrated Rural Development Programme – as part of the MTBP - aims at improving the *quality of life in rural areas by promoting competitiveness enhancement of farm and agro-business sector, protecting natural resources and supporting capacity building to plan, manage and coordinate rural development activities.*

The programme will proceed with designing and implementing regional integrated rural development projects.

Rural Development Strategy (RDS) , which is being developed, is based on four axes as follows: (i) competitiveness of farm, agribusiness and forestry sector (ii) environment protection, (iii) quality of life in rural areas, and (iv) participation in rural development.

The table below gives a "snapshot" of axes, titles and distribution of financial resources to support the Strategy.

Table 10. Albania / Rural Development Strategy – axes, titles and related funds

Axes and titles		Part of funds
Total fund for rural development in 2006 equals US\$ M 73. It is planned to reach US\$ M 170 by 2013		
1	Competitiveness of farm, agribusiness and forestry sector	60% of total budget
	Agriculture modernizing and restructuring	55% of axe 1
	Marketing - quality enhancement through innovation	30% of axe 1
	Efficiency and sustainable use of forests	10% of axe 1
	Improving farmers' and foresters' capacities	05% of axe 1
2	Environment protection	10% of total budget
	Landscape protection in disadvantaged areas	90% of axe 2
	Agricultural practices intended for environment protection	10% of axe 2
3	Quality of life in rural areas	30% of total budget
	Employment in rural areas	20% of axe 3
	Quality of life in rural areas	80% of axe 3
4	Participation in rural development	Projects in other axes will have a participation dimension
	Improve participation of RDS stakeholders	

Source: MoAFCP, 2007, Rural Development Strategy (draft)

Though there is no explicit reference to mountain area problems and policies, RDS affects mountain areas policies practically in all axes and titles. Moreover, titles related to a sustainable use of forests and increasing foresters' capacities, landscape protection in disadvantaged areas, and agricultural practices intended to protect environment are virtually targeting mountainous areas.

It is clear from the draft document itself and from interviews with strategy stakeholders that the draft RDS is based on European principles for Rural Development. In the draft document, it is stated explicitly that "the document has been prepared according to the article 11 of Council Regulation (EC) No.1698/2005". As such, the draft RDS represents an interesting paper which is economically, socially and environmentally balanced.

Implementation of RDS in a mid term time frame will be carried out by a Payment Agency.

The **Law No 8593/2000, Ratification of the "Financing Agreement on the Mountainous Area Development Programme between Government of Albania and International Fund for Agricultural Development"**, though not included in the RDS draft, represents the only GoA piece of legislation addressing the mountainous areas' specificities. The above mentioned law foresees the establishment of a Mountainous Area Development Agency (MADA), the establishment of a Mountainous Area Finance Fund (MAFF) and implementing a number of other rural development measures.

The **Mountainous Area Development Agency (MADA)** is an important instrument of rural development with entirely mountainous area focus.

MADA was established with a Ministerial Council's decision in summer 2000. The Agency is financed by the International Fund for Agricultural Development (IFAD), the Albanian Government, the Dutch SNV, and the Italian Cooperation, with the contribution of DFID. The Agency is operating in *16 mountain areas* of Albania.

MADA was set up to prepare and implement a programme intended to efficiently use the mountainous area's resources (coordinating role) by also providing technical, financial and management assistance, as well. In addition to this main focus, MADA was

also in charge of implementing other components of the Mountainous Area Development Programme, including irrigation infrastructure improvement, livestock development through improving veterinary services and pasture development, extension service and small road and water supply infrastructure.

MADA is managed by a steering committee and the executive director. The head of the steering committee is now the Minister of Economy (the Minister of Agriculture used to be the former head of the board). The reason for this change was the fact that MADA will be converted into a regional development agency.

The **Strategy of Transport (STr)**, states that the GoA, in cooperation with the local government, will fund building 4000 km rural roads in four years (2005-2009: ES). This will create the preconditions for development and poverty reduction in rural areas, including mountainous areas.

One of the main operational instruments involved in rural infrastructure improvement is the Albanian Development Fund (ADF).

Since 1993, the Albanian Development Fund has been carrying out projects aiming to improve local infrastructure and to promote private sector development, especially among the poor. In 2004, activities were based on agreements with the Islamic Development Bank (rural infrastructure), the CARDS programme (local community development), KfW (social investment), the World Bank (community works), and the Council of Europe Bank. More than 150 investment sub-projects worth Lek 1.8 billion were contracted. The majority of resources were allocated to road (57%) and water supply (11%) projects (for more information, please see the country report).

There are also numerous donors' initiatives/projects intended to support development in mountainous areas. Following, one may find two quite interesting approaches applied in (most) mountainous areas in Albania.

UNDP-Albania has played a major role in terms of supporting regional development, including development in mountainous areas. Making use of the Millennium Development Goals (MDGs) as a development framework, UNDP has supported all 12 regional councils (qarks) of Albania to develop *Regional Development Strategies (RDS) or Regional Development Reports*. Moreover, UNDP-Albania has taken over the implementation of one of these strategic frameworks in Kukes region, one of the most mountainous areas in Albania.

Bulgaria

During the last three decades several nationwide attempts were undertaken to formulate a more comprehensive nationwide policy towards the sustainable development of mountain areas. A comprehensive survey was carried and national priorities were identified. As a result a Draft Law on Mountains has been developed. However, after the political changes in the nineties, none of these efforts have resulted in policy documents able to guide and manage the cluster of problems in the mountain areas. Most of these efforts were driven by the relevant international obligation to which Bulgaria was party – elaboration of management plans for national parks in Rila,

Central Stara Planina, Pirin, as well a comprehensive GEF in Rhodopy mountains, which are mainly targeting nature protection, more than a wide range of mountainous problems.

Currently there is still no nationwide policy on mountains developed, but there are a variety of strategic national programs for territorial planning, economic development, decentralization and local government reform, and a national ecotourism action plan, which have potential to influence the mountain regions. Bellow is a description of the main policies and strategies, which take into account and respond to the specific challenges facing the Bulgarian mountains in an adequate and satisfactory manner:

Since 1st January 2007 when Bulgaria became a member state of the EU, most of info is linked with the accession process and less with a practical experience, stemming from an implementation process. For the sake of practicality, they are divided into two periods, namely before and after 1st January.

The Government of Bulgaria has prepared a **National Program for the Adoption of the Acquis (NPAA)**, which lays down the priorities and time frame for meeting EU Accession requirements in different sectors.

The **Bulgarian National Development Plan (NDP)** is a national strategic document developed to meet the requirements of the EU for the programming period 2000-2006. It presents the long-term public investment program of the country, consisting of investments in both physical and human capital. The NDP defines the vision, the strategic goals and the national development priorities as well as the necessary financial resources and institutional framework required for their realization.

The **National Agriculture and Rural Development Plan (NARDP) for 2000-2006**: Under the EU Special Accession Program for Agriculture and Rural Development (**SAPARD**) it was adopted by the Council of Ministers by Government Decision 726 of 22 November 1999. The Multi-annual Financing Agreement was signed in December 2000 and the provisional allocation of public funds for the whole programming period is 511,80 MEUR. The NARDP brings together EU financing with matching contributions from national sources (government, municipal and private sector). The Community contribution is 385,27 MEUR. The official launch of the SAPARD program was on June 1, 2001 with detailed regulation for the implementation of 3 accredited measures. On 14th August, 2003, the SAPARD Agency was granted conferral of management for 7 other measures from NARDP. The implementation of the last measure, the 1.3 "Development of Environmentally friendly practices and activities" started in September 2006.

The PHARE programme, which has been active over the past decade, will continue to provide institution building and investment support in line with the country's emerging priorities with respect to the Accession process.

The **National Ecotourism and Action Plan, 2004**, provides a tool to galvanize local social and political elements of rural development and link them to income generation, economic growth and improvements of rural economies. Ecotourism development is based on a balance between the conservation, and the economic and social policies of the government. This is in line with European policies and is a guarantee for the

effective implementation of the sustainable development principles in Bulgaria. The Strategy outlines the development of ecotourism for a period of 10 years, while the Action Plan covers a period of five years. The documents suggest geographical foci for ecotourism development in Bulgaria.

The **National Forestry Policy and Strategy for 2002 – 2014** is a framework policy document, based on the multifunctional principles for forest management. The document was elaborated from November 2002 – August 2003 with the support of the World Bank, the Swiss Government through the Bulgarian – Swiss Forestry Project and the German Centre for Technical Cooperation (GTZ) through the Bulgarian – German Forestry Project. NFSP sets the policy frame for the forest sector development for the next 10 years. The process of the elaboration of the NFPS led to the elaboration of few Drafts of new policy documents - e.g elaboration of the principles of the Draft Strategic Plan for the development of Forestry sector 2007-2011; New Draft of Forestry Law and elaboration of New Concept of fire protection and measures against illegal cutting. NFSP has been approved with a Council of Ministers decision and has been reviewed and approved by the Parliament Agriculture and Forests Committee, but it is still not approved by the Bulgarian Parliament. The document has no specific references to the mountainous regions, however the overall framework will have an impact on the forest sector, particularly on the issues of providing added value to the forest products (certification schemes, rural areas linked with the forest sector, protection of biodiversity, including nature parks management, etc.) In July 2007, the CoM took a decision for the establishment of a new governmental body (State Forestry Agency) to deal with the forest policy issues. The elaboration of the future functions of this body is still under development and discussions. (the expected deadline is September 2007).

Some other strategies/policy documents related to the SARD_M issues are: National Action Plan on Climate Change (2000), the National Biodiversity Strategy and Action Plan (1999), National Strategy for the Environment and the Action Plan for 2000-2006 (2001); National Biodiversity Plan (2005-2010); Management plans for protected areas; Concept for strategy for protection of the virgin forests, (2006), National Programme for sustainable land management and combat of desertification, etc.

The concept of protection of natural resources is set in a norm of highest rank. Article 15 of the Constitution states: "The Republic of Bulgaria shall ensure the protection and reproduction of the environment, the maintenance and diversity of living Nature, and the sustainable use of the country's nature and other resources". For implementing this constitutional obligation, different legal acts regulating social relations regarding the protection of natural resources and their sustainable use have been adopted. The principle of the integration of environmental protection policies in the sector policies is provided for by the Environmental Protection Act.

In addition to the NDP, which is the requirement of the EU for the programming period 2000-2006, the new regulations and strategic documents on the EU international investment policies for the period 2007-2013, were prepared by the Bulgarian Government's Council of Ministers for the justification of the EU funds' assistance:

- **National Strategic Reference Framework 2007-2013**: (OP : operational programme)

OP "Development of the Competitiveness of the Bulgarian Economy";
OP "Human Resources Development";
OP "Transport";
OP "Environment";
OP "Regional Development";
OP "Administrative Capacity";
OP " Technical Assistance "

- National Strategic Plan and Program for Rural Development 2007- 2013;
- National Strategic Plan and Program "Fishery and Aquacultures" 2007-2013.

The National Strategic Reference Framework 2007-2013 (NSRF) is the strategic document for the absorption of the EU Structural funds that need a formal adoption by the European Commission. It is elaborated on the basis of the NDP 2007-2013 and consists of the strategic platform for the justification and coordination of the EU Structural funds' financial assistance. Although there is no specific references in NSRF for the mountainous regions, all four priority areas are contributing to solving most of the mountainous problems through providing investments in the agricultural and forestry sector with the aim of restructuring the encouragement of innovations in the process of processing and adding of value and encouragement of production of biological products; protection of environment and sustainable land management; Creating employment and improvement of infrastructure and services in rural areas; and investments in participation by local communities in the development of rural areas.

The Seven Operational Programmes express, in concrete form, the NSRF strategy in their relevant thematic areas at the operational level. The OP Managing Authorities, which are responsible for the preparation, organization and management of each OP, are appointed in accordance with the Council of Ministers Decision № 965/16.12.2005.

The ***National Rural Development Plan (2007–2013)*** contains the measures which Bulgaria intends to implement for the period 2007 -2013 in order to fulfil the strategic objectives. The measures are grouped in 4 Axis:

- Axis 1 (the whole country) aims at increasing the competitiveness of agriculture and food sector ;
- Axis 2 (different scope depending on the type of the measures) aims at sustainable land management and sustainable forestry management practices;
- Axis 3 (rural areas) aims at improving the quality of life in rural areas;
- Axis 4 (at local level for implementation of the local development strategies in rural areas) is aimed at implementation of Leader approach.

The objectives of the **National Rural Development Plan** will be addressed by 30 Measures. The implementation of the program will start with 23 Measures, which are listed in the table bellow and will be implemented in the entire programming period 2007-2013, with the exception of Measures 143 and 611, which will be implemented until the end of 2009.

Table 11. Bulgaria / National Rural Development Plan measures starting in 2007

Axis /Measure			Programming period
Axis 1 - Improving the competitiveness of the agricultural and forestry sector			
1.	111	Training, information and diffusion of knowledge	2007-2013
2.	112	Setting up of young farmers	2007-2013
3.	121	Modernization of agricultural holdings	2007-2013
4.	122	Improving the economic value of the forests	2007-2013
5.	123	Adding value to agricultural and forestry products	2007-2013
6.	141	Semi-subsistence farming	2007-2013
7.	142	Setting up producer groups	2007-2013
8.	143	Provision of farm advisory and extension services in Bulgaria and Romania (According to Annex VIII Section I D of the Act of Accession of Bulgaria and Romania (years 2007-2009)	2007-2009
Axis 2 - Improving the environment and the countryside			
9.	211	Natural handicap payments to farmers in mountain areas	2007-2013
10.	212	Payments to farmers in areas with handicaps, other than mountain areas	2007-2013
11.	214	Agri-environmental payments	2007-2013
12.	223	First afforestation of non-agricultural land	2007-2013
13.	226	Restoring forestry potential and introducing prevention actions	2007-2013
Axis 3 - Quality of life in rural areas and diversification of the rural economy			
14.	311	Diversification into non-agricultural activities	2007-2013
15.	312	Support for the creation and development of micro-enterprises	2007-2013
16.	313	Encouragement of tourism activities	2007-2013
17.	321	Basic services for the economy and rural population	2007-2013
18.	322	Village renewal and development	2007-2013
Axis 4 – Leader			
19.	41	Implementation of the local development strategies:	2007-2013
20.	421	Inter-territorial and trans-national cooperation	2007-2013
21.	431	Running costs, acquisition of skills and animation	2007-2013
Other Measures			
22.	511	Technical assistance	2007-2013
23.	611	Complements to direct payments	2007-2009

The **Regional Development Plans (RDPs) 2007-2013** are prepared for the six Planning Regions. The Regional Development Plans are medium-term documents containing analysis of the social-economic state of the respective planning region, main development objectives and priorities, required actions and indicative financial resources for achieving these objectives. The RDP are drawn up in conformity with the

provisions of the National Strategy for Regional Development 2005-2015, as well as with the priorities and specific aims laid down in the respective District Development Strategies for 2005-2015.

The **National Plan for Development of Organic Farming 2007-2013**, was developed and adopted by the Council of Ministers in March 2007. Apart from keeping the present markets and expanding the access to other foreign markets, a number of measures have already been put in place, primarily aiming at developing the internal market for organic products, which is practically non-existing at present. An important place in the National Action Plan is reserved for the measures targeting the enrichment of a variety of organic products. The documents set forth strategic objectives, namely, development of internal market for organic produce; 8% of the UAA should be managed under organic production methods by the year 2013. An effective legislative framework, supporting the development of organic agriculture and a system for control and certification of organic products has been established.

The **Draft Strategic Plan for Development of Forestry Sector 2007- 2011 (2006)** is under inter-ministerial discussion as well. Four strategic objectives are formulated: Economical strengthening of the forestry sector; Restoration and protection of healthy forest ecosystems, biological diversity of the forests and their environmental functions; Contribution to the quality of life through improvement of the social functions of the forests; Better integration in the international processes related to the forest sector.

A concept of the strategy for the protection of the virgin forests has been developed by the Forestry Research Institute, Bulgarian Academy of Sciences (2006). Almost the whole area of the virgin forests is located in the mountainous areas.

The **National Regional Development Strategy (NRDS)** for the period 2005-2015 is the fundamental document formulating the long-term objectives and priorities of the country's regional policy. It outlines the strategic directions and levels of the regional policy and acts as a starting point for getting and distributing EU assistance for the implementation of the programmes related to regional development. More specifically, the tasks of the NRDS are as follows:

- To define the strategic objectives of the regional development of the country during the period 2005-2015.
- To outline an achievable strategy for the achievement of these objectives through an identification of the major priority directions of regional development and setting in place the institutional framework for implementation of the strategy.
- To provide milestones for the formulation and application of sectoral policies of regional impact, and to lay the basis for coordination of the regional development policy with the rest of the policies in the planning regions.
- To provide a framework for the planning and programming documents at the other territorial levels.
- To ensure coordination between the regional development policies and spatial planning policies with a view to achieving a balanced territorial development.
- To involve all stakeholders.

The mountain areas have been taken into account within the Bulgarian Rural Development Programme. Among other things, it targets sustainable use of mountain resources (production of biomass and renewable energy, sustainable use of forests, introducing Less Favoured Areas, organic farming and processing, as well as encouraging the development of sustainable tourism, and improving the basic services and infrastructures in the implementation of the policies laid down in the NRDS.

The place and the role of the NRDS in the system of strategic planning and programming documents related to regional development have been defined in the Regional Development Act. The NRDS defines the strategic directions of the regional development policy. It outlines the "top-down" approach, serving in this way as a milestone for the district strategies for regional development, the municipal and regional development plans and the National Operational Programme for Regional Development. They should transpose the goals and priorities of the NRDS in compliance with the specific regional circumstances and the designation of the individual documents.

The **Municipal Development Plans (MDP)** - are mid-term planning documents prepared for a period of seven years, and aimed at the development of the entire municipality, not only the municipal centre. The time frame for preparing the plans is related to the state policy cycle, the preparation of a three year budget forecast, as well as the budget plans of the European Union.

The "bottom-up" approach used in the process of planning preparation is combined with the "top-down" approach. This ensures that the realization of the main goals and priorities of the regional planning can be supported by real measures, including projects of national importance.

The link and coordination of the MDP and the strategic planning and programming documents for regional development at national and district level have decisive importance. The compliance of Municipal Development Plan (MDP) and Implementation Program for the Municipal Development Plans (IPMDP) with the new Regional Development Act (RDA) will ensure the inclusion of the planned programmes and activities in the National Operative Program for Regional Development (NOPRD) and its Supplement, which is a condition for their funding. Funding local projects by external sources will be extremely difficult unless these projects are part of a planning document, which was publicly agreed.

Measures identified by the MDP, which have beyond-municipal importance, become part of the NOPRD, provided they are in accordance with the priorities, goals and measures identified in the RDP. When the municipalities are joining efforts for the implementation of projects of mutual interest, their development plans will also have to be coordinated. Also, some specific projects from the IPMDP can be included in the program amendment to the NOPRD.

The RDA determines the authority of the municipal councils to discuss and adopt MDP and IPMDP, and to approve the reports on the implementation of the program based on a proposal by the mayor. The mayor of the municipality organizes the preparation of the MDP and the IPMDP, leads and supervises the activities for implementing the

IPMDP and submits annual and final reports for the implementation of the programme to the Municipal Council for approval.

The **National Environmental Strategy 2000 – 2006** was developed with the participation of the central and local administration, business and NGOs. It was approved by the Council of Ministers in June 2001 (Decision of the Council of Ministers 455/20.06.2001). An integral part of the Strategy is the fundamental principles such as preventive control, polluter pays, integrated policy and environmental protection by government, public and industry. The main 6th EU Environmental Action Plan objectives are also incorporated. After this, the Strategy was under revision for the next period (2006-2013) identifying the responsible authorities, as well as all necessary financial funds and expected results from the particular activities. This document should give a framework of the priorities and measures regarding the reduction of environmental pollution in Bulgaria. For the implementation of this strategy, the **Sectoral Operational Program "Environment 2007- 2013"** was developed. The challenge is to implement the public involvement procedures into practice on regional and local level.

One of the weaknesses in biodiversity conservation listed by the National Strategy and Action Plan for the Environment 2000-2006 was the "lack of cooperation with agriculture concerning the implementation of activities for biodiversity conservation".

- **National Biodiversity Conservation Action Plan (NBCAP 2005-2010)** –
Main objectives are:
 - Conservation, strengthening and restoration of key ecosystems, habitats, species and their genetic resources;
 - Ensuring of possibilities for sustainable use of biological resources.
- **National Forest Policy and Strategy** developed with international donors' assistance was adopted by the Council of Ministers in 2003.
- **National Programme for Water Resources Conservation in Conditions of Drought** was adopted by the Council of Ministers in 2001 in view of climate changes observed and the resulting reduction of regeneration in the natural hydrological cycle after 1980. It contains detailed water resources assessment and identifies issues of priority concern. The Programme specifies legal, institutional and investment measures for a 10 year period aimed at ensuring water resources conservation; overcoming water shortages; availability of water for irrigation purposes; public awareness - raising related to water saving and rational water use.
- **National Programme for Priority Construction of Urban Wastewater Treatment Plants** for settlements of over 10 000 population equivalent (1999-2014), adopted in 1999 by the Council of Ministers of the Republic of Bulgaria. This investment programme identifies the necessary urban wastewater treatment plants for settlements of over 10 000 population equivalent. Construction of 81 new plants, as well as reconstruction and modernization of 23 operating plants is planned. Out of the 104 priority facilities, 36 should be built and reconstructed up to 2007. The investment needed is about 550 million

EURO. This Programme is currently being updated to include settlements with population equivalent between 2 000 and 10 000.

- **National Programme for the Construction of Sewerage Systems (1999-2014)** was prepared by the Ministry of Regional Development and Public Works to complement the Programme for Urban WWTPs.
- **NATURA 2000** - By the date of accession (January 1, 2007), Bulgaria was supposed not only to transpose the Habitats and Birds Directives into its national legislation but also submit to the European Commission its list of Natura 2000 sites. Globally, Bulgaria appears to be largely on track with its preparations for the implementation of Natura 2000, although there are still some important issues to be addressed. Site identification is notably being carried out through government-financed projects managed and supported by non-governmental organizations.

A **Consultative Intergovernmental Council** was established in 2006 upon a decision by the CoM to coordinate activities towards sustainable development, lead by the Ministry of Economy. The main task of this body is the elaboration of National Sustainable Development Strategy with main components: Climate change, Sustainable transport, Sustainable consumption patterns, Protection and management of natural resources; Human health; Demography and social issues; Poverty reduction, as well as horizontal issues: good governance, development of information technologies as well monitoring indicators. However, for the time being the National Sustainable Development Strategy is still not approved by the government.

In May 2004 the Minister of Environment and Waters established the **Interdepartmental Commission on Sustainable Development and Environment.** Its resolutions are only of advisory nature, including reviews of national strategies, programs and plans related to SD.

National Plan for Regional Development aims at creating prerequisites for a sustainable and balanced development of the different regions in Bulgaria, reduction of the interregional differences in employment and income, establishment of regional trans-border cooperation and European integration.

The National Strategy for the Environment 2000 – 2006 **Operational Program “Environment” 2007 – 2013:** draft version adopted by the Council of Ministers in December 2005 and the final version of the OP adopted by the end of 2006. The Program provides the framework for the utilization of funds from the EU Cohesion fund.

The **National Biological Diversity Conservation Strategy** adopted in 1998. A five year Action Plan for its implementation has been developed and is still in force, covering the time until the beginning of the new planning period i. e. from 2007 – 2013. Many of the envisaged activities have not been implemented yet. An important part of the envisaged activities is related to the use of biological resources. The Action Plan contains criteria and indicators for the sustainable use of biological resources, which should not take a negative direction.

The **Regional Development Act** creates statutory obligations for particular bodies to conduct activities for the management, organization and coordination of all sustainable

development issues of national importance. The Act provides for a specific order for the development, approval, adoption and reporting plans for regional development on the local, municipal, regional, and national level.

The **Environmental Protection Act** provides for the development of a National Strategy for the Environment, municipal programs for the environment, national plans and programs for the components of the environment. Separate legislative acts require the designing of programming and planning documents: Waste Management Act - national and municipal programs for waste management; Farmers Support Act, Energy Act, Biodiversity Act, Air Cleanness Act, Subterranean Resources Act, Safe Nuclear Energy Use Act, etc.,

The **Biological Diversity Act, Protected Areas Act, Medicinal Plants Act** together with the related executive acts, they regulate the conservation and sustainable use of biodiversity. Other relevant Acts are **Agricultural Lands Protection Act, Ownership and Use of Agricultural Land Act, New Plant Sorts and Animal Species Protection Act, Forestry Act, Hunting and Game Protection Act, Fisheries and Aquaculture Act, etc.**

FYR Macedonia

The Ministry of Agriculture, Forestry and Water Economy (MAFWE) is competent for agriculture and rural development, forestry and hunting, fishery, animal health and veterinary public health, phytosanitary (plant protection and plant protection products), seeds and seedlings, and water management. Key responsibilities of the MAFWE are the formulation and implementation of agricultural strategy, policy and related measures; drafting legislation; planning and administration of government-funded programs and investments, including bilateral and international programs; and supervision, monitoring and inspection services in areas of plant, seeds and seedlings, veterinary (epidemiological services and disease control), forestry, and fisheries.

In accordance with the Decision of the Government of the FYR Macedonia, no.19-4070/1 of 18.11.2005 (the Official Gazette of the FYR Macedonia, no. 5 of 2006), MAFWE has been appointed as a managing body for the rural development of FYR Macedonia. In accordance with this Decision, it has the obligation to establish an inter-sector group for rural development which would be included in the preparation of the National Strategy and the Rural Development Plan as part of the overarching National Strategy for Agriculture and Rural Development which is in the process of preparation. With this Decision, MAFWE has been appointed to program the activities, to monitor and assess the program, to coordinate activities, to coordinate various institutions, to include all the institutions of the sector and to supervise the financial functions which apply to rural development. The managing institution shall be the partner responsible for the entire cooperation with the EC in the area managing agriculture and rural development.

The MAFWE in 2004 prepared a **"Strategy for the Approximation of the Macedonian Agro and Food Economy to the Common Agricultural Policy**

(CAP) of the EU”, which foresees the preparation of a **“National Program for Agriculture and Rural Development for the period 2005-2010”**; **“National Strategy for Rural Development”**; **Government Program for Agricultural and Structural Policy and Rural Development.** Rural areas shall be divided into 2 groups: rural centres and specific areas. They will be further divided into 3 sub-groups: hilly-mountainous, border and undeveloped. A Department for Support to Agriculture and Rural Development and a Rural Development Unit have been established in MAFWE. They will start processes for understanding and overcoming the problems of the rural populations, and contributing to policy and measure design and implementation. Great emphasis is put on encouraging rural communities to diversify into new income generating activities, both agricultural and non-agricultural, and to enhance local services to complement this development. This is also seen as an important part of the European integration agenda that will allow accelerated access to EU structural funds in the medium-term.

By the 1994 Law for Stimulation of the Development of Economically Insufficiently Developed Regions, the **Bureau for Economically Underdeveloped Regions** was established under the Ministry of Local Self Government. The Bureau has a substantial experience in supporting less favoured areas but is operating with insufficient funds.

In accordance to the national budget amount for 2006, the Bureau has prepared the Programme for the realisation of its assignments which are intended to address certain problematic issues as stipulated by the Law. Main activities withdrawn by the Programme include support to Projects for the improvement of the economic infrastructure, non-economic infrastructure, technical revision of certain activities, training and education of local population in the LFA, revision of the project results and outcomes for potential further interventions, and promotion of projects and favourable conditions in the LFA.

The **Ministry of Environment and Physical Planning (MoEPP)** has a legal obligation to design and implement the national environmental policy. It is under an obligation to prepare a report on the state of the environment every three years.

According to the Law on Environment, consisting of the general principles of the environmental protection, MoEPP is responsible for monitoring the protection of environment, soil, water, air, flora and fauna; protection against radiation and noise, conservation of biodiversity, geo-diversity, national parks and protected areas, restoration of polluted areas, waste, spatial planning, spatial information system and other activities as stipulated in the law.

The MoEPP has insufficient staff and, in particular, lacks specialised staff in areas such as environmental impact assessment, monitoring, integrated pollution prevention and control, and climate change. Staff levels and skills should be enhanced to ensure adequate performance. The Spatial Information System and the Environmental Information System cover spatial information and environmental data management respectively. The number of inspectors is clearly insufficient while the number of prosecutions for breaches of environmental law indicates that the enforcement levels are very low. This can be attributed to various factors, such as the lack of human and

financial resources, the weakness of the legal system and the judiciary, and deficiencies in the legislation.

Within the Ministry, a separate Department for Sustainable Development is created, teamed up with highly educated professionals. Nevertheless, the Department has personnel weaknesses too: only few of the employees have training on sustainable development, the staff number doesn't correspond with the actual demands of the coordinative tasks, and their motivation is disproportional.

MAKMONTANA is the only NGO, working exclusively on the sustainable mountain development and is active in the process of the incorporation of the international conventions and strategies into national policies and decisions and raising awareness on them.

Other key stakeholders identified as important for their key role in NARDS and for the development of mountain areas are the following:

- Agency for Promoting the Development of Agriculture (AIDA) that included in a national institution the former Research Centres for Development of Agriculture;
- National Extension Agency: an independent body financed directly from the Macedonian Government, committed to the provision of advisory services to farmers and farmers associations on the latest scientific achievements and the direct implementation of the programme for agriculture and rural development;
- Agency for Implementation of the "Law on Stimulation of Development of the Economically Under-developed Areas" under the Ministry of Local Self-Government.

There is no specific focus on mountains addressed in any of the development strategies that are underway.

National Agriculture and Rural Areas Development Strategy - As a government responsibility and as a precondition for the preparation of the IPARD Plan (EU pre-accession funds) are the preparation of the National Agriculture and Rural Areas Development Strategy, as well as the individual mid-term Operation Plans in the corresponding areas, as a higher priority activity in the institution itself. The preparation of this strategy is underway.

This document will describe the planned measures and activities in the area of agriculture and rural development which should become a subject of financial support and justify - with detailed explanation - the planned measures in order to ensure effective and efficient further accession to EU funds.

The main objective of the National Strategy for Rural Development is to define an efficient agriculture and rural areas development policy in accordance with the Law on Agricultural Policy (LAP). The Law for Rural Development is currently passing through governmental procedures and is expected to enter into force by the end of 2007 or following the enactment of the Law for International Paying Agency. In general, the Law on Rural Development will stipulate - among other things - the rights and responsibilities of the MAFWE as competent authority for agriculture, food and rural development; rural development policy; agricultural information system; establishment

of the IPA; incorporating measures for rural development addressed for: improvement of the living conditions in the rural areas, support for environment protection and ecological aspects of production, etc.

Although no issue relating to mountain development is currently covered, in the near future the sector responsible for the implementation of the strategy shall incorporate activities and further measures that will support the development of the mountain regions.

In accordance with the European Partnership Action Plan, item 3.11-108-M2-A3/A8, a full establishment of a basic structure of a body in charge of the rural development, including strengthening the human resources, should be in planning module.

Since at present, there is no such institution being in charge of the implementation of EU pre-accession funds, a body which could manage the EU funds for agriculture and rural areas development, both in the pre-accession period and after full membership, should be placed. Therefore, it is necessary to establish administrative structures which would guarantee proper management of the EU agriculture and rural development funds.

The **National Strategy for Sustainable Development** - The Ministry for Environment and Physical Planning has implemented several activities for promoting sustainable development in general and specifically the preparation of the National Strategy for Sustainable Development which is now in the preparatory phase.

In this respect, the Government of the FYR Macedonia, by the decision taken on 29 March 2004, has mandated the Ministry of Environment and Physical Planning to perform the coordination activities for the preparation of the National Strategy for Sustainable Development. Following the step taken by the MoEPP was a definition of the activities and recommendations in preparation for the NSSD with the Action Plan for the period from 2004 to 2005 and an initiation of a procedure for Project proposal to the Swedish Government. The Project is funded by SIDA and managed by Scan Agri SA. The implementation is taking place starting from February 2007 and will last till March 2008. This document will provide the basis for long-term and synchronised economic development. At the same time it will serve as socially and legally responsible and acceptable from the environment protection viewpoint and on the basis of the essential postulate of the civil society. One of the planned activities is the establishment of a National Council on Sustainable Development and the preparation of a manual for implementing the Local Action Plans for Sustainable Community (Local Agenda 21).

A wide range of stakeholders are involved in the process: the Government, the Ministry of Environment and Physical Planning, the Ministry of Agriculture, Forestry and Water Economy (MAFWE), the Commission for Economic System and Current Economic Policy, the Assembly of the Republic of Macedonia, the Commission for European Integration, experts teams, representatives of NGOs, business sector, professional associations, unions and civil society.

The **Biodiversity strategy**: This Strategy Act is a basic planning document (developed by the MoEPP in 2003) and defines an integral approach to the conservation and sustainable use of the components of biodiversity, while the Action Plan encompasses

specific activities which must be accomplished in order to achieve the overall aim and objectives as specified in the strategy.

The **Sustainable Development Strategy for Forestry**: In 2004, a project to develop a long-term Sustainable Development Strategy for Forestry in the FYR Macedonia was approved by FAO (the United Nations Food and Agriculture Organization). The project goal was to develop a Sustainable Development Strategy for Forestry for a period of 20 years, aimed to create sustainable development capacities and protect and manage the forestry resources of the country.

Additionally, this document will define the economic, the environmental and the sociological aspects of the forestry sector in a bid to strengthen the profitability, competitiveness and sustainability of forests in FYR Macedonia. The process of preparing the Strategy is based on the principles of participation of all stakeholders and of integrating forestry into the national development strategies and plans. The strategy will be implemented by means of a well-defined Action Plan which will include measures and activities for the future development of the forestry sector within a determined time dynamic and an assessment of necessary material and human resources for its fulfilment.

The UNDP Country Office in FYR Macedonia plays a major role in terms of supporting regional development, including development in mountainous areas. UNDP helps in seeking out and sharing best practices, providing innovative policy advice and linking partners through pilot projects that help poor people build sustainable livelihoods. UNDP's support to the environmental sector focuses on two areas: (a) strengthening the policy framework for environmental management and sustainable development, and (b) providing support for the implementation of priority policy goals at the local level. In addition, UNDP has been working to assist the Government in meeting commitments which stem from international conventions.

UNDP has established a strong network of partners at the local level and is considered a major player in efforts to facilitate the decentralization reform and in enhancing the local governments' capacity to undertake additional competencies, provide public services and promote LED.

The **World Bank** provides support through the Community Development and Culture Project which comprises the following components:

- Integrated Site Development: this component has the aim of developing cultural industries and activities in several regions, through priority investments, and conservation measures capacities strengthening. During the four-year term of the project this component will be implemented in seven regions.
- Institutional Development at the National Level: This component has the aim of supporting activities on the local level, through the implementation of national level activities, such as: - Preparation of an assessment and national action plan for tourism, with an emphasis on the cultural- and the eco-tourism; - Preparation of an assessment and action plan on handicrafts; - Preparation of a computerized database of cultural heritage.

In general, conservation measures support the aims of adapting an old Macedonian object to tourist capacity, while keeping all the characteristics of the Macedonian tradition and the architecture typical of the specific region mainly located in the mountain areas. Main activities are preserving the outside and inside architecture of the houses with all the additional objects that are typical of old Macedonian villages.

The Government of the FYR Macedonia is implementing a two-year project for the preparation of a National Strategy for Sustainable Development, funded by the **Swedish International Development Cooperation Agency (SIDA)**.

The Macedonian Agricultural Advisory Support Program (MAASP), funded by *SIDA*, is strengthening the Macedonian advisory systems in providing services to rural households which would match and fit the specific livelihood strategies of rural communities.

5. Impacts, Strengths and Weaknesses of policies, institutions and processes

5.1. Albania

There is a very modest impact of the policies in the mountain areas in Albania. A number of strategies are currently in the process of preparation and their impact is to be assessed later. However, the impact/results of previous strategies and the impact of the strategies already implemented or under implementation show a limited impact on the mountain areas and the people living in them.

The Forum for the Development of Mountainous Areas observed that: *In Albania, there is no any specific policy on the development of mountainous areas. Mountainous areas population feel unsupported enough from the state institutions and international partners and therefore it is pessimistic on the perspectives of development of these areas.*

The mountain areas policies implemented up until now have been rather unstructured and have not helped in the efficient use of resources. Policies implemented by MADA – the only institution focusing on mountainous areas - have been rather unstructured and have been focussing on solving immediate problems to mitigate immediate poverty. They have not been guided by strategic plans to make efficient use of mountainous area resources.

The strategic documents being prepared/updated represent quite interesting papers that are economically, socially and environmentally balanced. Having said that, it is more likely that they will encounter implementation problems, as have the strategic documents under implementation. The Rural Development Strategy, Regional Crosscutting Strategy, Environment Strategy, Tourism Strategy, and other sectoral strategies represent documents that are too ambitious to be managed by Albanian public and societal institutions. They assume that certain capacities already exist at government level – both central and local and regional -, civil society, business

community, etc., They also assume the existence of a certain way of communication between stakeholders, etc. which actually does not exist.

From the above, it can be concluded that the impact of the strategic documents and policies on mountain areas and the people living there is rather modest. The discussion on entry point policies supported that the impact of granting subsidies to farmers will be also modest. Despite good intentions, and interesting policies on paper, policies bring little results. This is due in large part to weaknesses in processes and institutions involved.

Very often policies remain insufficiently implemented and insufficiently enforced, mainly due to the lack of influencing advocacy groups and to weaknesses of public administration. It seems that the political ambition is much stronger than what public administration can manage.

It is worth noting that membership based organizations in Albania, including those related to SARD-M, are simply non-existent. Efforts to support membership pressure groups related to mountainous area policies have produced mediocre results.

MADA has supported the establishment of seven mountainous areas forums, namely in Korce, Diber, Berat, Kukes, Permet, Librazhd and Mirdite. The process has been technically managed by the Institute for Contemporary Study, an Albania think tank/consultancy company.

Mountainous area forums consist of interest groups, including local government, civil society organizations, local business, outstanding public figures, development agencies, etc. Parliamentary members elected by mountainous areas are not part of the forums.

During 2005, the 7 district promoter groups successfully undertook a range of lobbying and influencing activities. After 2005, the role of the Forums is rather missing, particularly in terms of policy advocacy in favour of mountainous areas.

Though the main purpose of the forums is to advocate in favour of mountainous areas, their role in terms of promoting mountainous areas policies is almost missing.

At any case, the lack of pressure groups is considered a major weakness in the political process and there are plans by the Government to support the establishment of a national mountainous areas forum and a mountainous areas parliamentary members association.

The lack of pressure from the "membership based" organizations is not compensated by the parliamentary members elected from the mountainous areas. Though there is no parliamentary movement aiming at lobbying government to take into consideration mountain specificities, supporting the establishment of an association of members of parliament elected in mountainous areas is part of MADA's agenda.

There is former evidence that mountainous areas elected members of parliament have shown good will in promoting policies in favour of mountainous areas.

The effectiveness of mountainous areas policies is also negatively affected by the lack of cooperation due to political barriers. Cooperation between the central (and central de-concentrated agencies) and local government, especially when they belong to opposed parties, is deficient when it comes to mountainous areas development.

As a matter of fact, consultation is considered more as a transmission of policies prepared by the central government – and sometimes simply by consultants - rather

than a partnership. Therefore, policies have limited ownership and commitment on the part of stakeholders. This is due to a number of reasons including: insufficient preparation for the consultation meetings; absence of the culture on the part of the government agencies in charge of consultation "to listen" to stakeholders views; insufficient participation by stakeholder due to lack of empowerment (insufficient negotiating power, insufficient expertise), etc.

Albania is radically changing its planning architecture. An Integrated Planning System (IPS) is replacing the former planning system that was not comprehensive, not taking enough direction from the government and disconnected from the medium term budget. Since November 2005, the IPS has provided a set of operating principles to ensure that government planning and monitoring take place in a coherent, efficient and integrated manner.

Specialized structures have been set up to deal with rural and regional development. However, they are quite young and their capacities in terms of number of staff, experience and expertise are limited.

Capacities at the central level to coordinate the design and implementation of SARD M policies are obviously insufficient. The structure in charge of rural development in the MoAFCP is small. The structure of regional development in the METE has just one person in charge of dealing with regional policy

As a matter of fact, one may well find that almost all structures dealing with sustainable development are rather understaffed. The total number of the public staff dealing with environment protection in Albania – for instance – is 200 people, or 1 per 14 thousand inhabitants. This is too low compared even with the new EU member states where it is 1 per 4 thousand.

Cooperation among central government agencies involved in mountainous areas development is insufficient or sometimes simply missing.

Communication among agencies responsible for separate crosscutting or sectoral strategies is insufficient.

The local government has important functions related to sustainable development in rural/ mountainous areas. Designing and implementing local economic development programs, supporting small business development, supporting local economic development, forest and pasture management, urban planning and land management are exclusive functions of the local government. Therefore, SARD M should be closely associated with capacities and processes of local government.

Capacities at commune level in terms of implementing SARD M policies are obviously insufficient. The number of staff and their knowledge on SARD are limited. The communes funds available, especially in mountainous areas, are critically insufficient. Capacities at Regional Council (RC) level in terms of the designing and implementation of SARD M policies are much better than at commune level. At regional council level there are policy and programming departments. They have a broad vision on rural and mountainous development. Though quite well positioned for designing and implementing regional development strategies, including SARD M strategies, RCs suffer two major shortcomings: (i) lack of clear competencies, and (ii) insufficient funding.

They are desperately dependent on central government or first level government funding.

All cross-sectoral and sectoral strategies are embedded in the NSDI. Therefore, it is supposed that once "qualified" in the NSDI for funding, there exist strong chances that sustainable development is continuously financed.

There are good opportunities that with the objective of capacity development at local level, local government is financed by donors, namely EU, USAID, DFID, etc.

There is however a real problem when it comes to funding coming from domestic sources. A number of strategies require an important role for local government - RCs and communes. RDCS, for instance, is heavily based on the RC role. But RCs do not have the authority to generate tax income. For carrying out their functions, they are dependent on communes, municipalities and central government. As a general case, RCs are under-funded and this problem may become "bolder" during co-habitation - when communes, municipalities, and central government, on one hand, and RCs on the other, belong to opposing parties.

5.2. Bulgaria

It is difficult to evaluate the real impact of the past programmes on agriculture and rural development as the new National Rural Development Programme (2007-2013), which recognises the potential of mountain resources, among other things, within the rural areas, just started implementation. This is due to the fact that monitoring and feedback were among the weakest points of these policies.

As from 2007 a new system has been developed for monitoring, control and evaluation of the rural development programs, including procedures.

Overall, the most evident impact on the Bulgarian agricultural sector after one year of joining the EU is production increase and the improvement of its standards. There has been an improvement in financing mechanisms for small - and medium-sized farm operations, and an increase of financial support thanks to EU subsidies.

Before EU accession, the Bulgarian farming systems had low input, low productivity and a rich variety of plant and animal species compared with the EU. Now the focus should be given to well-targeted rural development measures to minimize a likely increase in environmental pressures from farming as agriculture is an important factor in shaping the environment.

The most promising impacts in the area of biodiversity, nature conservation and in the mountain agriculture could be implementing the revised National Environmental Strategy (2006-2013) with the National Biodiversity Conservation Action Plan (NBCAP 2005-2010). This can be achieved if there is stronger cooperation between institutions in charge of environment and agriculture, and if there is enough political will and financial resources for implementation.

The main challenges in the mountain areas are taken into account in the different strategic documents of the government. The Bulgarian Rural Development Programme, aims, among other things, at sustainable use of mountain resources (production of biomass and renewable energy, sustainable use of forests, introducing Less Favoured

Areas, organic farming and processing, as well as encouraging the development of sustainable tourism, and improving the basic services and infrastructures in the implementation of the policies laid down in the NRDS.

5.3. FYR Macedonia

There are valuable ratified policy tools such as conventions and strategies that could be utilised in the efforts towards the sustainable development of mountain regions. Their goals and objectives, as well as the supporting guidance and work programmes should be duly taken into account for responsible policy- and decision-making.

Nevertheless, in terms of the mountain regions' development, these legally binding and non-binding documents, are not being utilised to their full potential. It is especially difficult to make an extraction and put these documents into practice for SARD-M due to their complexity, as well as the insufficient knowledge and lack of capacity among decision-makers on them.

The general objectives of the existing policies or the policies under study are concerned with the protection of sustainable and rural development. Until now there has been no policy with a specific focus on the mountain development. In this respect, the positive impacts are related to few general principles of sustainable development in certain ways and include an integrated approach, precaution and prevention, public participation and stakeholder involvement. However, further arrangements should be more focused on strengthening cross border cooperation (transboundary and international cooperation).

The National Strategy for Sustainable Development is currently in the process of being developed, but so far, none of the different political constituents have had significant influence on the planning process for the elaboration of the Strategy.

Other programmes or strategies, policies or programmes have been identified with important impacts on the mountain people livelihoods such as:

The Macedonian Agricultural Advisory Support Program (MAASP), funded by SIDA, is strengthening the Macedonian advisory systems in providing services to rural households which would match and fit the specific livelihood strategies of rural communities;

The Macedonian National Forestry Policy and Strategy is promoting processes to conserve and manage forest resources, and to enhance their economic, environmental and social contribution to the well-being of Macedonian society.

Moreover, measures, programmes and projects have been mentioned for their significant role on mountain development, acting towards the:

Enhancement of the environment and countryside (i.e. support for sustainable land management, including supporting farming in mountain areas or other areas with particular difficulties, schemes to protect biodiversity, habitats and landscapes, support for environment-friendly farming and forestry methods, including organic farming);

Enhancement of the quality of life in rural areas and promoting diversification of economic activities, including the provision of basic services for the rural population (e.g. roads, electricity, water, sewerage), the renovation and development of villages,

and support to the development of new economic activities to diversify the rural economy.

There are several pieces of the Macedonian legislation that only have an indirect impact on SARD in the mountain regions.

The Law for Nature Protection, 2005, stipulates, among other things, the following objectives that have indirect impact on the mountain development and protection:

- Monitoring of nature conditions
- Protection of biodiversity
- Establishing protected areas network to preserve the conditions for which these areas have the status of natural heritage
- Providing sustainable use of the natural heritage of interest to present and future development without significant damage to the different parts and balance of nature.

Various bi-laws related to national parks are still being developed, but should be completed by the end of this year.

The Constitution of the Former Yugoslav Republic of Macedonia enshrines the key principles of sustainable development and provides for specific protection of all natural resources, flora and fauna. The basic legal framework for environmental protection is provided by the new *Law on Environment*, applied since September 2005. One of the aims of the Law is to bring the legal framework into line with Community legislation, but a large number of by-laws must still be adopted before the Law can be fully implemented. In addition, some environmental issues are governed by sectoral legislation, which shows some measure of alignment with the acquis.

The 2004 *Law on Territorial Organization of the Local Self-Government* defines villages as "mono-functional populated areas, in which one business activity is predominant, whereas the ground has agricultural physiognomy and function."

The 2002 *Law on Local Self-Government* stipulates, among other things, the following competencies of the Municipalities:

- Environment and nature protection
- Urban and rural planning
- Local economic development (determining development priorities, running of local economic policy; support the development of small and medium size enterprises and entrepreneurship at the local level, participation in the establishment and development of a local network of institutions and agencies; promotion of partnership)
- Communal activities - water supply (including potable); water drainage and waste water purification; maintenance of public hygiene; solid waste management; regulation and organization of public local transportation; supply of natural gas and heating energy; construction, maintenance of local roads, streets and other

infrastructure facilities (parking spaces, markets; parks, park-forests and recreational spaces)

- Culture: preserving of cultural heritage; celebration of events and persons of importance for the culture and history of the municipality
- Recreation: development of the recreational activities of citizens; maintenance and construction of recreation facilities of public interest for the municipality
- Social welfare and child protection: kindergartens and homes for the elderly
- Education: establishing, financing and administering primary and secondary schools, in cooperation with the central government
- Healthcare: governance of the network of public health organizations and primary care.

The new Law on Local Self- Government gives expanded responsibilities to the Local Governments in the area of local economic development. The Law is accompanied by a three-year Action Plan, which outlines the main steps and identifies the key players involved in the reform process adopted by the Government of the Former Yugoslav Republic of Macedonia. Among the main laws to be adopted are the new Law on Local Government Finance and the amendments to the Law on Territorial Division.

Concerning the Less Favoured Areas (LAF), the 1994 Law for Stimulation of the Development of Economically Insufficiently Developed Regions addresses the issues facing the country at the national, regional and local levels taking into account the specificities of and linkages between lowlands and uplands. It also provides determination criteria for three types of specific regions and for the rural centres as follows:

- *Hilly-mountainous regions* are the inhabited areas located at more than 800 meters above sea level that have distinct mountainous terrain configuration or, exceptionally, inhabited areas at more than 600 meters above the sea level, if they are with distinguished mountainous characteristics.
- *Border regions* are the inhabited areas in the regions that are up to 5 km from the state borders, including the inhabited areas that are farther than 5 km from the borderline, but are the first inhabited areas near the border. The inhabited areas with developed economic activity and built infrastructure do not have the status of border regions.
- *Extremely undeveloped inhabited areas* have a low level of economic activity, are more than 10 km away from the city centre, without road access and basic infrastructure, high migration and small population density.
- *Rural centres* are the larger inhabited areas located in the centre of the economically underdeveloped regions where there are conditions for performing diversified economic activities which makes them the "centre" of the development in that region. Municipalities may be rural centres, except for the ones with characteristics of cities.

As stipulated in the 2006 Decision for Determining the Economic Underdeveloped Areas, 64 percent of the total Macedonian villages are eligible to support under the above mentioned Law. The total number of Rural Centres is 113 (out of which 20 also have the status of Specific Regions). The total number of villages with status of Specific Regions is 1,005 delineated as follows:

- 51 percent are hilly-mountainous villages, mainly spread in the South-West region, followed by Polog and Pelagonia, North-East and East and the smallest number of them is located in the Vardar and South-West regions and Skopje;
- 33 percent are extremely undeveloped villages, largely located in the East, Vardar and Pelagonia regions and in the North-East region;
- 15 percent are border villages located along the border lines.

Under the current decision, around 69 percent of the national territory and around 17 percent of the total population are covered.

The role(s) and participation of all key stakeholders to the Sustainable and Rural Development Policy need to be clarified to avoid duplication or gaps in the geographical coverage and typology of intervention.

In addition to providing policy-making skills, officials are helped to better administer policy and projects and are encouraged to act as the main initiator of activities, using public spending and regulatory powers. Representatives from the private and public sectors are brought together to define local priorities and economic potentials of their communities. They then develop an action plan and carry out specific projects in support of local economic development. In 2004, under the supervision of UNDP, this type of project was piloted in the municipalities of Kicevo and Stip, and will be expanded to three more municipalities.

Generally, capacity at the national level should be strengthened by drawing experience on the local level in terms of raising awareness and increasing understanding of how to implement existing laws/policies that are related to sustainable mountain development at the local level. National level capacity will also be strengthened through improved management and increased coordination across agencies and sectors working on the sustainable mountain development. Lessons learned from the pilots/demonstrations will be a source of inputs to policy development and dissemination.

There is no SARD-M specific steering mechanism.

Generally speaking, public awareness in the country (in general, including a large part of the political constituency) of sustainable development is insufficient. Concerning the communication systems in general for the sustainable as well as the rural development as separate issues, the picture is rather vague. This is due to insufficient participation of the stakeholders in the decision-making process envisaged in the regulatory legislation. A certain degree of bureaucratic closure of the state agencies and institutions has been noted in addition to insufficient interest on the part of the relevant stakeholders in such collaboration.

Public participation is very useful in order to inform policy and practice by allowing different groups of stakeholders and citizens to deliberate over issues of sustainable mountain management.

However, participation as a process should be more fair and transparent, so that different groups and individuals can see that their views and values have been considered and - where appropriate - incorporated into decision-making. Research and evaluation of participatory processes can provide insights that can help make good practices more effective.

In particular, there is a lack of cooperation among the different municipalities in creating a common strategy and goals for the development of agricultural production, forest protection, management of water resources and tourism development.

The human resources, knowledge, technological resources, access to literature and information supply, as well as finances are assessed as partly adequate for the elaboration and the implementation of National Strategies for SARD.

Further support to institutional and human capacities can be clarified regarding reform of public institutions to guide the reform process for implementation support policies. In this respect, it is necessary that improving their capacities for policy formulation be addressed as a priority.

Regarding the administration's performance, it can be stated that up to 2000, explicit criteria concerning monitoring and evaluation of the state agencies, were absent. With the recent passing of the new legislation, and with the establishment of the Agency for Government Employees, those criteria were introduced.

Support measures on a number of traditional products are without a defined concept of the expected effects and objectives. With a predominantly social character, the measures were without clearly defined application criteria and in circumstances lacking successful systems of monitoring, control and assessment of the impact.

Certain motivation elements within the national budget and other resources can be identified. In addition, the national budget envisages funds for restructuring companies, for poverty reduction, as well as for the social and health care programs, improvement of the agricultural production, and the development of the economically undeveloped regions, et al.

A systematic approach to funding sustainable development is still absent. At this stage, all elements that could be related to sustainable development are funded at individual level, through investments in the business sector, credits available by domestic banks, concessions, direct investments, loans, among others. For further interventions, different alternatives of funding the sustainable development should be explored such as funds, donations and tax benefits. Therefore, the need for additional foreign inputs was confirmed.

5.4. SWOT Analysis for SARD-M

Strengths	Weaknesses
<i>Policies</i>	
<ul style="list-style-type: none"> • Priority to support fruit and livestock sector is considered as pertinent from economic, social, environment and cultural standpoints. • Strategic Investments Plans, based on a value chain approach, prepared by MADA, support both small ruminant and vineyard sectors. • Several strategic documents address (often implicitly) mountainous area specificities (potentialities, constraints and diversity). • Specific programme - Mountainous Area Development Programme - addresses mountainous areas specificities. 	<ul style="list-style-type: none"> • No distinction between mountainous areas and low areas in terms of orchard and fruit and livestock sector. • Problem mapping is rather inadequate. Though a value chain approach is recommended, it becomes clear that access to and land ownership insecurity, and underdevelopment of whole value chains seem to be among central problems for mountainous areas. • Problem analysis in terms of policy options to solve identified problems is rather poor. • Policy alternative opted for – the subsidy to farmers for area planted – will more likely encounter implementation problems, due to the excessive administrative efforts involved. • Consultation of all stakeholders is insufficient. • Impact of subsidy to farmers on mountainous areas development will very likely be modest, because of improper problem mapping, problem analysis, policy formulation and policy decision. • No distinction between low and mountainous areas' policies in the National Strategy for Development and Integration (NSDI) and in other strategic documents. • Sustainable agriculture is inadequately included in strategic documents. Agricultural bio-production remains an intention and integrated production is rather unknown concept. • No focus is on sustainable agriculture in mountainous areas in the SSAF. • Limited impact of specific mountainous policies.
<i>Institutions</i>	
<ul style="list-style-type: none"> • Existence of directorates/sectors in charge of rural and regional development policy. • Existence of policy and programming departments at the RCs level. They have a broad vision on rural and mountainous area development. 	<ul style="list-style-type: none"> • Specialized sectors/directorates have insufficient capacities in terms of number of staff and expertise to deal with SARD M policies. • No rural/regional development capacities (staff and expertise) at regional de-concentrated level. • Capacities at commune level (staff and expertise) , in terms of implementing sustainable development policies, are very limited. • Lack of sufficient funds and lack of consolidated and legally and practically recognised RCs functions by the central government, and

Strengths	Weaknesses
communes and municipalities.	
<i>Processes</i>	
<ul style="list-style-type: none"> • Clear will from top political level on country sustainable development. • Legal requirements to consult stakeholders. • Technical working groups to deal with cross-cutting strategies are being established. • Strong chances that sustainable development is continuously financed once qualified for funding into NSDI. 	<ul style="list-style-type: none"> • Consultation considered more of a “communication” of policies (prepared by the central government – and sometimes simply by consultants) to stakeholders rather than a partnership. • Participation on the part of stakeholders is rather limited due to lack of stakeholders’ negotiating power and expertise and lack of government culture “to listen”. • The IPS is considered too ambitious for the Albanian public administration to absorb. • Cooperation among the central government agencies responsible for mountainous areas development is insufficient or sometimes simply absent. • Insufficient funding at commune and regional level; mountainous communes are poor and RCs are financially dependent on first level local government and central government.

Opportunities	Threats
<i>Policies</i>	
<ul style="list-style-type: none"> • Agribusiness development is a major priority of GoA. • EU and other donors are prone to support food safety mainly in small/lamb livestock sector due to its export potential. • EU integration process represents opportunities in terms of sustainable agriculture and rural development, including development in mountainous areas. 	<ul style="list-style-type: none"> • The lack of focus on mountainous and low areas may result in less funds to mountainous areas. • The lack of focus on mountains may result in less funds to mountainous areas.
<i>Institutions</i>	
<ul style="list-style-type: none"> • EU integration process represents opportunities in terms of institutional strengthening. • Regional Cross-Cutting Development Strategy recognizes a major role for <i>qarks</i>. 	

Opportunities	Threats
Processes	
<ul style="list-style-type: none"> • High chances that RDS is funded by EU since its preparation according to EU guidelines. • Local government can attract external financial resources, e.g. from EU, DFID, USAID. 	<ul style="list-style-type: none"> • Risk of RC under-funding, especially during co-habitation.

Bulgaria

Strengths	Weaknesses
Policies	
<ul style="list-style-type: none"> • As Bulgaria joined the EU in 2007, it has adopted the EU legislative framework regarding the Agriculture, Rural Development, Forestry and Environment, which represents a good policy base. • The National Agriculture and Rural Development Plan (<i>NARDP</i>) for 2000-2006 under the EU Special Accession Program for Agriculture and Rural Development (<i>SAPARD</i>) has provided a good framework for the rural and sustainable agriculture development, through its different measures. • The National Rural Development Plan (2007–2013) contains the measures which Bulgaria intends to implement for the period 2007 -2013 in order to fulfil the strategic objectives. The measures are grouped in 4 Axis(see country report). • Elaboration of the National Agri - Environmental Program (NAEP) 2007 – 2013 • The National Regional Development Strategy (NRDS) for the period 2005-2015 is the fundamental document formulating the long-term objectives and priorities of the country's regional policy. Regional Development Plans (RDPs) 2007-2013 are prepared for the six Planning Regions. • The National Forestry Policy and Strategy for 2002 – 2014 as a framework policy document, provides multifunctional principles for forest management as 2/3 of the forests in Bulgaria are mountain forests. • The National Plan for development of organic farming 2007-2013, was developed and adopted by the Council of ministers in March 2007. • The National Ecotourism and Action Plan, 2004 suggests practical ways to turn mountain specificities into a profitable dimension of Bulgaria's sustainable Tourism Agenda. • The National Environmental Strategy 2000 – 	<ul style="list-style-type: none"> • There is still no nationwide policy on mountains developed in Bulgaria. • Not all strategic documents have financial support for their implementation and the realization of concrete measures is missing. • No coherence among the strategic documents; better coordination with the biodiversity conservation is lacking. • The EU and National bureaucracy hampers the implementation of some rural development programmes. • Most of the SARD-M related policies lack an effective monitoring system, which would provide necessary feedback.

Strengths	Weaknesses
<p>2006 was based on the fundamental principles such as preventive control, polluter pays, integrated policy and environmental protection by government, public and industry.</p>	
<p><i>Institutions</i></p>	
<ul style="list-style-type: none"> •The co-ordinated funding under SAPARD was a very powerful incentive to bring about institutional change in Bulgaria. •Functioning Rural Development Directorate in charge of rural development policy and subordinated to the Ministry of Agriculture and Food Supply. •Key institutions are increasingly committed to protect and use the natural and cultural values of the mountains •Council for Regional Development is created •Regional councils for development are set up for each of the six Planning Regions 	<ul style="list-style-type: none"> •There is no sufficient administrative capacity to implement Rural Development Programs efficiently.
<p><i>Processes</i></p>	
<ul style="list-style-type: none"> •Rural development planning has been one of the successes of Bulgaria's accession process, a real transformation in less than seven years. •The introduction of the EU rural development pre-accession instrument, SAPARD, has triggered a public debate in Bulgaria on policy objectives for agriculture, and on an integrated approach for rural areas. •A consultative process with different stakeholders during preparation of strategic documents was established. •Concept for a National Rural Development Network in Bulgaria Was introduced. •The rural development measures are supported by the national budget funds. •Investment in local communities' involvement in the rural areas development. 	<ul style="list-style-type: none"> •The role of the social and economic partners in the rural development is not very clear. •Most of the Natura 2000 sites still lack any management plans. •Lack of cooperation between the institutions responsible for environment and agriculture concerning the implementation of activities for biodiversity conservation. •Lack of internal coordination and effectiveness. •Lack of integrated and multi-sector approach.

Opportunities	Threats
<p><i>Policies</i></p>	
<ul style="list-style-type: none"> •A variety of strategic national programs for territorial planning, economic development, decentralization and local government reform, national ecotourism action plan, has influenced the policy towards mountain regions. •The country's priorities in Agriculture (including forestry and fisheries) are focused on the 	

Opportunities	Threats
<p>sustained agricultural and rural development in compliance with environmental protection requirements.</p> <ul style="list-style-type: none"> •Development of national policy and support mechanisms for farmers in the LFA and Areas with environmental restrictions. •Integrated development programmes of the Ministry of Agriculture and Food, targeting regions with specific environmental and/or socio-economic problems. 	
<i>Institutions</i>	
<ul style="list-style-type: none"> •Building or improving capacity of institutions/agencies responsible for the management of agriculture and rural development policies. •Strengthening the administrative capacity of the Rural Development directorate to implement the support schemes. •Building local capacity for SARD-M initiatives. 	<ul style="list-style-type: none"> •Increasing bureaucracy •Lack of cooperation at local-governmental level. •Limited human, financial and institutional resources for the implementation of Natura 2000.
<i>Processes</i>	
<ul style="list-style-type: none"> •Increasing EU support for improvement of the competitiveness of agriculture, forestry and food industry. •Increasing demand for the Bulgarian rural tourism products on the domestic and international markets. •Cross-border exchange and management of shared natural resources programmes with neighbouring countries: Serbia, Macedonia, Greece and Turkey. 	<ul style="list-style-type: none"> •Ageing population, negative population growth and external migration from the rural areas. •Underdeveloped/Weak social capital for local development.

FYR Macedonia

Strengths	Weaknesses
<i>Policy processes</i>	
<ul style="list-style-type: none"> •Preparation of National Strategies for rural and sustainable development is underway. •Active working groups in the preparation of both sustainable agriculture and rural development strategies. 	<ul style="list-style-type: none"> •Institutions with low capacities (unable to design or implement practical plans or monitoring and evaluation procedures for the development of the mountain regions). •Country organization on highly centralized level. The migration process (village – town) is still clearly present. •Systematic approach to funding sustainable

Strengths	Weaknesses
	<p>development is still absent.</p> <ul style="list-style-type: none"> • Local government officials simply lack the required vision, knowledge and skills; lack of long-term strategy for development of mountain regions. • Non familiarity with the concept of integrated development, respect for the environment, and the concept of human security, including environmental security. • Lack of an integrated strategy for the support of rural economy (infrastructure, crafts, businesses and rural tourism).
<i>Institutions</i>	
<ul style="list-style-type: none"> • Established institutional Departments/Bureau responsible for the sustainable agriculture, rural development as well as development of less favoured areas. 	

Opportunities	Threats
<i>Policy processes</i>	
<ul style="list-style-type: none"> • The support policy measures shall produce development and economic growth with positive impact on the income and social stability of the people living in mountain regions. • Gradual harmonization of the national policy measures with the EU policy measures for SARD-M. • Clarification of the role of each policy in order to avoid duplication or gaps in the coverage and typology of intervention. • Formulation and implementation of consistent rural development policies. • Willingness of the local government to implement new policies for rural development. 	<ul style="list-style-type: none"> • Difficulties in distinguishing the responsible authority which may result in a loss of certain funds addressed to support the sustainable and rural development of mountain regions. • Lack of reliable statistical data on rural areas.

6. Main findings

Albania

Mountain areas in Albania have great development potential but sensitivity of society towards them is limited - Mountainous areas are rich in natural resources. These areas have great potentials for the development of agriculture in general and horticulture and small livestock in particular, as well as development of tourism and handicrafts. It is worth noting that these potentials are underdeveloped and therefore living conditions in these areas are inferior to those in other regions of Albania. This is because the sensitivity of government, parliament, civil society, etc. towards mountains is limited.

The impact of policies depends heavily on policy ownership and pressure of interest groups - The mediocre impact of policies on mountainous areas development and mountainous areas peoples' lives is due to insufficient policy ownership and to almost non-existent pressure from organized pressure groups.

The impact of a multiplicity of scattered, uncoordinated projects is negligible - The experience of a number of donor- funded projects, including IFAD, shows that the impact of multiplicity of small, scattered, uncoordinated projects is negligible. The current MADA experience also confirms the finding.

Every strategic framework should be part of a politically recognized integrated planning system in order to sustain. Experience in Albania shows that initiatives that have not been part of a politically recognised system (regional development strategies supported by UNDP-Albania) remain largely unimplemented, because the RCS do not have sufficient funds and because the strategies did not succeed to become part of the Albanian planning system. Other strategies have also failed because they were not part of a politically recognized integrated planning system. Therefore, for a strategic framework to survive, it should be part of the politically recognized planning system. Albania has agreed upon an integrated planning system, composed of the NSDI, MTPB, and a number of sectoral and cross-sectoral strategies.

Bulgaria

The Ministry of Agriculture and Food Supply plays the main role in designing and implementing the policies for SARD-M. The Rural Development Directorate is in charge of rural development policy and it is subordinated to the Ministry of Agriculture and Food Supply.

The MoAF has branches in each municipality, which maintain the land cadastre. The National Agricultural Advisory System (NAAS) at the MoAF provides support, expertise and consultancy to farmers.

Other ministries, such as the Ministry of Regional Development and Public Works, Ministry of Finance, Ministry of Environment and Waters, Ministry of Agriculture and Forestry, Ministry of Economy and Energy, Ministry of Labor and Social Policy and Ministry of Transport and Communications, state administration bodies, public

administration bodies, regional governments, regional bodies, offices and municipalities participate in the policy implementation processes.

Currently there is still no nationwide policy targets on mountain development, but there are a variety of strategic national programmes for territorial planning, economic development, decentralization and local government reform, national ecotourism action plan, which has the potential to influence the mountain regions. There are seven Operational Programmes, which are operating on the national level and which address different problems of the mountain areas and provide opportunities for the improvement of the infrastructure, services, transport network, human resources, environmental conditions, etc. The National Rural Development Programme (2007-2013), among other things, targets sustainable use of mountain resources (production of biomass and renewable energy, sustainable use of forests, introducing Less Favoured Areas, organic farming and processing, as well as encouraging development of sustainable tourism, and improving the basic services and infrastructures in the implementation of the policies laid down in the NRDS and the Rural Development Program 2007 -2013.

Rural development planning has been one of the successes of Bulgaria's accession process. Bulgaria has a national agricultural and rural development policy to address its structural problems. This is a real transformation in less than seven years. The introduction of the EU rural development pre-accession instrument, SAPARD, has triggered a public debate in Bulgaria on policy objectives for agriculture, and on an integrated approach for rural areas. Investment under SAPARD has been focussed on agricultural holdings and equipment, food processing industries, and on non-agricultural employment in rural areas. This level of co-ordinated funding was a very powerful incentive to bring about institutional change.

The key institutions are increasingly committed to protect and use the natural and cultural values of the mountains for their long term protection and as a catalyst for economic growth in these regions.

The Council for Regional Development was created in order to coordinate the regional policy at national level, and the regional councils for development are set up for each of the six Planning Regions, and for the implementation of the Regional Development Plans. Bulgaria already introduced the concept for the establishment of a National Rural Development Network, and the rural development measures are supported by the national budget funds. The policy formulation processes and the preparation of strategic documents are supported by consultation with different stakeholders.

FYR Macedonia

Depending on certain institutional interest, policies are addressing sustainable development in a **non-harmonized way** and are missing the benefit on national level. The policies' impact is not streamlined in a strategic framework that should be part of an integrated system.

Strengthening the competitiveness of the national agriculture and rural development is the focal point and basis for further sustainable development.

A governmental **policy framework for rural development** that is not sensitive to the mountain areas, as initially planned, is being set up.

Different policies are affecting mountain environment and communities. The concerned policies are focused on infrastructure development, employment, education, services access and provision, environmental protection, natural resources management, poverty reduction, decentralization and local development, etc.

The process conducive to the establishment of the **National Strategy for Sustainable Development**, and which will presumably have an impact on SARD and mountain territories, has been initiated. The participation of a wide range of stakeholders, from the governmental and non-governmental spheres, is part of the ongoing processes.

There is no **framework supportive to sustainable development of mountain areas** at the local level – although there is governmental initiative on sustainable development. Nevertheless, some municipalities with mountain profiles are adopting local development strategies according to the Agenda 21 principles.

Governmental institutions that deal specifically with agriculture and rural development do not seem to have specific strategies for mountain areas. The lack of an institutional attitude to implement processes for sustainable development is also emphasized, especially with regards to the participation of civil society in development.

A reform of the public institutions should support the reform process in order to implement support policies for improving institutions' capacities to face increased competitiveness.

No specific **Agency for Mountain Development** has been established.

The **Ministry of Environment and Physical Planning** is another significant institution dealing with mountain areas, engaged at different levels with environmental and natural resources protection in mountain areas.

There is a weak mountain perspective in the **national agricultural advisory services** although the Macedonian Agricultural Advisory Support Program is a programme of the Ministry of Agriculture aiming to improve the national agricultural advisory services, with orientation to match the diversity of people's livelihood strategies in the different territories.

A process of **networking mechanisms** with non-governmental sectors and financial mobilization mechanisms are missing.

The budget resources are limited. A major role will thus be placed on the availability of the **EU pre-accession funds and other donors**.

7. Recommendations and proposals

1) Albania

1.1. Consolidate SARD (M) policies into a unique document and assign responsibility to RDS structure as a policy body and to MADA as an operational agency: There is not any SARD M separate document in Albania. Having said that, numerous aspects of sustainable agriculture and rural development in

mountainous areas are being addressed in several strategic framework. Consolidation of different aspects of SARD M policies in a unique document may prove to be beneficial. The consolidated document should be accompanied by an action plan based on measures already contained in an already existing strategic framework. Policy responsibility should be assigned to RDS structure in the MoAFCP; and operational reasonability should be assigned to MADA. The document and action plan may later on develop into a full fledged SARD M strategy.

1.2. Improve access and ownership security to land resources: Transfer of rights to forest and pastures is a major factor contributing to improving the economic, social and environment situation of mountainous areas. Proceeding fast with the reform of transferring usufruct and ownership rights on forest and pastures to communities – foreseen both in Environment Strategy and Forest and Pasture Strategy - is obviously of paramount importance. This is of equal important everywhere in mountainous areas, but it is more pressing in most remote areas where arable land is critically limited and where too high pressure is exercised on forest and pastures.

Preparing and implementing policies intended to promote land market is an economically, socially and environmentally beneficial policy given the depopulation of rural areas, especially in mountainous remote areas. Given the complexity of the land market, a policy that will motivate land rent may prove beneficial in bringing existing idle land into economic use.

1.3. Support pilot value chain to set examples of mountainous areas development: Interventions in mountainous areas should embrace complete value chains (inputs, farming, processing, transport and marketing) rather than parts of the chains. Support to pilot value chains development for limited sectors with comparative advantages to set examples, may prove to have a beneficial multiplying effect. MADA may play a coordinating and broker role among different stakeholders and agencies. Based on value chain studies, government may develop value chain policies for fruit and small livestock sectors, for instance, to address the most important value chain bottlenecks carefully choosing working policy options. The processing level should have a special focus. This is in line with broader GoA policy: “The Government Programme considers a shift from subsistence to market-oriented agriculture underpinned by the development of agro-industry as a key aim”.

1.4. Support marketing through the development of brands and protected designations of origin: The development of brands and designations of origin for special local fresh or processed products, such as “Dibra apple”, “Southern Albania Lamb”, “Skrapari raki”, “Narta wine”. etc. and a marketing strategy to create market for them would call for a package of policies, including legal framework improvement, protection of industrial property (trade marks and designation of origin), technical assistance and technology development.

1.5. Support development and implementation of projects that respect continuity of development potentials rather than administrative/political borders: Potentials of mountainous areas are continuous; so are the constraints and diversities. Therefore, sometimes it is rather inappropriate to mechanically develop projects and programmes that respect administrative or even political (between

countries) borders. Therefore sometimes projects and programmes will have to involve several administrative or local government units within each country or even several countries when it comes joint country projects. Such an approach may prove helpful even in terms of qualifying for EU structural funds. Within Albania, for instance, there may be designed 3 or 4 development zones which coincide with EU NUTS 2. Such a logic is also valid in terms of cross border projects regarding natural resources protection and development, cross border trade, transport and tourism, etc.

1.6. Support institutions in charge of SARD M, starting from the Rural Development Department in MoAFCP and MADA: The Rural Development Department in MoAFCP should be supported to improve understanding and develop skills in terms of SARD M. Having said that, the technical staff themselves cannot make the difference without a better understanding by political/senior leadership. Study tours – with the participation of senior technical staff, political leaders and parliamentary members - may be quite effective in starting the change. In addition to policy/political level, MADA should be supported to deal with policy implementation.

1.7. Support the establishment of an association of Parliamentary Members elected from mountainous areas: The consolidated SARD M document and related action plan (refer to recommendation 1.1.) will most likely remain unimplemented unless there is a strong political pressure supportive of the policy document and action plan. The “membership based” civil society in Albania is rather underdeveloped; mountainous areas forums supported by MADA have hardly had any influence at all in policy making. Therefore, it will most probably take long time until non-public interest groups' representatives become influential. Hence, an association of PM elected from mountainous areas seems to be a feasible and effective instrument to exercise the needed positive pressure to design and implement SARD M policies. The available evidence supports that parliamentary members may play an important role.

2) Bulgaria

The future scope of development of a SARD-M could cluster a range of initiatives in the field of **sustainable tourism, agriculture, forest management, sustainable use of land, water and natural resources, energy efficiency, waste management and recycling, education and capacity development.**

In cooperation with research, innovation can increase the regional capacity to generate new and improved products, technologies and services that can provide employment opportunities especially for young people.

In the field of agricultural entrepreneurship, it can encourage the development of business clusters to increase production, stimulate diversification and add value to the local products.

2.1. The fostering of the employment of best environment friendly technologies and best natural resource management practices may reduce the pressures from human activities, and may contribute to the improvement of the environment in the mountainous areas and to stimulating better management of the rich natural assets and protected areas. The idea behind this is if the agriculture,

forestry, and tourism sectors recognise biological and landscape diversity as the core asset of their industry, they can actively strive to maintain and enhance nature and landscapes.

2.2. The improvement of human and social capital can improve the living and economic conditions in rural areas, to overcome the existing disparities between the urban centres and the countryside and to limit migration from mountainous rural areas. To realize this, investments are needed to insure the availability of a well-educated and skilled workforce and to overcome the problems associated with depopulation, the highly dispersed and ageing population, poor technical and social infrastructures, and inadequate services.

2.3. Special attention could be paid to the cross-border exchange and management of shared natural resources programmes with neighbouring countries: Serbia, Macedonia, Greece and Turkey. The SARD-M could be clustered around the development of an innovation potential.

Following are some of the challenges that the SARD-M can address:

- Balance the territorial development to overcome the disparities in the mountainous urban and rural areas
- Improve and utilize the human and social capital in the areas to facilitate innovation and entrepreneurship for sustainable growth
- Foster the application of the best available environmental technologies and environmental management practices for the wise use of the natural resources and the preservation of the natural heritage

2.4. Territorial development - To achieve a balanced development and to create good links between rural and urban centres are the main challenge to the SARD-M. It requires investments to:

- diversify existing economic activities;
- generate new business activities, especially for SME's;
- create employment, especially for young people in remote areas ;
- improve infrastructures;
- ensure a minimum level of economic services;
- attract new firms and qualified personnel.

Achieving more equity in living conditions between cities and rural areas means investment in cooperation between local authorities and stakeholders in the fields of:

- local transport
- waste management
- energy production and use
- environment protection
- culture and education

- knowledge and social infrastructure.

Clustering is also needed in agriculture. It has the following advantages, as it will:

- improve production
- enhance the speed of diversification and innovations
- improve hygiene and sanitary conditions
- add value to the local products
- increase competitiveness.

2.5. Human and social capital: Many of the investments to achieve a balanced territorial development are not so much technical or in hardware. They are investments in people, who need new knowledge and new skills. Therefore in planning these investments, planners have to include a component to strengthen the capacities of the human and social capital. This can mean specific training and professional updating. It also means stakeholder involvement, public participation or the involvement of end users in the development of programmes.

2.6. Introduce appropriate technologies and management practices: To facilitate the smooth transition from current agricultural practices to environmentally friendly agricultural practices and economic activities compatible with sustainable land management over the long-term, specially designed sustainable agricultural activities should be designed and implemented according to the needs of local farmers. These activities should help farmers smoothly and easily shift to sustainable environmentally friendly agricultural practices and nature resource management activities in the mountainous areas. Farmers have to be encouraged to apply for funding via different financial sources. The main valuable source for optional funding is the National Rural Development Program 2007 – 2013 of the Ministry of Agriculture and Food Supply.

One great challenge for mountain areas is to preserve biodiversity and natural heritage through wise use of natural resources. For the SARD - M therefore the challenge is to introduce environmental technologies in the field of renewable energy, improvement of energy efficiency, recycling etc. and good management practices in the field of the protected areas, land use, forests, natural disasters and waste management.

The challenge to implement and enforce Natura 2000: Beyond site selection, however, preparations are relatively limited. Human and financial resources available for Natura 2000 as such are scarce; legislation, though officially transposed, has substantial gaps; preparations for management of future sites and issues of public consultation have yet to be addressed.

3) FYR Macedonia

3.1. Development of policies for improving the living standard and the quality of life of the mountain population: It is recommended to ensure a solid program for improving the living standard and the quality of life of the population in the mountain regions through:

- the **development of the economic growth** with positive impact on the income and social stability of the people living in mountain regions;
- the establishment of a **body responsible for the promotion of the Macedonian traditional products** (originating from the less favoured areas). This body will have, as major objective, to organize promotion as well as export on the foreign markets, quality standardization, and promotion of national brands. In addition it should provide support to the competitive entrepreneurial producers and to products with comparative advantage compared to the external products on the domestic and foreign markets;
- a **rural credit system** acceptable for the farmers and other producers from the LFA;
- The improvement of the **Sustainable Transport Policies**, as well as the sector of Energy and Industry. In addition, it is necessary to improve the current infrastructure and ensure the future sustainability of the mountain region infrastructure by **reinforcing the existing capacities**;
- the development of **Sustainable Tourism** in terms of development of ecotourism projects. Local and national ecotourism development strategies and policy (increasing investment on tourism facilities, creation of employment opportunities, enhancement of the public stakeholders and experts' participation, etc.) should be developed. In this respect it is essential, prior to the formulation of ecotourism projects to interview the people living in the mountain regions and investigate the profile of the mountain region. Furthermore, by development of feasibility study all potential ecotourism development areas, including mountain, forest and wetland environments, will be easily identified.

3.2. Development of a set of policy instruments for the environmental development of mountain regions: With respect to protecting and preserving the natural and cultural resources, it is of great importance to use “environmentally friendly” energy resources (renewable energy) that will reduce the negative effects on mountain biodiversity and landscapes through:

- Protection of Natural Heritage and Wildlife
- Preservation of Cultural Heritage
- Sustainable Agricultural Policies
- Sustainable Water Management Policies
- Sustainable Community Development and Spatial Planning
- Improvement of Environmental Assessment
- Protection of forests and improvement of sustainable forest management as well as and Land Use Policies.

3.3. Harmonization with EU SARD-M policy: Gradual harmonization of the national policy measures in support of the measures of the SARD-M Policy EU, is of great importance for further rural and sustainable development in the mountain regions in compliance with the National Program for EU Integration and the Action Plan for European Partnership. In this respect, the future activities and reform priorities will be in terms of national adjustment towards the EU institutional and legislative approximation for implementing the EU IPARD funds.

3.4. Strengthening the capacities of the policy makers: Strengthening the capacities of the policy makers either on national and local levels will ensure the provision of an effective long-term strategic planning and implementation of the development policy.

3.5. Strengthening the administrative local governments capacities : Major support should be focused on strengthening the administrative and the local governments' capacities in the area of local economic development, on providing **training** to local municipal officials in methods for local economic development, on equipping them with leadership and policy-making skills as well as on improving their ability to initiate and implement projects.

Furthermore, support should be streamlined by **establishing a “competent body”** that will supply funds in the local municipalities, by supporting local economic strategies and by encouraging inter-municipal cooperation and citizen involvement in municipal community projects.

3.6. Reform of the public institutions: the competitiveness of the national agriculture and rural development is not on the satisfactory level and it should be a focal point and basis for further sustainable development. This must be supported by the reform of the public institutions to lead the reform process to implement support policies for improving the institutions' capacities to face increased competitiveness.

3.7. Improvement of participatory processes : Through the:

- Increase of public awareness and support of the concept of sustainable development;
- Establishment of basic links for partnership among all stakeholders (government; business sector and NGOs);
- Provision of a more intense Public Education and Awareness Raising process;
- Frequent Research and Information Exchange;
- Provision of consistency for the budget, capacities and strategic priorities.

3.8. Improvement of the efficiency of donor's funding: More efficient use of foreign donor support in planning and programmes that are important for the development of the mountain regions is necessary.

3.9. Improvement of the mobilization of external funding and investments: Regarding the fact that the Budget resources are limited, a major role will depend on the availability of the EU pre-accession funds and other donors.

Balkan Mountains, Regional Summary

A possible goal – The Development of a National Strategy for Sustainable Development of the Mountain Regions - Despite the difficulty of identifying the capabilities and potentials for executing the task of the development of a national strategy for the sustainable development of mountain regions with such features and of carrying it out in the streamline of the joint aspects of the two main national strategies (sustainable and rural), it is of great importance to act as a separate body. Coordination is needed for addressing the problematic areas on unique module basis. This module

should be created by an established national council that will act as a body under coordination of a respective institution.

Nevertheless, the following specific targets, which could significantly contribute to the sustainable and rural development of the country, can be identified as achievable within the period of 5 to 10 years:

- Establishment of a National Strategy for Sustainable and Rural Development of the mountain regions, as joint secondary action withdrawn from the two main strategies (NSSD and NRDS) and which should serve as shared vision for the future of the country;
- Development of institutional and human capacities for the orientation of the ongoing and developmental strategies, in accordance with sustainable development benchmarks for the mountain regions;
- Reduction of poverty;
- Improvement of economy by managing GDP growth and reduction of unemployment in the less favoured/marginalized regions;
- Development of professional, effective and efficient local government administration, and transparent and liable political decision-making;
- Resumption of the decentralization process and local authority organizational capacity development, for efficient management of the habitation-related problems which citizens encounter;
- Development of an information system for addressing further needs for the improvement of the sustainability of the mountain regions.

By assessing the strengths and weaknesses of mountain policies in the South–East European countries (SEE) (Balkans), this regional report aims to support the rural livelihoods of mountain people by facilitating the design, review, implementation and evaluation of relevant policy packages and institutional processes for promoting SARD in mountain regions at global, regional, national and local levels.

The BFSD and the SARD-M project do wish that its findings, recommendations and proposals may contribute to the mutual agreement of the Framework Convention on the Protection and Sustainable Development of the South East European Mountain Regions: the needs are important, and this Convention may help to address their satisfaction.

Annex

(Nota bene : this document has not been signed till now, August 2008, by any country.)

Draft Framework Convention on the Protection and Sustainable Development of the South East European Mountain Region

Preamble

THE PARTIES TO THIS CONVENTION,

Conscious of the outstanding value of the South East European Mountain Region and its resources for the people of the region and mankind as a whole,

Recognizing that the unique value of the South East European Mountain Region corresponds to the distinctive needs of people and nature,

Acknowledging that the South East European Mountain Region is one of the most biologically diverse regions in Europe, with particularly high numbers of relic and endemic species, and habitat of a remarkable flora and fauna,

Also acknowledging the multitude of peoples and the rich conglomerate of cultures and religions of the South East European Mountain Region,

Aware that social and economic development pressure can lead towards unsustainable exploitation of natural resources, threaten the environment and result in a loss of biological diversity,

Also aware of the threat posed by habitat fragmentation or destruction, by inappropriate management, harvesting, deforestation or logging and exploitation of natural resources, and unregulated economic development,

Convinced that depopulation, poverty and unemployment, as well as limitations in communication and infrastructure hinder the protection and sustainable development of the South East European mountain regions,

Recalling the successful experiences of the Convention on the Protection of the Alps (Alpine Convention) and the Convention on the Protection and Sustainable Development of the Carpathians (Carpathian Convention),

Stressing the importance of mountain ecosystems and their sustainable development, as underlined in Agenda 21 and in the Plan of Implementation adopted at the World Summit on Sustainable Development in Johannesburg,

Noting the pertinent provisions of and principles related to the protection and sustainable development of mountain regions in relevant global, regional and sub-regional environmental legal instruments, strategies and programmes,

Further noting the need to promote and support a more effective implementation of already existing instruments, and *building upon* other international programmes,

Convinced of the importance of a concept of integrated development, respectful towards the environment, and of a concept of human security, including environmental security,

Emphasizing that efforts to protect and develop the South East European Mountain Region in a sustainable and equitable manner cannot be achieved by one State alone and that regional cooperation is necessary for this purpose and a condition for acquiring greater ownership,

HAVE AGREED AS FOLLOWS:

Article 1: Use of terms

For the purposes of this Convention:

“*South East European Mountain Region*” means... [As detailed in Annex...] [notified by the Parties upon signature of this Convention] [...]

“*Natural habitats*” means...

“*Semi-natural habitats*” means...

“*Natural systems*” means...

“*Endangered Species*” means...

“*Endemic Species*” means...

“*Large carnivores*” shall include...

“*Ecological Network*” shall mean...

“*South East European Mountain Ecosystem*” means...

“*Sustainable Development*” shall be defined as...

“*Projects of Transboundary Character*” shall mean any activity...

[...]

Article 2: Objective

The objective of the Convention is the protection and sustainable development of the South East European Mountain Region.

Article 3: Geographical Scope

The present Convention shall apply to the “South East European Mountain Region” as defined in Article 1.

Article 4: Principles

1. The protection and sustainable development of the South East European Mountain Region shall be guided and pursued *inter alia* by the following principles:

- a. An integrated approach;
- b. Precaution and prevention;
- c. The polluter pays;
- d. Good neighborliness;
- e. Transboundary and international cooperation;
- f. Public participation and stakeholder involvement.

2. The Parties shall avoid the duplication of work, and seek to promote and strengthen the relations and the constant dialogue with other relevant Conventions and international instruments.

3. The Parties shall further seek the cooperation of other States, national or international, governmental or non-governmental bodies and agencies, where appropriate, to ensure the effective implementation of this Convention and its protocols.

Article 5: Natural Heritage and Wildlife

1. The Parties shall pursue policies aiming at conservation, sustainable use and restoration of biological and landscape diversity throughout the South East European Mountain Region.

2. The Parties shall promote public and political understanding of the importance of wildlife and natural systems as well as acceptance of the need for the sound long-term stewardship of this heritage, both for its own sake and for the long-term wellbeing of the South East European Mountain Region.

3. The Parties shall take appropriate measures to ensure a high level of protection and sustainable use of natural and semi-natural habitats, their continuity and connectivity, and species of flora and fauna being characteristic to the

South East European Mountain Region, in particular the protection of endangered species, endemic species and large carnivores.

4. The Parties shall promote adequate maintenance of semi-natural habitats, the restoration of degraded habitats, and support the development and implementation of relevant management plans.

5. The Parties shall pursue policies aiming at the prevention of introduction of alien invasive species and release of genetically modified organisms threatening ecosystems, habitats or species.

6. The Parties shall promote and develop compatible monitoring and evaluation systems, coordinated regional inventories of species and habitats, coordinated scientific research, networking and exchange of experience.

7. The Parties shall take appropriate measures to integrate the objective of conservation and sustainable use of biological and landscape diversity into sectoral policies, such as agriculture, forestry, water management, tourism, transport, telecommunication and energy, industry and mining activities.

8. The Parties shall cooperate in developing an ecological network in the South East European Mountain Region as defined in Article 2.

9. The Parties shall undertake to establish a Network of Protected Areas and the necessary institutional arrangement for coordinating the activities of the Network.

10. The Parties shall pursue policies aiming at joint management plans for transboundary or bordering protected areas.

Article 6: Cultural Heritage

1. The Parties shall pursue policies aiming at preservation and promotion of the cultural heritage including the traditional knowledge of the local population, crafting and marketing of local goods, arts and handicrafts.

2. The Parties shall aim at preserving the traditional architecture, land-use patterns, local breeds of domestic animals and cultivated plant varieties, and sustainable use of wild species.

Article 7: Sustainable Tourism.

1. The Parties shall take appropriate measures and cooperate in promoting sustainable tourism in the South East European Mountain Region, equitably providing benefits to the local population, based on the outstanding natural heritage and wildlife, and cultural heritage of the Region.

2. The Parties shall pursue policies aiming at promoting transboundary cooperation in order to facilitate sustainable tourism development, in particular in the context of coordinated or joint management plans for transboundary or bordering protected areas, and other sites of touristic interest.

Article 8: Sustainable Agricultural Policies

1. The Parties shall promote environmentally sound management practices, and take appropriate measures in designing and implementing their agricultural policies in a sustainable development perspective, taking into account the need for the protection of mountain ecosystems and landscapes, the importance of biological diversity, and the specific conditions of mountains as vulnerable areas.

2. The Parties shall pursue policies aiming at developing and designing appropriate instruments and agri-environmental programmes in the South East European Mountain Region, enhancing integration of environmental concerns into agricultural policies and land management plans, while taking into account the high ecological importance of the South East European mountain ecosystems, such as natural and semi-natural grasslands, as part of the ecological networks, landscapes and traditional land-use.

Article 9: Sustainable Forest Management and Land Use Policies

1. The Parties shall apply sustainable forest management and land use policies in the South East European Mountain Region, particularly taking into account the multiple functions of forests and their high ecological importance of the South East European mountain ecosystems.
2. The Parties shall pursue policies aiming at promoting and supporting the use of instruments and programmes, compatible with internationally agreed principles of sustainable forest management and land use.

Article 10: Sustainable Water Management Policies

1. The Parties shall take appropriate measures to promote policies integrating sustainable and equitable utilization of water resources. Parties shall pursue policies and plans based on an integrated river basin management approach, recognizing the importance of flood management, pollution prevention and control, soil conservation, and reducing water habitats fragmentation.
2. The Parties shall pursue policies aiming at sustainable management of surface and groundwater resources, ensuring adequate supply of good quality surface and groundwater as needed for sustainable, equitable water use, and adequate sanitation and treatment of waste water.
3. The Parties shall pursue policies aiming at conserving wetlands and wetland ecosystems.
4. The Parties shall further develop a coordinated or joint system of measures, activities and early warning for transboundary impacts of flooding, accidental water pollution, as well as co-operate in preventing and reducing the damages and giving assistance in restoration works.

Article 11: Sustainable Transport Policies

1. The Parties shall pursue policies promoting sustainable transport and infrastructure planning and development, which take into account the specificities of the mountain environment, by taking into consideration the need for protection of sensitive areas, in particular biodiversity-rich areas, migration routes or areas of international importance, the protection of biological and landscape diversity.
2. The Parties shall cooperate towards developing sustainable transport policies which provide the benefits of mobility and access in the South East European Mountain Region, while minimizing harmful effects on human health, landscapes, flora and fauna, and their habitats, and devise sustainable policies that reflect public demand relating to transportation in all stages of transport planning in the Region.

Article 12: Energy and Industry

1. The Parties shall promote cleaner production technologies, including the use of renewable energy sources.
2. The Parties shall pursue policies aiming at introducing environmentally sound methods for the distribution and use of energy including energy-saving measures, in order to minimize adverse effects on the environment, biological and landscape diversity.
3. The Parties shall undertake to prevent and reduce possible adverse impacts of mineral exploitation and processing on the environment and ensuring adequate environmental surveillance on mining technologies and practices and mitigate the adverse impact of mining legacies.

Article 13: Sustainable Community Development and Spatial Planning

1. The Parties shall pursue policies of spatial planning aimed at the protection and sustainable development of the South East European Mountain Region, which shall take into account the specific ecological, socio-economic and cultural conditions in the Region and their mountain ecosystems, and equitably provide benefits to the local population.

2. The Parties shall promote the principles of democracy, good governance, and decentralization, and ensure the establishment of mechanisms for access to information, public participation in decision making and access to justice at local, regional and national levels.
3. The Parties shall pursue policies and programmes addressing issues of poverty reduction, gender mainstreaming, vulnerable groups and minority rights.
4. The Parties shall support and promote the establishment of decentralized structures for supporting local community and economic development.
5. The Parties shall promote mechanisms for networking, partnership and cooperation between municipalities in bordering areas specifically devoted to the implementation of local Agenda 21.
6. The Parties shall aim at coordination of territorial planning in bordering areas, through developing transboundary and/or regional territorial planning policies and programmes, and enhancing and supporting co-operation between relevant regional and local institutions.
7. The Parties shall promote educational campaigns and programmes for the protection and sustainable development of the South East European Mountain Region.

Article 14: Environmental Assessment

The Parties shall apply, where appropriate, strategic environmental assessments, environmental impact assessments and risk assessments, taking into account the specificities of the South East European Mountain Region ecosystems, and shall consult on projects of transboundary character in the Region, and assess their environmental impact, in order to avoid harmful transboundary effects.

Article 15: Public Education and Awareness Raising

Awareness raising for the need to protect and develop the South East European Mountain Region in a sustainable manner shall form an integral part of policies and measures adopted by the Parties to fulfil their obligations under this Convention.

Article 16: Research and Information Exchange

The Parties shall cooperate in promoting and undertaking scientific research, support the development of an integrated information system, as well as the exchange, comparability and harmonization of relevant scientific and technical information and instruments.

Article 17: Conference of Parties

1. A Conference of the Parties (hereinafter referred to as the “Conference”) is hereby established.
2. The Conference shall provide the necessary impetus and guidance for and keep under review the implementation of the Convention, and, for this purpose, shall:
 - a. Adopt or recommend measures to achieve the objective laid down in Article 2;
 - b. Monitor, review, evaluate, support and provide overall supervision to the implementation of the Convention and its protocols;
 - c. Consider and review reports submitted by any subsidiary body;
 - d. Consider and adopt protocols in accordance with Article 20;
 - e. Consider and adopt, as required, in accordance with Article 21, amendments to this Convention;
 - f. Establish such subsidiary bodies, including thematic working groups, as are deemed necessary for the implementation of this Convention;
 - g. Adopt its Rules of Procedure;

- h. Approve a work programme, financial rules and budget;
- i. Exercise such other functions as may be necessary for the achievement of the objective of the Convention.

3. The first Conference of the Parties shall be convened by the Executive Director of the United Nations Environment Programme no later than one year after the date of entry into force of the Convention. Subsequent ordinary sessions of the Conference shall be held every two years, unless otherwise decided by the Parties.

4. Extraordinary sessions shall be held at such other times as may be deemed necessary by the Conference, or at the written request of any Party, provided that such request is supported by at least a third of the Parties. Extraordinary sessions may not be held earlier than three months after the communication of the request to all the other Parties.

5. The Conference shall by consensus agree upon and adopt rules of procedure for itself and for any subsidiary body it may establish, as well as financial rules governing the funding of these bodies. At each ordinary meeting, it shall adopt a budget for the financial period until the next ordinary meeting.

6. The Parties may admit as observers to the sessions of the Conference any other State and any relevant intergovernmental and non-governmental organization. The Rules of Procedure of the Conference shall set the conditions for the admission and participation of the observers.

7. The Conference shall reach its decisions unanimously unless otherwise determined in the present Convention. Decisions of the Conference on procedural matters shall be adopted upon affirmative vote of at least two-thirds of the Parties present and voting. The Rules of Procedure of the Conference shall define when matters are to be considered procedural.

Article 18: Interim Secretariat

1. A Secretariat provided for by the Executive Director of the United Nations Environment Programme is hereby established on an interim basis for the period between the entry into force of this Convention and the first meeting of the Conference of the Parties. Its function shall be the convening and organization of the first Conference of the Parties. This may include:

- a. Provide technical support and assistance to the Conference;
- b. Prepare reports for consideration by the Conference;
- c. Prepare reports on its functions and activities, including financial reports, and submit them to the Conference.

2. The Parties may decide at their first Conference on the establishment and functions of a permanent Secretariat.

Article 19: Relationship with other International Conventions

The provisions of this Convention shall not affect the rights and obligations of any Party deriving from any existing international agreement, except where the exercise of those rights and obligations would cause a serious damage or threat to the protection and/or sustainable development of the South East European Mountain Region.

Article 20: Protocols to the Convention

1. The Parties shall cooperate in the formulation and adoption of protocols to this Convention. Draft protocols to the Convention may be proposed by any Party.

2. Protocols shall be adopted at a meeting of the Conference of the Parties.

3. The text of any proposed protocol shall be communicated to the Parties at least six months before such a meeting.

4. The Conference shall decide to open the protocols for signature unanimously or upon affirmative vote of at least two-thirds of the Parties present and voting. Only Parties to the Convention may become Parties to the protocols.

Article 21: Amendments to the Convention

1. Amendments to this Convention may be proposed by any Party.
2. Amendments to this Convention shall be adopted at a meeting of the Conference of the Parties. The Conference shall adopt the Amendments unanimously.
3. Draft Amendments to this Convention shall be communicated to the Parties at least six months before such a meeting.
4. The amendments to the Convention shall be subject to ratification, approval or acceptance. The amendments shall enter into force for all Parties on the ninetieth day after the date of deposit of the instrument of ratification, approval or acceptance by at least two-thirds of the Parties.

Article 22: Right to Vote

Each Party to this Convention or to any protocol shall have one vote.

Article 23: Settlement of Disputes

1. The Parties shall settle disputes concerning the interpretation or implementation of the Convention, its protocols and annexes by negotiation.
2. Upon failure of reaching an agreement by negotiation, the Parties shall appoint a mediator.
3. Upon failure of settling the dispute by mediation, the Parties shall resort to binding arbitration in accordance with the following procedure:
 - a. The Parties to the dispute shall appoint one arbitrator each.
 - b. The arbitrators so appointed shall designate, by mutual consent, a neutral arbitrator as Chairperson who shall not be a national of any of the Parties to the dispute.
 - c. If any of the Parties does not appoint an arbitrator within three months of the appointment of the first arbitrator, or if the Chairperson has not been designated within three months of the matter being referred to arbitration, the Chairperson of the Governing Council shall designate the arbitrator or the Chairperson or both, as the case may be, within a further period of three months.
 - d. The arbitral body shall have jurisdiction to hear and determine any matter arising from a dispute.
 - e. The arbitral body shall determine its own rules of procedure.
 - f. The Parties to the dispute shall be bound by the arbitral decision.

Article 24: Financial contributions

1. Each Party shall contribute to the ordinary budget of the Convention.
2. The Conference shall define the scale of contributions to the ordinary budget.

Article 25: Signature

This Convention shall be open for signature from ... to ... at the Depositary.

Article 26: Ratification, Acceptance or Approval

1. This Convention and any protocol to it shall be subject to ratification, acceptance, or approval by the Signatories. Instruments of ratification, acceptance, approval and accession shall be deposited with the Depositary.
2. The Convention shall be open for accession by other non signatories within the geographical scope of the Convention as stipulated in Article 3.

Article 27: Accession

This Convention and any protocol shall be open for accession by States within the geographical scope of the Convention, as stipulated in Article 3, from the date on which the Convention or the protocol concerned is closed for signature. The instruments of accession shall be deposited with the Depositary.

Article 28: Entry into Force

1. The Convention shall enter into force on the ninetieth day after the date of deposit of the fourth instrument of ratification, approval, acceptance or accession.
2. Any protocol shall enter into force on the ninetieth day after the date of deposit of the number of instruments of ratification, acceptance, approval or accession, specified in that protocol, has been deposited.
3. For each Party which ratifies, accepts or approves this Convention or accedes thereto after the deposit of the fourth instrument of ratification, acceptance, approval or accession, it shall enter into force on the ninetieth day after the date of deposit by such Party of its instrument of ratification, acceptance, approval or accession.
4. Any protocol, except as otherwise provided in such protocol, shall enter into force for a Party that ratifies, accepts or approves that protocol or accedes thereto after its entry into force pursuant to paragraph 2 above, on the ninetieth day after the date on which that Party deposits its instrument of ratification, acceptance, approval or accession, or on the date on which this Convention enters into force for that Party, whichever shall be the later.

Article 29: Withdrawals

1. Any Party may withdraw from the Convention at any time after two years from the date on which this Convention has entered into force for that Party, by giving written notification to the Depositary. The withdrawal shall become effective six months after the date of the receipt of the notification by the Depositary.
2. Any Party which withdraws from this Convention shall be considered as also having withdrawn from any protocol to which it is party.

Article 30: Depositary

1. [...] shall assume the functions of Depositary of this Convention and any protocols.
2. The Depositary shall notify each Party and Signatory of:
 - a. Any signature of the Convention and its protocols;
 - b. The deposit of any instrument of ratification, acceptance, approval or accession;
 - c. The date of entry into force of the Convention, its protocols and amendments thereto for any Party;
 - d. Any notification of withdrawal from the Convention or its protocols;
 - e. The date on which withdrawals become effective for any Party;
 - f. Any modification of the geographical scope of the Convention, pursuant to Article 3.

Article 31: Authentic Texts

1. The original of this Convention, done in English, shall be deposited with the Depositary.
2. The Depositary shall transmit certified copies of the original to all States that have signed the Convention or deposited instruments of accession to it.

3. As soon as this Convention enters into force, a certified copy thereof shall be transmitted by the Depositary to the Secretariat of the United Nations for registration and publication in accordance with Article 102 of the Charter of the United Nations.

IN WITNESS WHEREOF the undersigned, being duly authorized to that effect, have signed this Convention.

Done at [Belgrade] on this [...] day of [...], two thousand and seven.

For

The Republic of Albania

For

The Republic of Bosnia and Herzegovina

For

The Republic of Bulgaria

For

The Republic of Croatia

For

The Hellenic Republic

For

The FYR of Macedonia

For

The Republic of Montenegro

For

The Republic of Serbia

References

References / Albania

- Belsanti, V & Al., 2006, Sustainable Agriculture and Rural Development in Mountain Regions Project, CIHEAM – IAM Bari
- CD No 03/07, On the development of vineyard, orchard and olive sector
- Dibra Regional Council, 2004, Dibra MDG Report
- GoA, 2005, Strategjia Kombetare per Zhvillim Ekonomik dhe Social – Raporti i Progresit 2004
- GoA, 2007, NSDI Progress Report 2005
- GoA, 2005, Government Programme 2005-2009
- GoA, 2006, National Plan for the implementation of Stabilization and Association Agreement
- GoA, 2006, Mid-Term Budget Programme 2007-2009
- GoA, 2006, Strategy of Environment
- GoA, 2007, Regional Cross-cutting Development Strategy (draft)
- GoA, 2007, Rural Cross-Cutting Development Strategy (draft)
- GoA, 2006, Sectoral Strategy of Agriculture and Food 2007-2013 (draft)
- GoA, 2004, National Sectoral Forest and Pastures Strategy
- GoA, 2005, National Education Strategy 2004-2015
- GoA, 2004, Long Term Strategy for the Development of Albanian Health System
- GoA, 2005, Strategy and Action Plan for the Development of the Albanian Tourism Sector Based on Cultural and Environmental Tourism
- IFAD, 2005, Programme For Sustainable Development In Rural Mountain Areas
- IFAD, 2005, Republic Of Albania - Country Strategic Opportunities Paper
- IFAD, 2005, Mountain Areas Development Programme
- Law No 8593/2000, On Mountainous Area Development Programme
- Law No 9430/05, On Natural Resources Development Project
- Law No , On Forest and Forest Service
- Law No 8652/2000, On The Organisation and Functioning of Local Government
- MADA, 2004, Smallstock/Dairy Strategic Investment Programme (Permet)
- Shundi, A., 2006, Albania: Fodder Production
- Vokopola, E., 2003, Status of the progress of the decentralization reform
- World Bank, 2006, Status of Land Reform and Real Property Markets in Albania
- World Bank, 2006, Rural Strategy Albania – Underpinning Growth and Sustainable Development

References /Bulgaria

- 2001, 2002, 2003, 2004, 2005, 2006, NFB Annual reports
- 2002, 2003, 2004 and 2005, Annual Environmental Report, Environmental Executive Agency, Ministry of the Environment and Water Resources,
- 2002, 2003, 2004, 2005, Annual reports of the National Agriculture Advisory Services,
- 2002, 2003, 2004, Annual reports of the MoAF <http://www.mzgar.government.bg>
- 2002, 2003, 2004, Green book, Environmental Executive Agency at the MoEW
- 2003, National Forest Programme Strategy,
2003. Private Forest Owners Study for Bulgarian Forest Development Project Preparation. Project Preparation Unit
2004. National Statistic Institute, Statistical Yearbook
2004. National Strategic Reference Framework , Bulgaria 2007 – 2013.
2005. National Statistic Institute, Statistical Yearbook
- Gruev, B., Kuzmanov, B. General Biogeography, Univ. Publ. House "St. St. Cyril and Methodius" Sofia, 1994.
- Ерамов Р.А. Физическая география Зарубежной Европы, Изд. «Мысль» Москва, 1973г.
- The Natural and economic potential of the mountains in Bulgaria, v. 1 – nature and resources, publishing house of BAS, Sofia,1989
- Emm. de Martonne, Geographie Universelle, tom VI, La France, Armand Colin, Paris, 1955
- Klima Tatier, Vydavatelstvo Slovensey Akademie ved, Bratislava, 1974
- Galabov, Zh. Brief Physical and Geographic Characteristic of Bulgaria, Basis of Geology of Bulgaria Collection, Sofia, 1946.
- Geography of Bulgaria, v. I, Physical Geography, Publishing House BAS, Sofia, 1966.
- Assessment and monitoring of air pollution effects on forests, MoEW, Forest Research Institute, Sofia, 2006
- Code of the physical nomenclature of the survey for the planted crops and the use of the territory of the country (BANSIC),
- Concept strategy for protection of the virgin forests, Forestry Research Institute, Bulgarian Academy of Sciences (2006).
- Ex-ante Evaluation of Bulgarian Rural Development Programme 2007-2013, Draft September 2006
- Figure Sources: Most of Figures in this report were redrawn from Figures included in the technical assessment reports of different institution.
- Final Report, MERA, 1996, (MARS and Environmental Related Activities) Project, Phare Multy country program
- Forest Sector Analysis 2003. Report on Forest Sector Analysis – Bulgaria. Project for the development of the National Forest Policy and Strategy in Bulgaria. Sofia, January 24, 2003

National Forestry Board Statistics, 2002 - 2006

National Rural Development Plan 2007 – 2011

Naturally Investing In Our Future, Sofia 2007, Project publication "Sustainable Development Programme for the Cross-Border Eco-Network Areas in Blagoevgrad, Smolyan, Haskovo and Khardzhali districts

Operational program: Environment, Regional development

Report the Implementation of SAPARD, MoAF, 2006, Internal document

Report, Implementation of the WFD in Bulgaria, Internal document, 2006

Some of data are based on data downloaded from online data bases of the MoAF, MoEW, Environmental Executive Agency, etc.

Source: National Plant Protection Service, Annual report, 2000, 2001,2002, 2003, 2004, 2005.

Ten years of monitoring forest conditions in Europe, Studies on Temporal Development, Spatial Distribution and Impact on Natural and Anthropogenic Stress Factors, Proceedings1997.

Web pages of: <http://www.moew.government.bg>; <http://www.mzgar.government.bg>

World Bank. 2002. Bulgaria Forest Development Project. Project Concept Document. Yanakieva, Ivanka and others "Methodological approach for determining the less favored areas and areas with ecological limitations", 2005, IAE, NCAS, S.

References /FYR Macedonia

MAFWE - Strategy for Sustainable Development of Forestry in the Former Yugoslav Republic of Macedonia, 2006

MAFWE- Annual Agricultural Report, 2005

Statistical Yearbook of the Former Yugoslav Republic of Macedonia, 2005

Jakimovski J., Rural Social Structure, 2004

European Commission DG-AGRI Draft 22, Study on the State of Agriculture in Five Applicant Countries, Country Report – the former Yugoslav Republic of Macedonia, May 2006

Rusev T., Agricultural Knowledge and information system in Macedonia, Master thesis, 2005

Law on Territorial Organization of the Local Self-Government (OG No. 55/2004)

Law on Local Self-Government (OG No.5/2002)

Law for stimulation of the Development of Economically Insufficiently Developed Regions (OG No. 2/94 as amended by OG No. 39/99)

Decision for Determining the Economic Underdeveloped Areas (OG No. 17/2006 and 54/2006)

Law on Forests (OG No. 47/97, 7/2000 and 89/2004)

Bureau for Economically Insufficiently Developed Regions – Annual Report, 2006