



THE REGIONAL ENVIRONMENTAL CENTER
for Central and Eastern Europe



European Commission
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THE NARRATIVE DESCRIPTION OF THE PROJECT

SuDNet - Sustainable Development Network

Formulation of the new common strategy on local sustainable development (local Agenda 21) through networking and exchange of experience among NGOs and other stakeholders from different countries with emphasis on promotion and development of the "green entrepreneurship"

1. PROJECT STATEMENT

Project **"SuDNet - Sustainable Development Network"** is jointly run by the three NGOs: lead partner **EKO LIBURNIA**, Croatia (HR); **EKO-AGRO OHRID**, FYR Macedonia (MK); and **EKOPOT**, Bosnia-Herzegovina (BIH). SuDNet project is introducing new methodology of sustainable local development through promotion and development of environmentally & socially acceptable economic activities in at least three Project municipalities (one each by country) within three selected Project regions: (1) County Primorsko-Goranska, Croatia; (2) Southern Macedonia; and (3) Tuzla Canton, Bosnia-Herzegovina.

According to the Project partners' opinion, basic reasons to create and start this Project within selected regions are very much the same as the principal problems related to its brief implementation:

- **Concept of sustainable development is almost unknown within Project regions.**

The end of socialist period, as well as the transition to the new economic system, polarised Project regions in economical, social and environmental sense during the last decade. For example, quickly earned big profits of some new "successful businessmen" were made by sometimes unreasonable exploitation of the natural and cultural resources. Due to the war in ex-Yugoslavia, poor traffic communications and lack of appropriate domestic and foreign investments, Project regions avoided the first wave of the so-called "transition degradation" in 1990s. However, mostly due to the recent political and economic improvements, the second wave, involving better methodologies and bigger funds, is about to come in 2000s. Inhabitants and the decision-makers of the local municipalities are not too much aware of the sustainable development alternative, and therefore tend to trust to tempting promises of the big "overnight" profits. For that reason **SuDNet** project wishes to provide them with as many information on sustainable development paradigm as possible in order that they may bring future important development decisions in the best possible and democratic way.

- **Lack of knowledge on economic value of the clean environment.**

According to the surveys executed in all three Project regions, the inhabitants are often persuaded by the investors that environment protection is very restrictive for the development of their areas and communities. On the other hand, very rare they are aware of the market price of the clean and well-preserved environment. Through different activities the Project wants to

present and promote some active forms of protection (“green entrepreneurship”) which they may use in establishment of the the future identity (brand) of their area.

➤ **Weak public participation in development decisions.**

Population living outside the capital and principal cities is often unfamiliar with the competence and obligations of the state and the local government. For that reason small municipalities find it very difficult to assert their interests. They need a lot of time and money, and even when they have their own plans of development they often do not find understanding from the competent authorities. Hence, most development and business ideas are being implemented rather illegally. Even worse is the situation in the countryside of the three regions where partner NGOs work. Some local “grandees” act by their own will and implement their private ventures, which are very often totally opposite to the real interest of the inhabitants. Interests of capital are very often in conflict with the sustainable use of local resources and, moreover, even with the laws of the country. To avoid this kind of troubles the Project will introduce to the inhabitants of the pilot municipalities different democratic mechanisms (communication, information, transparent procedures, holistic approach, etc.) through launching of the local Agenda 21 processes, especially in view of the sustainable use of land and other resources.

Although the above mentioned problems are similar in all three **SuDNet** project regions, project partners have concluded that present situation in Primorsko-Goranska County (Croatia) is much more favourable comparing to the other two, mostly due to the past efforts and activities of various regional sustainable development stake-holders (NGOs, municipalities, private sector, scientific & technical institutions, County government). For example, in collaboration with the NGO VITRA Cerknica from Slovenia; business incubators PORIN Rijeka and PINS Skrad (Croatia); as well as with municipalities and private sector from both sides of the Slovenian-Croatian border on river Kupa/Kolpa, Eko Liburnia has developed its own regional sustainable development concept through formulation and implementation of the "Borderland is Boundless Land – Sustainable Development of the Countryside" project in a period from 1997-2003.

For that reason NGOs Eko-Agro Ohrid (MK) and Ekopot (BIH), being beginners in the field of sustainable development projects implementation, have invited Eko Liburnia to assist them in their capacity building and formulation of the new common strategy on regional sustainable development (local Agenda 21 processes) through formulation and implementation of the joint project, i.e. through networking and exchange of experience among Project partners and other regional and local stake-holders.

2. DETAILED PROJECT PLAN

2.1. Project goal

Principal goal of the Project is to develop common sustainable development concept to be implemented within three participating regions/countries through commencement of at least three Local Agenda 21 processes in selected pilot municipalities (one each by region/country).

2.2. Project objectives

Specific objectives of of the **SuDNet** project are as follows:

- To create awareness on sustainable development principles among Project regions' population, decision-makers and potential stake-holders through different promotion and training activities.

- To commence with the process of partnership and networking among NGOs and other sustainable development stake-holders from the three participating regions/countries (SuDNet), which should result in better understanding and further cooperation once the Project is terminated.
- To promote principles and techniques of environmentally & socially acceptable economic activities (ecotourism, organic food production, use of renewable energy sources, etc.) through selection, training and assistance to the existing and potential “green entrepreneurs” from three regions/countries.
- To formulate and promote national standards on eco-agritourism based on existing AIAB Italy standards. These standards have been already implemented through inspection & certification scheme and presently more than 200 certified eco-agritourisms operate in Italy. Standards are based on sustainable development concept and include obligatory and facultative requirements concerning: certified organic food and drinks; certified organic textiles and eco-furniture; use of renewable energy sources; hospitality; environmental education; sustainable use of natural and cultural heritage; etc. Eko Liburnia has signed Protocol of Cooperation with AIAB in 1997 and may use the standards without legal restrictions.

2.3. Project activities/timeframe

Project activities are divided into two Project phases and are as follows:

- Project coordination and administration (throughout the project life)

Phase I

- Preliminary activities (July-September 2004)
- 1st Project workshop (October 2004)
- 1st Project workshop follow-up activities (November 2004 – February 2005)
- 1st Project evaluation (March 2005)

Phase II

- 2nd Project workshop (April 2005)
- 2nd Project workshop follow-up activities (May – July 2005)
- 2nd Project evaluation (August 2005)
- 3rd Project workshop + final Project report presentation (September 2005)

Project starts with its activities on 1st July 2004 and terminates on 30th September 2005. Time schedule of envisaged Project phases and activities by months (1-15) is as follows:

| Activity | 2004 | | | | | | 2005 | | | | | | | | |
|----------------|---------|----|-----|----|----|----|----------|----|----|----|----|-----|-----|----|-----|
| | Phase I | | | | | | Phase II | | | | | | | | |
| | Jul | Au | Sep | Oc | No | De | Jan | Fe | Ma | Ap | Ma | Jun | Jul | Au | Sep |
| Coord & Adm | X | X | X | X | X | X | X | X | X | X | X | X | X | X | X |
| Preliminary | X | X | X | | | | | | | | | | | | |
| 1st Workshop | | | | X | | | | | | | | | | | |
| 1st Follow-up | | | | | X | X | X | X | | | | | | | |
| 1st Evaluation | | | | | | | | | X | | | | | | |
| 2nd Workshop | | | | | | | | | | X | | | | | |
| 2nd Follow-up | | | | | | | | | | | X | X | X | | |
| 2nd Evaluation | | | | | | | | | | | | | | X | |
| 3rd Workshop | | | | | | | | | | | | | | | X |

- Partners agreed that Eko Liburnia is the lead partner responsible for both **coordination & administration** of the whole Project, as well as for the Project activities taking place in Croatia. Eko-Agro Ohrid is responsible for activities in Macedonia, while Ekopot for Bosnia-Herzegovina. Project team (PT) is composed of six persons:

- Ranko Tadic, Eko Liburnia (LPP), Project + HR Coordinator (LPC)
- Sanja Gasparac, Eko Liburnia (LPP), Project + HR Administrator (LPA)
- Pance Nikolov, Eko-Agro Ohrid (PP1), MK Coordinator (PC1)
- Ljupco Ivanovski, Eko-Agro Ohrid (PP1), MK Administrator (PA1)
- Edina Busovaca, Ekopot (PP2), BIH Coordinator (PC2)
- Zlatan Saric, Ekopot (PP2), BIH Administrator (PA2)

For smooth implementation of the Project it is essential that all project partners are properly equipped (see Appendix E).

Preliminary activities (1-3) include:

- collection and analysis of necessary data on Project regions relevant to the topics of the 1st Workshop (LPP, PP1, PP2);
- final selection of 2-3 potential pilot municipalities per region/country depending on shown interest (LPP, PP1, PP2);
- selection of at least two persons per NGO who will be trained by the project – capacity building (LPP, PP1, PP2)
- promotion of the Project and its activities among local population, potential stakeholders and media (LPP, PP1, PP2);
- preparation of all presentations and working materials for the 1st Workshop (80% LPP, 10% PP1, 10% PP2)
- organization of the 1st Workshop (PP1)

- 1st Project Workshop** (4) will be held in Ohrid, MK in October 2004. It will last for three working days (two in the classroom and one in the field). The preliminary agenda of the Workshop is as follows:

| Session | Topic | Presenter |
|-------------------|--------------------------------------------------------------------------|-----------------------------------|
| Day 1 - morning | Opening | Mayor of Ohrid |
| | Presentation of the project | LPC |
| | Presentation of the project regions & pilot municipalities | LPA (HR) PC1 (MK) PA2 (BIH) |
| Day 1 - afternoon | Open floor discussion | Participants |
| | Principles of sustainable development | LPC |
| Day 2 - morning | Open floor discussion | Participants |
| | Ecotourism | LPC |
| | Organic food production | Consultant I |
| | Renewable energy sources | Consultant II |
| Day 2 - afternoon | Procedure of conducting of inquiry | LPA |
| | Open floor discussion | Participants |
| | Eco-agritourism – rules, standards & certification | LPC |
| Day 3 – morning | Open floor discussion – formulation of the eco-agritourism questionnaire | Participants |
| | Visit to the potential eco-tourist site(s) | Participants |
| Day 3 - afternoon | SWOT analysis of the visited site(s) | Participants |

Besides members of the Project team and consultants, participants of the Workshop will be representatives of stake-holders of the local Agenda 21 from Municipality of Ohrid (pilot) and other participants from Macedonia (local government, NGOs, private sector, scientific institutions, on-going projects).

- ✚ From November 2004 - February 2005 (5-8) each project partner will perform independently **1st Project workshop follow-up activities** within its region/country, consisting of:
 - Holding of two additional workshops per region/country which agenda is identical to the Ohrid one. Workshops will be held in national languages, partners will use their own staff and they will involve new stake-holders and potential beneficiaries. The purpose of this activity is: (i) to start with local Agenda 21 processes in all pilot municipalities in three regions/countries; and (ii) to train at least two persons per partner NGO in Project related activities (capacity building).
 - Performing of project inquiry using the questionnaire jointly developed by partners during the Ohrid workshop. Every partner must conduct the inquiry within its region/country in order to: (i) identify possible areas with potential for development of eco-agritourism; and (ii) identify and select existing and new "green entrepreneurs", i.e. future Project beneficiaries who will be assisted in preparation of their eco-business plans.

- ✚ During **1st Evaluation** in March 2005 (9) all workshops' results and filled-in questionnaires should be finalized and commented by the Project team in order to select Project beneficiaries. This activity represents the end of the Project Phase I.

- ✚ **2nd Project Workshop** will be organized by LPP and held in Rijeka, Croatia in April 2005 (10). It will last three days like the first one (two in the classroom and one in the field). This time members of the Project team and consultants from the business incubator PORIN Rijeka will train selected participants (3 per region/country) in business plan preparation techniques related to the Project selected "green entrepreneurship" activities (selection will be done according to the interest of beneficiaries shown in the Project inquiry). Under the term "green entrepreneurship" Project determines businesses which are complimentary to the sustainable development principles, i.e. they must be: (i) economically profitable, (ii) environmentally friendly, and (iii) socially just. Moreover, majority of these businesses is subjected to the regular inspection & certification by the competent and accredited independent organization. Each project partner should also prepare state-of-the-art report on possibilities of financing of "green businesses" in its country (banks, funds, donors, projects, etc.).

- ✚ From May - July 2005 (11-13) members of the Project team and Project trained business advisors (participants of Rijeka Workshop) will work independently in their region/country on **2nd Project workshop follow-up activities**. They consist of: (i) assistance to Project selected beneficiaries in "green businesses" plan preparation; and (ii) formulation of the local Agenda 21 processes in all selected pilot municipalities (3-8). All business plans must be finalized prior to the 2nd Evaluation.

- ✚ 2nd Evaluation in August 2005 (14) will be used to finish the final Project report containing: proceedings from two main workshops (Ohrid, Rijeka) and reports from the 2-6 national ones; Project developed agro-ecotourism standards; analysis of the Project inquiry on potential for eco-agritourism development; results of the Project initiated and formulated local Agenda 21 processes in all pilot municipalities; and summaries of the Project assisted business plans ("green entrepreneurs").

- Finally, the 3rd and the last Project Workshop will be held in Tuzla, BiH in September 2005 (15). It will be organized by PP2 and will last for two days. During Workshop all Project produced materials will be presented to the SuDNet stakeholders and the general public in forms of the CD-rom and Project web pages. All Project stake-holders and beneficiaries from three regions/countries would be invited to attend in order to: (i) secure financial and non-financial support for the selected Project beneficiaries; (ii) ensure continuation of the Project initiated/formulated local Agenda 21 processes in pilot municipalities; and (iii) formalize SuDNet network in order to ensure smooth follow-up of the Project activities.

2.4. Key stakeholders

During Start Up meeting in Tuzla in April 2004, and based on sustainable development principles, project partners have identified a number of stakeholders for each of the regions/countries involved in the Project. Key stakeholders include: private sector (consultants, potential beneficiaries), pilot municipalities (1-3 per region/country), regional government (HR, BiH), central government (MK), other NGOs, and scientific & technical institutions. Due to the shortage of time all potential stakeholders/SuDNet members were not contacted and/or selected and therefore they are not all listed in the Appendix B2. However, during implementation of the Project activities it is expected that many more will be identified and involved in order to create stable and reliable SuDNet which will be responsible for the follow-up of the Project after its termination in September 2005.

In Croatia Eko Liburnia has selected four stakeholders which will be actively involved in implementation of the Project activities as consultants, namely:

- Cooperative AgriBioCert Omisalj, accredited Croatian organic inspection and certification body, responsible for consultancy and training (1st Workshop) in the field of certified organic agriculture, eco-agritourism, organic wood & textile, etc. As founders of the AgriBioCert are Eko Liburnia, ICEA Italy (national organic certification body), CIBI Italy (regional organic inspection body) and DIO Greece (national organic inspection & certification body) Project may also offer to its beneficiaries ("green entrepreneurs") inspection & certification according to the EU Regulation 2092/91, NOP of USDA, JAS (Japan), BioSuisse and CAQ (Canada) under more favourable conditions.
- Energy Institute "Hrvoje Pozar" Zagreb, responsible for consultancy and training (1st Workshop) in the field of renewable energy sources use (wind, sun and biomass) and efficient use of energy.
- Business incubator PORIN Rijeka, responsible for consultancy and training (2nd Workshop) on business plan development and investigating of the entrepreneurial potential of the pilot areas. PORIN is official regional information point of the Croatian Ministry of Economy, and moreover, during 2004 it will become the official Development Agency of the Primorsko-Goranska County.
- Company Terra Magnifica Rijeka, responsible for consultancy on exporting of certified organic products to EU and USA markets (company has seven years of business experience in this field with organic products from all western Balkan countries).

Another important identified stakeholder is the Department of Economy of the County Primorsko-Goranska which will assist LPP in selection of the project beneficiaries and provide loans to some of the Project produced business plans through its regular credit schemes for SMEs and agriculture (in 2006).

Eko Liburnia has not yet identified 2-3 pilot municipalities in which it will implement activities on building of local Agenda 21 process. The plan is to select them according to the interest shown in the Project during preliminary phase (1st – 3rd Project months) which includes commitment to co-finance implementation of the Project. However, the plan is to include one municipality from Gorski Kotar area (representative of the mountainous karst area close to the National Park Risnjak), one municipality from the littoral (representative of the well-developed and densely populated area) and one municipality from the islands (representative of the well-preserved tourism area).

In Macedonia Eko-Agro Ohrid has identified one of the pilot areas (municipality of Ohrid) and 10 different stakeholders (listed in Appendix B2) including Ministry of Agriculture, GTZ Agro Promotion, other NGOs, scientific institutions, existing environment projects and couple of entrepreneurs. In Ohrid stakeholders are particularly interested in development of the ecotourism and eco-agritourism due to the existing environment protection projects for Lake Ohrid and National Park "Galicica" and a new project on establishment of eco-training centre Sveti Naum. During Start Up meeting it was decided that Eko-Agro Ohrid will also contact municipalities of Mavrovo (as representative of the agriculture/tourism mountainous area) and Gevgelija (as representative of the typical agricultural area) to be actively involved in the Project as pilot areas where PP1 will organize and implement Project activities following the 1st Workshop in Ohrid.

In Bosnia-Herzegovina Ekopot has identified two pilot areas (municipalities of Gradacac and Kladanj); three "big" stakeholders being cantonal (regional) Ministry of Agriculture, Chamber of Economy and Tourist Board; and one entrepreneur as the potential beneficiary (company Poljovet). In both Gradacac and Kladanj stakeholders are particularly interested in development of organic food production (well-known traditional plum growing area) and ecotourism based on existing spas (Banja Ilidza and Muska Voda). In these two municipalities PP1 will organize and implement all Project activities following the 1st Workshop in Ohrid.

Moreover, during Start Up meeting held in Tuzla Project team has met with Mr. Branko Margetic from Assembly of the Brcko District who expressed interest in the Project and offered to assist in extension of its activities from Tuzla Canton to his region with possibility of co-financing.

2.5. The target groups/beneficiaries

Principal Project target groups/beneficiaries by activity are:

| Activity | Target groups/beneficiaries |
|------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Coordination&Administration | # Project partners (capacity building) |
| Preliminary activities (1-3) | # Project partners (capacity building) # Pilot municipalities stakeholders (selection) # Regional stakeholders (relevant information collected) |
| 1st Workshop (4) | # Ohrid municipality stakeholders (training, LA21 start-up) # Regional stakeholders (eco-agritourism standards determined) |
| 1st Follow-up (5-8) | # Project partners (training, capacity building) # 2-7 pilot municipalities stakeholders (training, LA21 start-up) # Regional stakeholders (eco-agritourism potentials identified) |
| 1st Evaluation (9) | # Project partners (capacity building) # Project beneficiaries (selection) |
| 2nd Workshop (10) | # Project partners (training, capacity building) |
| 2nd Follow-up (11-13) | # Project beneficiaries (assistance, training) # 3-8 municipality stakeholders (LA21 process formulated) # Project partners (capacity building) |

| | |
|---------------------|----------------------------------------------------|
| 2nd Evaluation (14) | # Project beneficiaries (assistance provided) |
| | # Project partners (capacity building) |
| 3rd Workshop (15) | # SuDNet (all stakeholders) officially established |

2.6. Expected outputs and results

Expected outputs and results of the Project activities are as follows:

- At least three local Agenda 21 processes (one each per region/country) successfully started/formulated involving all stakeholders according to the sustainable development principles.
- Project developed standards on eco-agritourism formulated and presented to the relevant regional/national institutions of the three participating countries for official recognition and the follow-up.
- Number of the "green business" plans of Project assisted beneficiaries prepared for possible financing and presented during the 3rd Workshop in Tuzla.
- SuDNet established involving all stakeholders participating in the Project (including three initial Project partners) in order to ensure continuation of the Project initiated activities after its termination.
- Transfer of knowledge and experience from Eko Liburnia to Eko-Agro Ohrid and Ecopot successfully completed.

Expected impact and benefits of the Project would be overcoming of the development problems described in the Project statement, i.e. creation of the new Project statement:

- Concept of sustainable development well-known within the three Project regions.
- "Transition degradation" avoided due to the appropriate development decisions.
- Knowledge on economic value of the clean environment exists among local population.
- "Green entrepreneurship" activities successfully used in establishment of the new identity (brand) of the Project pilot areas.
- Active public participation in development decisions.
- Interests of the capital in synergy with the sustainable use of local resources and local population interest.

The above mentioned benefits are very much the same for each of the participating regions/countries taking into account that planned Project activities are identical in all of them. However, there is always a possibility that implementation of the Project will not be identically successful. Unfortunately, blue-print for successful projects, especially in the field of sustainable development, has not been invented yet.

The goal and objectives of the Project are easily measurable – therefore it will be rather simple to determine whether Project activities have achieved the objectives (number of local Agenda 21 processes started, number of "green business" plans produced, number of Project questionnaires filled-in, standards on eco-agritourism existing or not, NGOs personnel trained or not).

Qualitative and quantitative indicators to be used to measure the Project achievements in relation to the expected outcomes and results are as follows:

| Activity | Project achievements (per each region/country) | | | |
|------------------------------------------------------|------------------------------------------------|--------------|------------------------|---------------------------|
| | Poor | Satisfactory | Good | Excellent |
| LA 21 processes started/formulated | 0 | 1 | 2 | 3 |
| Regional/national eco-agritourism standards | Not existing | Developed | Potential investigated | Existing eco-agritourisms |
| Filled-in questionnaires | 0-10 | 11-30 | 31-50 | +50 |
| "Green business" plans | 1-5 | 6-10 | 11-15 | +15 |
| Trained members of the Project partners | 0 | 1 | 2 | 3 |
| Number of active SuDNet stakeholders | 0-3 | 4-6 | 7-10 | +10 |

Project products are as follows:

- Started/formulated local Agenda 21 processes in selected pilot municipalities (3-8)
- Regional/national eco-agritourism standards developed (1-3)
- Filled-in Project questionnaires to be used in determination of the pilot municipalities' potential for development of eco-agritourism (30-150)
- "Green business" plans of the Project beneficiaries prepared for financing (15-45)
- Trained members of the Project partners excluding coordinators and consultants (3-9)
- Project CD-rom to be used as a tool for development of similar projects
- Project web pages

Throughout Project life all information related to the Project activities will be disseminated through the press conferences. In September 2005 all information will be disseminated through Project CR-rom and web pages.

3. FOLLOW-UP

From the very title of the Project it is clear that follow-up is envisaged. The principal reason for establishment of SuDNet, comprising all Project stakeholders from three regions/countries, is to ensure, as better as possible, follow-up of the Project initiated activities. Success and sustainability of this Project should be measured by the qualitative and quantitative indicators of the follow-up activities comprising of:

- Continuation of Project initiated local Agenda 21 processes and starting of the new ones within the Project regions.
- Continuation of the assistance to the "green entrepreneurs" identified by the Project during difficult stage of transformation of the business plan into successful business operation.
- Identification of the new "green entrepreneurs" by the trained Project partners and providing assistance to them.
- Inspection and certification of the "green entrepreneurs".

The Project team is of the opinion that results of the SuDNet project, providing that Project is successful in achievement of its goal and objectives would influence many other partners/ stakeholders to start with similar joint projects. Good luck to all of them!