



SLOVAK UNIVERSITY OF AGRICULTURE NITRA
**FACULTY OF EU STUDIES AND REGIONAL
DEVELOPMENT**



Case Study

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Theme:

***“Leader Axis in Slovakia – strategies and institutions,
the case study of Local Action Group Levoca”***

Coordinator:

prof. JUDr. Anna Bandlerová, PhD.

Main Facilitator:

Ing. Jela Tvrdoňová, PhD.

Field Facilitator:

Ing. Barbora Milotová, PhD.

Prepared by:

Festus Kongyu Ali

Lan Laing

Abel Nyoni

Thaneshwar Bhandari

Jose Arroyo Martin

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Acronyms

APA	Agriculture Paying Agency
CPK	Centrum prv—ho kontaktu (Centre of the First Contact)
EC	European Commission
EU	European Union
EU-CAP	European Union Common Agricultural Policy
LAG	Local Action Group
LDS	Local development strategy
MAS LEV o.z.	Miestna ak≠n↔ skupina LEV (Local Action Group LEV)
NGO	Non-government Organization
SMART	Specific, measurable, achievable, reliable and time bound
SR	Slovak Republic
SWOT	Strength, Weakness, Opportunity and Threat

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1. Introduction

A case study is one of the requirements for all students admitted to the Erasmus Mundus International Masters in Rural development programme implemented by a consortium of 7 universities including the Slovakia University of Agriculture (SUA). The theme for the case study this year is centered on, "Leader Axis in Slovakia – strategies and institutions, the case study". After receiving preliminary lectures of the European Union Common Agricultural Policy (EU-CAP) and how the process is implemented in Slovakia, students were split into three groups and dispatched to different localities in Slovakia to do an ex-ante evaluation on the various implementation strategies of some selected Local Action Groups (LAGs), with the guide of facilitators. Our group comprised Lan Laing, Thaneshwar Bhandari, Abel Nyoni, Jose Arroyo Mart'in and Festus Ali. Barbora Milotova was the facilitator and our area of work covered the region of Levoča. This case study was done with MAS LEV o.z translated as Local Action Group LEV.

The major objective of the case study was to carry out survey and discuss with MAS LEV o. z. on their readiness to implement the LEADER approach to rural development in two main aspects; the readiness of institutional background of the LAG and the quality of integrated strategy of rural development. This involved the collecting data through discussions with members and management of the LAG, reviewing documents of the LAG and analysis of the local development strategy elaborated by the action group based on the regulations of managing authority of Ministry of Agriculture (MoA) of SR and its implementing body Agricultural Paying Agency (APA) and in line with the Leader Approach. More precisely, the SWOT analysis on LEADER approach of MAS LEV o. z and problem analysis were detailly scrutinised. Also, an appraisal of the link between the measures, specific objectives and strategic objectives was done. This led to the evaluation of how the activities tie with the specific objectives and measures in the action plan of the group. Our findings are supported by conclusions reached after discussing with some key stakeholders and an external partner LAG from the Czech Republic. In addition, visit of different locations of the territory of the LAG served as a transect walk, to ascertain the resource potential of the area.

Globally, the team found out that inspite difficulties involved in the process and strict regulations of MA even though the approach was new, a great job was done in elaborating the strategy, using the bottom-up approach. There exist to a large extend, a clear link between justification, action plan, specific objectives and strategic objective for the LAG. Furthermore, the structure of

the LAG can assure the realisation of the strategy especially if the plan to recruit more staff to strengthen the current staff power is done. However, the team also found out that the strategy was not integrative enough, since the strategy was based only on rural tourism. We thus recommend that MA should give to a large extent, a free hand to the LAG in determining their priorities and elaborating their strategies based on their needs and in line with the LEADER approach prescription.

2. Objective of the study

1. To examine the local development strategy intervention logic and develop judgments on the correctness of the intervention regarding the situation in the area
2. To assess and judge the quality of partnership- local action group and their institutional and administrative capacity to carry out the process of the strategy implementation

3. Methodology of the study

In order to realize our objectives, we proceeded by collecting primary data, consulting secondary information provided by the LAG and field observation. Primary information was gathered through a semi structured questionnaire and checklist provided by the university, discussion with leaders of the LAG and micro-region as well as some key stakeholders in Levoca. Secondary information was obtained from all necessary documents kept by the LAG officials. Field observation was undertaken through a series of visits to historical sites and some villages.

4. General description of the area situation

4.1. General Data's of Levoca District

Levoca is a district in the region of Petrov and situated in the north-eastern part of Slovakia (49 ° 01'30 "N 20 ° 35'30" E). A major part of the territory is a mountain zone with different attitudes ranging from 300 and 900 meters above sea level, and it has a surface area of 327,91 km². The district has a population of 31.017 habitants which distributed into 31 municipalities with 29 being rural municipalities and 2 are urban (Levoča, Spišské Podhradie).

4.2. The use of the land, forest and water resources

Fifty nine percent (59%) of the total surface area are used for agricultural purposes (31.2% pasture, 27% cropland and 1.1% in gardens and kitchen gardens), 33.9% use forest purposes,

while the remaining 7.1% is used for diverse construction (Statistical office of Slovak Republic, 2007).

Most of forest production in the territory is cultivated, water resources is an important endowment of the region. The region harbours many important mineral springs such as the village of Baldovce (with a production of about 50 thousand bottles a year) and the thermals of Lucka's village.

4.3. Population and municipalities

4.3.1. Demographic information

The region has a population of 31.017 habitants (87,07% Slovak,11,20% Roma, and 0,64% Czech). Like we can see in the table below the number of population does not change significantly the last years, so we can see that this region does not have problems of emigration.

Table 1: Natural development of the number of population

	DISTRICT					
	2001	2002	2003	2004	2005	2006
Population	31.113	31.150	31.138	31.197	31.235	31.086

Source: Statistical office of Slovak Republic, 2007

4.3.2. Structure of population by education

The educational level of the population is one of the prime factors in achieving development territory. The rural municipalities with the highest level of education are: Review, Uloža and Torysky, where between 35-45% of the people has the basic education, while in municipalities such as: Studenci, Domaňovciach, Granč - Petrovce and Lucka, only between 5-12% of the population have the level of basic education.

4.3.3. Services and infrastructure

In health and educational infrastructure, the territory has a total of 20 primary schools, 16 medical centres with teams of professional's ambulance and 5 pharmacies. Regarding the state of the roads, there are long stretches along the territory with precarious status or even needing urgent attention. One of the most remarkable of these is the absence of a highway passing through the territory. This is vital to improve the economic development through the use of both the industry, and the benefits from the tourism sector.

4.4. Description of economic resources

The business sector in Levoca is notable for the absence of big companies (more than 20 employees) in the primary and secondary sector, placing Levoca as one of the less productive districts in Slovakia. Of the 228 companies registered in the territory 97.4% are small and medium enterprises (1 - 20 employees), which denotes low levels of foreign investment in the territory, and therefore causing some of the population to travel to work daily in other districts. The last reason is the unemployment rate has gone down the last years, how we can see in the table 2 below.

Table 2: Unemployment rate

	DISTRICT						
	2001	2002	2003	2004	2005	2006	2007
Unemployment rate	24,69	22,96	19,49	17,12	17,06	15,76	13,48

Source: Statistical office of Slovak Republic, 2007

In the primary sector, the productive activity is mainly focused on livestock (milk and eggs in particular), agriculture (grains, forage, potatoes, etc..) And forestry (both in forest exploitation, as in conservation)

The secondary sector is represented by some construction companies, carpentry, mechanics, bakers and many others. Also, there is a significant proportion of small traders supplied by a number of workshops aimed at the production of souvenirs, candles, ceramics, classes, fragrant oils, wood products, etc.

The tertiary sector is represented by a number of small businesses that provide services primarily to retail, brokerage and personalized service. The activities are: mainly management, vehicle sales, internet services, consulting and financial accounting, electricity, gas work, painting, etc.

Table 3: Economic Sectors

	Economic Sectors			
Sector	primary sector	secondary sector	tertiary sector	Together
N° of business	53	38	132	228
%	23,4%	16,6%	57,8%	100%

Source: Statistical Office of Slovak Republic, 2007

In the tertiary sector, and in general, within the economic system of the district, the economic resources reveal that the greatest economic potential for the region reside tourism. The rich natural and cultural resources (historical patrimony, traditions, local products, etc.), provide excellent conditions to practice winter and summer sports. In the same light, the infrastructure (and atmosphere) to relax makes Levoca a perfect place to develop tourism activities.

Statistics from 2006 data indicate that Levoca was visited by 15.100 tourists, with 31.265 of them staying the night there (having a capacity of 1.590 beds). With this new initiative of LAG LEV they intend to improve quantitatively and qualitatively, such that the capacity to receive tourists and benefit from the sector would create more employment for the local population. This way, tourism will serve as a tool to resolve the unemployment problems in the region.

5. Interlinks Between SWOT, Development Priorities and Strategic Framework

The SWOT analysis was prepared through a participatory bottom-up approach involving all stakeholders (i.e. public, private and civil society), which is in line with the requirements of the Leader approach. The whole process started at the grassroots level (villages) where, through village workshops, community members were actively involved in the identification of the strengths, weaknesses, opportunities and threats of their own municipalities and cumulatively these were aggregated to come up with the SWOT for the whole region. Information from existing strategy documents for the municipalities was also used to augment the SWOT analysis process. The whole SWOT analysis process focused in four major sectors namely: tourism; material, natural and cultural resources; human; and economical resources.

Following SWOT analysis the communities, in a participatory way, identified four major priority problems which were used to come up with the local development strategy for the region. Problem analysis involved a series of village meetings for all stakeholders as well as meetings of expert working groups (i.e. working groups of public sector-Mayors, business sector, NGOs and civil society). During these meetings participants listed the major problems in the region which

were then clustered into groups according to similarities. The pair wise matrix was used to compare the problems and identify which of them were cross cutting and if implemented could help develop the whole area given the limited financial resources. The four major problem areas identified through this process include:

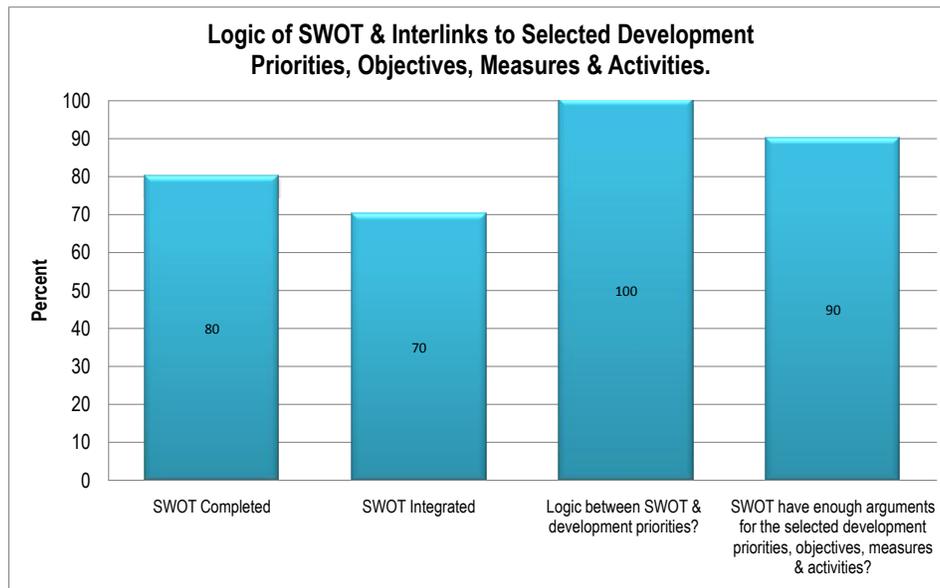
1. Insufficiently developed rural tourism and the system for its support;
2. Absence of job opportunities and high unemployment level;
3. Insignificant cooperation and partnership of various actors, low participation of citizens and lack of public interest and;
4. Low level of civic infrastructure and missing basic services for rural population.

Basing on the snapshot analysis of the general situation of the region, the group observed that the SWOT is really broad and reflects the situation on the ground though not comprehensive as it is still lacking in some sectors with the exception of tourism. It puts much emphasis on tourism development thereby giving little attention to other potential sectors like agriculture and other non-agricultural activities such as secondary and tertiary economic activities. Furthermore, the SWOT does not provide much information on issues such as mobility of tourist in the region, social networks (inter-linkages between various organizations working in the area) and the general situation of basic social services in the region. Consequently, it is not fully integrated and does not give a full picture of the whole territory with respect to other economic activities apart from tourism. However, it was noted that the whole analysis focused on problem areas that qualify for support from Leader Axis as stipulated in the APA regulations. Additionally, the state and other actors working in the area have already put much emphasis in other focus areas such as provision of basic social services. As such, the members thought of developing the tourism potential of the region which has been neglected by other actors for some time now.

As shown by figure 1 below, in terms of completion and integration of the SWOT, average scores of 4 (80%) and 3.5 (70%) were given, respectively, on a five point scale mainly due to the reason that it is not fully inclusive for all the sectors except for tourism as already pointed out above. However, a score of 5 (100%) was given to show a clear logical link between SWOT and development priorities because all the identified priorities emanated from the major problems highlighted in the SWOT and problem analysis hence clearly reflect the needs of the communities at large. Additionally, as previously mentioned, the development priorities were conclusively selected by all the communities and stakeholders through the ranking process to determine which of the identified problems were cross cutting.

All the selected activities, measures, specific objectives and development priorities are fully backed by the SWOT as they were all formulated basing on the identified problem areas which emanated from the SWOT. However, the activities listed under priority 4 were insufficient to meaningfully help in achieving the ambitious objective of improving the quality of life for the rural population and accordingly, an average score of 4.5 (90%) was awarded.

Figure 1 : Logic of SWOT & Interlinks to Selected Development Priorities, Objectives, Measures & Activities

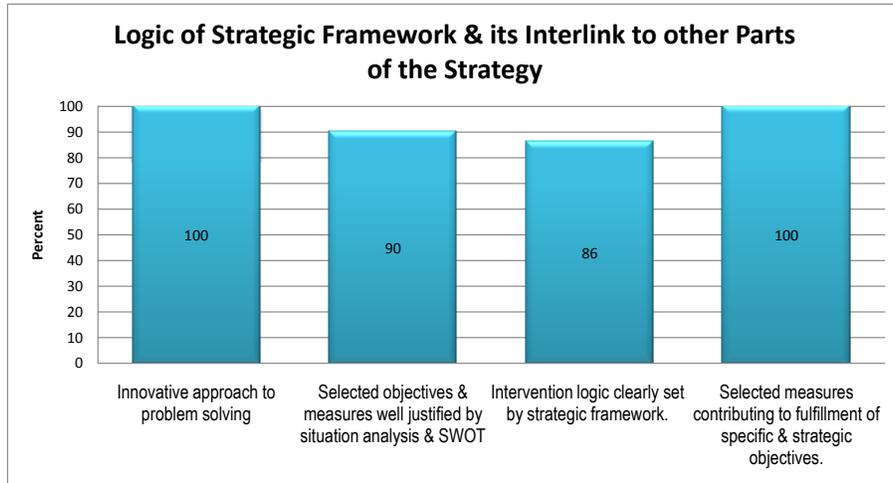


As already highlighted above, the whole process of SWOT and problem analysis was participatory involving all stakeholders. As such, a score of 5 (100%) was given to reflect the innovative approach undertaken to identify and propose solutions to problems existing in the area. However, the team did not have enough information about economic, social, environmental & political situation of the region to have a conclusive picture of the actual situation on the ground despite that the selected objectives and measures were well justified by the SWOT. As a result a score of 4.5 (90%) was given.

In terms of the clearness of the intervention logic in the strategic framework (refer to annex 1), an average score of 4.3 (86%) was awarded because the tourism activities listed under priority 2 were not enough to meaningfully contribute to the achievement of specific objective 2 which the team thought is too broad. On the other hand, the selected measures were very clear giving confidence that if implemented they would contribute to the fulfilment of the specific and

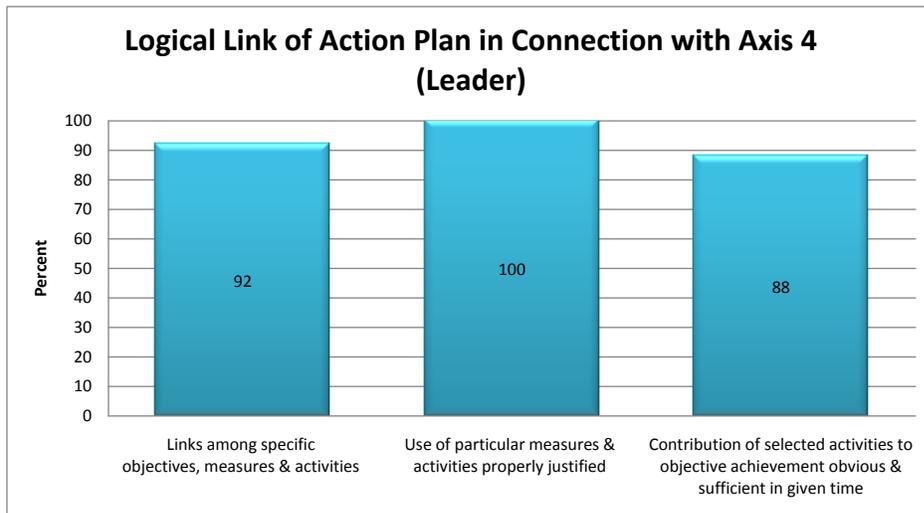
strategic objectives. Consequently, a score of 5 (100%) was given to reflect that the measures are well selected though the activities listed under it are not enough.

Figure 2 : Logic of Strategic Framework & Its interlink to other parts of the strategy



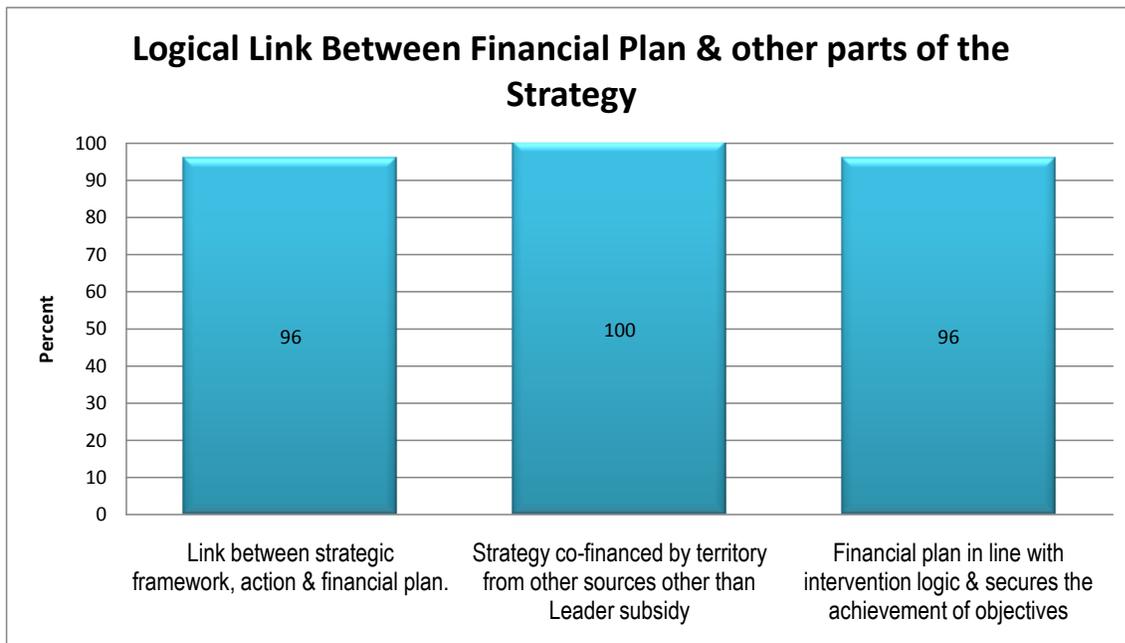
An average score of 4.6 (92%) was given to reflect the link among specific objectives, measures and activities because the activities listed under specific objective 4 stress on the development of technical and social infrastructure in the tourism sector while the specific objective is broad and ambitious as it focuses on improving the quality of life through provision of basic services in general. On the other hand, a clear link was established between measures and activities in the strategic framework and a score of 5 (100%) was given. The team observed that the listed activities under specific objectives 2 and 4 were not sufficient to attain them as such if not complemented with other programs/projects outside the LAG the selected activities are not enough to achieve the objectives within the remaining period even if all of them are implemented. Correspondingly, a score of 4.4 (88%) was awarded. However, the LAG chairperson pointed out that the projects under the LAG will just complement the efforts being undertaken by the state and other actors who are already working in the area of providing basic services to the rural population (priority 4). Furthermore, it was noted that APA remains a major confounding factor in the implementation of LAG activities within the given time and consequently achievement of objectives. Its preparedness and ability to execute its activities in time will determine the pace at which LAGs will carry out their activities.

Figure 3: Logical Link of Action Plan in Connection with Axis 4 (Leader)



As shown by figure 4 below, a score of 4.8 (96%) was given to show the clear link between strategic framework, action & financial plan as evidenced by the fact that the budget was prepared in line with the identified measures. However, the group was not sure if the funds allocated to each measure are enough to achieve it as it was not possible to establish the costs/prices of goods and services on the market in relation to funds allocated to each measure. In terms of co-financing, the financial plan indicates that other partners will provide 50% of the funds for projects under two measures in the tourism sector as a result, a score of 5 (100%) was given. On the other hand, a score of 4.8 (98%) was awarded to show the link between final plan and intervention logic.

Figure 4: Logical Link between Financial Plan & other parts of the Strategy



Consequently, the team concluded that the SWOT is generally broad but detailed only for the tourism sector with little information for other economic activities mainly because the LAG wanted to focus on areas that qualify for funding under the Leader Axis as stipulated in APA regulations. The team also observed some minor misplacements of items for instance items under strengths and weaknesses were listed under opportunities and threats, respectively (refer to annex 2). Furthermore, the team proposed the inclusion and removal of some items which were thought to be important or irrelevant under the various sectors in the SWOT.

6. Quality and Capacity of LAG and their Institutional and Administrative Readiness

This part presents the readers the quality and capacity of the selected MAS LEV o.z. and their institutional and administrative readiness to conduct the process of the strategy implementation by looking at the evaluation of the assessment of strategy implementation, Venn diagram analysis on relevant stakeholders and matrix of relationship between members in executive committee.

6.1 Evaluation of the Assessment of Strategy Implementation

The evaluation of the assessment of strategy implementation is done by group all group members by giving mark. The mark for the assessment ranks from 1 to 5 which 1 represents the minimum and 5 represents the maximum. The group members made the assessment base on the information from the interview with LAG's members and also available documents from LAG and facilitated by resource person.

6.1.1 Organizational Structure of LAG

For the organizational structure of LAG, the group observed that 49.30 percent of all members are from public sector, 50.70 percent from private sector and civic sector. It equally composes by representatives of public, private and civic sector. Thus, the group gives the mark 5 because it fully fulfils the regulation of 50:50.

The members come from different 29 municipalities in the region. They represent different social groups for instance from private, public and civic sector. Therefore, the partnership reflects balanced geographical and social representations but not fully reflects a balanced in gender representative because the group found that there are only 42 percent of total members are women. So there are some differences between man and woman's partnership of different municipalities.

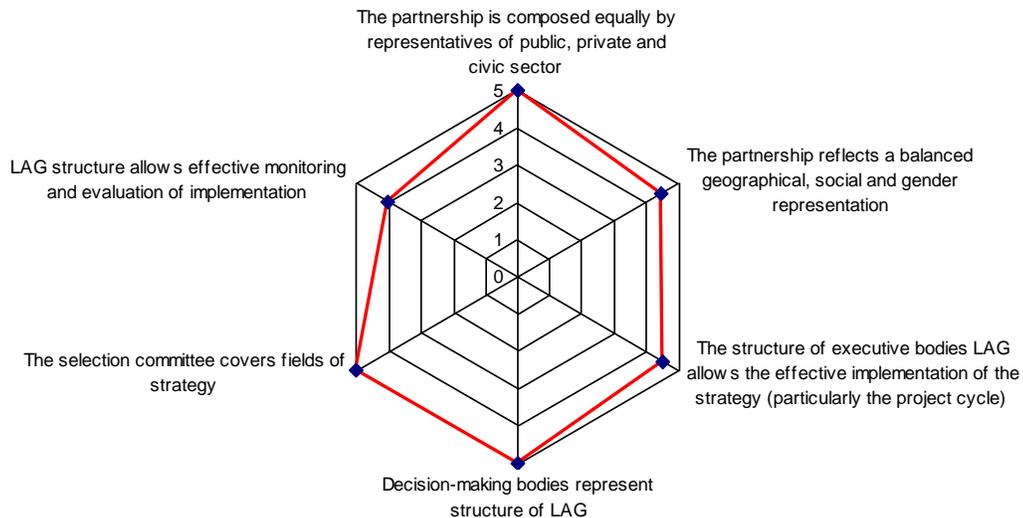
All committees and General Assembly are composed of members from different sectors: public, private and civic sector. Thus, it reflects that the decision making bodies pretty represent structure of LAG.

As in the status on the role and responsibility of selection committee, it is clearly defined that the member of this committee is not fix. The number and background of selection committee is depending on the number and type of submitted proposal. It means that if submitted proposal related to construction the selection committee must be those who have experience and knowledge in construction. And those members should represent different sectors. Therefore, the selection committee covers fields of strategy.

According to the organizational structure of this LAG, the monitoring committee is a working group of executive committee. Its role and responsibility are well defined moreover its members

also represent different sectors: public, private, and civic. However, the monitoring committee could perform better if it included members from outside the LAG (refer to figure 5).

Figure 5: Organizational Structure of LAG



6.1.2 Management

According to the organizational structure and status on role and responsibility of each body, the decision making authority between LAG and management are effectively divided. However, we do not know how they will take the decision when the LAG start to work

The management has sufficient human capacity for realization of the strategy because the key staffs in this management body have very good experience in rural development with CPK, they have learnt a lot of experience from others LAGs in other countries, they are graduated from University and have joined many training courses.

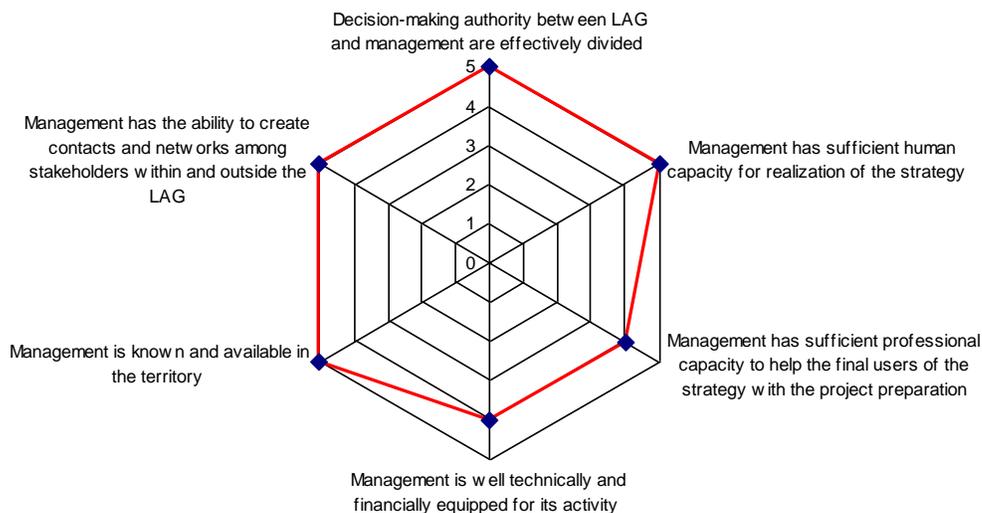
With the professional experience with CPK in project preparation and educational background, the management has sufficient professional capacity to help the final users of the strategy with the project preparation. However, those people are need to be trained more to ensure they can help final user.

The management is well technically and financially equipped for its activity because a part from the finance from EU they also have finance source from its member fee and municipalities. Moreover, the office of LAG is in the office of CPK so it does not require much expense. However, those finance sources are still not enough for the operation.

Through the meeting, workshop with the member and also through mayors and activists in each village, the management is known and available in the territory.

As stated previously, the initiators for this LAG are those people who work with CPK so they have a lot of networks with NGO, private stakeholders, and public stakeholders. Moreover, they also have networks with other stakeholders in other countries. Thus, the team found that the management has the ability to create contacts and networks among stakeholders within and outside the LAG (refer to figure 6).

Figure 6: Management



6.1.3 Deciding about strategy/ projects and monitoring and evaluation

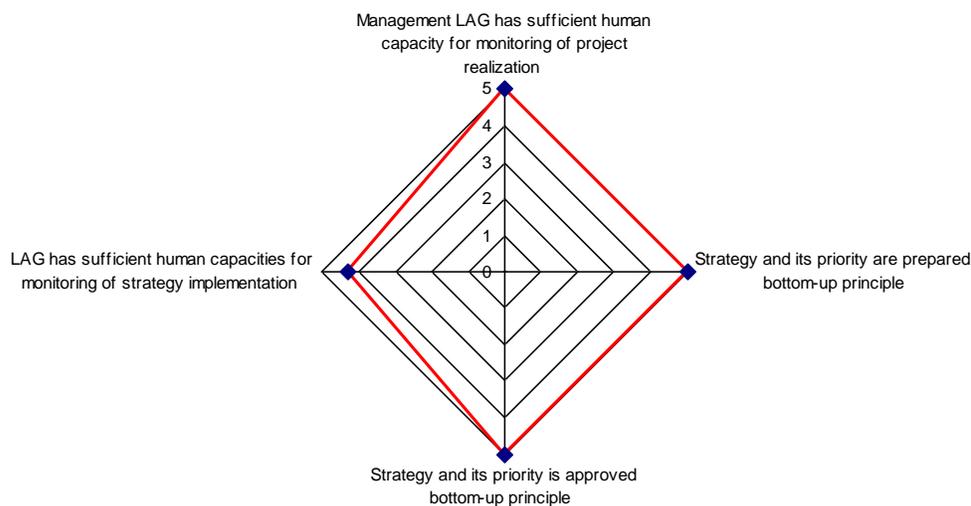
Regarding to the decision about strategy and selected priorities, the team found that 29 meetings were organized in 29 villages with people in the village in order to identify problems and also analyze SWOT of the territory. During those meetings, key priority problems and strategies were identified by local people with the facilitation of CPK staffs. Moreover, many workshops with different stakeholders including private, public and civic sectors were organized

in order to finalize selected problems and proposed strategies. This process pretty clear shows that the strategy and its priority are prepared and approved bottom-up principle.

As already mentioned above, the monitoring committee comprises of members from different sectors and different background and experience. Within this structure LAG has sufficient human capacities for monitoring of strategy implementation however they need to include people from outside in order to ensure effectiveness and efficiency and in case the members do have any background or experience related to submitted proposal. Moreover, they also need to be trained for the whole strategy implementation.

Management LAG has sufficient human capacity for monitoring of project realization because there are enough staffs for monitoring. Additionally, people in the management have very good professional experience in project preparing and implementation with CPK, they are well trained and graduated from University (refer to figure 7).

Figure 7: Decision about strategy/project and monitoring and evaluation



6.1.4. Assignment of strategy/projects implementation

LAG has right in proposing budget for the project, has right in allocating budget for each measure and activity. They have right in managing finance from member's fee however the finance from EU for supporting to beneficiaries LAG does not have right. In this case, APA plays an important role to manage this money.

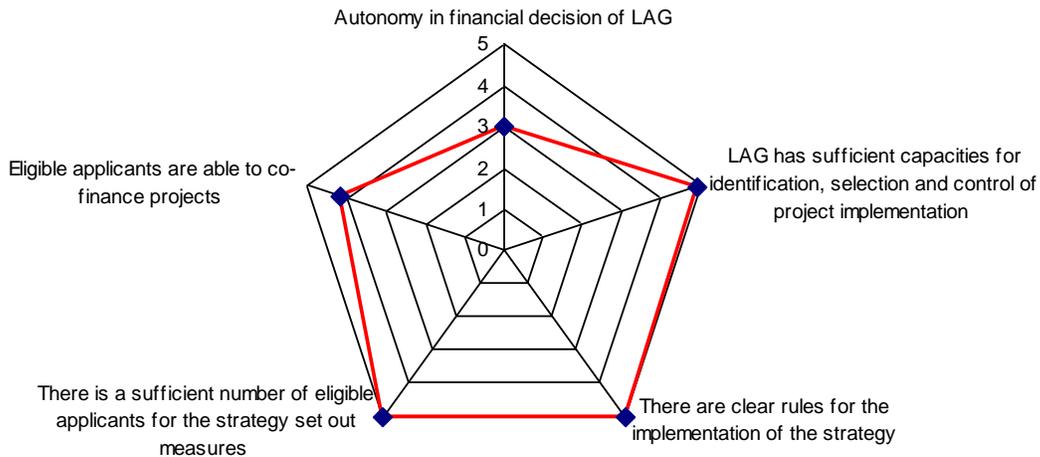
As seen above, LAG members have professional experience in rural development with CPK, have joined much training, and have different experiences and background. Therefore, LAG has sufficient capacities for identification, selection and control of project implementation however those people need additional training and exposure for the effective implementation.

Rules are clear for the implementation of the strategies. The APA has given clear guidelines for the implementation of the activities.

There is a sufficient number of eligible applicants for the strategy set out measures because the beneficiaries are already identified during SWOT analysis and strategies formulation with the beneficiaries.

The amount of money for co-finance is already determined. Also, Chair person is confident about the capacity of beneficiaries to co-finance because the co-finance amount is not huge and they can access to loan from bank. Because this is the ex-ante project evaluation, the team believes that the beneficiaries will be able to co-finance to the project (refer to figure 8).

Figure 8: Assessment of strategy/project implementation



6.2 Matrix of relationship between members in executive committee

The matrix of relationship presents the readers the relationship between members in the executive committee. The sign (+) shows the positive relationship while (0) shows the neutral relationship. Base on the finding, the team observed that there is no negative relationship between those members on the other hand one member has no relationship with other members. However, we could not conclude that she has negative relationship with other because the projects of LAG are not yet start (refer to annex 3).

6.3 Venn diagram of stakeholders

During the exercise, the team came up with a list of all LAG stakeholders with the help of the chairperson and from this list a Venn diagram was prepared. The Venn diagram helped to establish or show the relationships between different stakeholders in the region. Three different sizes of circles were used to reflect the relative power or influence of the stakeholders in the decision making process of the LAG and the distance between the circles shows the working relationships or connections between them. The closer the circles the more the working relationships and vice versa. The colours in the Venn diagram are used to distinguish three different sectors vis-à-vis public (green), private (blue) and civil society (yellow). The larger circles (regardless of colour) show more influence and the influence decreases with the decrease in the size of the circle. The stakeholders placed in the inner circle, such as Andrea

Hradiská (CPK) and Peter Pitoňák (mayor of Granč Petrovce) have more influence on the daily decision making of the LAG followed by stakeholders in the outer larger purple circle and then those outside (refer to annex 4).

7. Clarifications by LAG Management on General Issues

Development of integrated local development strategies: During field consultation of MAS LEV's document and stakeholder's response, MAS Lev o.z.'s strategy is explicitly focused achieving the integrated rural development programme in the Levoca region. As per government policy, all measures under Rural Development can be implemented through Leader axis. However, the axis three only focus on the part of Rural development through non-agricultural diversification. The process of SWOT analysis, problem and priorities setting show that the local and most important people are involved in problem identification and respective priority setting. LAG's document exactly reflects the situation of the local area, they have a baseline, well developed targeting the specific objective, and programme indicators are developed in per SMART (specific, measurable, achievable, reliable and time bound) principle. However, as stated earlier, objective indicators on 'measuring quality of life of the rural population' under priority four are not defined properly that entails further clarification and specification of the measures and activities is important.

Financial Plan: MAS LEV o.z. will contribute EUR 208668.34 as per 50% co-finance policy under priority 2 to achieve the planned measures 'Diversification into non-agricultural activities' and 'Support of activities in the field of rural tourism.' Total budget plan for measures of the axis 3 is estimated EUR 2,141981,13 out of that public demand is EUR 2,086684,00. In addition to this financial plan, Agriculture Paying Agency have own financial plan of EUR 265000,00 to implement cooperation plan of the measures 4.2. As per statute, members each month collect membership fee which also supports to project activities.

Membership determination: Currently LAG has 67 members representing from different sectors: 5 members from agriculture and forestry, 9 members from tourism business, 1 from private sector (bakery), 21 from non-profit organization and activists, rest 33 members represent public sector (2 schools 31 Mayors). Regarding gender perspective, 28 members represent women and rest are male. In addition, at least 4 members represent from younger people (born after 1980). For membership of LAG, CPK and APA facilitated by advertising on news, local television channels, organise workshop. In addition to this, CPK sent the questionnaire two

times in the territories. Based on the criteria and interest of the people, LAG management call for the interested members and determined their membership. As per MAS LEV z.o. statute, general assembly approved their membership on the basis of public and private representation (50/50%). The article VI statute (see in detail statute in annex 6) is the main legal document for membership identification.

Participation decision making: Each members of MAS LEV o.z. has contributed time to develop a local strategy. In addition, MAS LEV o.z. has sufficient support, guidance and information about the territories but not sufficient resources for investment to address the most important needs and opportunities of the local communities without APA's¹ support. As per statute, MAS LEV o.z is the autonomous association. However, in terms of number action plan and subsequently in budget approval, their decisions are embedded to APA's rule and regulation.

Quality of SWOT Analysis: By organising 29 workshops in the Levoca territory, LAG did SWOT analysis integrating tourism sector and it's related resource/assets (material, natural, cultural, human and economical) of the Levoca district before developing local strategy. The SWOT analysis of social status of Levoca points out among the strengths the significant leisure and tourism potentials of rural countryside, availability of cultural and historic sites, availability of professional and special interest associations and availability of unattached workforce. The SWOT describes very much detail on potentiality tourism sectors, among the weaknesses, young adults having started to move to larger urban agglomerations, limited services to the tourism services, territory unemployment rate and environmental situation. May be due to generalization of facts for the whole territory, it does not give detail information about women, agriculture, forestry, tourist mobility, industrial and micro/macro enterprise sector/situation of the region.

Coherent of LAG Area: By direct observation of the region, interaction with the stakeholders, the team analysed that leader axis 3 endorsed by MAS LEV o. z. and approved by APA is highly coherent in terms of geographically feasible, economically viable and socially acceptable sector. Moreover, the environmental issue is not reflected in the development priority distinctly.

¹ Currently, Agriculture Paying Agency (APA) implements programs and support schemes in the agricultural, food, forestry and fisheries field as well as in the rural development on the Slovak Republic territory by providing financial resources from the Slovak Republic state budget and from the EU funds in compliance with the legislation in force by course of law n° 543/2007 Coll. On the activity of the state administration authorities in providing support in the agriculture and rural development with effect from the 1.1.2008. The accordance of the accreditation for the support provision from the EU funds was realised in compliance with the Commission regulation (EC) n° 1663/1995 of the 16.10.2006 by course of the Commission regulation (EC) n° 885/2006. Control Section of APA takes care of financial control services for other operational divisions of APA, LAG and Others (See more detail on <http://www.apa.sk/en/index.php?navID=1&id=38>).

Although, administrative sector is also concrete in this moment, but wait to see how voluntary vs paid service as well as public vs private sector maintain fair administration, keep institution alive, follow statute and accomplish number of projects.

Process of draft strategy formulation: During the process of preparing draft local strategy, the CPK (Centre of the first contract) communicated every organisation in the region to spread information about LAG intent and leader axis for all inhabitants after that some active people in villages were identified. After that the village meetings of various stakeholders (See in fig 9), were organised with expert working groups – of public sector (mayors), of businessmen in tourism, of other businesses, of NGOs and of civil sector.



Figure 9: Workshop organized for developing strategy

Each person was asked to write three problems and then all problems were clustered as per similarities. Key problem were identified by pair-wise ranking matrix. After that, as per hierarchy of priority problem, strategic objective and specific objectives, measures and activities were set up. Village mayors, representative from tourism association, village activists, school teachers and CPK played a key role in developing the strategy for MAS LEV o.z. The general assembly approved the draft local development strategy (LDS), and managing authority submitted it to the Agriculture paying Agency. APA when considered the MAS LEV o.z., the most of LAG member are familiar with LDS via meeting, workshop, telephone and informal sharing. At this moment, CPK is partly publishing LDS via its internet web: www.cpk.sk/levoca/leader. When APA approved the LDS, the MAS LEV o.z. has signed partnership contracts with 2 LAGs (one from Poland (Stary Sacz) and other from Czech Republic (R|ma[ovsko o.p.s)) where the LAG manager, Chairman and some managing board members made visits, got LAG implementation experience and building networks. Not only experience of nearest LAG partners of Poland and Czech but also of networking tools of European Union (<http://leaderplus.ec.europa.eu>, LAG management is getting information. Although leader plus is applied in Czech republic, but not in Slovakia, but some of the tools like partner search, good practices and monitoring indicators database are important tools for MAS LEV o.z which they are consulting partly.

Autonomous in decision making: In terms of decision making autonomy, general assembly has a supreme authority in LAG structure (See detail Article VII: Authorities Association and 7.1 Scope of general assembly). To decide and approval of internal rules and regulations, and direct for governance of the LAG by the statutes of two-thirds majority vote of members present at the General Assembly. However, as per leader approach, MAS LEV o.z. has not sufficient freedom of implement effective and efficient procedure but facilitate to project implementation team and APA to decide the amount of finance to the selected project and activities. As per APA's financial decision, general assembly approves the final bill and final programme.

Selection process of suppliers/ contractors: The answer on does the LAG have rules and procedures requiring competitive selection of suppliers and contractors- LAG selection team when after finalizing project and then after approval from APA, Jointly Managing Authority and APA advertise tender for the identified programmes following Slovak government rule.

Monitoring of Process in LAG: The monitoring committee in MAS LEV o.z. is obliged to visit projects on the spot to check financial records and project completion performance assessment. Now the monitoring committee has no action plan because of delaying on final paper from Ministry of Agriculture and finalise project in the territories.

Control and review of programme: The MAS LEV o.z. does not approve any new project proposal beyond the four strategic priorities of the territory. For that purpose, monitoring committee semiannually and review (control) committee once in a year check on how the implemented projects support specific objective. The Project manager reports outputs and results of MAS LEV o.z. annually along with all kind of data to the monitoring committee so that it helps monitoring committee to check the reliability of the progress.

8. Conclusion

This ex-ante evaluation of the MAS LEV o.z was accomplished in 10 days between 10th – 20 August 2009. The study was concentrated to determine the level of institutional and administrative capacity, to assess the integrated strategy for territorial development and its logical framework and partnership build up between the LAG members as per Leader Axis 4 programme of Slovak government.

The members of the MAS LEV o. z. accomplished SWOT of the whole region which mainly focus four sectors namely: tourism; material, natural and cultural resources; human; and

economical resources. The team evaluated SWOT in terms of score for completeness: 4 (80%), integration 3.5 (70%), its logical linkage with development priorities 5 (100%) and have its arguments for the selected priorities, objectives, measures and activities. Consequently, the team concluded that the SWOT is detailed only for the tourism sector with little information for other economic activities. In addition, the team also observed some minor misplacement of items for instance items under strengths and weaknesses were listed under opportunities and threats, respectively and preferred to update.

The study found out the average score of above 86% about the clearness of the intervention logic and strategic framework. In a similar way, the average score for logical link of Action Plan in connection with Axis 4 (Leader) and logical link between financial plan & other parts of the Strategy were highly satisfactory (above 96%). The MAS LEV o. z. have developed four strategic intervention of the Levoca territory, out of that without additional planned measures and activities with linkage to other programs, the specific objectives under priority 4 may not be fully achieve. Moreover, the study could not found sufficient action plans for partnership and coordination build up in the territory.

The study on Venn diagram shows that General Assembly, executive body and some partners in the Executive body are the main decision body in the territory level. In the upper level, EU, APA and Ministry of Agriculture have great influence on decision making. Moreover, as per civil statute, MAS LEV o.z. has sufficient independence in financial decision, but in practice, the Agriculture Paying Agency (APA) is only full and final decision making agency for programme approval, execution of the rural development programme and financial decision. Also, the preparedness of APA and MoA may affect the implementation of the LAG's strategies and activities.

The organizational structure of LAG, the group observed that 51,56 percent of all members are from public sector, 48,44 percent from private sector and civic sector. It almost fulfils the regulation of 50:50 from public and private sector. Also all committees and General Assembly composts of its member from different sector: public, private and civic sector. Thus, it reflects that the decision making bodies pretty represent structure of LAG in spite of geographical representation. Also, the selection committee and monitoring committee are created as per structure but their work is not started.

The study found out that the initiators for this LAG, worked with CPK and other area, have sufficient experience and networks with most of the stakeholders. The study on partnership and conflict analysis shows that there is standard level of relationship among all executive members. The structure, institutional & administrative capacity of LAG promises successful implementation & monitoring of the proposed integrated development strategy in the Levoca district.

Considering all pros and cons of the MAS LEV o. z. plane is ready for take off the Leader axis programme in Levoca territory.

9. Recommendations for MAS-LEV

After consulting all the documents of the LAG, discussing with its officials and some stakeholders as well as talking with a partner LAG from the Czech Republic; MAS LEV o.z. has considerably advanced in getting set to implementing the integrated local development strategy that has been elaborated. Our assessment notwithstanding, revealed that some points need to be addressed or critically considered, in order to ensure greater success during implementation of projects.

9.1. Organizational structure

The geographical representation of partners should be more balanced in order to avoid polarisation of projects within the LAG. Also, the structure of the executive bodies in the implementation of the strategy would require that the members receive more training in the domain of rural tourism. This will enable better mastery of the project cycle management. In the same light, the structure of the LAG responsible for monitoring and evaluation should comprise external persons who can also be trained to perform the task. There is also need to integrate program committee into executive body. It would also be good if all the committees need to be constituted in such a way that would avoid conflict of interest & ensure transparency in decision making. The general assemble should develop mechanism on election of members into all committees to ensure geographical balance.

9.2. Management

Despite that fact that the LAG management has sufficient professional capacity to help the final users of the strategy with the project, it would be helpful and beneficial to have continuous

capacity building in different aspects of strategy and project management. Also, enhanced capacities on aspects of fund raising and advocacy may be of great help to management.

9.3. Deciding about Strategy or Project

Even though the strategy and priorities were prepared bottom up, it was observed that due to the restriction and focus only on axis three, rural tourism, the strategy was not integrative enough. In consequence, not all the needs of the locality of the LAG were taken into consideration. For subsequent strategies, it would be better to remove restrictions that would undermine greater integration of the strategy on the part of the Ministry of Agriculture.

9.4. Assignment of strategy/projects implementation

The LAG has sufficient independence in financial decision from papers. However, in practice, we realized that the Agriculture Paying Agency (APA) still has not divulged the full financial independence to the LAG. For greater transparency and control, it would be appropriate for the LAGs to have full and complete independence in financial decision. If APA is not confident on LAG's ability to handle some financial issues, then training could be provided to handle the weakness.

9.5. Monitoring and Evaluation

From every indication, the LAG has sufficient human capacity to monitor strategy and project realisation. However, those who will have the task of monitoring at the project level should sufficiently be trained and properly motivated so that they would do a good job.

It is also highly recommended that the LAG and Micro region should define their roles in integrated development in order to avoid any conflict that may arise in the future and foster synergy in activities. We would also like to suggest that to achieve better quality of life of rural population in priority 4, there is a need to plan additional measures and activities

In conclusion, the ministry of Agriculture and the APA should speed up activities at their level to enable the effective start-up of the respective LAG activities so that the population should not be de-motivated and discouraged, seeing the high expectation that they have in the strategy.

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Annex

Annex 1. Logic of SWOT & interlinks to selected development priorities, objectives, measures & activities.

Item	Average score on 5 point scale (1=worst & 5=best)	Remarks
1. Logic of SWOT & interlinks to selected development priorities, objectives, measures & activities.		
Is the SWOT completed?	4	SWOT is broad & reflects the situation on the ground though not comprehensive as it is still lacking in some areas.
Is the SWOT integrated?	3.5	Not fully integrated & does not give full picture of whole territory because: <ul style="list-style-type: none"> • It puts much emphasis on tourism development with little attention on other potential sectors like agriculture and other non-agricultural activities such as secondary & tertiary economic activities. • Does not provide much information on issues such as mobility of tourist in the region, social networks and the general situation of basic social services.
Is there logic between SWOT & development priorities?	5	Identified priorities clearly reflect the problems identified by the communities and stakeholders through the pair wise ranking process.
Does the SWOT have enough arguments for the selected development priorities, objectives, measures & activities?	4.5	The SWOT does reflect the selected development priorities, objectives, measures & activities however there is room for improvement especially including more measures & activities that will help in attaining basic quality of life.
2. Logic of Strategic Framework & its interlink to other parts of the strategy		
Innovative approach to problem solving.	5	SWOT = used participatory bottom-up approach i.e. 29 villages workshops.

		<p>Problem analysis = consultative approach involving Mayors, representatives of public, private & civil society.</p> <p>Pair wise ranking was used to select the key priorities.</p>
Selected objectives & measures are well justified by situation analysis & SWOT.	4.5	Not enough information about economic, social, environmental & political situation of the region to have a conclusive picture of the actual situation on the ground however the selected objectives & measures clearly reflect the priorities identified in SWOT analysis especially for rural tourism.
Intervention logic is clearly set by strategic framework.	4.3	There is logical link but specific objective 2 is too ambitious given the little activities under it especially considering that most activities are in the tourism sector.
Selected measures contributing to fulfillment of specific & consequently strategic objectives.	5	Selected measures will contribute to the fulfillment of specific objectives but there is need to include more measures & activities that will help in attaining basic quality of life.

Annex 2. Logical link of Action Plan in connection with Axis 4 (Leader)

Item	Average score on 5 point scale (1=worst & 5=best)	Remarks
1. Logical link of action plan in connection with Axis 4 (Leader)		
Links among specific objectives-measures & activities	4.6	Specific objective 4: the measures & activities put emphasis on development of technical & social infrastructure & does not fully cover other main basic services to meaningfully achieve improved quality of life
Use of particular measures &	5	Clear link between measures & activities

activities is properly justified		
Contribution of selected activities to objective achievement is obvious & sufficient in given time.	4.4	-Objectives too ambitious but activities not sufficient. -Despite delays in starting projects, LAG is confident that all activities can be implemented within the remaining time but APA is a major confounding factor.
2. Logical link between financial plan & other parts of the strategy		
Clear link between strategic framework, action & financial plan.	4.8	Clear correlation since budget is prepared in line with the 6 identified measures however not clear of whether the funds are enough to achieve a particular measure because information on activity costing is lacking.
Strategy co-financed by territory from other sources other than Leader subsidy.	5	50% co-finance for 2 measures in tourism by other partners.
Financial plan elaborated in line with intervention logic & secures the achievement of objectives (money, activities & measures are contributing to achievement of objectives).	4.8	Same as first comment.
3. Methodological links between Strategy & analysis		
Document have enough information to judge the correctness of selected strategic objectives & priorities, specific objectives, measures & activities	4.5	SWOT does not provide enough information on other economic activities apart from tourism.
SWOT gives sufficient justification for selected specific objectives & measures.	4.5	
Problem analysis explaining enough information about selected priorities	5	Clear
Selected measures & eligible activities reflect identified key problems.	4.9	

Annex 3. Matrix of relationship between members in executive committee

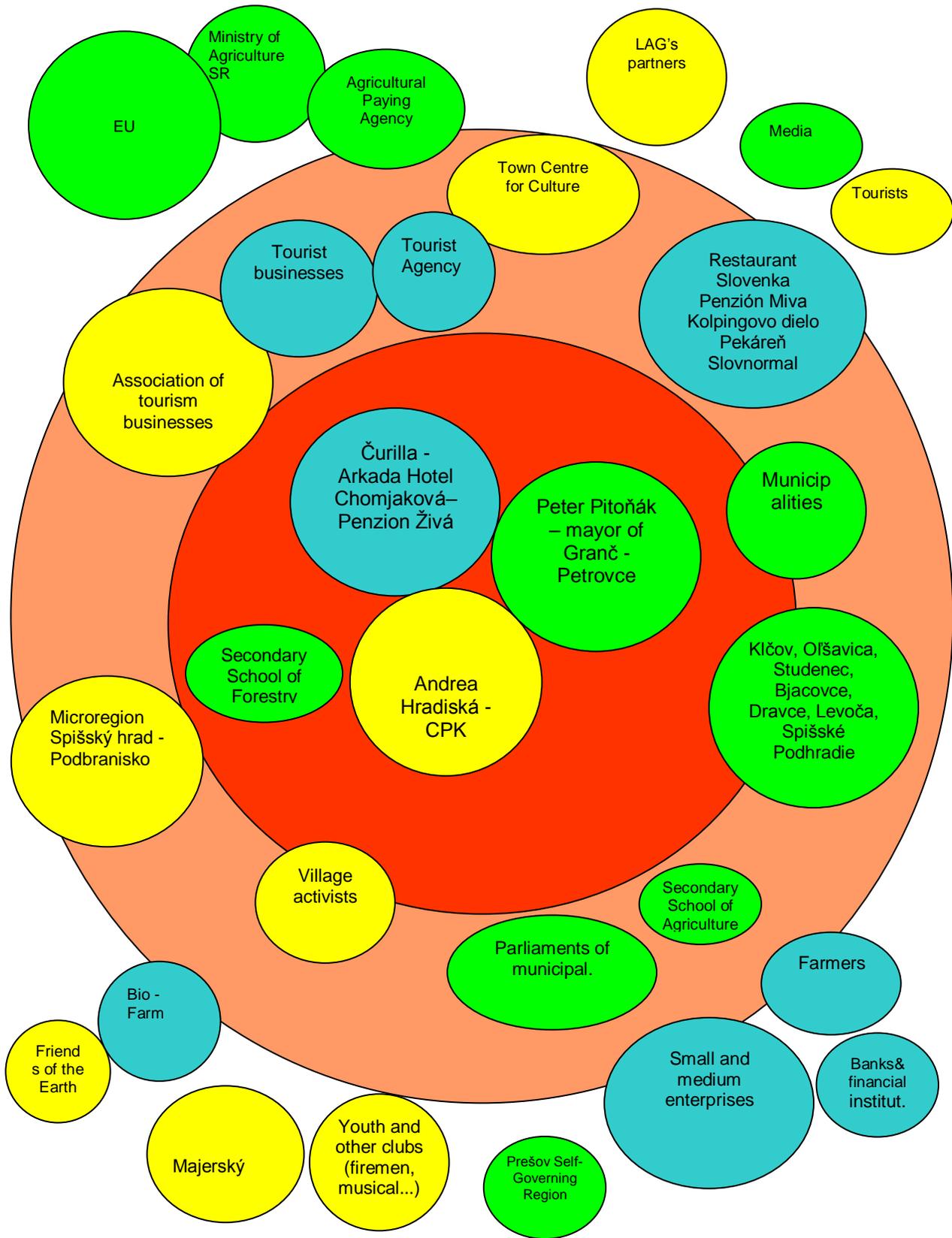
	Peter Pitoňák (1)	Jozef Molčan (2)	Ing. Ladislav Maturkanič (3)	Miroslav Čurilla (4)	Ing. Monika Fabiánová (5)	Iveta Chomjaková (6)	Ing. Andrea Hradiská (7)
Peter Pitoňák (1)							
Jozef Molčan (2)	+++						
Ing. Ladislav Maturkanič (3)	++	++					
Miroslav Čurilla (4)	++	+++	+++				
Ing. Monika Fabiánová (5)	++	++	0	0			
Iveta Chomjaková (6)	0	0	0	0	0		
Ing. Andrea Hradiská (7)	+++	+++	++	+++	+	+	

Note:

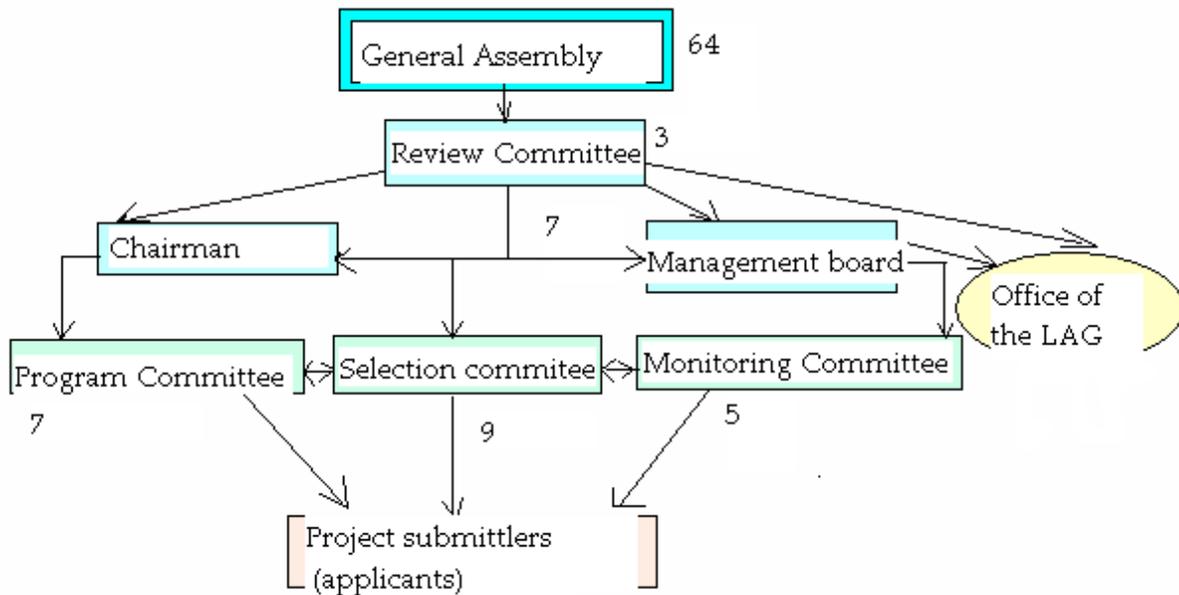
+++ : High level of partnership
 ++ : Medium level of partnership
 + : Minimum level of partnership
 0 : Neutral level of partnership

(1) Peter Pitoňák is a vice president of LAG Levoca and also Mayor
 (2) Jozef Molčan is a Mayor
 (3) Ing. Ladislav Maturkanič is a principle of secondary school of forestry
 (4) Miroslav Čurilla is a owner of hotel Akarda
 (5) Ing. Monika Fabiánová is an activist
 (6) Iveta Chomjaková is a Penzium provider
 (7) Ing. Andrea Hradiská is a president of CPK and also president of LAG Levoca

Annex 4. Venn diagram of stakeholders



Annex 5. Organizational structure of LAG Levoca



Annex 6 : Statute Civil Association MAS LEV, o.z.

Preamble

In assuming responsibility for the development of the territory in which we live, they decided to representatives of municipalities, businesses, civic initiatives and experts to create a local action group LEV. We want to follow best practices in the European Union, for the efficient use of endogenous resources of the region, respecting and strengthening of regional specificities in order to achieve sustainable development. Create a good social and economic conditions for inhabitants of rural region Levoca district.

Article I. FORM ASSOCIATION

- 1.1 Civic Association MAS LEV, o.z. was established in accordance with the provisions of Law No. 83/1990 Coll. the Association of Citizens, as amended.
- 1.2 Local Action Group is a civil association, which includes a voluntary community, natural and legal persons and non-profit organization in nature.
- 1.3 Civic Association MAS LEV, o.z. has the status of legal person, acting in legal relations in its own name and bears the responsibility of the relations arising.
- 1.4 Civic Association MAS LEV, o.z. shall not be liable for its members or their agents.

Article II. NAME OF ASSOCIATION

- 2.1 Civic Association MAS lion, oz, under which it is registered.

Article III. OFFICE ADDRESS

3.1 The headquarters of the Civil Association MAS lion, oz, Náměstí Master Paul 28, 054 01 Levoca.

Article IV.SCOPE OF PROFESSION

4.1 Scope of the Civil Association MAS lion oz is set primarily in the area of the region - the formal definition, limited by its administrative boundaries of the territory of the district with the exception of the village Levoca Vyšný Slavkov and Spišská Hrhov.

Article V.OBJECTIVE ASSOCIATION REGION

5.1 MAS LEV, o.z. initiative is the Working Group and provided to the establishment of pilot integrated strategies for the use of endogenous resources for tourism development region Levoca district, his many-sided development when implementing this strategy in the life of the region.

5.2 MAS LEV, o.z. together citizens, representatives of governments, civil society, economic operators, schools, professional bodies, the design departments seeking the following common objectives:

- Ensure the implementation of the common integrated
- Ensure the update of an integrated strategy for the next period, MAS lion oz Page 1 of 12
- Managing the social and economic development of the region
- Create conditions for the fullest cooperation in the reconstruction and development of the region
- Promote the rehabilitation of rural land
- Ensure effective use of resources, the region
- Ensure sustainable development
- Find additional resources for financing activities

5.3 Civic Association MAS LEV, o.z. It is also the initiator, as well as the managing authority, which in the context of individual projects carried out activities consistent with the fundamental provisions of the statutes in order to encourage and promote innovation and the implementation of planned investments in the local strategy, the creation of original strategies, development of the rural region, encouraging and supporting its actors at the local level for the purpose of realizing the potential of the territory of the region in the long term.

5.4 In order to achieve the goals set out in Section 5.2 performs Civil MAS lion oz the following tasks:

- a) financial and staff provides for the implementation of regional strategy development and implementation of individual projects under the regional development strategy
- b) provides any fixed administrative activities related to income, choice and control of projects submitted by applicants from the region to participate in programs
- c) ensures the selection of projects that have been filled with the strategic objectives derived development strategy of the region
- d) shall ensure the development plan for participation in the program
- e) provides for cooperation in public institutions, non-profit entities, businesses, and the involvement of local people in decision-making processes
- f) provides contact between applicants and professional projects
- g) provides consultation issues with applicants
- h) plans to ensure harmonization with the requirements of the state administration and local government
- i) provides other related activities resulting from organizational rules and instructions of the Ministry for the provision of subsidies from the state budget for the individual programs

- j) draw up a design strategy for the development of the region
- k) shall ensure the development of individual projects and cooperation in producing
- l) initiate the creation of structures and networks that facilitate transfer of information and ensure sustainable development in the region
- m) activates itself to the integration of civic associations in the European structures and networks.

Article VI: MEMBERSHIP AND PARTNERSHIP

6.1 Membership in civic associations MAS LEV o.z. is voluntary.

6.2 Members of the Civil Association MAS LEV, o.z. may become the basis of a written application to the local government representative, a natural person (citizen above 18 years), a natural person (entrepreneur), legal person or a non-profit organization of which he is established in the territories under Art. IV, paragraph 4.1 and meets the conditions of the statutes.

The organizational structure is the condition of the LEADER approach that members were representatives of the private and non-profit sector in the region with at least 50% of all votes and representatives of key public sector with 50% of all the crucial votes.

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6.3 Membership in civic associations MAS lion oz General Assembly decision arises Civil associations MAS lion oz on the adoption of a new member of a two-thirds majority of members present at the General Assembly. Current condition of membership is the payment of membership fees, if the decision of the General Assembly set to the deadline.

6.4 Member of the Civil Association MAS LEV, o.z. has the right:

a / to participate actively in activities of the civic association MAS LEV oz

b / to participate in the deliberations the Civil Association MAS lion oz

c / submit proposals and suggestions to the activity of the Civil Association MAS lion oz and authorities

d / require information on the activities and management of the Civil Association MAS lion oz

e / General Assembly to propose the appointment and removal of statutory representatives and Members of the bodies referred to in Art. VI

f / to be elected to the Civil Association MAS lion oz

g / participate in events organized by civic associations MAS lion oz

h / evaluate the work of the MAS LEV, o.z. and its members, or require clarification and correction

6.5 Members of the Civil Association MAS lion oz are required:

a / their activities contribute to the development and implementation strategies if the region reconstruction

b / rural and regional development

c / follow statutes and jointly agreed procedures

d / observe the General Assembly adopted resolution

e / in their capacity to implement, or ensure that the tasks set out General Assembly or to provide the necessary assistance

f / fee to pay, and allowance related to co-own

g / projects in accordance with the criteria adopted by the GA calls MAS LEV, O. z.

6.6 Membership in civic associations, MAS LEV, O. z. lapse:

a / and written notice of resignation from a member of the Civil Association MAS LEV, O. z.

b / exclusion of a member of the Civil Association MAS LEV, O. z.

c / death of the member - a natural person

d / disappearance of a member - legal person

e / abolition of the Civil Association MAS LEV, O. z.

6.7 Member of the Civil Association MAS LEV, O. z. may be expelled for gross violation of Articles of the Civil Association MAS LEV, O. laws, or if its activity is not in accordance with the interests and activities of civil associations MAS LEV, O. z. and infringement and violations of legislation in connection with the civic association MAS LEV, O. z. The exclusion of a member of the General Assembly decided thirds majority vote of members present at the General Assembly.

6.8 In the framework of the cooperation partner of the Civil Association MAS LEV, O. z. may become a domestic or foreign entity, whose activities contribute to achieving the goals in Article V.

6.9 Partnership with civil association LAG LEV, O. z. conclusion arises partnership agreement, approved by the General Assembly of the Civil Association MAS LEV, O. z. two-thirds majority of members present at the General Assembly.

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6.10 Members of MAS LEV, o.. Z are listed in Annex 1

Article VII :Authorities Association

Authorities Association are:

7.1 General Assembly - the highest authority

7.2 Statutory authority - President

7.3 The Governing Board - Executive Agency

7.4 Monitoring Committee

7.5 Audit committee

7.6 Program Committee

7.7 Selection Committee

The staff associations are:

9.1 Manager

9.2 The Accounting Officer

9.3 Project team

9.4 Administrative staff

7.1 General Assembly

7.1.1 The General Assembly is the supreme body of the civic association MAS LEV, O. z. and it consists of all its members. Ordinary General Assembly is convened twice a year to ensure the President of written invitations for 10 days in advance. The Extraordinary General Assembly shall be convened on a proposal from the committee, or shall be convened if so requested by at least 30% of all members. Extraordinary General Meeting shall be governed by the Rules of Procedure of Annual General Meeting.

7.1.2 The scope of the General Assembly include:

a/ approval of the Civil Association MAS LEV, O. z. and their amendments

b / approval of the General Assembly Rules of Procedure

c / approve the selection of projects, including the extent of their funding over 3 million limit. Sk

e / discuss and approve the annual report on the management and activities of MAS over the past year, including the review, approval of the budget and plan activities for the next period.

f / decision on the acceptance and exclusion of members of the Civil Association MAS LEV, O. z.

g / decision on the termination of the Civil Association MAS LEV, O. z., mergers with other associations, civil association, a decision on the voluntary dissolution of a decision on how liquidation of its assets.

h / further decisions, which are set by law or by statute, or which substantially relate to the activities of civil associations MAS LEV, O. z, if so decided by the General Assembly with the exception of decisions, which are the responsibility of the Governing Council

i / decision on the appointment, the appeal and pay the members of the Governing Council a two thirds majority of votes present

j / decision on the appointment, revocation and Monitoring Committee members' remuneration and audit committee two-thirds majority of votes present

k / decision on the appointment, Chairman of the appeal and pay the association a two-thirds majority of votes present

l / decision on the appointment, the appeal and pay the programming committee and members of the Commission present a two-thirds majority of votes.

m / deciding on the amount of membership fees and contributions associated with co-individual, as well as joint projects on a partnership basis,

n / approve the criteria for selection of individual projects and partnership projects, statutes MAS lion oz Page 4 of 12

o / decide on the number of members in decision-making bodies of MAS, which is always odd

p / approving the Strategy and its updates.

7.1.3 Each member association has to 1 of the General Assembly shall have the casting vote, unless it is in the statutes of the Civil Association MAS LEV o. z. otherwise indicated.

7.1.4 of the General Assembly the President, respectively. in his absence, a designated member of the Civil Association MAS LEV o. z.

7.1.5 General Assembly decisions are, if there is at least 1 / 3 of all members of the association.

7.1.6 In case the General Assembly is drawn up the registration which, in addition to the date, venue and attendance list must contain information about the General Assembly, the decisions taken, indicating the outcome of the vote on individual items on the agenda and the opposition parties and the final resolution.

7.1.7 General Assembly resolution is adopted, it shall take the majority of the members present with the exception of decisions for which it is prescribed by the statutes of two-thirds majority vote of members present at the General Assembly.

7.2 Statutory representative - Chairman

7.2.1 Civic Association MAS LEV o. z. one statutory representative - the President, who is elected by the General Assembly two-thirds majority of members present

7.2.2 The President of the Association is also the Chairman of the Board of Directors, which convened and managed by its meetings and also a member of the Program Committee, as it is created. Statutory representative held a sign outside and associations alone. Signed contract is submitted to the PPA projects (ŽoNFP) recommended a pre-approved by MAS LEV, O. z. to draw funds from the Rural Development Program and other documents which are intended for RO and PPA.

7.2.3 Vice-selects from the elected members of the Management Board Chairman of. Vice Chairman is a member of the Committee, as it is created.

7.3 Management Board

7.3.1 The Management Board is the executive body of the association and in close cooperation and coordination with the chairman of the Civil Association MAS LEV, O. z. decide on the most important operational and policy issues in line with the objectives and activities of the association and approved selection of applicants, including the extent of their funding to a limit of 3 million. Eur.

7.3.2 The Management Board shall have a minimum of 7 members appointed by the General Assembly on the basis of two-thirds majority vote of members present at the General Assembly. When the membership must be adhered to the condition of the LEADER approach, which reflects the conditions of Council Regulation (EC). 1698/2005 and the Implementing Regulation (EC). 1974/2006, t. j. Governing Council members must represent the ratio of private sector representatives, including civil and non-profit sector with a

minimum of 50% of all votes and representatives of key public sector with 50% of all the crucial votes.

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7.3.3 The Management Board shall meet at least once every three months. President of the Association is also the chairman of the Governing Council is obliged to convene within 10 days of the meeting the Governing Council, if requested at least three members of the Board of Directors.

7.3.4 The Management Board shall decide on the crucial issues of development associations and monitor fulfillment of its duties. Pending proposals and implementation of cooperation agreements and projects and other activities:

- direct the association in the period between meetings of the highest authority;
- convene and prepare the content and negotiate the highest authority is preparing the basic materials for these negotiations;
- responsible for developing and implementing strategies;
- pre-approved selection committee recommended projects for funding from the MAS RDP;
- establishing an office for security administration tasks and associations;
- appointed and dismissed by the manager of MAS, MAS accountant.

7.3.5 A more detailed regulation of the Governing Council may adjust the internal regulation, approved by the General Assembly.

7.3.6 Remuneration for members of the Board may be prepared in an internal regulation, approved by the GA MAS LEV, O. z.

7.4 Monitoring Committee

7.4.1 The Monitoring Committee is the authority to control the association has at least 5 members appointed by the General Assembly on the basis of two-thirds majority vote of members present at the General Assembly. Representation of members of the public sector in the monitoring committee may be a maximum of 50% of the total membership of the Monitoring Committee, min. 50% of the total number of members of the committee must represent the agents profit, non-profit and civic sector.

7.4.2 Among its members will elect the President, who direct the Monitoring Committee and convene at least once every 6 month and the meetings have to be invited representatives of the Management Authority (RO), the Agricultural Payment Agency (PPA) and the National Network for Rural Development (NSRV).

7.4.3 The President of the Monitoring Committee is required to attend Executive Committee meeting with the advisory votes.

7.4.4 Monitoring Committee members must be a member of the Board of Directors, or the selection panel.

7.4.5 Members of the Monitoring Committee shall operate (a permanent, or temporary residence, office or operation) in the MAS, but need not be members of the MAS.

7.4.6 Monitoring Committee:

- a) Oversee the implementation of supported projects,
- b) Focusing on assessment and monitoring of the implementation of projects under the strategy
- c) Prepare and draw up reports on the implementation strategy
- d) Prepare and draw up reports on the monitoring of the annual period to be submitted to the managing authority (RO) and the Agricultural Paying Agency (PPA) Statutes MAS lion oz Page 6 of 12
- e) Monitoring the course material and financial performance of projects for the annual period of
- f) Carry out an evaluation of each call.

- 7.4.7 Order of the Monitoring Committee shall be valid if they voted for its adoption by the majority of the members present.
- 7.4.8 Remuneration for members of the Monitoring Committee may be adjusted in an internal regulation approved by ORD MAS LEV, o.z.

7.5 Audit committee

- 7.5.1 Review Commission is the regulatory body, which performs the following actions:
- a) Consult the documents and records relating to the activities of LAGs,
 - b) MAS management control, management of the property of MAS,
 - c) Check compliance with the statutes and internal regulations,
 - d) Draws attention to deficiencies, proposes measures to remove them, and setting time limits their elimination
- 7.5.2 audit committee has at least 3 members appointed by the General Assembly on the basis of two-thirds majority vote of members present at the General Assembly. Representation of members of the public sector in the Review Committee may be a maximum of 50% of the total number of audit committee members, min. 50% of the total number of members of the commission must represent the agents profit, non-profit and civic sector.
- 7.5.3 Audit committee be accountable to the highest authority.
- 7.5.4 Membership of the audit committee is incompatible with membership in the bodies of the association, in addition to membership in the General Assembly of the association.
- 7.5.5 Remuneration for members of audit committee may be adjusted in an internal regulation.

7.6 Program Committee

- 7.6.1 Program Committee is a decision-making body, which consists of Chairman, and at least 6 other members of the association elected the General Assembly 2 / 3 majority of those present. Each member of the Program Committee has a casting vote 1.
- 7.6.2 The membership must be adhered to the condition of the LEADER approach, so that members were representatives of the private and non-profit sector in the MAS LEV, O. z. with at least 50% of all votes and representatives of key public sector with 50% of all the crucial votes.
- 7.6.3 Program Committee functions determined by the LEADER approach and in particular:
- a) treats the intention of the Civil Association MAS lion oz and strategy of the region
 - b / processed and approved the criteria to assess projects for selection panel
 - c / suggests the types of projects, which will implement the strategy
 - d / selection of projects to consult the selection panel
 - e / approved the selection of projects transferred a selection committee and approved the selection is submitted for approval by the General Assembly, or not authorized put back the choice of the Commission with its observations to supplement
 - f / application of the NFP of the RDP - Axis 4 - LEADER approach Statutes MAS lion oz
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- g / implemented update strategy during its implementation in terms of rules, and submit it for approval to the General Assembly
- 7.6.4 Members of the Program Committee and the Selection Committee shall be subject to the rules (criteria) of conflict of interest specified by the General Assembly in accordance with national guidelines set out in an internal regulation.
- 7.6.5 Program Committee convened by the association manager as necessary, usually once a month.
- 7.6.6 Program Committee Meeting of the Manager, in his absence, a designated member of the Program Committee. The Program Committee is quartet if the members are present with an absolute majority of all votes. Resolution is adopted if approved by an absolute majority of members present.

7.6.7 Manager is not a member of the Program Committee and has only a consultative voice.

7.6.8 Remuneration for members of the Program Committee may be adjusted in an internal regulation.

7.7 Selection Committee

7.7.1 The panel shall be a body of civil association MAS lion, oz, with the decision, which has 9 members elected by the General Assembly 2 / 3 majority vote of those present. Each member of the Committee has a casting vote 1. Number of members of the Committee is always odd.

7.7.2 Composition of the members must be balanced and representative, and must reflect the conditions of Council Regulation (EC). 1698/2005 and the Implementing Regulation (EC). 1974/2006, t. j. That members of the Selection Committee MAS LEV, O. z. accounted for more than 50% of all the crucial votes of the representatives of the public sector with at least 50% of all the crucial votes of members from the private, non-profit and civic sector.

7.7.3 selection panel convened by management as necessary, at least once every three calendar months written invitations or e-mail.

7.7.4 The scope of the Commission include those within the meaning of the LEADER approach and in particular:

- Class, evaluates and selects projects submitted by applicants
- Selection of projects submitted to the approval of the Program Committee.

7.7.5 Meeting of the Selection Committee governed by the Civil Association Vice MAS LEV o. z. and the absence of an authorized member of the Committee. The panel is a quorum if the members are present with an absolute majority of all votes. Resolutions of the Commission are adopted, if adopted by an absolute majority of members present.

7.7.6 Manager is not a member of the Committee and it has only a consultative voice.

7.7.7 Member Selection Committee must evaluate the MAS project, which is presented as the ultimate beneficiary - The project in the implementation of the strategy (or is the legal representative, employees, members of governing bodies and the like. In the organizational structure of the project, or participated in its elaboration as a consultant, advisor or expert. In the case of this fact must be a member of the Commission's statutes replaced MAS MAS lion oz Page 8 of 12

other members. Substitute is involved in the sector, which initially selected the Selection Committee because of conflicts of interest are unable to attend the selection assessment. Being approached in an alternate sequence, in what order to put in a vote by the General Assembly of MAS LEV, O. z.

7.7.8. At the meeting of the Committee, MAS must Representatives RO, PPA and NSRV as observers.

7.8 Method of establishment of the association

7.8.1 The term of office of elected members of the Program Committee, members of the Governing Council and members of the Monitoring Committee and the review committee is three years. These persons may be appointed to their functions and repeatedly.

7.8.2 For the purposes of evaluation and selection of projects, the final beneficiary - Project submitters

within each call, MAS LEV, O. z. always appoint a new selection panel MAS, which may consist of the same members.

7.8.3 Statutory Agent Manager and MAS LEV, O. z. is elected for six-year period. May be elected to the office and repeatedly.

7.8.4 Chairman, manager, members of the Program Committee and Selection Committee elects the General Assembly. The same applies to members of the Board and the Monitoring Committee and the Review Board.

7.8.5 General Assembly is entitled to appeal a statutory representative, a member of the Program Committee, member of the Selection Board, the Board of Directors, the Monitoring Committee and the audit committee, manager and accounting officer in the course of their term on the basis of a resolution of their appeals, two-thirds majority vote of all members General Assembly.

7.8.6 Statutory representative, members of the Program Committee, the members of the Commission, members of the Monitoring Committee, members of audit committee may resign from his office by written notification delivered to the General Assembly. Manager or the accounting officer may resign from his office by written notification delivered to the Administrative Board, the resigning member is obliged to do so, respectively. ensure that in the exercise of its functions so far all the immediate actions so that civil association MAS LEV o. z. suffers no damage.

7.9 The authorities and persons authorized to act in the name of the association

7.9.1 Authorization to act externally named Civil Association MAS LEV, O. z. and sign the right has only statutory representative - Chairman. This person is signed by the association, so that his name affixed his signature.

7.9.2 Competence and Vice signature power to regulate the internal regulation.

Article VIII Office

8.1 Executive authority to establish offices to ensure the maintenance of public funds, as well as statutes MAS lion oz Page 9 of 12

MAS managing activities LEV, O. z. and implementation tasks Association. The administration and implementation tasks associations provide workers referred to in paragraph 9.1, 9.2, 9.3 and 9.4 on the basis of work and establishment plan approved by the executive authority MAS LEV, O. z.

Art. IX Manager, accountant, project team, administrative staff

9.1 Manager

9.1.1 Manager of the Governing Board is elected by a simple majority vote of all members of the Board and appointed chairman of the executive authority. It is authorized to act as an association within the limits specified powers which are granted statutory representative of the Civil Association MAS LEV, O. z. and particularly in administrative matters associations.

9.1.2 Manager in cooperation with the Association coordinates and ensures implementation of the tasks in the framework of Article V. point 5.4. Further action manager is determined by the provisions on selection boards and program committee. Participating in all their dealings. It is in a relationship to an association with a consultative voice in the selection commission, as well as the program committee.

9.1.3 Manager of MAS LEV, O. z. implementing formal control of the ŽoNFP from beneficiaries - project, ŽoNFP registers, providing information to the final beneficiaries - project, ensuring the collection of information for monitoring and evaluation and other administrative activities MAS LEV, O. z.

9.1.4 Manager of MAS LEV, O. z. coordinate the project team to ensure continuity of administration of challenges over the project with the required quality.

9.2 The Accounting Officer

9.2.1 The Accounting Officer provides accounting and management of the funds and property of the association and assume responsibility for the accuracy of the accounts. The accounting officer may not be a member of the association shall be appointed by the Executive Board on a tendering procedure.

9.3 Project team

9.3.1 The project team ensures the creation and implementation of integrated strategies and projects for reconstruction and development throughout the region. Consisting of practitioners according to the nature of the project.

9.3.2 Project team members are in a relationship with the association. Project team members may be members of the association.

9.4 Administrative staff

9.4.1 Administrative staff provides day-to-day operation and administration of the MAS LEV, O. laws, keep records and the required filing, preparing background materials for meetings of the bodies and so on.

Article X. Remuneration

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10.1 Entitlement to payment for their work in civic associations MAS lion oz is chairman, manager, Administrative officer and accounting officer. Remuneration of other members of MAS adjust internal regulation approved by the General Assembly.

Article XI Principles of management

11.1 Property Civic Association MAS LEV, O. z. consists of tangible assets, funds, assets and other property rights. Civic Association MAS LEV, O. z. can manage and dispose of the vested property and other organizations, whether, in accordance with relevant legislation.

11.2 The property can be used to promote activities and programs MAS towards the development of the region. Its use is decided by the General Assembly and Governing Board. Management is responsible for managing Council Civic Associations MAS lev oz

11.3 Sources of property Civil associations MAS LEV, O. z. include:

- a/ membership fees if they decide the General Assembly
- b / assets transferred to the ownership of the association from other entities
- c / grants and subsidies
- d / revenue from sponsors, donations
- e / proceeds from the sale of assets
- f / financial contributions to projects
- g / other revenue - particularly revenue from its own economic activities / training, consulting, mediation /

11.4 The management of the Civil Association MAS LEV, O. z. governing the annual plan and budget approved by the General Assembly.

11.5 The funds civic association MAS LEV, O. z. within the approved budget have statutory representative and accounting officer in terms of work tasks within the scope of its mandate.

11.6 The non-cash can Civic Association MAS LEV, O. z. establish accounts in financial institutions signing the President.

Article XII Association Termination

12.1 Civic Association MAS LEV, O. z. terminates by:

- a/ voluntary dissolution, or merger with another association
- b / final decision of the Minister on its dissolution

12.2 The voluntary dissolution, or merger with other associations, the General Assembly decided by a two thirds majority of members present. The General Assembly shall notify the termination of the association within 15 days of the ministry.

12.3 the date of termination of the association is the day of his removal from the register of the Ministry.

12.4 All remaining property and assets of MAS must be used exclusively for public, charitable, cultural or educational purposes.

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12.5 The appointment of a liquidator decided by the Governing Board and determines their remuneration.

12.6 The costs for disposal shall be borne by the property LAG.

Article XIII Final provisions

13.1 Statutes shall enter into force upon its approval on 25.6.2008 and the effect on the date of registration of the MAS.

13.2 Civic Association registration occurs at the Ministry of Interior of Slovak Republic on the basis of the submissions filed by members of the Preparatory Committee composed of:

a/ Andrea fortified ID number: 725924 / 9371, residence: Long Straz 36, 054 01 Levoca

b / Peter Pitonak, ID number: 700428 / 9391, residence: Granč - Petrovce 165, 053 05 Beharovce

c / Miroslav Čurilla, ID number: 600822 / 6246, residence: Circular 5, 054 01 Levoca

13.3. By registration MAS LEV, O. z. acting as program committee MAS committee representation referred to in paragraph 13.2.

In Levoči on 25.6.2008