

THE ROLE OF TERRITORIAL PARTNERSHIPS AT LOCAL LEVEL – THE CASE OF “COTNARI LOCAL ACTION GROUP”

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ABSTRACT - The objective of this paper is to analyze new forms of local territorial partnerships developed under the territorial cohesion policy promoted by the European Union. In this context, the future of cohesion policy and the growing importance of territorial cohesion led to the initiating of the micro-regional projects in order to reduce economic and social disparities. The promotion of regional policies based on local agreement is dedicated to create partnerships in order to start projects for local development that involve civil society, municipalities, regions, private sector, experts, or private citizens. These partnerships are presented as informal organizations, created by cooperation at local level of public institutions, with social and economic actors stated aim to develop community consistently using all the resources offered by their territory. Such forms of cooperation can be found in several places in the world, but with a greater focus in Europe, and their main purpose is to promote community participation and sustainable development, engaging citizens and organizations in taking decisions at local level. The study aims to clarify the concept of “local action group” and to analyse the effects of public - private partnership on territorial development for the project initiated in the Hârlău region. This project groups 12 administrative-territorial units from Iași County, developed with the support from the European program LEADER.

Keywords: territorial partnership, rural development, LAG, LEADER, rural network

INTRODUCTION

Although still considered at an early level, analysis and assessment of regional partnerships by studying the horizontal cooperation of administrative units involved in territorial development projects may lead to a better understanding of the factors that can successfully determine a number of suitable models for local development. Emphasis is placed on the need to identify in theory and practice of processes that may have potential in the modernization of regional structures in Romania. The theme is closely linked to the feasibility of proposed solutions to streamline communication between actors situated at the same territorial landing in order to formulate long-term development strategies of a partnership culture for constructive cooperation between public and private actors both locally and regionally. The theme is important in the context of discussions regarding the stimulation of responsible involvement of citizens in making decision of local and regional interest, which represents the foundations for effective governance promoted at European level through territorial cohesion.

Europe's political geography has profoundly changed after 1950 through an evolutionary process of new spaces, at social, political and economic level, areas previously considered latent, subordinated to a central power. The new situation has generated local and regional assertion of new territorial actors directly concerned to cooperate for the development of the occupied space. This type of cooperation is defined in literature as territorial governance process involving a series of vertical or horizontal relationships based on volunteering and hierarchical principles.

In the present context, the territorial development policy in Romania can be characterized as ineffective. This view is determined by identifying a series of measures already implemented in some Western Europe countries until the 80's. Over time, it was demonstrated that such measures based on macroeconomic models have not worked. The enforcement of development regions by national authorities or setting poles of economic growth is evidence of a dependence on a centre. As such, it is

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noted that local innovation as basis for development is not encouraged, models already criticized being rather preferred, models whose main purpose is to attract large investments in areas with cheap labour by investing in infrastructure. However, the main motivation for decisions on territorial development is closely linked to EU integration and because of an approximate understanding of European regulations, the ultimate goal being to attract community funds.

Implementation of formal structures at the local level may prove ineffective given that after 2013 we can assist to a major change in the allocation of structural funds. If until now the regions which correspond to NUTS2 have been encouraged as eligible units, due to the negative experiences of many states who joined after 2004 (Greece can also be added here), emphasis will fall on local aspect so that the problem of territorial disparities to be solved more efficiently. Most of the states that joined the EU after 2004 were not able to decentralize the political and administrative system but began a formal territorial reconfiguration process (Kovács, 2009). In this case, the solution is represented by encouraging partnerships between existing administrative structures, made voluntarily and naturally, for territorial development, partnership that can be defined as territorial governance.

TERRITORIAL PARTNERSHIPS – THE PATH TO LOCAL DEVELOPMENT

This type of partnership is strongly promoted in the European Union by emphasizing the role of local actors and recognizing the importance of the local authorities' contribution to the development of the European Union (European Commission, 2001). In 2001, the European Commission called for a strengthening of partnerships between governments at different levels as a factor favouring the implementation of projects with a strong territorial impact. At the same time, the territorial development policies have become key issues on the EU agenda, as demonstrated by the adoption of two new concepts: territorial cohesion and governance². Assuming that "territory matters", the two concepts are valid in the context of the emergence of an area in which the private sector (especially local and regional firms), the scientific community, the public sector (especially local and regional authorities), NGOs and various other sectors will work together.

Even if the territorial governance has been heavily supported by the European Union in the last ten years, the emergence and development of the process are due to redefining the role of the state. If the welfare state has fostered the centralization and redistribution policies defined at national level between individuals, groups and territories, the economic crisis in the '70 has turned this type of state, becoming less focused and redistributive, and more a follower of *homo economicus* behaviour. The Keynesian concept of national development was replaced by a neo-liberal perspective that led to the imposition of an economist view on how resources are used more effectively. In a diminished political power and rationalization of resources context, governance has become the manner in which they could solve specific problems in a selective manner by adding all necessary elements.

To get a clearer picture of local partnerships is necessary to define the territory. In this case the territory is more than an area used by a group to ensure its survival or simply a framework for the manifestation of a form of power; it is rather a principal object of the dialogue between citizens, businesses and administration. Territory appears as an active entity, and the territories are in direct competition, with the reduction of resources from the centre, becoming entities with needs, and more aware of available resources. To arrive at a positive form of partnership, territory must represent a group within the local communities with a shared social, cultural and economic behaviour. In this case one can call into question the functioning of local partnerships made based on artificial criteria that may in time lead to less positive results.

Territorial partnership may have as primary goal the increase of the effectiveness of development strategies. Territorial networks take the form of association or cooperation based on a shared vision and uses an approach held by all participants. A territorial partnership involves

² Concept introduced on the political agenda of the European Union by ratifying the Lisbon Treaty as the third community objective in addition to economic and social cohesion. Lisbon Treaty states that territorial cohesion will become a shared competence of the Union and its Member States, while respecting the principle of subsidiarity.

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cooperation between local governments, businesses and civil society, relationships between them being rather a horizontal one. This is primarily due to the proximity of these actors. A territorial partnership can work when the project is aimed at achieving a major infrastructure plan or when is aimed at achieving a common spatial plan applicable to an area that includes several administrative units. A major infrastructure project involving two or more neighbouring localities can create in time a certain type of relationship favourable for local development.

In these circumstances, it can be said that partnerships (public-public or public-private) are important for any development policy. On a practical level, studies undertaken at the EU level on the development of partnerships (DG REGIO, 2005) demonstrate the increasing importance of applying the principle of partnership, especially since the European Commission recommended that the projects financed by the EU funds should meet this principle. One of the criteria for evaluating projects is exactly the involvement of partners in implementing the funded projects, a chapter on the effects of partnership concerning the projects being also included in the evaluation reports.

THE ROLE OF LEADER PROGRAM IN DEVELOPING LOCAL PARTNERSHIPS

LEADER is a Community Initiative Program initiated in 1990 financed by the European Agricultural Fund for Rural Development (EAFRD). LEADER is one of four initiatives financed by the EU structural funds and is designed to help rural actors consider the long-term potential of their local region. Encouraging the implementation of integrated, high-quality and original strategies for sustainable development, it has a strong focus on partnership and networks of exchange of experience. LEADER is, like other initiatives of the European Commission – EQUAL, for equal opportunities in the labour market, URBAN, for urban areas in decline, or INTERREG, for cross-border cooperation - a special program that focuses on specific problems of rural development not included in the European Fund for Agriculture and Rural Development. Its initials are a French acronym meaning “the connection between actions of rural development and economy”.

This program funds new rural development opportunities, laying the foundation to identify local needs, strengthen the capacity of developing and implementing local development strategies for rural and cultural heritage, economic environment development improvement of local communities' organizational skills. The main purpose of the Leader is the ability to provide the necessary basis for all actors to learn to cooperate for the welfare of all. It aims to promote modes of action compatible with the specific local needs by exploiting local resources and mobilize local actors, representatives of the rural population. In this context, local authorities are encouraged to take control by setting up rural development strategies focusing on the problems identified in their communities. LEADER may be necessary in rural areas that have the possibility of collaboration with other areas for exchange and transfer of expertise through partnerships.

The main result of this financing program is the Local Action Groups (LAG) as entities that develop and promote local development strategies. LAG is the public-private partnerships coming up in various public sector actors, the private sector, and representatives of civil society in that territory. At the decision level, economic partners and civil society representatives, such as farmers, women, young people from rural areas and their associations must represent at least 50% of the local partnership. Eligible territories are those territories, in accordance with the OECD definition, that are classified as rural. OECD defines as rural those people who live in the administrative units with less than 150 inhabitants per km². To be eligible under the program, LAG must operate in a rural area with a population between 10,000 to 100,000 inhabitants and a maximum density of 150 inhabitants per km².

In the former programming period (2000-2006)³, Romania did not implement any Leader type measure, thus, there are neither Leader LAGs funded under a national rural development programme, nor partnerships operating according to the Leader approach. The process for the selection of the Local Action Groups will start once the 2007-2013 Rural Development Programme (RDP) becomes official. For the period 2007-2009, Romania will be giving priority to the creation of partnerships, and to the

³ In the database of the European Commission which contain the initiatives funded by Leader, in Romania's case no project is specified (<http://ec.europa.eu/agriculture/rur/leaderplus/memberstates/romania.htm>).

maturing of its development strategy through the funding of actions ascribed to the Leader axis, and as authorised by derogation under a provision of the accession treaty. Nevertheless, a number of programmes have already been promoting the Leader-type approach prior to the 2007-2013 programming period. Some local development initiatives have been identified at country level, such as: Local Initiatives Groups (LIGs), micro-regions and other Leader-like partnerships. Even under these conditions, the majority of counties have expressed intent to complete such projects.

COTNARI LOCAL ACTION GROUP

In January 2010, the "Cotnari Local Action Group"⁴ project was launched, in which a number of communes in the north-western county of Iași (Cotnari, Scobiniți, Deleni, Cucuteni, Ceplenița, Lespezi, Cristești, Todirești, Vânători, Valea Seacă, Moțca communes), having as associate the town of Hârlău (Figure 1), has obtained a grant. The grant is provided by the European Agricultural Fund for Rural Development (EAFRD) under the National Rural Development Programme (NRDP). The objective of the project with a budget of 63,480 euro is up for elaborating a development plan for the territory consisting of the 12 administrative units. In order to implement the LAG Cotnari project, beneficiaries take into account the development of information services, organizing workshops and training sessions to achieve the local development plan. The local development plan aims to identify priorities, by marking the strengths and the weaknesses of the area.

Table 1. LAG Cotnari – main indicators

	Surface (ha)	Population	Agricultural	Arable	Vineyards
Ceplenița	4520	4577	3597	2026	112
Cotnari	10499	7870	6778	2519	510
Cristești	2973	4316	2756	2041	21
Cucuteni	2822	1350	2373	1510	208
Deleni	15120	10397	7557	4403	195
Hârlău	4036	11625	2509	1330	54
Lespezi	5270	6030	3450	2276	28
Moțca	3659	5167	1798	1273	36
Scobiniți	7108	7470	5513	3304	266
Todirești	4430	4842	3811	3014	68
Valea Seacă	3580	6092	2640	2150	129
Vânători	5207	4696	4076	2958	632

Sources: Iași County Council, Wikipedia (2003-2005)

On the basis of this plan, the requirements will be formulated to meet eligibility and selection criteria on three elements: territory, partnership and territorial development strategy. The plan will highlight the actual development needs (priorities) of the area based on its strengths, internal and external opportunities, material resources, financial and human resources (through a proper due diligence), without neglecting the weaknesses and risks. The types of projects specific to the area that can fit in the NRDP measures or other specific actions will be identified, as well as the funding plan required to achieve the local development plan. Involvement of local stakeholders in developing their own areas has the main role of increasing the contribution to the achievement of sustainable development, supported by a local development strategy, locally developed and implemented and managed by representatives of the LAG.

Therefore, a first important element in a functional territorial partnership of the LAG type involves the achievement of a territorial development plan. This strategy will identify the objective and subjective aspects (location, resources, attitudes, affinities) of the territory which are favourable

⁴ Project developed by SC EUROFIN PROIECT SRL, implemented by SC B2B Agency, in partnership with SC EUROFIN PROIECT.

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for development. The preparation of the strategy is the moment to determine the links between actions, actors and resources in geographically, integrated and multicultural mode, to identify the perspectives and needs of rural territory and to address them through an ascending process (Grieve, 2008).

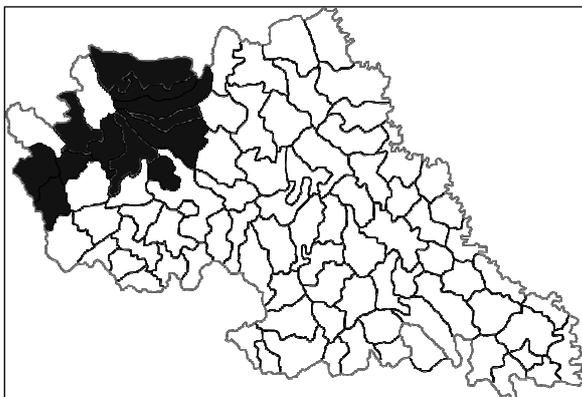


Figure 1. *Cotnari Local Action Group*

Adopting a strategy involves identifying a common vision for the future development process largely accepted by the participants. Vision is important because it can lead to a higher level of involvement and, inevitably, to a greater degree of success. The joint strategy is not readily available because a large number of actors usually involve a degree of heterogeneity in terms of its own agenda.

Conflict situations may often occur motivated by a desire to get something considered good for a certain part, while it may be unpopular for others. Negotiation and compromise are, in this case, the tools to be recognized by each party. Basically, such a body can work if it has previously an economic or social cooperation as the basis for a

system of governance. Robert Lukesh (2007) identifies several specific elements to demonstrate the viability of LAG as a tool for development. Thus LAGs must propose an integrated and multi-sectoral development strategy. This strategy may include multiple interconnected areas that can serve a large number of beneficiaries. An infrastructure project which aims to create an economic advantage can be coupled with a strong social program. At the same time, you can follow and connect with other LAGs in the neighbourhood either for joint projects or for a simple learning process. Another important aspect is related to methods of making decisions in an attempt to establish a defined set of priorities. It is recommended that in such partnerships the private companies and civil society representatives to represent at least half of the decision-makers for projects to be funded.

To become functional, a LAG must be led by a council decided after a series of rules aimed for achieving the highest degree of functionality. Basically, the simple rule of proportionality according to the number of actors involved and the area or number of people served should not be applied. An optimal number of participants should be searched in order to ensure good communication, transparency and competence in decision making. It may also take into account the principle of rotation which involves delegation of responsibilities from time to time. All these will be part of specific marketing and management strategies applied by companies in order to progress. Communication and transparency will ensure wider support from the citizens and taxpayers in this case, decisions having a greater degree of legitimacy. At the same time, a demonstration of good coordination capacity will lead to a greater degree of eligibility of projects, but also to increasing the attractiveness of the area to potential investors. In this case, media campaigns for submitting good practice projects cannot be neglected.

Establishing areas of intervention is important in a common strategy; its success is closely linked to finding those areas with potential. The first area is represented by agriculture; in this case, the most important areas being allocated to wine-growing. Projects designed to increase cultivated product quality can ensure a good reputation over time, which will bring significant economic growth. At this time, "Cotnari" wine brand is one of the most appreciated, both nationally and internationally. Tourism can be equally well subject to long-term strategy. On the 12 localities there are sufficiently objectives that could arouse more interest (the Thracian fortress from the Iron Age; Deleni Citadel; Cucuteni culture, unique in Europe; Thracian-Getic tomb with golden treasure; Cantacuzino family's homes – 17th-18th centuries; the sulphated sources; Pașcanu-Cantacuzino mansion (1838); Ceplenița medieval bridge - the stone bridge in the 15th century; Zlodica medieval bridge; princely court in Hârlău - attested in 1384, etc.). Of course, the two can be merged as well so as to be part of a future circuit of the “road of wine” type. This can be done by considering known models in countries such as

France, Spain, promoted also in our country. In order to develop these areas, massive investments in transport infrastructure are required at LAG's level. There is also the need of connecting these settlements to the major roads in the area, which implies the need for cooperation with regional authorities. Another area of intervention is represented by water and sewage network that can bring people a greater comfort. Despite previous projects (SAPARD), not all municipalities have been connected to this type of infrastructure. It can also be taken into account the planning of a common system to be served and a sewage treatment installation. In addition, educational projects that can lead to a decrease in migration time and a stronger youth attachment to the local community cannot be neglected.

CONCLUSIONS

LEADER programme provides the necessary framework and financial incentives to encourage rural administrative units to form partnerships for working together to reach a desirable level of development. It can be said that local authorities in Romania need such programs in an attempt to decrease the gap in quality of life indicators that meet the standards accepted in the EU under the rural environment. We many times witness situations that can be defined as the inability of local authorities to access the needed funds for coherent development programs. The main difficulty in this approach is the lack of similar experiences in this regard. Centralized decision-making that worked before 1989 and limited decentralization attempts have led to the current low capacity of local or regional actors to (re)act. This situation has generated a certain kind of competition between authorities, but this often leads to an isolation process. Under these conditions, the relative poverty persists, the support being sought from higher level decision-making (state or county) under a policy of redistribution.

LAG-type initiatives and willingness to form partnerships are encouraging. Although it is likely that many of these efforts should fail, the experience becomes in this case important: it can form the basis of cooperation initiatives. The actors (public and private) can learn this way to identify available local resources to develop a form of competitive capital. At the same time, those involved in such projects can realize the importance of training partnerships between the administrative units at municipal level in an attempt to implement development plans, from which all parties will benefit.

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