ASSOCIATION AND COOPERATION IN ROMANIAN RURAL AREAS – THE LEADER EXPERIENCE¹

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Abstract: In the last quarter century, rural areas and agriculture in Romania have entered a new development stage characterised by numerous structural and functional changes. The rural development process should be a holistic one and focus on integrated and multi-sectorial interventions. As the community led local approach strengthens the micro-regional perspective, the partnership between local actors and local participation are key features of a successful local development. In order to analyse the problems of association and cooperation in rural areas, the article aims is to present the LEADER experience in Romania. LEADER is the development program who emphasize the need for cooperation between local actors in order to find innovative ways for dealing with different problems. Building on the empirical research, the article identifies and highlights some problems in the implementation of LEADER’s principles.

Keywords: rural development, LEADER, partnership, cooperation

The development of the Romanian rural areas is one of the priorities of the post-revolutionary government, but progress is far from this goal due to the fewer opportunities existing in Romanian villages and the low capacities of the administration and the population. The development disparities among rural communities are high, both in terms of material capital (financial resources, goods and consumption of goods) and in terms of existing human capital (education and health) and social capital (association, trust) (Sandu et al., 2009).

In the last decade, the public discourse on local development has shifted from specific interventions in single, isolated or poor communities to interventions in regions or micro-regions (e.g. RSDF - Romanian Social Development Fund, LEADER axis - local action groups, intercommunity associations etc.) due to the awareness of the importance of cooperation and association between local actors that favour integrated and multi-

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sectoral intervention. The vast majority of the EU funding programmes, and not only, declare a focus on building partnerships between communities, between local institutions, between local actors for an integrated intervention in a certain micro-region that makes also use of human resources, material resources etc. existing at community level. Why is partnership promoted so intensely? Because it is a solution to certain problems as the available resources are higher, the financial and social costs are divided, there is additional expertise, but also because local needs do not require the intervention of a single actor, neighbouring communities have similar problems, we can no longer talk of an isolated development, everything is included in the broader area of a region/micro-region.

In a country where over 46% of the population lives in rural areas, about 28% of this population works in agriculture, and the value of agriculture in GDP is three times higher than the average of EU-28 (MARD, 2014), the need to develop rural areas is very high both for agriculture and for other non-agricultural activities or various aspects related to the inhabitants’ quality of life. The agricultural sector needs to be developed in order to improve its performance which, in terms of its share in GDP, fell from 14% to 6% between 2004 and 2012. The poor performance of the agricultural sector is due on the one hand to the lack of investment and poor agricultural policy, and on the other hand to the low capacity existing in rural areas at the level of both the population and public institutions.

We need sustainable development that focuses also on preserving the characteristics of the Romanian village, not only on practicing intensive agriculture. Besides the large agricultural areas and natural conditions favourable for practicing agriculture, the natural environment of Romanian villages, the preserved customs, and the traditional way of practicing agriculture or manufacturing certain products can also foster rural development. The cultural heritage present in Romanian villages needs conservation and recovery, as it can be an important development resource, especially for increasing tourism in rural areas. The natural environment and the organic farming are other resources that can be exploited more in the rural development process, as a solution for increasing the quality of life of small farmers.

Given the high fragmentation of agricultural land and the existence of a large number of small holdings (73% of all Romanian agricultural holdings have less than 2 hectares according to EUROSTAT data for 2013), a solution for rural development is the association of small producers. At the same time, the association and cooperation of small producers, enabling the provision of integrated services, is also a solution for the rural development focused on tourism or on providing services and non-agricultural products. The reluctance to association in rural areas is a result of the forced agricultural collectivisation during the communist period (Petrescu, 2013a; Lambru and Petrescu, 2014), which led to an inadequate land restitution policy. At European level, association and cooperation in rural areas is a priority measure that can be found especially in the LEADER programme.

The purpose of this article is to analyse the existing problems in the association and cooperation of agricultural and non-agricultural producers in Romanian rural areas by presenting one of the models promoted by the National Rural Development
Programme (NRDP) through the LEADER axis. Local action groups (LAGs) have been set up under the LEADER programme which aims to stimulate partnerships between local actors in a micro-region to find new ways to solve existing problems and develop their communities using the resources available locally. LEADER is a bottom-up process that stimulates endogenous local development by harnessing existing potentials in the community and focuses on the involvement of local actors in this process. The main elements of the LEADER programme are: participation of community actors, their partnership and cooperation, and micro-regional development.

The theoretical bases of the LEADER programme can be found in the comprehensive development framework approach of the World Bank which believed that the involvement of local actors was essential in achieving sustainable local development and was based on four fundamental principles: the existence of a holistic and long-term development framework materialised in a strategy, orientation towards results, involvement of local actors leading to the assumption of the strategy, and management of development by the local community through partnership between local actors. (Eriksson and Kullenberg, 2003)

At EU level, the LEADER experience underpins the ‘community-led local development’ approach (CLLD) whose main features are: focus on a territory whose development needs should be determined by local actors; foster cooperation between local actors to achieve development objectives; build capacity at local level to actively participate in the development process; solve problems by stimulating the strengths of communities; flexibility; integrated approach to development aimed at long-term changes. Between 2014 and 2020, the integrated projects funded by the European Structural and Investment Funds (ESI Funds) will be based on the CLLD approach.

The CLLD approach derives from the endogenous local development theory which is based on the use of local resources (human, material, economic etc.) and involvement of local actors to ensure the sustainability of this approach. (Garofoli, 2002; Stănilă, 2013) This type of development focuses on capacity-building at local level so that the process is under the control of local actors, as well as on multi-sectoral intervention to ensure complementarity of initiatives. Thus, in the development process we talk about community empowerment, capacity building or association and cooperation.

Community empowerment involves development of local actors’ capacity to support themselves and control their living environment. The strengthening of the local actors’ capacity to solve their problems on their own is achieved through increasing opportunities and psychological orientation towards greater control over the living environment. Capacity strengthening involves: access to information, participation in local decision making, accountability of public institutions and development of local self-organisation. The actions that can be taken in this regard are: strengthen the capacity of local initiative groups to become a voice in the community (attend Local Council meetings, talk to people and then present their problems to the local public administration), invest in training for leaders (social actors that have social and human capital) and organise public meetings in different areas of the communities to get them accustomed to participate in decision making.
Capacity building covers actions to enhance the stock of human capital at the level of social actors to increase their chances of contributing effectively to community development projects. The main actions that need to be taken are: provide training on project management for local actors, present models of good practice from other communities, present existing opportunities of external funding, develop micro-regional partnerships and create mechanisms for local participation at the local public administration level (better communication between public institutions and the community).

Association is a key element of local development and together with confidence and tolerance constitute the core values of social capital. The concept covers both social relations that enable action or facilitate exchange, and the ability of a group to act together due to its solidarity (Pfaff and Valdez, 2010). The advantages of association in rural areas are increased production capacity, enhanced marketing of production, complementarity in the provision of goods and services etc.

The analysis of association and cooperation in Romanian villages starts with a presentation of the rural environment and the challenges that it had to face and must face after the fall of the communist regime, and then it continues with a description of the LEADER programme and its main problems. The methodology consisted in a secondary analysis of data, an analysis of social documents and an interview-based sociological survey. In the secondary analysis of data, we used data from the National Institute of Statistics, Tempo database and the 2010 General Agricultural Census; we also used various agricultural indicators from EUROSTAT - agricultural area, agricultural holdings, employment in rural areas. The analysis of social documents included NRDP monitoring reports, the LEADER axis of 2009-2014, as well as presentations of LEADER experiences from publications of the National Network for Rural Development (NNRD). The sociological survey was conducted based on interviews with representatives of local action groups’ management teams and beneficiaries of their work. There were 12 interviews – 4 with representatives of LAGs and 8 with beneficiaries of their work. The 4 LAGs are from the following regions: Centre, South-East, South-West Oltenia, and North-West.

**Romanian rural environment**

Romanian rural areas are characterised by a high degree of heterogeneity in terms of development, with significant differences in both material and human capital (Sandu et all, 2009), and by a significant dependence on traditional agriculture, low level of association among small farmers, excessive fragmentation of agricultural holdings, underdeveloped non-agricultural activities, low standard of living and poor access to services, poor infrastructure (Mihalache and Petrescu, 2013; Mihalache, 2013).

Romania has an agricultural area of 14.6 million hectares (the seventh largest in the European Union), of which 89% is used (13.3 million hectares), and a total of 3,724,330 agricultural holdings, the highest at EU level. This large number of agricultural holdings is one of the biggest problems for the development of the Romanian agriculture as it indicates an extremely high fragmentation of land, the average area of a holding being 3.6 ha (EUROSTAT, 2015). This average area places Romania on the third last place in
the EU, with countries like Malta or Cyprus which have a very small agricultural area. (Figure 1) Of the total agricultural holdings in our country, 72.7% have less than 2 hectares, 0.2% have between 50 and 100 ha and only 0.4% have more than 100 ha (EUROSTAT, 2015). The major constraints on the competitiveness of Romanian agricultural products in a single market like the one of the European Union are triggered by poor technological equipment to farmers and small areas of agricultural land as a result of property fragmentation (Ilie and Zaharia, 2007). Excessive land fragmentation is a consequence of political decisions regarding the restitution of land and the enhancement of performance in the Romanian agricultural sector is closely linked to the solving of this problem. Land re-parcelling by stimulating the association of small agricultural producers is one of the main directions to follow in order to make this sector profitable, not only in terms of increased production but also enhanced marketing of products.

**Figure 1. Average area per agricultural holding in the EU – 2010**

Asymmetric development of rural areas is a major problem throughout the European Union, and Romania has significant regional disparities that require a better adaptation of the proposed intervention measures. The regions with the highest number of agricultural holdings are North East and South Muntenia; these are some of the poorest regions in Romania and about 95% of these agricultural holdings have less than 5 ha. The highest number of medium-sized agricultural holdings is in the North-Western, Central and Western regions, while the largest agricultural holdings are found in the South East and South Muntenia regions. (Table 1)
Table 1. Regional distribution of holdings in Romania

<table>
<thead>
<tr>
<th></th>
<th>Total holdings (number)</th>
<th>Less than 2 ha</th>
<th>2-4.9 ha</th>
<th>5-9.9 ha</th>
<th>10-19.9 ha</th>
<th>20-29.9 ha</th>
<th>30-49.9 ha</th>
<th>50-99.9 ha</th>
<th>More than 100 ha</th>
</tr>
</thead>
<tbody>
<tr>
<td>Romania</td>
<td>3,563,770</td>
<td>2,589,920</td>
<td>691,260</td>
<td>193,870</td>
<td>49,650</td>
<td>10,260</td>
<td>8,470</td>
<td>7,260</td>
<td>13,080</td>
</tr>
<tr>
<td>North-West</td>
<td>497,710</td>
<td>302,940</td>
<td>134,010</td>
<td>44,780</td>
<td>10,590</td>
<td>1,670</td>
<td>1,270</td>
<td>1,090</td>
<td>1,380</td>
</tr>
<tr>
<td>Centre</td>
<td>350,860</td>
<td>217,260</td>
<td>80,830</td>
<td>34,810</td>
<td>10,970</td>
<td>2,210</td>
<td>1,810</td>
<td>1,380</td>
<td>1,600</td>
</tr>
<tr>
<td>North-East</td>
<td>742,130</td>
<td>568,240</td>
<td>137,660</td>
<td>25,200</td>
<td>5,920</td>
<td>1,530</td>
<td>1,190</td>
<td>810</td>
<td>1,590</td>
</tr>
<tr>
<td>South-East</td>
<td>424,480</td>
<td>331,200</td>
<td>65,950</td>
<td>15,510</td>
<td>4,900</td>
<td>1,380</td>
<td>1,330</td>
<td>1,300</td>
<td>2,900</td>
</tr>
<tr>
<td>South-Muntenia</td>
<td>732,890</td>
<td>625,820</td>
<td>81,940</td>
<td>15,370</td>
<td>4,180</td>
<td>1,100</td>
<td>910</td>
<td>910</td>
<td>2,660</td>
</tr>
<tr>
<td>Bucharest-Ifov</td>
<td>23,760</td>
<td>21,810</td>
<td>1,490</td>
<td>200</td>
<td>70</td>
<td>20</td>
<td>20</td>
<td>40</td>
<td>100</td>
</tr>
<tr>
<td>South-West Oltenia</td>
<td>548,220</td>
<td>377,980</td>
<td>133,470</td>
<td>28,480</td>
<td>4,830</td>
<td>870</td>
<td>730</td>
<td>630</td>
<td>1,240</td>
</tr>
<tr>
<td>West</td>
<td>243,720</td>
<td>144,690</td>
<td>55,910</td>
<td>29,520</td>
<td>8,190</td>
<td>1,480</td>
<td>1,200</td>
<td>1,110</td>
<td>1,620</td>
</tr>
</tbody>
</table>

Source: EUROSTAT, 2015

Romania is an agricultural country of extremes, where over 46% of the population lives in rural areas and about 92% of agricultural holdings have between 0.5 and 5 ha, while the vast majority of payments by the Romanian State for agriculture go to large farms, which represent about 1% of all agricultural holdings and exploit almost 44% of the total agricultural areas. The data of the 2010 General Agricultural Census shows that over 99% of the agricultural holdings are unincorporated and less than 1% of them are incorporated. (Table 2)

Table 2. Agricultural holdings, utilised agricultural area and average utilised agricultural area for an agricultural holding, according to the legal status of agricultural holdings

<table>
<thead>
<tr>
<th>Legal status of agricultural holdings</th>
<th>TOTAL number of agricultural holdings</th>
<th>Number of agricultural holdings that utilise the agricultural area</th>
<th>Utilised agricultural area (hectares) for an agricultural holding</th>
<th>Average utilised agricultural area (hectares) for an agricultural holding that utilises the agricultural area</th>
</tr>
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<tbody>
<tr>
<td>Unincorporated agricultural holdings</td>
<td>3,825,576</td>
<td>3,691,669</td>
<td>7,445,336.63</td>
<td>1.95</td>
</tr>
<tr>
<td>Individual agricultural holdings</td>
<td>3,820,393</td>
<td>3,686,698</td>
<td>7,154,136.94</td>
<td>1.87</td>
</tr>
<tr>
<td>Sole traders, sole proprietorships, family-owned companies</td>
<td>5,183</td>
<td>4,971</td>
<td>291,199.69</td>
<td>56.18</td>
</tr>
<tr>
<td>Incorporated agricultural holdings</td>
<td>30,669</td>
<td>30,216</td>
<td>5,852,854.26</td>
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<tr>
<td>--------------------------------------</td>
<td>--------------------------------------</td>
<td>---------------------------------------------------------------</td>
<td>---------------------------------------</td>
<td>-----------------------------------------------------</td>
</tr>
<tr>
<td>Public companies</td>
<td>50</td>
<td>50</td>
<td>16,170.65</td>
<td>323.41</td>
</tr>
<tr>
<td>Agricultural companies/associations</td>
<td>1,390</td>
<td>1,379</td>
<td>556,785.69</td>
<td>400.57</td>
</tr>
<tr>
<td>Majority private-owned companies</td>
<td>16,410</td>
<td>16,015</td>
<td>3,169,418.39</td>
<td>193.14</td>
</tr>
<tr>
<td>Majority State-owned companies</td>
<td>72</td>
<td>72</td>
<td>3,553.99</td>
<td>49.36</td>
</tr>
<tr>
<td>Institutes, research stations, agricultural schools (high schools)</td>
<td>177</td>
<td>175</td>
<td>50,976.71</td>
<td>288.00</td>
</tr>
<tr>
<td>Local Councils or City/Town Halls</td>
<td>2,722</td>
<td>2,721</td>
<td>1,566,747.77</td>
<td>575.59</td>
</tr>
<tr>
<td>Other public institutions</td>
<td>353</td>
<td>349</td>
<td>32,062.61</td>
<td>90.83</td>
</tr>
<tr>
<td>Cooperatives</td>
<td>68</td>
<td>67</td>
<td>8,176.22</td>
<td>120.24</td>
</tr>
<tr>
<td>Other types (foundations, religious establishments, schools, etc.)</td>
<td>9,427</td>
<td>9,388</td>
<td>448,962.23</td>
<td>47.63</td>
</tr>
<tr>
<td>TOTAL</td>
<td>3,856,245</td>
<td>3,721,885</td>
<td>13,298,190.89</td>
<td>3.45</td>
</tr>
</tbody>
</table>

Source: 2010 General Agricultural Census

The population employed in agriculture accounts for approximately 28% of the total population, in decline over the last 15 years. Compared to other European countries, Romania is the second country with the largest labour force in agriculture after Poland, but before France and Spain which have a much larger agricultural area. (Figure 2)

**Figure 2. Labour force directly employed by the agricultural holding**

Source: EUROSTAT, 2015
The 2010 General Agricultural Census shows a decline in the number of persons who worked in agriculture, from over 9 million in 2002 to 7,159,000. Of these, over 98% are in individual agricultural holdings and 1.6% in incorporated agricultural holdings. Only 4.5% of the persons working in agriculture are employed in 2013. The analysis of the data on the number of employees in agriculture reveals a decrease in the last quarter century in Romania, from 16% in 1992 to 4.5% in 2013. The largest percentage (over 50%) of the employed population is made up of unpaid family workers, followed by self-employed persons - 45%. (Table 3) The unpaid family workers and the self-employed persons are involved in particular in subsistence and semi-subsistence agriculture which provides a large part of a household’s consumption needs. Employment of rural population in subsistence and semi-subsistence agriculture is a result of the transition that led to a decline in the number of paid jobs to which the rural population had access (Otiman, 2012). Entrepreneurship is present in a very small degree in Romanian rural areas, its evolution has been constant in the last 7 years, despite the actions taken to stimulate it (Mihalache and Croitoru, 2011; Pricina, 2012).

| Table 3. Professional status of employed population in agriculture |
|-----------------|-----|-----|-----|-----|-----|-----|
|                 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 |
| Employees       | 4.3% | 4.4% | 3.9% | 4.0% | 4.2% | 4.5% |
| Owners          | 0.1% | 0.1% | 0.1% | 0.1% | 0.1% | 0.2% |
| Self-employed persons | 50.0% | 47.4% | 46.0% | 43.1% | 44.4% | 45.1% |
| Unpaid family workers | 45.5% | 48.1% | 48.3% | 52.8% | 51.3% | 50.2% |

In rural areas, development also involves interventions in other areas of social life - industry and services, infrastructure, education, welfare, health, culture, leisure, governance etc. Concerted action is needed in these areas to increase the quality of life of rural residents. At the same time, attention must also be paid to the preservation of the Romanian village values, such as local customs, organic farming, natural environment, traditional products and crafts, which may constitute key elements in the development process. New trends in rural development aim at unlocking this non-agricultural potential and conserving the traditional village to rediscover its resources and use them to increase its wealth. All these development directions must be adapted to local needs and resources so as to produce the desired effects.

The LEADER approach intends to meet these needs and development directions through a micro-regional intervention focused on using the local resources from various fields.

Local action groups between the project and reality

LEADER is one of the EU innovative programmes in rural development, launched in 1991 to offer communities a way to actively involve local actors in the process of social change and improvement of the quality of life at micro-regional level. As the title says –
‘Liaison entre actions de développement rural’ - the programme aims to provide an integrated intervention by mobilising local resources and creating links between local actors to foster cooperation in the rural development process. Unlike interventions set by national policies or programmes which are not tailored to the needs of each community, LEADER provides the opportunity for local actors to propose and implement innovative solutions to the problems existing in their communities. These interventions are based on a participatory local development strategy involving all local stakeholders and should reflect the development needs expressed by the community. It is a bottom-up programme in which the local community with its needs and development potential is the main actor in the process of improving the quality of life and allowed the testing of innovative problem solving.

The aging population, the migration of young people, the lack of employment opportunities, the poor development of services and local crafts, the loss of local traditions, the low capacity of marketing agricultural and non-agricultural products, the poor technological equipment of small farmers, the decreased production of organic agriculture, and the poor infrastructure are only some of the challenges to which LEADER provided solutions based on local specificities and by mobilising community actors. Ensuring sustainability was a priority, the interventions focused on developing local skills and building community capacity to solve future problems, and not only on solutions targeted at creating and improving social infrastructure, utilities, production, etc. It is a holistic approach to rural development aimed at all aspects of quality of life due to the inter-correlation and mutual influence between them.

Assuming that the development process is effective if decided and implemented by local actors, the LEADER approach has seven principles: existence of a strategy for the local development of a micro-region; design and implementation of that strategy by the community (bottom-up); building a public-private partnership at local level within local action groups; existence of integrated and multi-sectoral actions; innovation; cooperation in implementing actions; and networking between communities within a certain micro-region. (European Commission, 2006)

A micro-region is the territory covered by the LEADER intervention, which can have between 10,000 and 100,000 inhabitants, and must have the following characteristics: homogeneity and social cohesion; common customs and local identity; share the same problems/needs and expectations; sufficient human, financial and economic resources to support the implementation of a viable strategy; and no predefined administrative boundaries. (European Commission, 2006) The micro-regional approach is considered to be more effective than the individual community approach because resources and potential for development can be complementary between communities and thus integrated and multi-sectoral interventions can be developed.

Local actors, both public and private, of a micro-region must work in partnership within a local action group; this is the institutional structure funded by the programme. The role of a local action group is to coordinate the development and implementation of the strategy, and the private sector partners in a local action group – businesses and civil society – must account for at least 50% of its components. The main benefits of partnership within a local action group are: represent the interests of all communities
and stakeholders, increase implementation efficiency, and ensure transparency of actions. (Petrescu and Constantin, 2010; Petrescu, 2013 (b))

Community participation, of both the general population and the institutional stakeholders from the public and private sectors, in designing and implementing a strategy is essential for stimulating the involvement of local actors in finding innovative solutions adapted to specific existing local problems, and in implementing actions. (Petrescu, 2009) This community participation process is also one of capacity building at local level by involving local actors in identifying and analysing local needs/problems, finding solutions to those needs/problems, selecting the most effective actions to be included in the strategy. Last but not least, participation in devising a micro-regional development strategy stimulates social capital building at community level by strengthening social relationships between community actors and enhancing mutual trust. (Voicu, 2010; Voicu, 2006; Putnam et al., 2001)

Facilitate innovation in finding solutions to community problems is another principle of the LEADER programme. Innovation is broadly understood as representing new ways of doing things – at the level of products, services, processes, or as new and more effective solutions to existing problems (Phillis, Deiglmeier and Miller, 2008).

Networking in the LEADER approach involves experience and know-how exchanges between local action groups or members and the beneficiaries of their work. These experience exchanges enable the transfer of best practices, the dissemination of innovations and lessons learned from devising and implementing local development strategies, as well as building relationships between the different participating actors to foster future partnerships.

Cooperation between local action groups at regional, national or European level involves a partnership between these groups in order to develop bridging social capital. This cooperation is not limited to the exchange of experience, it is based on a joint project that facilitates the implementation of a strategy and brings value to the actions included in that strategy.

**LEADER in Romania**

The LEADER programme is implemented in Romania since 2007, but the funding of local action groups (LAGs) began in 2012. There are 163 local action groups selected by the Ministry of Agriculture and Rural Development for funding, of which 81 were recognised in 2011 and 82 in 2012. The territory covered by the local action groups selected for funding represents approximately 78.34% of the eligible territory (142,267 km²) and includes 1805 communes and 79 cities/towns with less than 20,000 inhabitants, and approximately 72.34% (6,770,589 inhabitants) of the LEADER eligible population. (MARD, 2014; MARD, 2015) 6191 projects (65.15%) of the target of 9502 for the implementation of Local Development Strategies were contracted under the LEADER axis of NRDP. (MARD, 2015)

In order to get funding, LAGs needed to comply with certain establishment conditions characteristic of LEADER: the covered territory had to be mainly rural and have a population from 10,000 to 100,000 inhabitants, and the population density had to be of
maximum 150 inhabitants/km²; the non-public partners (social and economic partners and the civil society - farmers, women, young people from rural areas and their associative structures) had to account for at least 51% of the partnership included in the decision-making LAG structure; the territory had to be geographically and economically homogeneous and not be limited to the administrative boundaries of a county; the LAG territory could include 1 city/town with less than 20,000 inhabitants provided that 25% of the LAG population should be urban; the territory covered by the local development strategy of a LAG had to have sufficient human, financial and economic resources to support the implementation of a viable strategy (MARD, 2012).

The implementation of the LEADER programme in Romania encountered several problems related to various bureaucratic issues and non-compliance with the principles underlying the programme - cooperation, innovation, networking, and integrated and multi-sectoral actions. The analysis of the data from interviews with representatives of Romanian LAGs shows that, in order to implement the local development strategy, LAGs funded only projects which were compliant with the measures included in the National Rural Development Programme, thus becoming managing authorities at micro-regional level. LAGs did not finance innovative or multi-sectoral and integrated activities or projects in partnership because they were not clearly defined in NRDP, hence the amounts could not be reimbursed. Under these circumstances, LAGs were regranting bodies for NRDP, but had limited powers and limited control over beneficiaries. They were the ones that launched financing lines at micro-regional level, conducted the first evaluation of files and monitored implementation. The final evaluation of projects, the contracting and the reimbursement of expenses were done by the County Offices of the Paying Agency for Rural Development and Fisheries (PARDF), currently the Agency for Rural Investment Funding (ARDF). The decentralisation tested through LEADER did not work because there were many public institutions that approved the activity of LAGs – county and regional offices of PARDF, PARDF at national level, the NRDP managing authority.

Preparations for the implementation of LEADER in Romania started before 2007 by selecting the potential territories for LAGs (120 territories) and training their representatives to build partnerships, devise and implement strategies according to the programme approach. The implementation of LEADER in Romania was much delayed, the first selection for funding of the LAGs that met the eligibility criteria and whose local development strategies were compliant with the requirements took place in 2011, when 81 LAGs were authorised. The second selection took place in 2012, when 82 LAGs were selected for funding. The actual funding of the first LAGs started in 2012, 5 years after the start of the programme in Romania, and thus the implementation of actions with long-term effects was no longer possible.

In the selection of LAGs, priority was given to those whose territory comprised two or more counties with a population between 30,000 and 70,000 inhabitants and a density below 75 inhabitants/km², and which included poor or disadvantaged areas, areas in Natura 2000 sites, areas with high natural value (HNV), areas affected by industrial restructuring (MARD, 2012). These criteria favouring certain territories led in many cases to a ‘forced’ partnership within LAGs in order to meet those requirements and get a higher score.
The territory of a LAG could also include a city/town with less than 20,000 inhabitants only if it interposed in the geographical homogeneity and helped ensure consistency of the territory or of the resources necessary to support the development strategy. If a city/town of more than 20,000 inhabitants interposed in a LAG’s territory, that city/town could be included only if it did not exceed 25% of urban population and the need to be included was justified. For the 2007-2013 funding period, the cities/towns under LAGs partnership did not receive funding as the funding was intended exclusively for rural areas.

Due to several bureaucratic problems, in the first funding period of LAG funding no amount was provided for the financing of institutional activity – operating costs and staff-related costs, leading in many cases to a delay in the implementation of the local development strategy. The funding of LAG operation depends on the amount of project payment reimbursements, even if this is done by the County Offices of PARDF/ARDF and is not directly related to LAG activity. The funding of a local development strategy amounted to about EUR 2,500,000 plus management cost of EUR 300,000. Under these circumstances, the value of projects could not be high and was centred by local actors on small interventions.

The cooperation activities between LAGs carried out under LEADER both at national and international level were extremely low, almost non-existent in the period from 2012 to 2015 due to the hesitations of the managing authorities’ staff who considered that there were no clearly defined criteria for those cooperation projects and did not accept them for funding. There were cases where some LAGs developed such cooperation projects even internationally, falling under measure 421 and whose expenditure was not approved by the staff of the NRDP managing authorities. Under measure 421 ‘Implementing cooperation projects’, a total of 30 projects were contracted, representing 9.93% of the target of 302, of which 27 for inter-territorial cooperation and 3 for transnational cooperation. (MARD, 2015)

Innovation, one of the LEADER principles, was hardly present in local development strategies and projects funded under this programme in Romania. The broad definition of the innovation concept caused confusion among the personnel of the managing authorities and thus they avoided financing such projects. Only 35 projects of those approved for funding targeted innovative actions – development of new products or improvement of existing ones, development or use of new technologies to increase production etc. (MARD, 2015)

Networking in a LAG micro-region could not be achieved at the desired level, where there would be even projects developed in partnership by actors from different communities. The projects aiming at intervention in two or more LAG communities could not be implemented due to problems related to bureaucracy and interpretation of funding guidelines.

The same is true for integrated and multi-sectoral actions which could not be implemented because of bureaucracy in programme management units. It was much easier to finance only actions that were provided for also in the NRDP measures.
because they seemed clear to officials than to pursue projects that were aimed at intervention in several sectors of community development.

Conclusions

The LEADER approach, through its principles, promotes community as the main actor of its own development in order to ensure its sustainability. It should be complementary to top-down public policies and interventions and not just implement them. Even if the project evaluation procedure is easier at LAG level and the information activities carried out by LAGs allow stakeholders to know better the bureaucratic procedures for developing and implementing projects, LAGs should facilitate projects developed under partnership between the communities making up a LAG and which aim at innovative and multi-sectoral actions for solving local problems. There is no need to transform them into mini managing authorities at micro-regional level; their original purpose should be preserved: innovative and integrated local development by community actors in partnership, using community resources. It is necessary to ease bureaucracy in the implementation of NRDP and provide better training to those in charge of the LEADER axis in order for them to understand the type of projects that can be implemented.

Intervention at micro-regional level is one of the features of the LEADER programme since projects should be carried out in partnership by communities for an integrated intervention, but this happened to a very small extent in Romania. Micro-regions are characterised not only by geographical homogeneity but also by economic homogeneity, precisely to allow this intervention in several communities. Every community has resources and specificities which can be complementary in a local development process. Project activities should target interventions tailored to the specificities of each community and help however the overall development of the micro-region – e.g. tourism can be enhanced by unlocking the natural potential of LAG communities, by preserving and restoring tourist attractions, as well as by promoting organic farming and local produce. Without these projects developed by LAG communities in partnership, the LEADER programme loses its essence.

Inter-territorial and transnational cooperation was very low in the period from 2012 to 2015 when funding was provided for the implementation of LAGs’ local development strategies. Cooperation facilitates innovative actions promoted by the LEADER programme. In addition, it is a good learning opportunity for local actors involved in this process both in terms of positive aspects and problematic aspects relating to the implementation of local development strategies. The indicators of projects developed in cooperation and innovative actions are very low due to the lack of understanding of the programme by the public authorities involved.

Partnership within local action groups is not functional in all cases, especially where this structure was not based on a previous experience of cooperation between the local actors involved. It is a formal association of actors to access these public funds and does not enable implementation of projects in partnership as each actor is interested in the funding of a certain project in his community. The most active partners are public institutions, particularly local administrations, which identified an opportunity for the
funding of different needs existing in their communities. Activities are needed to stimulate partnership between actors in LAGs and its composition should be changeable during the funding period, if necessary.

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