



Findings from the Assessments on Regional Development



General remarks

- Regional Development (RD) is a highly political and sensitive topic in the region
- Challenges to RD reform are similar to challenges of other reforms



National Vision

- Serbia: Law on Regional Development (2009/10)
- Bosnia & Herzegovina: no law/policy/ strategy
- Kosovo: no law/policy. Draft concept for RD (2014)
- Macedonia: National Strategy on Balanced Regional Development (2009-2019) & Law on Balanced Regional Development (2007)
- Albania: no law/policy. Currently in the making (SDC/GIZ support)

Political commitment

- Serbia: low level of political commitment **SDC**
- BiH: no commitment
- Kosovo: no commitment
- Macedonia: on national agenda **SDC**
- Albania: since 2014 national priority **SDC**

Political Commitment

- Albania
 - Enhance impact of investments
 - Improve management of funds to increase efficiency, impact and absorption
- Macedonia
 - EU integration
 - Goal: balanced and sustainable development



Regional Level

	Intermediary level	Functional areas approach
Serbia	5 statistical units (with autonomous region of Vojvodina and special status of capital Belgrad)	Inter-Municipal Cooperation (IMC)
Bosnia & Herzegovina	10 cantons in Federation of Bosnia and Herzegovina	IMC
Kosovo	-	IMC (waste management; water sector)
Macedonia	8 planning regions	IMC
Albania	12 administrative regions (Qarks)	IMC; recent division into 4 Regional Development Areas (also based on functional criteria)

Challenges

- Lack of vision (Serbia, Albania) and commitment/consensus (BiH, Kosovo)
- Unused potential of stakeholders
 - Non-governmental stakeholders (Serbia, Albania, BiH)
 - Subnational governments (BiH, Albania)
 - LGUs do not see benefit of RD / do not think beyond own municipality (Kosovo, Macedonia, Albania, BiH)
- Capacities of relevant institutions (Macedonia, Albania, BiH, Serbia, Kosovo)

Challenges

- Financial mechanism:
 - Lack of predictability of funding available (Serbia; Albania)
 - Allocation of funds according to political affiliation / lack of transparency / lack of monitoring mechanisms (Albania, Macedonia, BiH, Kosovo, Serbia)
- Lack of coherent, systematic approach to planning, reporting and monitoring overall RD expenditures (Serbia, Albania, BiH)



1) Vision Building on Regional Development

- How should SDC deal with lacking **commitment/vision**? Is Regional Development possible without a national vision?
- What and how can local government, e.g. through **municipal associations**, contribute to the process of a development of a vision on RD? Can they make a difference?
- What are the incentives for **stakeholders on the local level** (government, councils, civil society, private sector) to participate in regional development?

2) Legitimacy and Functionality of Regional Level Institutions

- **The intermediary governance level** would have the political legitimacy to work on regional development; yet in the Balkans it is often weak or non-existent. Is that a deficiency with regards to RD? How to handle it?
- What is the role & potential of **Inter-Municipal Cooperation** to respond to geographically defined challenges and potentials (functional areas)?

3) Adequate Financing of Regional Development

- What is an «**adequate**» **volume** of financing for RD?
- Financing is often seen as a **political reward**: How should SDC deal with that? How to make sure that equity and disparities are taken into account?
- If you had to summarize it in a nutshell (3 principles): What are **good practices** regarding financing for RD?

4) Political Commitment for Regional Development

- How would you **measure political commitment** for Regional Development in a certain country?
- Political commitment often relies on strong engagement of very few **high profile individuals**. How can the sustainability of this commitment be ensured?
- One third of the EU budget is reserved for cohesion funding in the member countries. Yet in the assessments the role of the **EU** (apart from Kosovo) was not mentioned prominently. Understandable? Positive? Unfulfilled potential?
- RD is often perceived as a **threat** to existing entities/ government levels/actors: How should SDC deal with that?

THANK
YOU!

