



USAID
FROM THE AMERICAN PEOPLE

CROATIA



LEED Programme

PARTICIPANT TRAINING PROGRAM
Implemented by World Learning

Building Effective Local Partnerships: Organisational Challenges and Strategic Orientations



Report

Prepared by the Organisation for Economic Co-operation and Development and the United States Agency for International Development USAID

July 2007

This local case study on the Building Local Partnerships in Croatia would not have been possible without the contributions provided by World Learning Inc. The authors are also grateful to the local authorities at county and municipal levels for their interest in the review and their engagement in the organisation of the study visit and the regional workshop. The latter would not have been possible without the time and commitment of all interview partners and workshop participants, as well as the organisational support provided by World Learning, Croatia. Special thanks are extended to the translators and interpreters that made this work happening.

TABLE OF CONTENTS

INTRODUCTION 5

LOCAL DEVELOPMENT AND PARTNERSHIP..... 9

 Introduction..... 9

 Strengths and weaknesses 10

 Policy implications and recommendations..... 13

 International learning models..... 19

 Devon Strategic Partnership, UK 19

 An action learning set on two-tier partnership working, UK 21

 Performance management and evaluation of English Local Strategic Partnerships, UK..... 23

**SUPPORTING LOCAL PARTNERSHIPS: THE ROLE OF AN INTERMEDIARY
BODY..... 27**

 Description of the approach..... 27

 Why the approach is relevant to Croatia?..... 28

ADDRESSING ORGANISATIONAL CHALLENGES 31

 Introduction 31

 Strengths and Weaknesses 34

 Good Practice in Vukovar and Varazdin..... 35

 County Partnership of Varazdin 35

 E-Vukovar 36

 Recommendations 36

 International Learning Models..... 38

 Local Partnerships in Romania..... 38

 Tower Hamlets Partnership, UK 41

 Employment Pact of Valles Occidental, Spain..... 48

**LEARNING TO DELIVER: HOW TO MAKE LOCAL PARTNERSHIPS MORE
EFFECTIVE 51**

 Description of the approach (aims, delivery, budget etc)..... 51

 Why the approach is relevant to Croatia?..... 54

STRATEGIC ORIENTATION IN THE WORK OF LOCAL PARTNERSHIPS..... 57

 Introduction..... 57

 Strengths and Weaknesses 57

 Recommendations 58

DEVELOPING A COMMISSIONING APPROACH TO PARTNERSHIP WORK 61

 Description of the approach (aims, delivery, budget etc)..... 61

 Why the approach is relevant to Croatia?..... 63

IMPROVING EMPLOYABILITY AND EMPLOYMENT OPPORTUNITIES..... 65

Table of Contents

Introduction	65
Strengths and Weaknesses	65
Good Practice in Vukovar and Varazdin.....	69
E-Vukovar: expanding IT skills in Vukovar	69
Recommendations	70
International learning models.....	73
Local social capital - experiences in EU countries	73
Environmental information systems, Berlin, Germany	78
Personnel Recruitment and personnel procurement: good practice from Berlin.....	81
Perspective 50plus – Employment pacts for older workers, Germany	85
Employment pacts for older workers.....	86
CONCLUDING OUTLOOK.....	87
Fight against poverty and social exclusion: community development initiatives	88
Improving employability and skills of workers.....	89
Regional and local development: tailor policies and measures to local needs	90
ANNEX.....	91
Recommendations at a Glance	92
List of interview partners	97
International review panel and workshop participants.....	101

INTRODUCTION

The active review "Capacity Building for Effective Local Partnerships" is a joint project between the Organisation for Economic Co-operation and Development (OECD) and the U. S. Agency for International Development (USAID). It is implemented by the OECD LEED Trento Centre for Local Development, the USAID Mission to Croatia and USAID's partner institution World Learning.

The Organisation for Economic Co-operation and Development (OECD) is an international governmental organisation grouping 30 Member countries in a unique forum to discuss, develop and refine economic and social policies. The Local Economic and Employment Development (LEED) Programme of the OECD, within the OECD Centre for Entrepreneurship, SMEs and Local Development, has more than 20 years experience in identifying, analysing and disseminating innovative practices for developing the economy and employment at the local level. The OECD LEED Centre for Local Development (Trento Centre) was created to further the LEED Programme's long-term commitment to providing assistance in the planning, implementation and evaluation of local development strategies, making available some twenty years' experience in the fields of local governance, entrepreneurship and social inclusion. In this context, the Centre's mission is to develop and improve the capacity to disseminate successful local development experiences and facilitate the transfer of skills and the exchange of experiences between OECD Member and non-Member countries, focusing in particular on the countries of Central East Europe and the Balkans.

USAID is the principal U.S. agency extending assistance to countries implementing economic and democratic reforms to escape poverty and/or recover from disaster. USAID operates in over 100 countries around the world and manages a budget of approximately \$9.5 billion. In the East European region, USAID is fully engaged in seven countries and it has graduated six other countries over the last five years. USAID has been operating in Croatia since 1992. During this time more than \$320 million in assistance has been delivered to Croatia. USAID/Croatia implements a comprehensive transition program that includes economic and fiscal reform, strengthening democratic institutions, and training activities. Croatia's successful transition is integral to achieving the U.S. core policy goal of stability in Southeast Europe and serves other important American interests such as preventing trafficking in persons. USAID/Croatia's current portfolio is approximately \$70 million. USAID intends to complete its assistance program in Croatia in 2008. USAID assistance program is structured around two Strategic Objectives: (i) growth of a dynamic and competitive private sector, and (ii) more effective citizen participation and improved governance.

The contribution of partnerships to local governance

Throughout OECD countries, partnerships are being set up as government, business and civil society cooperate to promote economic development, solve social and employment problems more effectively and thereby contribute to improved local governance. Often supported and sometimes initiated by the government, these partnerships seek to co-ordinate policies and actions, adjust national policies to local conditions, and involve representatives of all sectors of society in shaping measures and projects. Some countries have a particularly long experience of implementing partnerships in different fields, including: Ireland (social inclusion), Canada (economic development), Austria (employment), United Kingdom (urban regeneration), to name a few. New EU member states and

accession countries are quickly developing their own partnership models in response to EU encouragement and learning from the experiences of other member states.

Building partnerships is a difficult exercise. Effective partnerships can influence the way policies and programmes are implemented in their region, and challenge and alter projects led by business and the non-profit sector. Where partnerships raise ideas and concerns that are based on a shared vision and strategy, they are not easily dismissed. Yet to achieve such a solid strategic and analytical approach, significant organisational effort is required. Partnerships must build a critical mass through ensuring the commitment of the main public services and government agencies concerned; a strong participation from business; and an unchallenged representation from civil society. Public accountability and transparency must be exemplary, and performance monitored and properly assessed.

Previous OECD LEED research has identified a series of mechanisms through which partnerships can impact on the design and delivery of public policy, including: fostering co-operation across organisations, assessing the coherence of the various actions conducted and proposing ways to improve this, conducting strategic planning exercises aimed at setting common objectives in order to better achieve policy goals, and implementing local strategies through for example, proposing or appraising projects, designing specific measures and delivering services.

Capacity building for effective partnerships

Local partnerships find themselves with a steadily growing number of tasks. To accomplish these tasks effectively, a number of different contextual factors are important: a supportive local community and enabling institutional framework, dedicated partners aware of the costs and benefits of partnerships; and an effective core partnership structure. Therefore, building capacities for local partnerships requires a threefold approach:

1. Establishing a supportive institutional framework requires building the capacity of local government representatives to participate in and co-ordinate partnership activities, and raising awareness amongst such representatives on the importance of both decentralisation and strong local participatory governance.
2. Training and support is needed for wider participation in partnerships (for example, representatives from civil society and the private sector) to build their capacity to contribute effectively to partnerships and make their voices heard.
3. Strengthening communication structures amongst partners will help to settle conflicts of interest and contribute to maintaining effective management and operational structures within partnerships. Although differences exist between these three different approaches, effective partnerships will only be built when they are undertaken collaboratively.

To attain these goals, the active review will survey a diverse range of partnership models and initiatives across different institutional contexts and policy areas. The survey will include an assessment of the current contribution of partnerships in the delivery of policies, and their role in designing and implementing local strategies. A set of recommendations will be developed for further discussion. This active review is an opportunity for local governments and local partnerships in Croatia to stand back and reflect on their overall options, needs and priorities in local development by engaging in a capacity building process around innovative approaches and best practices in building strong local partnerships from a range of OECD Member countries.

The field work process in Croatia

The field work in Croatia included two phases: (i) a one week visit to selected areas in Croatia, including interviews and round table meetings with local stakeholders, and (ii) a workshop to summarise the findings of the visit and include participants in interactive work.

The fieldwork supported the examination of:

- The role of the partnerships against the socio-economic and institutional background, and the functions performed by the partnerships;
- The strengths and weaknesses of the partnerships through an examination of the strategic and accountability frameworks for partnerships, and of the policy and management frameworks for the partnerships' constituencies; and,
- Methods and indicators that are currently in use to monitor and evaluate the contribution of partnerships in terms of governance improvements.

The main criteria for the selection of the two geographic areas were: (i) diversity of socio-economic contexts (e.g. war affected areas, rural, urban); (ii) diversity in the degree to which objectives have been met in the past, to reflect both positive and negative factors; and (iii) diversity in institutional arrangements behind the partnerships (e.g. working relations with different government levels, activities within territorial administrative regions or across). Partnership models and initiatives (both experimental and already consolidated) that were examined either pursued policy goals related to (a) employment issues and labour skills development, or (b) economic development.

Varazdin and Vukovar have been selected as locations for the one week study visit. The active review includes a study conducted through peer review by an international panel comprised of OECD, USAID Croatia, World Learning, local development professionals and academics from OECD countries with strong expertise in local partnerships. The purpose of this review will be to help identify the strengths and weaknesses of current approaches, to make recommendations for policy development and to provide learning models to guide the development of locally-tailored approaches. The review process includes an assessment of the current contribution of partnerships to the delivery of policies and their role in designing and implementing local strategies. Strengths and weaknesses in the role of the partnerships against the socio-economic and institutional background, and the functions performed by the partnerships will be examined. The survey will include an assessment of the current contribution of partnerships in the delivery of policies, and their role in designing and implementing local strategies. A set of recommendations will be developed for further discussion.

This report is based on: (i) information from a background reader, prepared for the study visit, (ii) the findings of an international review panel visit, and (iii) the discussion of a draft summary report in a regional workshop. Key messages of the report, in terms of suggested actions, are summarised in an Action Plan included in the Annex of this report.

LOCAL DEVELOPMENT AND PARTNERSHIP

by Mike Geddes, Warwick Business School, University of Warwick, Coventry, United Kingdom

Introduction

Local development is a priority for Croatia as the country recovers from the war following the break-up of Yugoslavia but still confronts many issues, from regional disparities to the inclusion of minority groups and the achievement of social cohesion in the wake of wartime conflicts.

Across OECD countries, partnership has become a fundamental feature of local governance and local development policy and practice. Through partnership it is possible to create a shared vision and strategy for local development, and joined up arrangements for local governance which assist in implementing the strategy. Effective partnerships enable the pooling of ideas and expertise; maximising resources; sharing risks; and provide a stronger voice for localities in national policy debates (OECD 2001, 2004, 2007¹).

Local partnership is already becoming recognised as a key vehicle for local development, through programmes such as CARDS², County Development Partnerships and the preparation of ROPs³; Local Partnerships for Employment⁴, and County Economic and Social Councils⁵, as well as some more locally-driven initiatives. As the country enters the pre-accession phase prior to EU membership, the importance of partnership frameworks related to access to EU funds is becoming a key driver.

However, if local partnerships are to function effectively and deliver added value, a number of conditions must be satisfied. The membership of the partnership must include all the key players, and must be inclusive while at the same time having efficient decision making processes. Partnership

¹ OECD 2001 Local Partnerships for better governance; OECD 2004 New forms of governance for economic development; OECD 2007 Baltic Partnerships: Integration, growth and local governance in the Baltic Sea region.

² Ecorys (2004): Strategy and Capacity Building for Regional Development (CARDS 2002 Programme for Croatia), downloadable at [http://www.mmtpr.hr/UserDocsImages/CARDS_2002%20\(D\)/documents.html](http://www.mmtpr.hr/UserDocsImages/CARDS_2002%20(D)/documents.html).

³ County (Development) Partnerships derive from the County and Wider Regional Development Programme (CWRDP) which in turn relates to the National Strategy for Regional Development of the Ministry of Sea, Tourism, Transport and Development. The first partnerships at county level were established in war-torn areas eligible for CARDS. Their experience in designing ROPs (Regional Operational Programmes) has then been mainstreamed.

⁴ The Local Partnerships for Employment Programme addresses the human resource and employment issues involved in the promotion of national economic and social cohesion in Croatia. For more information on the Local Partnerships for Employment, see the website of the Croatian Employment Service at <http://www.hzz.hr/lpe/>.

⁵ Social and Economic Councils have been established in each region, coordinated by the Office for Social Partnership.

structures must be robust and enable all partners to make their contributions. Attention must be paid to ensuring that the partnership culture is one of trust and collaboration. Leadership is important – but in a partnership leadership needs to be shared, and must rely more on building consensus than on the exercise of authority. The working practice of the partnership must include arrangements for performance management and evaluation. Partnerships need to be supported by adequate resources – sufficient funding to meet their operating costs, and a staff team which possesses the skills and knowledge to support the activities of partners and assist them in the design and delivery of the local development strategy. Only if these conditions are met is it likely that partnerships will be ‘fit for purpose’ and add value to local development activity and to the work of local partners.

The Review undertaken in April showed that in Croatia there are important strengths which can be built on in developing effective partnership at the local level, but also barriers which need to be overcome. The Review included interviews at national level, but focussed on two areas – Vukovar and Varazdin. These two areas exhibit major differences in terms of the impact of the war, economic progress and prospects and social conditions and the following analysis recognises these at relevant points. Despite these differences however many of the issues and policy implications are similar in the two locations.

Strengths and weaknesses

Further development of partnership working for local development can build on several important strengths which were evident from the Review. There is a broad recognition of the need for partnership working at local level – to aid the process of reconstruction in Vukovar, to meet the challenges and maximise the opportunities of EU accession in both localities. This recognition is apparent in the partnerships which have developed around the ROPs/County Strategies in both Varazhdin and Vukovar (although the current arrangements are different in the two localities).

ROPs and County Partnerships

Partnership working associated with the development of the Regional Operational Programmes (ROPs) has enabled important initial steps to be taken in setting up local strategic partnership arrangements at the County level in the form of County Development Partnerships.

In both Vukovar and Varazdin, consultations about the development of the ROP drew in large numbers of partners. In Varazdin, over 100 individuals were involved, drawn from all sectors – public agencies, civil society, business, agriculture. Partners are still meeting every six months in a Partnership Committee of 90 members which enjoys a parallel status to the County assembly in terms of ROP implementation. Members have been sent questionnaires to get their views on the process. In Vukovar-Srijem County, similarly large numbers of partners were involved in consultation processes, but as the ROP is being transformed into the County development strategy the county partnership has been restructured to include 21 members (7 each from the public administration, business and civil society). The partnership, which is now seen as the ‘umbrella’ local partnership, will be responsible for monitoring strategy implementation in co-operation with the County.

The national policy guidelines for County Partnerships⁶ define their role as a platform for constructive dialogue between the County and the range of other stakeholders in the area, to enhance developmental capacity and consensus at the local level, pool resources to finance projects, and oversee the delivery of the County Development Strategy. Understandably, the emerging county-level partnerships in Vukovar and Varazhdin are still at this point mostly at the stage of consolidating membership and ensuring the conditions for real dialogue.

⁶ Ministry of the Sea, Tourism, Transport and Development (2005): "Guidelines for National Policy", Annex VI, Action Plan, draft National Strategy for Regional Development, downloadable at [http://www.mmtpr.hr/UserDocsImages/CARDS_2002%20\(D\)/action_plan_annexes/annex6.doc](http://www.mmtpr.hr/UserDocsImages/CARDS_2002%20(D)/action_plan_annexes/annex6.doc).

In both Varazdin and Vukovar, there is a shared identification of key goals (such as reconstruction and tackling unemployment in Vukovar, access to funding and promotion of inward investment in Varazdin) and very active practical collaboration and often informal partnership at project level and around specific sectoral issues. The Local Employment Partnership in Vukovar and the e-Vukovar project are good examples.

E-Vukovar

E-Vukovar is a joint initiative of Vukovar, United States Agency for International Development (USAID), and private businesses, including IBM and Microsoft, to expand information, communications, and technology applications. The purpose of the programme is to improve government services, business productivity, and access to education and training.

USAID's e-government system is helping the City of Vukovar to improve work performance within their local government. It also provides real-time on-line services to citizens and businesses and enables interactive communication between the local government and citizens. Currently over 2 million citizens use the USAID-designed e-government system in over 100 local governments throughout Croatia. This system has been expanded in Vukovar to include all public companies.

E-Vukovar has the further potential to provide networking, information sharing and dissemination support to partnership working in the Vukovar area, if the programme can be expanded so that it is actively utilised and 'owned' by all key partners – local governments at County and city/municipality level, other public agencies, and NGOs and citizens.

In Varazdin, political collaboration between parties and entrepreneurial local leadership provides an impetus towards partnership. This is apparent, for example, in the establishment of the Development Agency North (DAN) by Varazdin with three other towns and a County administration.

Political leadership in Varazdin

In the Varazdin area political leadership has been a key factor in promoting strategic local partnership working. In Varazdin City, a strong mayor and cross-party collaboration has promoted active partnership relations with business (for example through a City Economic Council which functions as a 'growth coalition' promoting developments such as the Varazdin Free Zone and inward investment activity). The political leadership in Varazdin has also taken the innovative step of linking with three local cities to set up a development agency, DAN (see following box). Active political involvement (for example through brainstorming strategy sessions) remains an important feature of DAN's operation.

The Development Agency North (DAN)

The Development Agency North (DAN) has been active in promoting a partnership-based approach to local development in the Varazdin area. Its approach is significant in at least three ways. In the first place, the partnership between a group of like-minded cities represents a local, bottom-up approach which aims to build on local strengths and compatibilities in promoting local development. Secondly, DAN works closely with parallel agencies in Slovenia and Hungary, recognising the importance of cross-border issues. Thirdly, DAN actively promotes partnership working at the project level, not only with business interests but with civil society organisations on projects concerned with

employment and social inclusion.

It must be noted however that, because DAN only includes certain local administrations, there is a danger which must be avoided of unnecessary competition between DAN and the parallel County development Agency, AZRA.

These strengths reflect the capacity for innovation, leadership and collaboration which are apparent in some institutions and among some actors in Vukovar and Varazdin. These strengths are however paralleled by several weaknesses and barriers to fuller partnership working for local development, reflecting the persistence of traditional 'silo' ways of working within government (both nationally and locally) and political tensions, as well as resource constraints.

Much of the current and recent partnership working has been limited to a specific theme (e.g. local labour market and employment issues) or linked to a specific task or funding source (such as the preparation of ROPs). There is now a need – as is recognised - to move on from these experiences to embed local partnership working on a more broadly based and permanent basis.

The existence of several partnerships (the ROP partnership, Local Employment Partnership, county Economic and Social Council) reflects the rather *ad hoc* way in which partnership working has developed around a number of policy issues. However there is now a need to review such partnerships in the context of broader local development needs.

There are currently very limited resources to sustain partnerships. This applies to many aspects of partnership work (for example the small numbers of staff supporting initiatives such as DAN and AZRA, the Varazdin County Development Agency, excellent though these individuals may be), but especially to functions of monitoring, evaluation and performance management, which are seriously underdeveloped.

Partnership working can be inhibited by political tensions both within and between local authorities. Healthy competition between local governments can be a positive stimulus but it is not clear that the existence of two local development agencies in the Varazdin area is helpful: for example it may hinder attempts to reduce socio-economic disparities between urban and rural areas. Similarly in Vukovar political tensions between the municipality and other agencies was identified as a barrier to partnership.

Local actors require more support from the national level. Local development requires more prompt, proactive and joined up support for local initiative from national ministries and more effective partnership working 'vertically' between national government and local agencies as well as 'horizontal' partnership among local actors.

The County partnerships in Vukovar and Varazdin are now beginning to consider the requirements for performance management and evaluation as they move towards the implementation of the ROPs/County strategies. However, much more remains to be done in this respect and it is important that evaluation is not regarded as an afterthought or add-on but as an integral part of local development strategy and partnership working.

Policy implications and recommendations

A strategic and sustained approach to local partnership and local development

The basis has been laid in Croatia for effective local development partnership. However, if partnerships for local development are to become more firmly embedded as a key element in local governance institutions and processes, and address the conditions discussed above which will determine whether they add value, a more strategic and sustained approach to local partnership will need to be constructed on this basis. This has a number of specific policy implications:

1. There should be one 'umbrella' local strategic partnership, with one joined up local development strategy. This will make the most of funding streams and help secure better linkage between strategy and projects. Building on recent experience such as the ROPs and local employment partnerships, this should involve all key players, and provide the context within which the institutional corporate strategies of partners relate positively with each other. Themed partnerships (on issues such as employment) should be nested under this umbrella. Civil society institutions and NGOs should be equal partners with public agencies and businesses in this partnership.

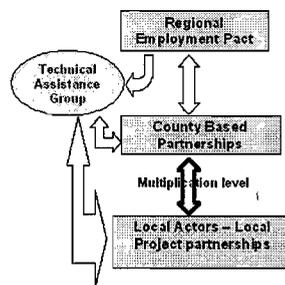
One of the learning models described later in this report is the Devon Strategic Partnership, which illustrates good practice in establishing a strategic partnership at County level in England.

2. A common problem in many countries is whether such a local strategic partnership should be located at the county or municipal level. The primary principle in addressing this issue is that the partnership should be both strategic (operating at a level appropriate to influence key actors and strategic development issues) and local (in touch with local society and grassroots issues). If the solution is seen to require such partnerships at both county and municipality levels, protocols or guidance for effective collaboration and clear definition of respective remits are essential.

One of the learning models at the end of this report describes how an action learning process was used by local strategic partnerships in England to help develop guidance on two tier working.

Multi-level partnership in Romania

In Romania, partnership is being developed at three linked levels – Regional Employment Pacts, County Partnerships and local project partnerships. The following figure shows the organisational set up of partnerships for employment and social inclusion in Romania.



This can be a very helpful approach in ensuring that key actors are engaged at all the relevant levels, but it will be important to ensure that there are procedures which help to ensure that communication between regional, county and local levels is good and does not privilege one level unduly.

Further information: rauch@mail,mc.de

3. Related to issues about two tier working, it is important that there is not duplication of agencies unless the benefits of this are very clear and outweigh the costs. Thus in the case of the DAN and AZRA agencies, the potential for additional costs and harmful competition needs to be set against any tangible benefits in considering what are the most effective and 'joined up' future institutional arrangements.
4. There is a need to widen and deepen partnership working, in a transition from what has been primarily reactive partnership driven by top down requirements and external consultants, towards proactive and sustained partnerships with more locally-driven agendas. An important factor in deepening partnership in this way will be the development of 'distributed leadership' in which several important actors jointly exercise leadership of partnership agendas, rather than leadership being seen as the responsibility of a single individual. At the same time, some partner agencies which currently have only limited ownership of local partnership agendas should become more proactive.
5. Effective local partnerships needs adequately resourced support structures, for example a partnership team which has the capacity, skills and expertise to perform a number of functions, ranging from high level negotiation and strategy development to performance management and evaluation. The willingness of partners to contribute to such a support infrastructure is often a litmus test of commitment to partnership working.
6. A second litmus test is the willingness of all partners to bring their own strategic plans 'to the partnership table' to ensure that they are consistent with agreed local strategic priorities.
7. An active programme of public consultation and engagement will be important to ensure that partnerships are transparent and democratically accountable.

If this kind of partnership framework is in place, it will make it much easier to produce and implement a strong local development strategy which has clear strategic objectives which are shared and owned by local partners; combines economic, social and environmental aspects of local development and minimises the tensions between them; translates into an action plan with robust targets and associated performance indicators; dovetails with national and European strategic priorities and programmes, and helps to ensure that these are implemented at the local level in a way which respects local needs and opportunities.

The Coventry Community Plan

The Coventry Community Plan is the strategic plan of the Coventry Partnership in England. As such, it provides overall local strategic guidelines for the strategic and corporate plans of all key organisations and sectors in the city which are members of the local strategic partnership.

The plan has two overriding goals – ‘raising our game’ (improving services in the city) and ‘closing the gap’ (reducing inequality and poverty). These goals are reflected in the key themes of the strategy – housing, health, employment, learning and training and neighbourhoods. For each of these, the plan defines priority outcomes and performance indicators, many of which are related to national public service targets and indicators.

The Coventry Partnership then supports activities which help to achieve strategic plan outcomes, and works to ensure that successful projects are sustained permanently by mainstream funding. Accountability mechanisms are regarded as crucial by the partnership and mechanisms exist to ensure accountability to partners, to citizens and to government. In particular, an annual citizen quality of life survey is undertaken which both provides feedback on progress and influences evolving priorities.

For further information see www.coventrypartnership.com

Implications for local government – capacity building for partnership working.

Local government has a key role to play in local development partnerships. In many countries, local government will be *primus inter pares* among agencies involved in local partnerships, and will take the lead among local players in resourcing and supporting them. However, there is an ever-present danger that this role will result in undue domination of partnership agendas, alienating other partners, while working in partnership implies organisational and cultural change for many within local government. This has important implications for leadership, organisational development and capacity building activity. At the same, local government will look to national government for effective support for its partnership role.

Counties and some municipalities are already important players in local partnerships in Croatia, but if those already active are to continue to play this role, and others are to become more active, it will be important to build the capacity of local government. Capacity building programmes, which may be able to utilise the infrastructure created by the USAID Local Government Reform Programme, should include several elements:

1. Support for leading actors in local partnerships. Leadership in partnerships may come from a number of quarters – local politicians, senior officials, active individuals from civil society and NGOs. But leadership in a partnership context poses new challenges compared to leadership of a traditional organisation (such as the importance of consensus building rather than the exercise of authority) and experience elsewhere shows that support programmes for local leaders may be important in underpinning adaptation to new circumstances.

The Community Empowerment Fund

In England it is recognised that civil society organisations have a key role in local partnerships, but by their nature they tend to have inadequate resources to enable them to take leading roles. The Community Empowerment Fund provides such resources to support community engagement in local strategic partnerships. In particular, the Fund helps to enable local Community Networks to be set up, bringing together key individuals from the local voluntary and community sectors to ensure strong, representative and accountable involvement of the sector on LSPs.

For further information see
www.renewal.net/Documents/RNET/Overview/Neighbourhood%20Renewal/Communityempowermentfund.doc

2. Technical support for partnerships. Councils and municipalities (along with other partners) will need to ensure that partnerships have access to the capacity and the range of skills and expertise necessary in a local partnership support team.
3. Organisational and cultural change. Partnership working can prove to be a major challenge for local politicians in leadership positions in a partnership because it requires a very different leadership style. It is also, though, a challenge for many officials, senior and junior, who need to adapt to a more collaborative way of working rather than the traditional hierarchies of local government. Partnership requires both managers and front-line workers to work more closely with both partner agencies and with citizens, and programmes of organisational and cultural change and development may be needed to assist this.

The Leadership Academy

The Leadership Academy is a national programme in England supporting local councillors in adapting and updating their skills and knowledge as local government is modernised. Senior councillors can opt in to the programme which provides a structured framework for learning over a period of a year or more. As the title of the programme suggests, leadership is regarded as the core competence of a senior councillor, including leadership within the context of partnership working which is a major component of the modernisation of local government. The programme mixes inputs from academics, policy makers and practitioners with sessions addressing the specific problems and issues faced by participating councillors.

For further information see <http://www.idea.gov.uk/idk/core/page.do?pageId=1700429>

4. Enhanced capacity for performance management, monitoring and evaluation is a specific need for which partnerships are likely to look towards partners such as counties and municipalities.

Implications for national government

National government has a crucial role to play in providing a context in which local partnership can flourish. This role will include legislation and policy guidance to establish the framework for local partnership, such as the national guidelines for County Partnerships, and arrangements to manage and monitor local partnership performance. But the national government role also commonly includes resourcing and other forms of support for local partnerships. Just as effective partnership implies close collaboration between agencies and interests at local level, so national government must ensure that

there is effective coordination of ministries in relation to local partnerships and development. In the Croatian case, these principles lead to the following recommendations:

1. A more coordinated approach between those Ministries whose local offices and agencies are partners at the local level, along with a commitment to flexibility in the implementation of policies and programmes so that local agencies are able to contribute to shared local priorities as well as national targets.
2. Local partnerships are looking to national government for clearer guidance and support, for example by the establishment of training and development programmes to enhance skills and capacity at the local level. National government also has an important role to play in facilitating the exchange and dissemination of good practice by local partnerships, for example through peer review processes.

Renewal.net

Renewal.net is an online guide for those involved in local regeneration in England. It is a resource for the many local partnerships involved in local development.

Renewal.net offers a range of free services, including:

- Toolkits to help deliver local development. These range from toolkits to improve partnership working and performance management, to guidance on more specific aspects of local development.
- Research reports and summaries
- News of national policy developments and local good practice
- Discussion forums and notices of events.

For further information see www.renewal.net

3. In some other countries, these roles of co-ordination and support are provided not directly by Ministries but by an intermediary agency which has specific responsibility for managing and supporting local partnerships. This is a model which can be very effective as long as the agency has sufficient status within government to be able to negotiate with Ministries as required. The Irish agency Pobal is an example of an intermediary agency which both manages and supports local partnerships and represents the perspectives of local partnerships in policy debates.

Pobal

Pobal is the Irish agency which serves as an intermediary body between national government departments and the many local partnerships in Ireland. As an intermediary, it balances top-down managerial requirements with the understanding and skills necessary to support partnership at the local level.

Pobal manages the delivery of a number of partnership-based programmes in a range of fields from local development to post-conflict peace and reconciliation, from service improvement to rural development and from the integration of immigrants to social economy and enterprise.

As part of its role, Pobal provides developmental and strategic support to local partnerships. This includes

provision of guidelines and models of best practice; capacity building for partners, training on a wide range of local development issues, and constructive review and challenge. In addition, Pobal is responsible to government for the management and monitoring of partnership finance and performance, while on the other hand influencing national policy development, reflecting the grassroots views from local partnerships into the policy process.

For further information see pobal.ie

Performance management, monitoring and evaluation

Effective arrangements for performance management, monitoring and evaluation are essential for local partnerships to assess the progress of their local development strategies and adapt their implementation programmes in the light of ongoing experience. The preparation of the ROPs/County Strategies has highlighted the importance of monitoring and evaluation – in Varazdin County it is intended to set up an evaluation committee selected by the Partnership Committee and AZRA. The implementation of effective arrangements has implications for both local partners and national government.

National government (for example through an intermediary agency as suggested above) should establish guidelines for local partnerships on performance management, monitoring and evaluation: provide support and training for local actors; monitor and manage local performance; and identify and disseminate good practice.

Performance management and evaluation arrangements for local strategic partnerships in England are discussed in a learning model at the end of this report.

Local partnerships, with local partners and within national guidelines, should ensure that they have suitable local arrangements and the necessary local capacity, and that performance management, evaluation and learning are central to the partnership's operation with commitment from lead partners. Local performance management arrangements should provide management information on both the progress of the local development strategy, and on the effectiveness of partnership arrangements, and ensure that action plans are drawn up to follow up issues identified. Performance management will depend on robust monitoring and information systems, backed up by objective evaluation. Capacity for these functions may be located within a partner support team, provided by a lead local partner such as the county or municipality, or contracted from external consultants.

A culture of evaluation

Experience across OECD countries confirms that objective evaluation makes an essential contribution to the work of a local development partnership. Evaluation can help both policy makers and practitioners at the local level, and those in national government responsible for the development and management of programmes delivered through local development projects and programmes.

The benefits of evaluation include:

- Accounting for how resources have been used and demonstrating value for money, including the added value from partnership working
- Identifying what works, how and why in delivering local development strategies, thus helping to improve effectiveness
- Involving partners, funders, politicians and citizens, through both participation in evaluation and in discussing the results.

To be effective, evaluation must take place on an ongoing basis, not merely at the end of a project or programme. Thus prior assessment of strategic options should lead to formative evaluation taking place throughout the delivery of programmes, and to summarise evaluation at the end.

Further information: mike.geddes@wbs.ac.uk

International learning models

Devon Strategic Partnership, UK

Description of the approach

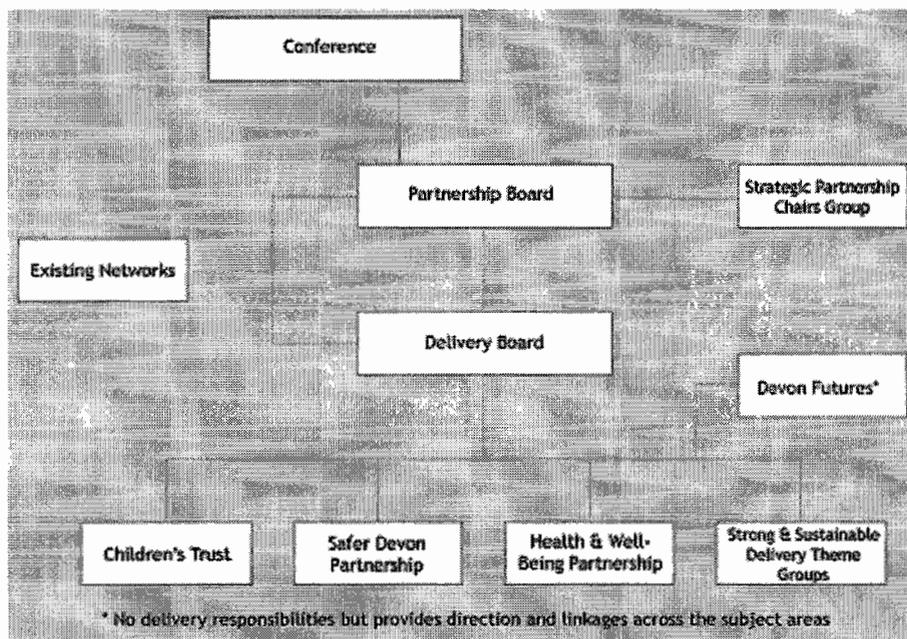
Devon is a predominantly rural County in England, and the Devon Strategic Partnership is the local strategic partnership for the area. The Devon Strategic Partnership comprises public, private, voluntary and community sector organisations, all working together to improve the quality of life for those who live, work in and visit Devon. Their focus is on delivering real improvements to the issues that matter most to the people of Devon; working towards a joint aim to be "a County with safe, healthy and inclusive communities, a strong and diverse economy and a cherished environment". The partnership is responsible for the development and delivery of the Sustainable Community Strategy (the county strategy for the area) and for the Local Area Agreement which is an agreement between local agencies and national government to improve public services in Devon.

The DSP is an established and permanent partnership, with membership from the County Council (politicians and officials), other local public bodies, business, and voluntary and community organisations. As the diagram shows, partnership arrangements have a number of components:

- A Partnership Board with membership of all key partners (meets four times a year). This includes council leaders from the County and Districts.
- A smaller Delivery Board of chief executives and senior officials from key agencies responsible for the delivery of the County Community Strategy (meets monthly)

- A wider conference giving access to a broader group of interests and stakeholders (meets six monthly/annually).
- Themed partnerships for key issues such as services for children, crime and safety, health.
- A ‘think-tank’, the Devon Futures Group

In addition, as Devon has two tiers of local government, a Strategic Partnership Chairs Group comprises the chairpersons of the second tier District partnerships.



Why the approach is relevant to Croatia?

The Devon Strategic Partnership is a well-established, permanent local strategic partnership. Situated at County level, it nevertheless includes membership from District Council political leaders and from district LSPs. The DSP is responsible for the local development strategy, the Sustainable Community Strategy, which sets out the strategic vision for the county. It provides a vehicle for considering and deciding how to address difficult cross-cutting issues such as the economic future of an area, social exclusion and climate change. Building these issues into the community's vision in an integrated way is at the heart of creating sustainable development at a local level. The Local Area Agreement is the main way of ensuring that all public services contribute to the delivery of the strategy.

Reasons for the success or failure of the approach

The DSP is an example of the Local Strategic Partnerships which exist across England. National legislation and guidance has been important in providing and supporting the application of the concept. Equally important however have been local factors, including political support, growing collaboration between the County and District Councils, and a non-political approach reflected in the fact that the DSP is chaired by the local bishop.

The DSP has developed a sophisticated structure and working arrangements to ensure it is both inclusive and efficient. The current arrangements result from a review of the previous structure in the context of new responsibilities such as the Local Area Agreement. Regular monthly newsletters and an accessible website help to communicate the work of the partnership as widely as possible.

The obstacles that were faced and the quality of the response taken

Devon is a large and diverse area and it is a challenge to develop a strategic plan which recognises the range of needs and opportunities in the area. A review of the previous Community Strategy is being undertaken to learn lessons as the basis for the new Sustainable Community Strategy which will cover the period from 2008.

In an area with two tiers of local government such as Devon it has not always been easy to maintain effective collaboration but the structures of the partnership have been developed to ensure that District views are represented.

Devon is not one of the areas of England with the worst social deprivation where government financial support is available to help run the local strategic partnership, so local agencies, especially the County Council, have had to provide the support.

Considerations for adoption of this type of approach in Croatia

The Devon Strategic Partnership provides a potential model for partnerships in the more rural areas of Croatia. Other LSPs, such as the Coventry Partnership discussed elsewhere in this report, provide a similar model appropriate to larger urban areas.

Contact details and website for further information

www.devonsp.org.uk

caroline.rae@devon.gov.uk

An action learning set on two-tier partnership working, UK

Description of the approach (aims, delivery, budget etc

In two tier local government areas in England, local strategic partnerships have been established at both county and district levels. This has created some uncertainty about the respective roles of county and district based LSPs, their relationships and the arrangements that might be needed to avoid overlap, duplication or competition. As a result, an action learning set was set up, facilitated and supported as part of an action research and evaluation programme sponsored by the Department for Communities and Local Government.

The purpose of the action learning set (ALS) was to learn about existing practice, to understand and clarify the barriers to, and opportunities for, collaborative working, and to consider good practice in relation to two-tier working. Within these broad objectives, the ALS defined its own programme of work, focusing on the issues where members thought their efforts should be concentrated. Thus the agenda – and in particular the actions which might be taken – were set by LSPs themselves rather than being pre-determined by the research team or sponsors. The membership of the ALS was drawn from localities where the county and one district strategic partnership agreed to participate. The ALS met four times over the period of one year and did further work, in their pairs, between meetings. A background paper prepared by the research team helped to stimulate discussion at the first meeting. The programme of work involved sharing views on general issues concerning two-tier working, identifying issues (in pairs of LSPs), developing proposals for action and further developing those locally, sharing experience about progress and developing general lessons.

The action learning set identified the key issues confronting two-tier LSP working as:

- Clarity over the respective roles of LSP at county and district level and the ways in which value is added at each level
- The appropriate geographical scale at which different activities can best be addressed and how LSPs can effectively relate inwards to the locality/neighbourhood and out to the region
- Structures and forms of representation (and cross-representation) for both local government and non-local government partners
- The processes and working arrangements between county and district LSPs (to avoid duplication, minimise bureaucracy and minimise transaction costs).

At the end of its work, the ALS identified a number of conclusions for policy and practice. These included:

- Strong representation of district LSPs (and not necessarily solely local authority representatives) on county LSPs gives greater legitimacy to that LSP to represent and lobby on behalf of county-wide interests
- Agreeing respective strategic priorities for both County and District LSPs removes duplication and focuses on the issues that are most relevant to the level where they are positioned.
- Both county and district LSPs need to identify what can only be delivered at county level and what can add value to district based activity.
- Where there are complementary statutory processes (as in development planning for example), county LSPs should develop systems for aligning strategic/corporate planning and programming with the strategic priorities of district LSPs
- County LSPs have a legitimate interest in identifying small-area priorities (for example, for regeneration, for neighbourhood renewal, for environmental safeguards, or for crime and disorder hot spots). Where they do so, interventions should be planned collaboratively with the relevant district LSP.

- County LSPs should consider what resource support they could offer through partners to district LSPs, and district LSPs should consider what county LSP resources might be needed and how they might best be used.

Why the approach is relevant to Croatia?

An similar action learning set could help to address issues about the relationship between partnership working at county and municipal levels in Croatia.

Reasons for the success or failure of the approach

The conclusions from the action learning set helped in the formulation of government advice to LSPs in two tier areas. However, inevitably, the participants in the ALS were drawn from areas where there was trust between the county and district, and consequently the conclusions presume a willingness to work together. Stronger government guidance may be necessary in areas where collaboration is not taking place.

The obstacles that were faced and the quality of the response taken

The effectiveness of an action learning process depends upon the initial identification of a suitable focus for the work. The task must be relevant and important to the participants and it must be possible to make progress on the issues within the time and resource constraints of the ALS. Considerable effort was thus given at the beginning of the process to identifying this focus through a national workshop.

Considerations for adoption of this type of approach in Croatia

The success of an action learning set depends on a number of factors. These include the quality of the participants and their willingness to undertake work for the set and also the availability of support and facilitation, in this case from the research team. Such support would be necessary in the Croatian context.

Contact details and website for further information

www.communities.gov.uk/index.asp?id=1510478

mike.geddes@wbs.ac.uk

Performance management and evaluation of English Local Strategic Partnerships, UK

Description of the approach

In England there are national guidelines for performance management by local strategic partnerships. These guidelines cover three main areas: strategy development, strategy delivery and performance management and review.

Performance management and review is a process comprising three main elements: Reviewing delivery; reviewing partnership working; and improvement planning. Review of delivery is concerned to assess progress against targets and provide evidence on whether resources are being best deployed in relation to strategic goals, whether projects contribute to strategic objectives, and whether the partnership strategy is effectively influencing partners' plans and spending programmes. Review of

partnership working is designed to ensure that the partnership is strategic, inclusive and efficient. Improvement planning follows on from these review processes to identify, resource and implement necessary changes to strategy and delivery programmes. The performance management process undertaken by each local strategic partnership is managed by the regional offices of national government.

Many LSPs also commission evaluation studies alongside the performance management process. These may be of local strategy, specific projects, or of partnership working (for example the review of partnership structure discussed in the Devon Strategic Partnership learning model). In addition, national government recognises the need for independent objective evaluation of the progress of LSPs nationally and has commissioned a long term evaluation programme. The first stage of this programme (2002-2005) was primarily a formative evaluation, intended to provide feedback to LSPs and to government itself. The evaluation, undertaken by a consortium of universities and consultancies, included a number of elements – case studies of nine LSPs, two national surveys of all LSPs, and a programme of action research (see the learning model of an action learning set on two tier issues). Topics covered by the evaluation ranged from ‘process’ issues such as membership, structures and performance management to ‘outcome’ issues concerned with the progress of LSPs in developing and implementing their strategic plans. The evaluation has produced a wide range of published reports. A further stage of the evaluation, of a more summative nature with a greater concern to quantify outcomes, is now under way.

Why the approach is relevant to Croatia?

The approach is relevant both for local partnerships in Croatia and for government. It is important for local partnerships to assess their own progress within a national framework, complemented by an evaluative overview of progress nationally.

Reasons for the success or failure of the approach

In England the national government has invested substantial resources in performance management and evaluation of LSPs to ensure that it has a strong evidence base on the successes and problems of this important policy initiative. This is backed up by a requirement placed on LSPs to adopt robust performance management arrangements.

The obstacles that were faced and the quality of the response taken

Initially some LSPs were sceptical of performance management and feared that it was a tool for national government control. Most however have now come to recognise its value in convincing partners and stakeholders of the value of the LSP and ensuring that problems are identified and corrected promptly. Some LSPs are sceptical of the value of evaluation. Involvement of many LSPs in the evaluation, especially in the action learning sets within the action research programme, has been one way to counter this perception.

Considerations for adoption of this type of approach in Croatia

The institution of strong performance management systems and a long term national evaluation programme have significant resource casts and require skills development within government, in local partnerships and within the evaluation community. However without performance management and evaluation neither local partnerships or government will have adequate information to inform policy and practice.

Contact details and website for further information

Performance management for LSPs:

www.renewal.net/Documents/RNET/Policy%20Guidance/Performancemanagementframework.doc

The national evaluation of English LSPs: www.communities.gov.uk/index.asp?id=1136876-
Mail: Matt.Carter@communities.gsi.gov.uk

SUPPORTING LOCAL PARTNERSHIPS: THE ROLE OF AN INTERMEDIARY BODY

by Marion Byrne, POBAL, Ireland

Description of the approach

Pobal is an intermediary body established by the Irish Government and the EU in 1992. It is not established under legislation but is subject to Irish Company law with respect to freedom of information ethics etc. and is also audited by the Controller and Auditor General. The Irish Government appoints the Board and chair. Its purpose is the management of programmes which promote social inclusion, reconciliation and equality through integrated economic and social development within communities.

In the current year, Pobal manages 17 Programmes for 7 Government Departments. Funding is both national and EU. Programmes address themes related to local development, childcare, peace building, community transport, social enterprise, the labour market, rural development, integration of immigrants, access to education and service integration and co-ordination. This case study focuses primarily on Pobal's role vis a vis partnership companies. Partnerships in Ireland implement local development strategic plans for their areas that tackle social and economic exclusion. They have widespread participation in their structures and activities from the political, social partner, state and community and voluntary sectors.

Pobal works with over 4000 community and voluntary organisations across all the programmes managed. It carries out its functions on behalf of the relevant Government Departments within the context of framework and service level agreements. In 2007, the funds managed will amount to Euro 350 m.

The functions of the organisation are as follows:

- The provision of developmental and strategic supports. These range from capacity building and training measures to expert inputs on thematic areas aimed at advancing the contribution to national policy goals.
- The appraisal of applications for funding and the allocation of resources.
- Monitoring performance and finance and carrying out audits and verifications of expenditure.
- Formal reporting on programmes and information provision.
- Supporting the analysis of, and research on, the impact of programmes.
- Influencing public policy based on the learning the lessons arising through implementation at local and county level.

Why the approach is relevant to Croatia?

The position of Pobal as an intermediary, located as it is between government and the local partnership / or other implementing community based structures has a number of features which could be of interest to Croatia. In the Irish context, it has been the subject of external evaluation confirming the approach as an important mechanism for managing the implementation of policy objectives on behalf of Government. It has also been recognised as providing necessary technical support to develop and assist the organisations that deliver and mobilise the participation of a wide range of stakeholders in tackling difficult issues at local level.

There are a number of functions an intermediary is optimally placed to deliver on. A brief summary of some of these are set out below:

- Its position to act as a coordinator of the partnership work and to maintain information flows horizontally and vertically with all stakeholders is important.
- An intermediary has an overview across all partnerships which facilitates the extraction of learning arising from local practice and the evaluation and analysis of the outputs and impacts. Facilitating networking is an important tool utilised in this regard.
- Interacting in the course of its work across vertical and horizontal sets of relationships, the intermediary is in a position to inform policy development based on a sound knowledge of what works or what is innovative across a very wide range of beneficiary organisations. Good communication links to Government Departments, beneficiary organisations and other relevant networks has been central to the capacity to influence the evolving policy making process. The secondment of staff to Pobal from Departments has assisted further in strengthening linkage to the centre.
- A key task to be carried out is in strengthening local partnerships. Pobal has been able to provide objective, professional and wide-ranging supports to meet changing development needs of local organisations. An ability to translate ‘top down requirements’ with methodologies and understanding as to how this can be supported to happen ‘on the ground’ has been important. The capacity to respond constructively, and if necessary authoritatively, is also pertinent in some situations.
- The provision of leadership and direction through an intermediary can be helpful to the local / county level. In this regard the parameters of national programmes and their funding requirements need to be understood while maintaining and valuing local input and decision-making. Leadership roles can be of assistance particularly in times of change and at the early stages of organisational/ programme development.
- Pobal works in a transparent and accountable manner and is responsible for ensuring organisations funded reach the highest standards of governance with respect to same. Training is provided to ensure standards are adhered to and steps taken if issues arise.

- A further role played is in assisting in the development and monitoring of framework and other agreements with Government Departments and agencies to support the co-ordination of the work with mainstream provision. The neutrality of an intermediary can be useful in mediating solutions to assist all stakeholder deliver optimally on their objectives.
- Finally and importantly, an intermediary can play a key role in leading the vision for a programme and in supporting the ethos and principles of partnership working.

Reasons for the success of the approach

Reasons for the success of the model are its contribution to government and governance. The model has demonstrated an ability to respond quickly and flexibly to new national priorities and to manage and support programmes and communities in a transparent and accountable manner. It is also cost effective and provides information and analysis on the outcomes of the national investment in relevant areas. As an intermediary, Pobal is uniquely placed also to support the implementation of cross-sectoral and cross-departmental collaborative approaches and to inform policy arising from that experience. There is widespread recognition that many difficult issues in communities require holistic, multifaceted responses. An intermediary organisation is an important 'non- interested space', to assist partners at all levels to advance co-ordinated services and integrated approaches to these issues.

The obstacles that were faced and the quality of the response taken

There can be tensions between priorities and requirements of the centre and the local level. An intermediary organisation has to be attentive to balancing carefully, what can be conflicting expectations and demands, and to manage communications, and change processes skilfully while ensuring progress and delivery on overall programme goals.

A difficulty that arises is that as an intermediary organisation it is entrusted to make a range of operational decisions that at any given time may not be popular with some groups. It is most important that it operates in a transparent manner under clear, publicly available criteria and on the basis of understood principles. Over time this can lead to a general confidence that even if particular decisions made are not agreed with, these are subject to review and there is an independent and fair process and procedures in operation.

Considerations for adoption of this type of approach in Croatia

An emphasis on the themes of subsidiarity, partnership, and enhanced governance underpin many national and EU policy priorities. However, the operationalising of these concepts can be a challenging task. Bringing delivery, coherence, public accountability and assistance to the enterprise requires besides other aspects, enabling supports and structures across a range of spheres. One mechanism that contributes actively to achieve this is the model of the intermediary presented. It is also a partnership model, that has been acknowledged from different perspectives as useful. Fundamentally, it enables other players to benefit. What is an important consideration though is the acceptance that the concepts of partnership, participative governance, local capacity building etc will not be achieved without some commitment of resources both at the partnership level and at the level of a coordinating or management/ support structure. The Pobal model aims to encompass all the functional aspects described above but it may, in different contexts, be appropriate and effective to separate out different elements. Nevertheless, both through the local/ county partnerships and through Pobal's role on behalf of Government Departments and the EU, the Irish experience is that the investment provides significant benefits and value for money.

Contact details and website for further information

Ms Marion Byrne, Pobal
E-Mail: mbyrne@pobal.ie; website: www.pobal.ie
Holbrook House, Holles ST
Dublin 2, Ireland

ADDRESSING ORGANISATIONAL CHALLENGES

by Maria Rauch, City of Munich

Introduction

Croatia is a country with a population of 4.3 Mio Inhabitants, standing as a country since 1990 after the breaking-up of the former Yugoslavia Republic. This independency process was achieved through war what has been leaving several significant problems in the country like strong migration (within the country and to other countries) and destruction.

Croatia was one of the most prosperous and industrialised areas of the former Yugoslavia but the GDP went dramatically down with the war. Now the country shows a very positive growth tendency but it has achieved in 2003 only 91% of the value already existing in 1989.⁷

According to the available data the GDP growth in the first quarter of 2006 has exceeded the forecasts and increased by 6% in relation to 2005 mainly due to the economic activity in industry, construction, trade and tourism and boosted by an increase of 18,1% in investment.

The demographic trends show a tendency to ageing population with an average age of 39 years and the forecasts indicate that this trend will pursuit.

Building and maintaining Partnerships

The local development approach creates an increase in social capital availability enabling a participative form of development that integrates the economic, the social and the environmental dimensions. This increase in the availability of social capital reflects on the capacity of a wider set of local actors to be involved in social problem-solving. This capacity can be seen as a condition for constructing and integrating resources in a local development strategy based on a partnership model.

The main factors influencing a successful buiding process are:

- That the partnership approach corresponds to a clear need felt by the participant organisations to enable a clear catalysator of the collective dynamic
- To have the right partners with legitimacy and representativeness in the region (in all territories involved) within a win-win strategy acknowledged by all and this composition must be aligned with the core orientation of the partnership – strategic planning or policy delivery role

⁷ Ecorys (2004): „Analysis of Regional development in Croatia“ part of Strategy and capacity Building for Regional Development (CARDS 2002)

- The capacity of creating a common vision for the territory, its problems and its resources based on perceptions, objectives, experiences and knowledge of a wide range of actors. This shall be the reference framework for identifying and integrating local resources.
- Broad involvement of actors in developing new institutional and social capital by discovering new ways to communicate with each other, work together and generate common understandings.
- To create a shared vision with a strong common objective to develop the conditions for a growing confidence among partners, a critical success factor for partnership work.
- To develop a clear framework of responsibilities and roles for each partner involved in the partnership and through it to stimulate the development of ownership.
- To create the necessary structures, light and flexible, to make the partnership operational and with a sound management
- To have a clear leadership that shall ensure a democratic and equity framework for the partnership. This means that each partner shall be respected and considered as an equal independent of the dimension or any other type of power source.
- Achieving a good balance between deliverability and innovation in the activities of the partnership. Balance between existing project ideas and new ideas. To include the first favours efficiency and promotes the 'quick wins' which build confidence in the partnership.
- In a territory with different levels of Governance the partnership structure must reflect those different levels and to ensure the vertical communication and interaction.
- To create a learning culture within the partnership based on exchange of knowledge and experience and common developments among partners as well as an open mind for the exterior world keeping the inclusiveness character of the partnership.

Funding Partnerships

The mechanisms of Funding partnerships can be very diverse. Most of the time the mechanisms are public and can be “distributed” to the partnerships under different models.

In some cases the partnerships have a budget allocated annually for the working plan that it is presented to the funding authorities, normally the national or regional authorities or an Intermediary Body that is managing and allocating the resources for the partnerships for the national or regional authorities.

In other less frequent cases the funding for the functioning of the partnership is total or partly private, either through a contribution of the partners themselves or by sponsors (companies, foundations,etc).

In all cases this allocated budget is covering normally the costs of keeping the partnership structure running and all he operational activities related with projects are covered by a diversity of funding possibilities coming directly from existing Programmes (EU, World Bank or other funding mechanisms).

In Croatia the definition of such models is particularly important since the coming accession to the EU creates very many possibilities for funding the partnerships. Condition to this is the clear integration of these policy measures and respective implementation in the programmatic documents negotiated with the Commission.

Croatia Partnerships

Building process

The partnerships in Croatia were the result of Technical Assistance projects in the context of CARDS, one of the Europe Aid Funds available in the European Union. The conception and development process was based on the Technical Assistance provided by international companies and experts to the Croatia Government on the basis of a pilot experience in some regions. This has also the consequence of creating a intermittent development according to the existence and non existence of the TA projects mentioned. This situation does not provide the long run development and consolidation period that partnership process needs. Additionally the continuity is also relative since the sequence of projects, even when they exist, can be delivered by different companies and the established models are still not consistent enough to define themselves the own needs and development lines.

There were essentially two different type of project: one addressing a county partnership for the development of a Regional Operational Plan – ROP that it is possible to find also in Vukovar and Varazdin Counties and another one addressing a partnership for employment aimed at finding solutions for the employment and social exclusion problems like the one found in Vukovar.

After an initial period lacking a clear leadership the County partnership is now being coordinated by the county council and it has 21 members belonging 7 to the business sector (where also the employment agency is involved), 7 to the administration and 7 to the civil society. The ROP was developed and it is in the final phase of approval. However the National Framework is not still approved and for that reason there is still not a right coverage for the activities foreseen in ROP. The County Council reemphasizes the importance of the partnership and wants to keep leading it. The next step will be the discussion of potential projects. The partners involved in the partnership are not equally committed to the respective work.

For the Regional Council it seems that there was a clear leadership while the project was running but afterwards there was not a sustainable development. The ownership of the partners in relation to the partnership is not very strong even if there is a deep conviction on the good work and results produced by the partnership. However there is a passive wait for a next project.

The County partnerships have a minimalist structure that corresponds to the early stage of development of the partnership, a Board and working groups. The Board meets still but the working groups seem to lack a purpose for the moment since the working plan would be based on the ROP that lacks recognition and support by the national authorities. The roles of the partners are not clearly established and there is a lack of ownership from the majority of the partners.

The partnerships have no legal status and are not formalised as such till now.

Maintenance Process

The conditions are still not created to have sustainable partnerships working in the studied regions in Croatia. Though a common work was developed the involvement and commitment of the partners is still limited. Time is required to create shared/owned visions and values and to build up

trustful relationships and all the process is too recent. However the potential conflictuality needs to be “removed” by an intensive work together, within a framework of clear leadership, of intensive work together to enable the trust relationships to develop. This means the need of a definition of tasks for the partners, a clear and accepted participative leadership, a technical assistance with a strong moderation and facilitation profile and learning opportunities for all people involved in the partnership work.

It is also important to formalise the partnership and to create a “regulation” as well as a monitoring and evaluation system to help to get the necessary feedbacks for improvement.

Funding of Partnerships

The partnerships have no own budget and the resources allocated are relative scarce. The main funding mechanism is based on the ROP that will be the trigger for the development of projects finding the financial cover on the national framework.

Other funding possibilities are related with projects funded under national or European Programmes in which Croatia can participate like Leonardo da Vinci Programme. However because the partnership is still not working very effectively these opportunities seem not to be so efficient used.

This aspect is especially important in the context of the near accession of Croatia to the EU since the Programming documents shall be structured to contain the necessary Programs to cover the maintenance and support of the Partnership work.

Sometimes pilot Programmes and/or projects have no sustainability possible because the legal framework is not compatible. It is necessary to watch to meet the requirements of the legal framework or to create the conditions to update it if necessary – the interaction.

Strenghts and Weaknesses

Strenghts

In both Regions there is a wide recognition of the actors in relation to the main priorities:

- Stimulate the economic growth through restructuration or new creation of companies and attraction of investments
- Reduction of unemployment through a better match between offer and demand and by raising qualifications of low skilled people.
- Broad recognition of the need of cooperation to be effective in using resources and in problem solving. This recognition is materialised under the form of several project partnerships. This means that most of the actors are already willing to cooperate and recognise the advantage of cooperation against competition in what regards very concrete objectives and actions.
- Multiplicity of resources available either from national Programmes but also from county and city levels. Besides these some European Funds are already available and in the near future this will increase substantially through the accession to the EU.

- In Varazdin the dynamic is very strong with initiative and commitment and installed potential of innovation in spite of polarisation. The two development agencies try to correct asymmetries of development in the respective areas of intervention but without contact and cooperation between them.

Weaknesses

- The partnerships created till now have still not created ownership in their members and leadership is also not clear. In Vukovar the Regional Council (Local Partnership for Employment) seems to have a more successful approach than the county partnership what is understandable by the character of the concrete problems and projects in presence.

The partnership structure is “ad-hoc” and based on project cooperation without being part of an overarching strategy owned by the members. Communication does not work very effectively either horizontally, spread of information to the partners, and also vertically between the different levels of Governance involved (national - sub-regional - local)

- Legitimacy of partnership representatives seems also to be a problem especially within a unstable political context. Varazdin seems to have more political stability in the city what has supported a sustainable development process
- In Varazdin there is a clear polarisation through a double strong leadership and for that reason lack of a common overarching strategy with ownership from all actors including county and city. The cooperation scheme is based on a double core having not so much cooperation among them. There was a definition of minimum boarder line in which the city puts its main efforts in the respective members within urban oriented projects while the county tries to address the county as a whole in a more rural areas oriented approach. However several overlapping areas seem to happen due to the lack of communication. This type of model in which the excess of protagonism of some key actors drive to the lack of ownership of other actors that leave themselves to be driven.
- In both Regions the actors of the regional seem to lack competencies on partnership work, the respective advantages and disadvantages. Empowerment actions are very necessary

Good Practice in Vukovar and Varazdin

County Partnership of Varazdin

Good Participative process - The partnership was built up to elaborate the ROP under the CARDS project also. The approach was following a bottom-up approach with consultation to more than 120 actors from public administration, civil society and entrepreneurs. There were meetings for discussion and incorporation of the suggestions.

The strategy has also considered the neighbourhood context through several contacts with the neighbour countries to ensure a wider territory strategic approach. Consultation and discussions about common problems took place with Hungary and Slonenja boarder regions.

Common Goal – Economic development of the region and reduction of unemployment are common goals. The lack of communication and generation of synergy effect between the two agencies leading the partnership process at city and county levels needs improvement.

Sustainability – The partnership is still meeting every 6 months (60 to 90 members present). A potential of sustainability is present through the technical assistance provided by the County Agency. This Agency is still the core of the partnership and is supporting its functioning. An example is the preparation of the meetings based on questionnaires distributed to collect the topics for the meetings and between meetings the Agency agent visit regularly the different partners to keep the pace. Another important dimension of this support is through training schemes available like PCM and consultancy for preparation of projects. A open call for ideas for projects is open each 6 months to build up a portfolio that can be translated into proposals as soon as a call appears.

Lobbying structures for the region – An office in Brussels and at national level contacts were developed with several organisations like: CC Crafts, American chamber, Nordic chamber and with the Ministries (Regional Development and Economy).

Operation – Several projects have been developed in partnership.

E-Vukovar

E-Vukovar being a project developed in the city of Vukovar with the funding of the USAID Croatia is a project introducing equipment and the necessary skills on development of ICT. Some of the areas are E-Government and Education among others. The project has achieved a wide participation and commitment since all the organisations mention the work done in the context of the project. A group of 10 key players are directly involved: the Self-Government, the College, the schools, NGOs, the Chambers, the City and private sector as well as some partners external to the city like the USAID, Microsoft, payment Agency some Banks, among others. In this moment the transfer phase is running and one NGO is being settled to guarantee the sustainability of E-Vukovar.

The potential of the infrastructure installed and the competencies developed is very high and can play a very important role in the support of the partnerships consolidation. To use these facilities as communication vehicles and as core for further development in a field that it seems to be a common interest and priority for all partners.

It seems to be a good practice in terms of common engagement (creation of a common objective to build up the partnership ownership) even if it needs further development

Recommendations

At National level

Croatia has a centralised Governmental structure what makes the role of the central administration fundamental as enabler for the local strategies and action plans. For this reason when analysing the local Partnership approaches and structures it is necessary also to analyse the enablers at central level without which the local level can not succeed.

The main enablers at central level are:

- To create fluent and effective links between the strategies at national and local level in order that the national strategy can be used by the local governance level as a framework.
- For instance the National Strategy must be the anchor of the ROPs and those should find in the associated Programmes the legitimacy for the local strategy and at the same time the possibility of financing the implementation of the ROP.

- To improve the information system with different levels of des-aggregation in which the local actors could find also the necessary baseline data to prospective studies for the HR planning in each County enabling the strategies to focus not only in the present but also in the future development.
- Flexibility in HR Planning exercises having in consideration the specificities of the territories. Curricula shall have a free space for adaptation to enable the partnerships to impact in the match of offer and demand at local level.
- To create the Programming documents to be negotiated with the Commission (Operational Programmes) with flexible mechanisms enabling the funding of the structure costs of the partnerships at least during the consolidation period and also creating measures for partnerships to apply for pluriannual Plans of action integrating several projects.

At sub-regional/local levels

- To integrate the two partnerships in a single model of partnership with two levels of Governance. This structure shall guarantee also a communication system through a interaction between the two levels (one learning model will give an example). In Vukovar the County Partnership shall be the umbrella strategic Partnership to which the other partnerships (by sectors, intervention areas, target groups, etc) with a more operational character are related to.
- To build up a common model by bringing the two partnerships within a clear common framework in which the county and the city have to be able to understand that partnership do not imply to be agree always but to find a common minimum with a regional identity to create a bilateral advantage and within it each one has autonomy to make its own model. This can be improved, for instance in Varazdin, by the cooperation between the two Agencies through some big initiatives that could encourage to create a common identity.
- The model must integrate an unit of management/coordination of the partnership model that must be professionalised and give all the logistical and content support the partnership needs since their members are doing this participation only as additional activity to their own jobs. (Technical Secretariat, Technical Assistance Unit, etc)
- Experienced Technical Assistance is required either on the level of mentoring to assist the building up process of the partnerships (to help to develop the interactions and to link the different initiatives within an overarching strategic action) but also to promote capacity building and improve the skills of the actors by learning actions and set up of adapted instruments.
- The thematic working groups must be put to work and keep them working because this process is an important element to create the group dynamic and their positive results will be feeding back the partnership with a “crescendo” of trust, self-identification and engagement
- The County partnership should put more effort in the development of thematic working groups with a more regular working basis and with a key role of the specific actors. One very necessary area is Employment and Vocational training since there is still a gap of ALMP to contribute to solve the unemployment problems. This would be also a possibility

of reinforcing the role of the Employment Center and to improve ownership. The same strategy can be used with other actors to raise their ownership.

- Creation of learning opportunities for partnership members. To work in partnership is not easy and creates a high potential of conflictuality in case the partners are not aware of the respective principles.

International Learning Models

Local Partnerships in Romania

This Model comprises a formal Pact at Regional Level, an Employment and Social Inclusion partnership at County level and several project partnerships at local level. It constitutes the employment Governance model building up participative processes of policy making and policy delivery with the best use of the financial instruments available like the structural funds.

Employment agreements are, in this context, a form of social agreement aiming to promote employment through the mobilisation of all possible resources in a territory for a joint strategy to create jobs and it helps to better coordinate and integrate employment policies. This process involves efforts of the partners to identify difficulties, concerns and expectations of the payers in the area of employment.

To be able to accomplish this objective the Pact has to integrate the different levels of governance, use all the endogenous resources available within a synergic way and multiply the capacity of creating projects as real instruments of development and allocation of the financial resources. For this reason the Pacts have to involve as many partners as possible with responsibilities in the field of employment like related public authorities, employers associations and trade unions as well as other social and economic players such as third sector organisations.

To ensure that the problems and needs, that happen often at local level, are addressed within the regional strategy it is necessary to create also a bottom-up mechanism providing the analysis of the problems and the elaboration of the proposals of action at county level which, in its turn will receive inputs from the local level. It is proved in several European experiences that this combination between top-down and bottom-up approaches constitutes one important success factor in the partnership model. It is important to highlight here that Romania is a country with a central decision policy level (NUT1), almost no Regional structures (they are in building up process to meet the requirements of the EU for the accession) and a large range of institutional policy delivery and coordination capacity installed at county level (NUT 3) and an administrative operational capacity at municipal level (NUT 4 or less). The partnership model had to build up the strategic decision making capacity at regional level but at the same time to integrate the delivery capacity strongly developed at county level. This process is a long way and requires patience since the competition between counties and the lack of a common identity as a region creates a wide range of agendas and interests which need to be managed. It is extremely important to keep the pace and to "reinvent" at any time the necessary common interests. In Romania the strongest common interest is the need of using the available structural funds in the most exhaustive way. This motivates the different organisations to come regularly together in order to get the necessary preparation and to build up the project pipelines. This shows how important is in building up partnerships the existence of resources for the common action. Only in this way it is possible to reinforce the common identity.

Other important aspect to be solved was the leadership of the Pact among the different organisations with different interests. For this reason and to create the highest acceptance of the

partners the leadership was subject of election in the Partnership and at the same time it was worked out a general regulation for the Pact and for the County partnerships establishing this and other useful rules for the functioning of the partnerships.

The structure and respective functionalities are presented in the diagramm and described in the next paragraphs. It is important to highlight that the relationships showed in the diagramm are never hierarchical lines.

A) Regional Level (Regional Pact)

At Regional level it must be located a structure with a vision for the Region Human Resources development and with the competences **to put this vision into strategic guidelines and priorities within the national framework** through the Regional Employment Plan. This Plan will be the instrument that translates the vision for the region.

For this reason it is extremely important that this structure really takes the form of a policy committee integrating all relevant institutional and non-institutional organisations represented at high level to make of it a decision making and regulatory body giving the necessary legitimacy to the Pact.

The Pact must be assisted by a **technical permanent secretariat (STP)** who will facilitate the partnership work and the relationships with the other levels (regional and local) and will stimulate the development of projects and of forms of cooperation at the local level.

The Presidency of the Regional Pact shall lay on the highest policy representation. If the Regional Employment policy will be within the PIU then it shall be this person. However it is good to highlight that it is advisable to have the responsibility for the policy and for the financial instrument (ESF) in separate persons even in the same Unit.

B) County Level (County based employment and social inclusion partnerships)

This level has an important role including a strategy definition at County level as a contribution to the Regional action Plan but also an implementation/ operative role of the respective measures as well as the guidance and stimulation of the local level.

For this reason it has a particular importance in the structure since:

- translates the strategies from other levels into the County level (translation of the Guidelines and priorities from Regional level to be used as framework for the County)
- analyses the problems and opportunities of the County and identifies the necessary actions to meet them by taking in consideration the inputs of the local level.

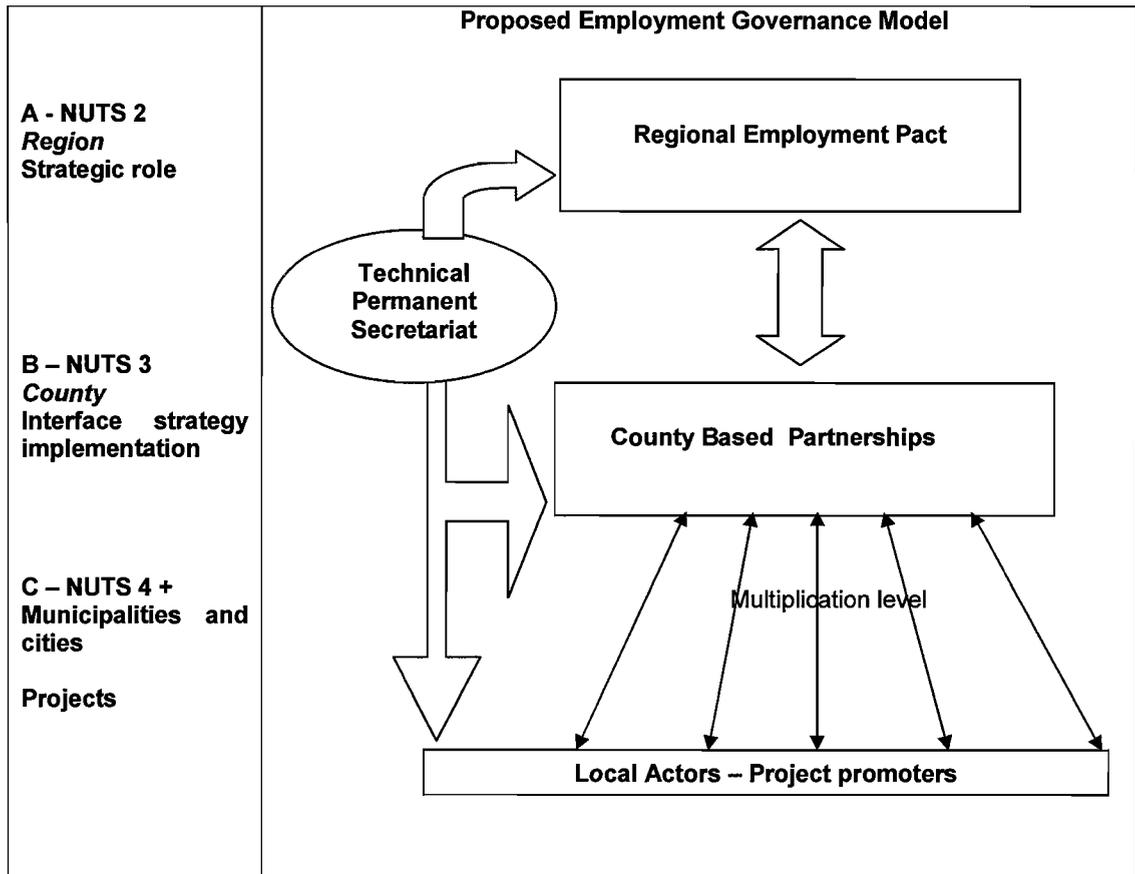
To be able to perform this set of responsibilities and tasks this structure needs:

1. to be organised in a **plenary and several working groups** by problem-areas corresponding to the priorities defined in the Regional Plan
2. to have the support of a **technical permanent secretariat (STP)** who will facilitate the partnership work and the relationships with the other levels (regional and local) and will stimulate the development of projects and of forms of cooperation at the local level.

To do this work the STP will identify and support the empowerment of local structures (Local Agenda 21 at municipalities, Project departments in universities, umbrella NGOs, etc) who will act as multiplication units for the local actors. In this way it will be possible to spread widely the partnership approach and to maximise the empowerment effect in order to maximise the use of the ESF through good and adequate projects.

C) Local Level (project partnerships)

At local level is where the most projects shall take place and also where operative partnerships have to emerge to generate synergies but especially also to improve the capacity of those actors in elaborating and developing more complex projects under the ESF and framed by the REAP.



Permanent Technical Secretariat

Management Unit – with a manager responsible for all financial and functional operations of the TAG and who integrates the Pact in the position of Secretariat and can, by request of the members, make the moderation of the sessions. Administrative and Financial staff provide all the logistical services for the Pact like to prepare the meetings (invitations, settle locations, catering among others), to elaborate the minutes and to respond for the content.

Technical Staff (facilitators) is required to support the content work and is responsible for the complete support to the development and consolidation of the partnerships, either at County level and also at project level – local project partnerships.

Expected competencies:

1. Very good knowledge of the labour market and the social situation in the region as well as of the actors of the counties and of their competencies to conceive and develop projects
2. Very good communication skills
3. Good perception of potential problems and difficulties to enable preventive intervention
4. Good knowledge of English (necessary spoken and preferable also written)
5. Very good experience in the role of giving technical assistance and accompanying projects in the perspective of empowerment of the actors.

This structure will be financed through the ESF for the next programming period. However there was till now some difficulties in creating these new structures. On one side the national legislative framework is not adapted to support these new type of structures and on the other side the EU regulations have several limitations and procedures in relation to measures being funded by ESF. In this moment the difficulties are almost overcome but it took several months what is a risk for the early years of existence for partnerships.

Tower Hamlets Partnership, UK

Tower Hamlets is an inner borough of London extending eastward from the Tower of London and including most of the East End of Inner London. The borough belongs to the historic county of Middlesex.

Over half of Tower Hamlets' population is from non-White British ethnic groups. A third is Bangladeshi, of whom half is under 20 years old. Sixty per cent of the White British population is over 30. At the time of the 2001 census 58% of the population in Tower Hamlets belonged to an ethnic group other than White British. A third or 33% of the population were Bangladeshi, 7% came from African/Caribbean backgrounds and the total White British population was 42%.

Over the past 10 years the borough economy has undergone major structural changes with significant employment growth in the banking and financial service sector. This now represents over 40% of all employment within the borough.

With several economic and social problems (criminality and safety, housing, low employment levels, among others) Tower Hamlets was and still remains one of the most deprived areas in the country.

The Tower Hamlets Partnership was launched in November 2001, to meet the need of improving the county situation with the commitment and implication of all. It brings together all of the key stakeholders – residents, the council, police, the health service, public services, voluntary and community groups, faith communities and businesses. In particular, it gives residents a much stronger say in the way that services are provided and ensures that services work together to achieve the objectives of the borough's Community Plan and Neighbourhood Renewal Strategy. What makes Tower Hamlets approach unique in getting closer to communities is the development of local management and the LAP action plans.

The Community Plan is established on the basis of a massive consultation exercise to set the priorities in the borough's Community Plan to 2010 (over 3,000 people took part)

For example the priorities are to make Tower Hamlets:

- a better place for Living Safely
- a better place for Living Well
- a better place for Creating and Sharing Prosperity
- a better place for Learning, Achievement and Leisure
- a better place for Excellent Public Services.

To do this the Partnership:

- oversees the borough's community planning, to improve the quality of life for all who live and work here
- delivers the Neighbourhood Renewal Strategy, targeting resources where they are most needed
- promotes maximum communication and co-operation
- gives local people a stronger voice in how services are delivered
- brings together plans and projects and establishes agreed priorities for delivery
- makes the most of available resources
- ensures ambitious targets are set and promises achieved.

The Partnership has signed up to **ten principles to guide** the way it works. It:

- is inclusive – looking to engage local people in more creative ways
- focuses on outcomes and, in particular, sustainable development

- searches for ways of speeding up service improvement and accelerating progress
- values diversity and treats people with respect
- ensures equality of opportunity and equality of access for everyone
- promotes social inclusion and action to combat disadvantage
- is proactive in supporting community cohesion
- is creative in identifying new opportunities for joint working
- is developing user focused services
- seeks to reflect the local community

Structure and Working Methods:

There are three strands to the Partnership:

1. Local Area Partnerships (LAPs)

There are eight Local Area Partnerships (LAPs) providing the formal framework through which residents are involved. These bring together people in their locality to share ideas and views about how things can be improved. The LAPs provide local people with the chance to influence the delivery of services locally and to scrutinise the performance of the council, health, police and other mainstream services.

Local Area Partnerships are arguably the most important element of the Local Strategic Partnership, giving everyone the chance to have their say about the things that matter locally. LAPs:

- identify local priorities
- challenge and influence the delivery of services
- feed into the development of plans and targets
- help to develop, implement and review the Community Plan
- help to develop, implement and review the Neighbourhood Renewal Strategy
- act as a body for consultation purposes
- encourage local people to get involved

The areas covered by the eight Local Area Partnerships are made up from two or three wards, as set out below. The LAPs are grouped together in pairs because, for some purposes, it might make sense for them to join forces or hold joint meetings and events.

LAPs are open to everyone living in, or having a stake in, the area. Each LAP can decide how it wants to manage its business, but it must work as part of the Partnership as a whole and adopt its

guiding principles. LAPs are expected to hold four meetings or events each year where local residents can consider and discuss the Community Plan and neighbourhood renewal priorities that are most important to them. Representatives from local service providers are expected to attend these events, when invited, to answer questions from local people, to hear their views and to be held accountable for service performance.

LAP Steering Groups

Each of the LAPs has formed a 'Steering Group' made up of local stakeholders. Steering Groups, in which local ward councillors have a key role, help to organise and develop the work of the LAPs, planning events and meetings for example. They come together on a more regular basis than the full LAP. Membership of each Steering Group consists of between six and twelve people. These are identified through full LAP meetings where volunteers are sought who are willing to commit themselves to active participation in the group for one year.

Each Steering Group needs to actively demonstrate that membership reflects the make up of people living and working in an area. Factors like ethnicity, gender, age, and different parts of the LAP area are addressed as far as possible. Over-subscription is tackled by names 'drawn from a hat', but with those drawn needing to match the criteria above, to make sure that Steering Groups are as representative as possible.

Membership of the Steering Group is reviewed annually. Details of who sits on each LAP Steering Group are available on the website, as are notes from meetings and events.

To make sure that decision-making is transparent and shared, a quorum for any Steering Group meeting is at least four (in LAPs made up of two wards) or six (in LAPs made up of three wards).

LAP Chairs and Vice Chairs

Each Steering Group elects its own chair and vice chair. The role of the chair is to ensure that: (i) the LAP is a vibrant vehicle through which the views of all local residents and other stakeholders are taken on board; (ii) the LAP is committed to, and contributes to, the agreed goals of the Tower Hamlets Partnership as a whole; and, (iii) the work of the LAP is managed effectively.

2. Community Plan Action Group (CPAGs)

There is a Community Plan Action Group for each of the five themes/priorities in the Community Plan:

- Living Safely
- Living Well
- Creating and Sharing Prosperity
- Learning, Achievement and Leisure
- Excellent Public Services

The CPAGs bring together key service providers who work together to accelerate performance in local services. CPAG membership includes providers from the main agencies – police, health, the

council – plus the business and voluntary and community sectors. Membership reflects the specific remit of each group and is reviewed annually. They listen to the Local Area Partnerships and act on their ideas, working together to find creative solutions to local problems. Each CPAG oversees the development and implementation of a joined up plan for its Community Plan theme and makes sure ambitious targets are set and achieved.

3. The Partnership Management Group (PMG)

The Partnership Management Group oversees the strategic partnership, involving local residents and key players from the public, private, community and voluntary sectors.

All other parts of the partnership feed into the Partnership Management Group. This group involves residents from the four main areas of the borough and representatives from the CPAGs, together with local councillors and representatives from the major service providers, businesses, faith communities and voluntary and community sectors. It is a strategic group with responsibility for developing the Community Plan and Neighbourhood Renewal Strategy and ensuring that they are delivered efficiently and effectively and targets achieved by:

- steering the Partnership to make sure it is making a real difference
- ensuring involvement of local residents and key partners, including the public, private and voluntary sectors
- keeping the Community Plan and Neighbourhood Renewal Strategy under review
- reviewing existing partnerships and plans to maximise progress and ensure that everyone is pulling in the same direction
- focusing on achieving the government's "floor targets" which are the minimum levels of service residents should expect to experience
- identifying challenging targets for improvement and makes sure they are achieved
- ensuring that the CPAGs co-ordinate and deliver national and local initiatives effectively, making best use of all resources including mainstream budgets
- supporting the formal scrutiny processes of the council in accounting for progress towards Community Plan and neighbourhood renewal goals

All members of the Partnership Management Group have signed a Charter which sets out how they will work. This includes promises to:

- uphold the values and objectives of the Partnership
- uphold the Partnership's core policies, including those for equal opportunities
- contribute to and share responsibility for the decisions of the Partnership Management Group
- respect confidentiality of information
- uphold the principles of good governance

This charter is being extended to the LAPs and CPAGs

Membership of the Partnership Management Group

The Partnership Management Group is made up of 24 members as follows:

- 4 Residents – one for each paired area of LAPs
- 5 Community Plan Action Group representatives
- 3 Councillors – Leader + Regeneration + Opposition representative
- The Chief Executive of Tower Hamlets Council
- The Chief Executive of the Primary Care Trust
- The Borough Commander, Metropolitan Police
- 2 Voluntary and Community representatives – nominated through the Community Empowerment Network
- 2 Business representatives – nominated through the East London Business Alliance
- 2 Faith Community representatives – nominated by faith groups
- The Chair of Tower Hamlets Housing Forum
- 2 Youth representatives

How the Partnership Management Group works

The Partnership Management Group:

- elects its own chair and vice chair
- meets in public at least four times a year, with open agendas and minutes with sub-groups for specific work as necessary
- accounts to local people for its actions and performance – through regular annual reporting to the LAPs, including an annual report on performance against agreed targets

The Partnership Support Team

The Partnership Support Team helps to ensure that the Partnership operates effectively and that all meetings and events are efficiently managed. There are four Partnership Support Officers, managed by the Head of Partnership Support. Each Partnership Support Officer assists two LAPs and one CPAG.

Each pair of LAPs has a senior officer, accountable to the Tower Hamlets Partnership, called an Area Director, who is responsible for:-

- improving the coordination of services within each LAP
- developing and implementing the LAP action plans

The Area Directors also work with the CPAGs to ensure that the local messages about service improvement coming from local people through the LAPs are fed back to the CPAGs, and are reflected in their service planning. In addition to this, half the LAPs have local champions – Neighbourhood Managers – who are charged with accelerating improvements in quality of life and negotiating with local service providers on how services can become more responsive to local needs and views. Increasingly, major service providers such as the PCT, the Council and the police, are exploring the opportunities for working at a more local level.

For example, the Safer Neighbourhood Teams – the borough’s community policing presence – all operate at ward level, with the LAP providing the governance and accountability framework for the activities they undertake.

Communication

Good communication is fundamental to the success of the partnership. Each month articles appear in East End Life letting people know what's happening and how they can get involved. In addition, a Partnership Newsletter is produced regularly and delivered to every home in the borough telling people what's been achieved and advising them of forthcoming events. After every round of Partnership meetings, a summary is prepared of key issues raised and actions taken. This summary is distributed to all LAP Steering Groups and to all CPAG and PMG members.

In conclusion some key success factors for building and maintaining this Partnership:

Encouraging engagement from a diverse community takes strong leadership and effective community planning. Tower Hamlets has benefited from a strong Local Strategic Partnership vision, which is embedded into service planning across the borough. The partnership is able to draw on the local knowledge and community contacts of an elected membership that reflects the ethnic makeup of the borough.

High quality mainstream services, focused on improving outcomes for all communities is essential for building trust and encouraging further community involvement in shaping the planning and delivery of services.

Effective partnership working between public services, local community groups and the voluntary sector is at the heart of improving both the level of service provided to communities, and the level of community involvement in the decision-making process.

Developing a workforce which reflects the local community helps build trust and increases local engagement. Staff from the community are a natural link between the organisation and the people it serves. Such a policy also opens up job opportunities for local residents.

Two-way communication is key. Residents who feel detached from their local public service providers are more likely to develop a negative image of them. Communication and consultation must be an integral part of strategic planning, never a ‘bolt-on’ at the end of a project.

Employment Pact of Valles Occidental, Spain

The labour legislation reform in Spain during the 90s opened the way to developments in the social dialogue and a new type of cooperation between administration and social partners. In this framework in 1997 the Regional Government of Catalunya, the local authorities of Valles, the Employers Confederations and the Unions Confederations at local level agreed to develop a Territorial Pact for Employment for the sub-regional Valles Occidental under the European Union Initiative Territorial Employment Pacts. Valles Occidental was a region in the periphery of Barcelona with an unemployment rate above the regional average and a growth potential in socio economic terms. The Pact was the instrument of private –public concertation to bring together the actors of the region to conceive, plan and implement the necessary employment policies for the territory.

The most difficult task in the beginning was to create a common “language and understanding” among the partners in order to produce the planned results. A structure was put in place with:

Government bodies:

Executive Committee - (Regional - Generalitat, province- Diputacion and territorial authorities (Consell Comarcal, the unions and the employers confederations, political parties representatives, key actors of the territory, representatives of the monitoring committee of ERDF and ESF)

Permanent Committee – (Regional and territorial authorities, the unions and the employers confederations)

Executive and monitoring bodies:

Technical assistance Unit - the same organisations of the permanent committee but at technical level (it never really existed because the Permanent committee was also doing this job)

Coordinator – the territorial authority (Consell Comarcal)

Directive Committees – 4 lead by Employers, Unions, Regional authority and Consell Comarcal

Advisory Body :

Assembly of all organisations – all organisations present in the Executive Committee plus banks, NGOs, Universities and Chambers of Commerce.

The process of building up this Partnership was made around the development of a common vision and a common programme with 18 measures of action grouped according to the areas of intervention like employment, information society, reinforcement of the competitiveness of the SME among others.

An important consequence of the successful work of the Pact was, in 2001, the creation at regional level of a funding programme to support the creation and consolidation of the Pacts. In 2002 the Regional Government decentralises by law the management of the employment policies and the TEPs are considered the main strategic instrument. In 2005 a new law comes into force establishing the basis for creation of mixed Consorci (regional and local authorities, unions and employers) based on the structure of the TEPs. The ALMP is decentralised through pluriannual contract programmes.

This development of the national and regional legislative framework was a crucial factor to enable the consolidation and further development of the established Pact.

The Pact has a direct intervention on the coordination of the public and the private services meeting the needs identified according to a bottom up process implicating all local actors (of the different municipalities involved in the Pact).

The Pact enables also through the vertical communication processes a high rate of integration of the tested innovative approaches into the general policies – High mainstreaming effect – and it fosters a high use of all available funding sources in a complementary way without overlapping and generating economy scales.

Some of the main difficulties felt along the Pact life were:

- One important motivation factor was the fact that the European Programmes and later the National and regional were forcing the partnerships to come together reinforcing the existence of common goals.
- To face the need of institutional and/or personal protagonisms – it was overcome with the time and with the development of a “strategic generosity culture”, with the generation of trustful relationships around the common project and with the demonstration through the progression of achievements of the win-win situation.
- The initial expectations were too ambitious and it was necessary to go step by step reaching agreements in relation to the different areas of intervention
- The permanent conflict between the need of immediate results and to develop medium and short term strategies only possible through a balanced and wise management of the partnership. Here it plays again an important role the empowerment of the actors involved.
- To recognise that any innovative experimental process it comprises successes and failures and to be able to learn with all of them, especially with the failures. A detailed analysis and discussion of them was made in the Pact.
- The need of being operative and efficient against the need of being so participative as possible was overcome by the development of communications channels and management systems using ICT.
- Difficulty of involvement of companies in the process is being addressed by proposing several measures resulting in improvement of the social recognition and valorisation of the social responsibility.
- Weak participation of the NGO was addressed by the establishment of territorial platforms offering at the same time support to a better professionalisation and improving the mutual transparency.
- The problems of funding discontinuity was solved by a good vertical cooperation and communication resulting in the already mentioned legislative changes as well as in Programmes more adequate to support the partnership. Actions of permanent mobilisation of the important stakeholders.

Addressing organisational challenges

- The funding was always done through the Operational programmes (ESF), and or Global Subventions in the context of regional Programmes. Especially in the new programming period this funding possibilities are wider and more flexible.
- To build up the whole process it was very important to have an external expertise with adequate competencies and a neutral character in relation to the actors involved.

Important instruments:

- A Cooperation Handbook with the definition of the different procedures establishes the regulation for the functioning of the Pact.
- The Annual Plan containing the diagnostic about the territory and the respective priority lines of action
- A mapping of all the services existing in the territory (all measures and ALMP provided by the different local agents)
- Several information is provided like training needs detected in the territory, proposals for territorial projects and others.

The most recent development is that the Pact decided to go for a more formalised cooperation and has developed a Consórcio in the context of the legislation of 2005. The process is still on going but all the members of the Pact/Consortio and the other partners are very convinced about the positive advantage of working in partnership and they are spreading their model in other countries, namely in South America.

LEARNING TO DELIVER: HOW TO MAKE LOCAL PARTNERSHIPS MORE EFFECTIVE

by David Galliers, Learning to Deliver Programme and Coventry Partnership, UK

Description of the approach (aims, delivery, budget etc)

"Learning to Deliver" is a regional support programme for Local Strategic Partnerships in the West Midlands region of UK. Its aims and objectives are:

- Through a collaborative and shared approach, to deliver a programme of practical support and activities that will help the 38 Local Strategic Partnerships improve their delivery of their plans and strategies.
- Map the current position of LSPs in the West Midlands in delivering key outcomes and test the impact of current support against delivery of these outcomes.
- Provide a framework through which the West Midlands Region can identify the strengths and weaknesses of LSPs in the region and rapidly provide support in a coordinated and efficient manner.

The programme is based upon the view that partnership practitioners are best able to improve the delivery of their partnerships when they work together to identify good practice and to solve common problems. Each partnership was asked to identify

1. one or two representatives who would:
 - Be responsible for the delivery of an Improvement Project designed to improve the working of the partnership
 - Attend an Action Learning Set⁸ in order to share their progress with others and to work with others to solve problems and overcome barriers.
3. A Project Champion who is a senior member of the partnership and whose role would be to provide strategic support to the project, identify major barriers to delivery, to overcome them and to report on progress to the partnership.

In return, each partnership would receive a grant for the year to help deliver the project along with other forms of support (see below).

⁸ An Action Learning Set is a process in which a group of people come together more or less regularly to help each other to learn from their experience. Action Learning was developed in the 1940s by Reg Bevens when he set up management development programmes for the National Coal Board.

Metropolitan and Unitary partnerships (single tier) receive £19,600 (29,066 Euros) each, and County and District partnerships (Two tier) receive £6,300 (£9,345 Euros) each.

A condition of grant was placed on two tier partnerships that the **majority** of district partnerships in a county must submit projects which they have shared with other partnerships in their locality. If less than a majority submit projects then all the funding for the county and districts in that locality will be withdrawn and shared amongst other partnerships in the region. In the first year of the programme **all** two tier partnerships in the region participated.

Self Assessment

The programme also insisted that each Improvement Project should be based upon either a joint Government/Partnership review of delivery – in the case of those partnerships delivering a Local Area Agreement⁹ or a self assessment for those district partnerships that were not delivering a Local Area Agreement. A self assessment tool was developed in the region which partnerships were encouraged to use and which was designed to enable each partnership to test themselves against a set of agreed competency statements. The Improvement Project was designed to improve one or two key improvements which were judged to be vital to more effective service delivery.

Additional Support and Knowledge

In order to ensure that partnerships and their participants have adequate support to deliver their projects and they are able to prepare themselves for future issues that are emerging additional support was provided.

A team of advisers were recruited to provide this additional support to the programme. They were selected under competitive tender and a number had been accredited by central government as “Neighbourhood Renewal Advisers” i.e. people who were experienced in partnership and regeneration work. Each of the team has a specific specialism (e.g. Health, Crime, Housing, Economic Regeneration) which allows the programme manager to deploy specific skills where they are most needed.

The following is being offered:

1 to 1 Support.

Each partnership is offered the equivalent of 1 day’s individual support to help them deliver their Improvement Project. Counties and Districts (2 tier areas) were encouraged to join together to receive this support and to pool their “support days”. This helps to maximise the time available and also encourages good communication and joint working.

“How to” Workshops.

A series of workshops are also being offered using the external advisers but involving practitioners to demonstrate local good practice. The workshops are geared to the topics being

⁹ A Local Area Agreement is an initiative developed by the UK government through which Local Strategic Partnerships develop a delivery plan (i.e. outcomes, performance indicators, targets and responsible officers) through which their strategic plan is driven. Some of the outcomes and indicators are negotiated with government based on national priorities and others are included to address particular local priorities.

addressed through the Improvement Projects e.g. Performance Management, Governance and Accountability, Involving the Voluntary Sector, Economic Development, Leadership of Partnerships etc.

E-Briefings

All Participants, Project Champions and other members of the partnerships receive a regular bulletin about the development of the programme and a series of policy & practice e-briefings related to partnership work, new policy developments and useful case studies.

The programme is delivered by a programme manager who is accountable to a Steering Group consisting of regional support agencies, regional government and partnership practitioners drawn from the region.

Governance and Accountability

The programme is accountable to a Regional Improvement Partnership which acts as an intermediary body standing between central government and local partnerships and is designed to support the improvement and efficiency of Local Authorities and Local Strategic Partnerships using funding devolved from central government. Membership of the Regional Improvement Partnership includes:

- Chief Executives of Single and Two Tier Authorities
- National support agencies
- The Local Government Association (the membership association for Local Governments)
- Regional Government

This body is currently being restructured to prepare for further devolution of funds from central government departments.

Budget

The core Learning to Deliver budget for 2007-8 is £540,000 or approx. 800,000 Euros to support 38 partnerships. In addition, the Regional Economic Development Agency has contributed an additional £70,000 or 104,000 Euros to deliver support on Economic Development issues.

Other delivery agencies are also beginning to contribute in-kind support realising that a co-ordinated approach to capacity building is both more easily accessed by partnerships and more efficient than working in isolation.

Evaluation

All programme participants are asked to complete an on-line survey which aims to baseline the knowledge and understanding of participants, the perceived capacity of the partnerships and the amount of regional support received by the partnerships. This will be repeated at the end of the programme to see if there has been any improvement. Telephone interviews will also be conducted to gather qualitative data and a final evaluation report with recommendations for improvement will be produced at the end of the year.

Why the approach is relevant to Croatia?

The benefits of this approach for Croatia are:

- It is based on each partnership assessing its strengths and weaknesses in a consistent manner which allows national and regional support agencies to easily identify needs and develop strategic support plans;
- The approach is very much practitioner led which reflects the “grass root” development of partnerships in Croatia;
- A regional approach offers a cost effective way of providing support and offers the potential to join-up the often separate priorities of central government departments;
- The Action Learning approach allows each partnership to learn from others and thereby avoids each one “reinventing the wheel”;
- If government is involved in a joint assessment of partnerships it enables government officials to develop their own understanding of partnership work; and,
- The approach can be used across single and two tier localities.

Reasons for the success of the approach

The programme is showing signs of success because:

- It provides a co-ordinated “offer” to partnerships;
- It assures regional and central government that their resources are targeted effectively;
- It is managed by a group on which practitioners and regional government are represented;
- It is supported by both regional and central government through clear policies of devolution of funding, decision-making and responsibility for improvement of service delivery; and,
- It is flexible enough to add services and offers as needs change.

The obstacles that were faced and the quality of the response taken

Obstacle: Poor communication between project deliverers and partnership Boards

Response: Identification of Project Champions to ensure links were made

Obstacle: Variety of support agencies currently delivering programmes of capacity building within the region.

Response: Delivery of regional seminars for agencies to help them become involved in the programme and to learn about the range of programmes currently on offer

Obstacle: Lack of access of regional support agencies to partnerships and their key contacts

Response: Establishment of database of key contacts and regular news bulletin sent via e-mail.

Obstacle: Difficulty in arranging meetings across a large geographic area.

Response: Use of new technology to encourage conference calls (e.g. <http://www.powwownow.co.uk>) and on-line discussion for a (e.g. <http://www.basecampHQ.com>)

Considerations for adoption of this type of approach in Croatia

- Gain the support of both partnerships and government;
- Develop the self assessment tool together;
- Provide financial support to assist the process;
- Be clear that the focus of the programme is collaborative learning;
- Structure the regional partnership to ensure good representation of partnerships;
- Build in strong evaluation systems at the beginning of the programme;
- Ensure effective marketing of the programme's success to build support and ownership; and,
- Use external facilitators initially to ensure there is no conflict of interest between partnerships or between regional agencies and that there are neutral arbiters at hand to help resolve tensions and problems.

Contact details and website for further information

David Galliers
Programme Manager
Learning to Deliver Programme
Phone: +447973 780 871
E-Mail: d.galliers@wmlga.gov.uk or david@galliers.net

STRATEGIC ORIENTATION IN THE WORK OF LOCAL PARTNERSHIPS

by Pat Leogue, OAK Partnership, Ireland

Introduction

The OECD – USAID Study of local partnerships in Croatia provided the study team with the opportunity to experience at first hand the level of commitment and resources that a wide range of stakeholders are providing for the development of their region in both Varazhdin and Vukovar. The first impressions that one would note are that substantial progress has been made in both regions in re-developing the infrastructure and local economy with the assistance of international aid in recent years. The study team met a number of individuals representing local government, state agencies, NGO's and the social partners (business groups) as well as companies involved in economic development. The study team also had the opportunity to consider background material on both regions which set out the national approach to local development using the partnership model as well as profiles of both regions. While all of this material was useful it is important to note that it was not possible to verify some of the points raised regionally with the relevant national authorities due to the brief nature of the study. Therefore the comments included here are presented as a summary of the interviews held by the study team together with our interpretation of the background material provided.

Strengths and Weaknesses

The following is a summary of the overall strengths and weaknesses as well as specific comments about the Varazhdin and Vukovar county areas.

	Strengths	Weaknesses
National	National commitment to partnership approach	Over elaborate local government structure
	International support for local / regional economic development	Centralised government system within ministries
	Rapid reinstatement of infrastructure and improvement in economy	Lack of balanced regional growth
	Imminent accession to European Union	Lack of coordination at inter ministry level
	Potential to benefit substantially from EU membership	Weak links between national policy and local government
	Prioritisation of social inclusion in national policy	Ongoing commitment to partnership needs to be properly resourced
Varazhdin	Well developed infrastructure	Infrastructure still in reconstruction phase
	Strong economic growth with potential to continue	High levels of unemployment
	Lower than average	Need for reskilling of older

	unemployment rate	workers
	Strong political leadership	Mismatch between education and available employment
	Committed stakeholders	Need for capacity building among stakeholders to develop partnership approach
	Third level educational facilities	Lack of experience in project cycle management particularly evaluation skills
	Successful track record in collaboration in city area	Poor perception of public services
		Over elaborate local government structure
Vukovar	Commitment of local stakeholders	Absence of functioning partnership coordinating local development at county level
	Evidence of collaboration and partnership work to date	Lack of coordination between city /county development needs
	Recognition of need for county based approach	Absence of functioning partnership coordinating local development at county level
	Potential for linkages to new educational facilities	Need for capacity building among stakeholders to develop integrated strategic plans and project proposals
	Successful track record in collaboration in city area by a number of the stakeholders	Lack of experience in project monitoring and evaluation
		Poor perception of public services
		Over elaborate local government structure

Recommendations

Based on these strengths and weaknesses the following are a number of general recommendations for consideration:

- Establishment of county based partnerships as a priority with resources to coordinate socio-economic development at a strategic level
- Capacity building support to these partnerships to develop cooperation and solidarity among the stakeholders including formal protocols for cooperation where appropriate
- Review Regional Operational Plans and develop action plans based on shared views of priorities for city and county areas in Vukovar and Varazhdin
- Establish formal linkages with the universities and local colleges to support local socio-economic development through education, training programmes in community development entrepreneurship etc as well as assistance in developing evaluation and monitoring techniques

- Extend range of active labour market programmes to provide work experience in local municipalities or with NGO's for those most distant from the labour market
- Document and evaluate the contribution of free zones in term of value for money, sustainability and contribution to economic development in Croatia
- Develop and implement specific regional support programmes for less developed areas like Vukovar to fast track state and private sector investment in infrastructure and new sources of employment

DEVELOPING A COMMISSIONING APPROACH TO PARTNERSHIP WORK

by David Galliers, Coventry Partnership, UK

Description of the approach (aims, delivery, budget etc)

The Local Strategic Partnership of Coventry developed this approach to increase the funding opportunities for their work. The aim of this work was to:

- Provide a more sustainable approach to partnership work
- Produce greater impact from the work
- Involve and engage more partners in the work of the Strategic Partnership

An initial budget of £5,000,000 (7,433,144.30 Euros) per annum for 3 years was available as a one off amount to support the improvement in services within deprived communities within Coventry, West Midlands region of the UK.

Why this approach? Coventry's Local Strategic Partnership was charged with the role of allocating this funding. Previously, funding had been allocated by the Partnership using a bidding process. This resulted in:

- A large number of small projects with little measurable impact
- Activities with little relationship to the city's strategic plan and priorities
- Unsustainable activities receiving funding for another short period
- An unhealthy "beauty contest" between poor communities vying for money
- An exclusive process whereby a small number of people spent long periods of time selecting projects which they had little knowledge of and no contact with.

The "Commissioning" Approach

The Workshop: a workshop was held with the Partnership's Strategic Board which consisted of representatives from public, private, voluntary and community organisations.

Officers of the Partnership provided participants with statistical information drawn from government sources along with the results of a survey of residents' views that indicated which issues were the most important to tackle (e.g. unemployment, crime, health etc). The issues were drawn from those in the city's strategic plan.

Having received this information, participants were then asked to discuss the issues in groups and then “vote” for the 3 issues that they believed to be the most important. This was done by each participant marking the issues displayed on the walls of the room with up to 3 coloured dots. Following this exercise, the “votes” were counted and 6 priority issues were selected.

The Specification: A specification was drawn up for each priority by relevant sub-groups of the Partnership which included the following key points:

- An outcome-based description e.g. “The activity will provide services to unemployed people in the target neighbourhood which will enable them to gain employment and help them to strengthen their social networks.” The description avoided output descriptions (number of people attending courses) wherever possible.
- A description of the outcome in the city’s strategic plan that the activity should address
- A requirement that the activity should measure its success against performance indicators drawn from the strategic plan (e.g. number of benefit claimants in the city, extent to which residents think their community is a good place to live)
- A requirement that the service should be delivered through a partnership in order that a range of services could be offered and that duplication of activity was avoided
- A requirement that one organisation acted as leader and took responsibility for finances, evaluation and partnership support
- Confirmation that discussions had taken place with the client group and representatives from the client group had places on the main project steering group.
- An indication of the maximum allocation of funding for this priority
- A requirement that the proposals must demonstrate how the activity will be evaluated
- A requirement from a public sector sponsor that, if the activity is successful in tackling the priority, it will be considered for future and ongoing funding through the mainstream budgetary planning cycle of the organisation.

The last point was developed with the finance officers of the public sector organisations in the partnership in order to make them aware of this potential commitment and to ensure that their planning cycles and procedures were geared up to cater for these new activities.

The specifications were then sent out to the Partnership’s mailing list within the city.

The Selection Panels: Each sub-group identified a selection panel consisting of people who were “experts” in dealing with the priority and members of the voluntary and community sectors who understood the needs of the particular client group.

Those offering proposals were then invited to meet with the panels to discuss their ideas. Each meeting took around 1 ½ hours.

Each panel was particularly concerned that the proposals had ways of measuring success against the strategic outcome, a rigorous evaluation strategy and a clear public sector commitment to sustain the activity if it was successful.

The Decisions: Each panel considered the proposals carefully and often asked the proposers to consider involving agencies from other proposals in their work in order to add value and to secure activities that would not succeed in order weaker proposals.

Some also spent time talking to organisations which appeared to be competing with each other in delivering very similar services and persuading them to work together.

Eventually final decisions were made and contracts agree with the lead organisations. The Partnership's sub-groups then took over the monitoring of the activities, provided them with strategic support where required and ensured that the public sector sponsor was kept fully involved in the activity.

Why the approach is relevant to Croatia?

Many of the activities that Croatian partnerships are delivering are on short-term funding and as such are unsustainable. This approach could help closer working between community organisations and the public sector. It could further help to identify new ways of working that could be adopted by public sector organisations.

Reasons for the success or failure of the approach

There are a number of strengths that made the approach a success.

- Relationships were developed between Finance Officers from the partner organisations who were willing to share ways in which activities could be considered through the mainstream planning cycles of the public sector organisations.
- Community involvement within the decision-making process gave a more accurate feel for whether the proposed activities were likely to address local needs
- The focus on outcomes rather than outputs and the insistence of delivery through partnerships helped to generate more integrated packages of activities which reflected the multiple needs of many of the client groups.
- The linkage between the outcomes in the city's strategic plan and the activities helped the Partnership to maintain a strategic view of the city's needs
- The insistence that the activities should measure themselves against the performance indicators that were attached to the priority outcomes helped to focus the providers on their contribution to "the big picture".

The obstacles that were faced and the quality of the response taken

Obstacle: Concern from Health agencies that realised their priorities were not included within the final group

Response: The Partnership agreed that the Health priority should be a cross-cutting issue i.e. it should be addressed by every proposal

Obstacle: There was concern from the monitoring team that there should be more focus on outputs in order that they could monitor the activities effectively.

Response: A compromise was agreed that the proposal should contain some key milestones and outputs. This did, however, detract from the overall focus on outcomes.

Obstacle: Some public sector agencies could not sustain the whole of their new activities

Response: It was agreed that it was acceptable agencies to adopt successful approaches drawn from the activities rather than the specific activity. This in some circumstances helped to improve mainstream services.

Considerations for adoption of this type of approach in Croatia

- Locally or regionally or nationally a range of key outcomes should be agreed and used to focus local activities
- Training should be made available through external advisers for partnerships, practitioners and regional government on (i) the use of outcomes; (ii) how to plan and project manage activities; and, (iii) ways of securing agreement on strategic priorities.
- Each locality should produce a strategic plan based upon local data and resident surveys which can then direct the activities within the area Perhaps comment on how to improve the current 'strategic plans', i.e. ROPs, economic plans, etc. I feel that our local partners are still of the opinion that they have strategic plans – missing the implementation, funds, clear policy, etc.
- Pump-priming funding should be made available to attract partners and kick start activities. The funding should be made available only if the agreed activities are sustainable.

Contact details and website for further information

Coventry Local Strategic Partnership

Website: www.coventrypartnership.com

Contact person: David Galliers, Partnership Manager; david@galliers.net

IMPROVING EMPLOYABILITY AND EMPLOYMENT OPPORTUNITIES

by Dr. Reiner Aster, Gsub Mbh Berlin, Germany

Introduction

The following report is based on interviews conducted April 23–27, 2007, by the expert group with different representatives and stakeholders of the Croatian counties of Vukovar-Sirmium and Varazdin. The author was involved in 13 of these interviews, which are the main sources of the following expertise, chapters 1–4.

The overall objectives across all the interviews are stated as follows:

1. To foster employment and to improve regional (county) labour market and job creation schemes
2. To address the challenges arising through the pre-accession phase to the European Union
3. To assist economic development/competitiveness of the enterprises
4. To address the high dependence of local partnerships on single persons

The focus of this discussion paper is on objective setting, implementing strategies, and creating partnerships. Predominantly the issue of employment will be addressed. (All interviewees underlined the central issue of more and better employment).

The learning models (Chapter 5) were selected on the one hand on the basis of the assumed or identified local needs of the two regions and on the other hand on the basis of the experiences of the author and the consulting company he is heading: the gsub – Social Business Consultancy Corporation.

Strengths and Weaknesses

General observations

In both Vukovar-Sirmium and Varazdin, similarities are evident in terms of the target groups entering the labor market (e.g., older workers, women, and persons under 29) and in terms of the orientation towards traditional manufacturing industries (i.e., construction). The national strategy appears to leave limited scope for special bottom-up regional and/or local economic and employment development initiatives. Perhaps not surprisingly, both counties respond with similar strategies and approaches: limited number of training programmes, the small number (20 to 60 places) of publicly subsidized employment schemes, and in general the limited adaptability in jobcreation schemes.

The transfer of resources from the national level to the county and city levels is reportedly time-consuming, and communication is reportedly both sporadic and ineffective. However, many

interviewees highlighted that funding is not an issue and that in fact funds are relatively easy to access. The more challenging issues are human resource development and the political/bureaucratic attitudes (mindsets) that are not aligned with the modern, market-oriented and knowledge-based democratic and participative principles and goals. Other issues raised were the slow recovery from the war, the socioeconomic consequences of the 1990s, privatization, and the dynamic environment of the market-oriented economy.

In terms of partnerships, a twofold approach was clearly visible while conducting the interviews. At the county level, the County Partnerships have been established through the ROP exercise, which has ambitious objectives and inclusive participation process (businesses, government/politicians, civil society). On the other hand there are employment-oriented (e.g., in Vukovar) or economic-development focused (Economic Council Varazdin) partnerships that may need to be better folded into the ROP defined partnerships.

In addition, both strategies link to different development agencies. It appears that both areas are ripe for a strategic partnership ("umbrella partnership") that encompasses both local and county levels. (However, later it became obvious that the ROP partnership is the one which is the umbrella partnership and that this is recognized by the partners in the different partnerships). In both counties it seems that a stronger commitment and ownership in partnerships would be helpful, which would overcome the barriers of political connotation or vertical and hierarchical decision-making processes. The decision-making and implementation phase of EU related programmes like CARDS and INTERREG is too slow according to the needs of the local and regional residents, and should be accelerated in the future.

According to labour market needs, foreign language skills, IT-competencies, and quality management, knowledge should be enhanced by lifelong learning schemes, also addressing older workers, in the future.

Vukovar region

The situation in Vukovar in terms of post-war employment can be briefly demonstrated as follows: in the times before the war, from a total of 50 000 inhabitants, 27 000 were employed (54%). Currently, from a total of 32 000 inhabitants, 8 000 are employed (25%).

For Vinkovci, the labor market figures are considerably better than for Vukovar (34% for Vukovar, 28% for Vinkovci, and 30% for the entire county). The main problematic zones are the regions close to the border, because they are separated from former commuting linkages. For instance, in former times, people of Bunja (a Croatian town) were working in the town of Brčko (in Bosnia), and commuted via a bridge that crossed the Danube River.

Since 2006, less than 20,000 unemployed are registered in the entire Vukovar County and the number is still decreasing; this seems to be a success that should not be underestimated.

Manufacturing industries, like textiles, leather, and construction, are the most prevalent, but the hospitality and the agricultural sectors are also important in providing jobs.

According to the Chamber of Arts and Craft, the crafts sector is the strongest pillar of the economy in Vukovar-Sirmium and also one of the most important suppliers of jobs. There are well equipped schools, good teachers, and a well skilled workforce in most of the professions and there is also plenty of additional capacity for start-ups and SMEs in the craft sector. The craft sector is

projected to continue its growth, in particular in the sectors related to hospitality, tourism, wood industry, and agriculture.

The summit of mass redundancies seems to have passed in the region. However, restructuring processes will permanently go on and have to be accompanied. Additionally it is crucial to attract more investment as well as larger companies in order to increase activity in the craft sector. Otherwise, the younger workers will increasingly leave the region, in particular the academics, but also artisans and craftsmen, due to better opportunities elsewhere.

Initiated by the CARDS 2002 program, a successful local partnership for employment, comprising of the relevant stakeholders in Vukovar-Sirmium, was formed on a formal basis. Currently the CARDS 2004 program assistance will further this work and partnership development.

Parallel and as “umbrella partnership” linked to this partnership, the Regional Operative Program (ROP) has been developed during the last three years (initiated on the National Level through CARDS 2003) and the support of international agencies. The employment issue is very important in this document. All national and international funds will be related to the ROP. Only measures under the ROP will be eligible.

A weakness of the ROP is that the national strategy is not yet approved. Moreover, funding for the expected projects is not yet clear. However, both topics are very important for the legal basis and for the commitment of the local/regional participants.

Another challenge is to overcome the personal and particular interests that may hinder the ROP process. For many participants, the partnership idea is a novelty, yet others are familiar with it. One interviewee proposed that more could be done concerning the partnership and that they could take a more active leadership position in the partnership process.

The National Action Plan for Employment, 2005–2008, and the National Annual Plan for Employment Promotion, 2006, are sound top down strategic plans applicable to county programmes and which enable a broad variety of traditional active labour market schemes. A major issue, in addition to the high unemployment rate, is the gap between supply and demand on the local labour market. Paradoxically, there appears to be a shortage of certain skills and qualifications. For example, the construction industry chronically experiences a shortage of labour. According to the Croatian Employment Service, this may be the most challenging issue in the near term. Other issues include illegal workers, placement of special target groups like older workers (45+), young workers (under 29), women, and the disabled.

Training programmes also need further tailoring to the needs and time restrictions of seasonal labour force demands. Most training is targeted towards traditional jobs in the manufacturing sector and less for a knowledge based, market economy. There is also a general lack of job creation programmes. The number of active labour market measures appears to be inadequate in the light of the high unemployment rate.

Another weakness that could be changed into a strength in the future with impact on employment has to do with the issue of regional identity or as one interviewee stated: "There is, for instance, tax reduction as an incentive for investors but there is a lack of a “positive aggressiveness” to present and to sell Vukovar-Sirmium as a special region with special advantages, for instance, special wine, special cuisine, and other special and exclusive assets of the region."

Varazdin

Varazdin has one of the strongest local economies in Croatia and the employment rate is continuing to rise. At the county level the unemployment rate is at 12.5%, while the city level it is around 8–9%.

In spite of the encouraging unemployment figures, structural unemployment persists. The usual disadvantaged groups have much higher unemployment rates persons 45 years or older (44% of aggregate), young workers under 29 (32%). The situation worsens in the remote rural and border municipalities.

Generally, there is a large gap between the employer's labour needs and the skills offered by the unemployed. According to the Croatian Employment Service, the highest demand for skilled labor is in the textile and leather, food, and the construction industries. However, other interviewees note the urgent demand for production managers, marketing professionals, foreign language speakers, IT specialists and, more generally, competencies in managing information and communications technologies.

The county craft businesses noted the general lack of skilled labour (particularly in the construction industry), lengthy delays of contractor payments, and illegal workers. The economic success of Varazdin is based upon a sound transformation of formerly state owned companies (sold to small shareholders), a stable political environment based on multiparty agreement, a strategic location (close to Austria and Slovenia, which have excellent transportation systems), and considerable foreign capital investments.

Similar to Vukovar, there are two parallel partnerships and employment strategies: the ROP (Regional Operative Program) process, which addresses the entire county and the city's own strategy, which focuses on the city's economic development and is steered by the "Economic Council" of Varazdin city. Both strategies are technically assisted by different development agencies, which act more or less separately.

Even the city of Varazdin is not directly competent in employment issues; the city applies successfully for national and for European pre-accession funds supported by the Development Agency DAN (Development Partnership North). However, it seems that the scope of this partnership, which covers five different cities in four different counties, is not sufficiently focused on the special needs of Varazdin city and Varazdin County.

Summarizing, there is a need to close the gap between the different partnerships and a need for common goals and strategies on a horizontal level of Varazdin, in particular in economic development and employment, and being vertically linked on the national and the European level.

Stakeholders of the city of Varazdin and the DAN highlight the fact that they can act much faster than the national level and that the city cannot wait until programmes or decisions on a national level have been implemented or put into practice.

According to the Chamber of Craft, the most striking future challenges are: preparation for the accession to the EU, participation in international projects and fostering relationships with neighbouring counties in terms of economic development and employment.

According to the private sector, what is needed is a total reform of the public services in a direction of less bureaucracy with an acceleration of procedures. Currently, residents and unemployed people are going to be educated for jobs of the previous generation instead of for more modern jobs.

The regional employment service of Varazdin states that they were consulted concerning the design and implementation of the “National Plan for Employment 2005–2008” before it was approved on the national level. Thus, the regional level could make its input and could influence the final version of the national plan. However, the regional employment service reclaims more recognition of its abilities in problem description and problem solving by the other partners on a regional level and on the city level of Varazdin.

The present ratio of counsellors in the regional employment service to registered unemployed persons (1:530) does not permit an appropriate guidance for (re) integration into jobs (in comparison to Germany where the ratio is 1:150 for adults and 1:75 for young people under 25).

Good Practice in Vukovar and Varazdin

Customised and training tailored to local business needs - Vukovar-Sirmium

The Regional Employment Service (RES) and the regional employment partnership provides “good practice” in terms of customized training, for example (i) professional orientation for young people (project: “My choice”), (ii) the integration of former unemployed persons in the SPACWA company (a wood processing company), (iii) a project in the tourism sector providing language skills, training in catering, and other opportunities, or (iv) the ECDL – European Computer Driving License project and similar measures in small numbers. Such projects, oriented to concrete work experience and labour positions, may be intensified and widened in the future, i.e., the training measures should be better targeted to current and future jobs.

E-Vukovar: expanding IT skills in Vukovar

Another good practice example is the E-Vukovar project, which started in November 2006. It represents the type of a private public project based partnership, including, amongst others, global players like Microsoft, IBM, Hewlett Packard, TCOM, and CISCO on the county and the city level, as well as USAID. The E-Vukovar project is aiming at implementing and improving E-government on both the city and county level, delivering IT know-how to the administration, hardware equipment, software, as well as improving the computer skills of the residents. The E-Vukovar project is also a good example of a bilateral partnership between the department of economic development of the City of Vukovar and IT oriented firms and institutions, like the polytechnics college, which recently opened the Microsoft and CISCO Academy. The Cisco Academy and the Microsoft Academy within the polytechnics institute offer an informal, less bureaucratic way of education, and are able to spread IT knowledge across the region. Formal education by the Croatian state is much slower because there is a need for approved curricula, teachers, etc., and such procedures require a lot of time. The E-Vukovar project is limited at improving the use of IT technologies to implement an E-government process in the administration of Vukovar city. Additionally, it pursues obviously commercial goals. Internet penetration in Vukovar is at 13%, while it is at 37% on average in Croatia. Thus, by June 2008, 20 locations in Vukovar, like café bars (internet cafes), will provide free Internet access to all their customers. In June of 2008, the local stakeholders have to assume ownership of equipment, procedures, and future developments, because USAID will withdraw from Croatia. Well skilled young people, organized as a private company or association, will run the 20 Internet locations. Perhaps this partnership could be developed towards a multilateral partnership integrated into an umbrella county partnership.

Varazdin

In terms of economic development and employment, the Free Zone Varazdin is a success case with 1,800 employees, offering, amongst other things, tax reduction of between 0 and 20%, depending on the number of investment and employment opportunities. Additionally, other tools aim at attracting investors from abroad and from Croatia itself.

There are also good examples in terms of adaptation and preventive labour market schemes: The Austrian BOXMARK Company (in the leather business) absorbed, for instance, a lot of female workers from the textile company VARTEX. This transfer and restructuring process was carried out by avoiding unemployment.

The “Economic Council”, representing the city partnership, is very active in improving the economic activities and attracting “global capital” and investors.

Varazdin County also provides an entrepreneurial zone for craft businesses with infrastructure and facilities under the condition that the businesses employ a specific number of new employees. The crafts and art sector represents 3,357 businesses (1,090 manufacturing, 861 service sector, 521 trade and commerce, 479 transport, 406 hospitality and tourism) providing 10,500 positions.

The Chamber of Arts and Crafts has its own “partnership”, including the regional employment service and principles of the vocational schools, which analyzes the demands and the vacancies of the craft sector each year. Approximately 470 businesses in the craft sector are licensed for apprenticeship; 450 students enrolled in 2006. Further college seminars of the chamber cover adult seminars (master craftsman, license for opening a craft business).

In terms of social inclusion, the Foundation for Solidarity of the City of Varazdin and City Department for Social Affairs projects can be viewed as good practice projects.

Recommendations

General

From a project-based to a sustainable strategic partnership. In Vukovar-Sirmium and Varazdin counties the various partnership structures may need to be reviewed. There exist ROP-driven county partnerships, focusing on investments and economic development, and employment and social inclusion-oriented partnerships. Moreover, partnerships are largely project oriented and tend to dissolve after project completion. Although project-based partnerships are necessary, the legacies require lasting governance through strategic partnerships. These latter types of partnerships include county and city-level stakeholders across many fields (economic development, employment, etc.). This partnership should assuage any organizational or policy tensions between the different levels of government and the different areas of activity. Regular bimonthly (once every two months) meetings are recommended. An effective organizational structure through a formal agreement between the partners is highly recommended. The partnership may be founded as a legal entity (association or Limited Liability Company) with a board, an executive secretariat, a decision-making steering committee, and broad participation of the stakeholders.

Use a performing public administration or an external intermediary body/agency as a leading force. For a well functioning partnership, a professional support structure must provide assistance with project application procedures, organization and facilitation of partner meetings, and financial management. In short, such a body would assume administrative tasks, allowing partners to focus on

strategic matters. In OECD countries, an intermediary agency is usually founded as a separate entity from the public administration, primarily for the reasons of flexibility and speed. The intermediary should have the authority to act within publicly defined parameters and may be tasked to mediate and facilitate. It is of paramount importance that the intermediary has the requisite professional and technical skills and the service focus. In most OECD countries, international cooperation and networking (through professional, NGO, university, and business exchanges) is widely seen as the prerequisite to successful partnership management.

Organise SME and start-up support to foster job creation. Increased involvement of businesses (especially SMEs) in the partnerships and support services for business start-ups appears to be of increasing importance. Both Vukovar and Varazdin may benefit from additional incentives for job creation and SME support has been one of the leading job creation routes in OECD countries. OECD experiences point to the potential lead role of large businesses to be sponsors of local employment organizations and business linkages between the SMEs and large firms. In addition, transparency and communication of business support services may be improved by the establishment of single institutional identities, brands, or gateways, perhaps applying the 'One-Stop-Shop' model. The issues for discussion may include whether this service should be outsourced or established in-house as a public agency, separated or integrated into existing structures.

Address special target groups by active labour market policies. Like in all European Countries, there seems to be the necessity to pay special attention to specific target groups, like older workers, long-term unemployed, ethnic minorities and so fort. This target groups have already been identified by employment services. However, to tackle structural unemployment there is a need of more programmes aiming at activating and (re) integrating this target groups into the labour market.

Foster participation and the social capital of the regions. Due to predominantly vertical and hierarchal structures within and outside the institutions and the decision making processes, there should be undertaken additional efforts to strengthen participation of the residents and the social capital of the regions by implementing appropriate programmes and action.

Vukovar

Enhance and expand knowledge and market based training programmes . The Croatian Employment Service and the regional employment partnership provide good practice in terms of customized training. The training program measures should be targeted for current and anticipated jobs. In order to better assess future labor demands, additional business surveys and questionnaires may be warranted. Knowledge based training measures, like IT, should be expanded and improved to bolster workforce qualifications and attract new businesses and investment. In this case, the local partnership may provide the local baseline knowledge and information for the development of locally tailored strategies and approaches.

Improve the cooperation between training institutions and businesses. Moreover, cooperation between these sectors can help guide the education system towards meeting the market demands for professional and technical cadres. It appears that a local college could play a significant role in terms of increasing employment opportunities through skills development and upgrading. The potential of the craft industries is not fully recognized, in particular the hospitality and tourism, wood processing, and in the agricultural sector, where new labour demands are anticipated. The application of the German apprenticeship model (dual system with internships and lectures) has shown encouraging results in Vukovar-Sirmium. Here, the role of the partnership would be to integrate initiatives between training institutions and local businesses into a wider local development strategy comprised of employment and skilldevelopment issues.

Devise a regional (county) action plan for job creation. The application of European guidelines and the National Action Plan for Employment should be linked to the regional (county) bottom up employment strategy, with adaptations in various environments (urban, rural, and underdeveloped). The cornerstones of such an action plan could be: (i) preventive measures, like adaptation for businesses and employees to prevent dismissals or mass redundancies, (ii) measures intended for special target groups (older workers, youth, and women) including subsidized job creation schemes for the groups most difficult to employ, and (iv) schemes that provide support for start-ups and which promote entrepreneurial engagement and spirit in the region (for example a “start up your own business award”, micro grants, and/or micro credit schemes). A partnership framework could facilitate: (i) the introduction and implementation of a strong bottom up strategy; (ii) alignment of economic, social, and environmental factors of local development; (iii) action planning with robust targets, clearly assigned tasks and responsibilities and associated performance indicators; and, (iv) linkages with national and European strategic priorities and programmes to ensure continuity and sustainability.

A better relationship to the employers, a better impact on the educational system in the direction of higher flexibility, and the modernization and improvement of the employment service itself are the most challenging tasks for the future according to the leading persons of the Vukovar employment service. Support is also needed in terms of finding project ideas, project design, and project implementation.

Informal project based partnerships work best here, but no sustainable strategic partnership exists. The most urgent problems are increasing the competitiveness of the businesses in the precession phase to the EU and to introduce quality systems as well as computer skills.

Varazdin

Expand on the existing good practice projects. A partnership could assume the role in evaluation of results achieved through these initiatives, actively disseminate relevant information, and contribute to partnership learning.

Make better use of the regional (county) employment service. In Varazdin, the Regional Employment Service offers a wide range of active labour market measures. It offers problem solving strategies, employment generation know-how, and training needs assessments that could significantly contribute to the local Economic Council and the ROP driven County Partnership.

Provide investor incentives through attractive recruitment strategies and an educated workforce at the county level. Varazdin needs lifelong learning programmes and preventive active labour market measures based on successful county practice of active transfer and adaptation measures. Investors are attracted on the one hand by the free zones and tax exemptions but also by the abundance of a skilled workforce on the other. The role of the partnership would be to integrate initiatives through the training institutions and the local businesses in a broader local development strategy that addresses employment and skill development issues.

Towards an umbrella partnership for the entire county and an appointed impartial body as driving force. The two partnerships: City’s Economic Council and the County Partnership are lead by strong governments. The impartial body would act as mediator through the umbrella partnership. Potential members may be from training institutions, NGOs, or Chambers. It is important to keep the partnership open to new members, in order to be responsive to local needs and revise strategic directions as the circumstances arise.

International learning models

Local social capital - experiences in EU countries

Description of the approach (aims, delivery, budget, etc.)

“LOS – *Lokales Kapital für soziale Zwecke*” stands for the “Local Social Capital” (LSC) program on the German national level. The LSC program was started in 1999 as a pilot project of the European Commission and mainstreamed in the period 2000–2006 under Article 4.2 of the ESF Regulation, Priority F: “Local Social Capital, Measure 11” (small projects for promoting local employment development). Measure 11 includes encouraging locally based initiatives to make greater use of the local and regional employment potential.

In other European countries the program is better known as the “Global Grant Program” or “LSC Program”, aiming at:

- Enhancing local social capital
- Fostering employability and social inclusion
- Empowerment of vulnerable people
- Supporting local networking, local initiatives, and local startups

The rationale behind LOS is to develop and establish a structure that works closely with people who want to realize micro level projects. An example of this is the “Peace Initiative” in Northern Ireland. Local groups should not be treated as passive recipients of aid but as independent players who actively participate in local networks created by the intermediary bodies. LOS essentially targets people who are excluded (or threatened with exclusion) from the labour market and as a consequence, from society. Many initiatives dealing with such groups of people fail to materialize because of the lack of necessary funding, support, and professional advice. Accordingly, an important aim of LOS is to facilitate the reintegration of particularly disadvantaged people into the workforce by utilizing local resources. Here the aim is to reach local players that as recipient agencies for micro projects, have previously been largely overlooked within the framework of traditional ESF interventions. These may be legal or natural persons.

In addition to supporting people, the respective micro projects are intended to facilitate structural changes at the local level that will continue to have an impact beyond the duration of the LOS program. It is also intended to combat xenophobia as well as strengthen regional cohesion and sustainability. Eligible organizations and target groups are being sought that have similar aims.

The German Federal Ministry for Family Affairs, Senior Citizens, Women and Youth (BMFSFJ) is responsible for conducting the program areas allocated to the German government. In 2007, roughly 200 communes with 286 local areas and 8,800 micro projects are involved in the program. 1% of the European Social Fund was earmarked for this program.

A total of €87.5 million has been provided at the middle of 2007 to conduct the LOS program at a national level.

Microprojects can be funded to a maximum of €10,000. The program is being implemented on behalf of the BMFSFJ by the Arbeitsgemeinschaft Regiestelle LOS (ARGE Regiestelle LOS), which

comprises the Gesellschaft für soziale Unternehmensberatung mbH (gsub mbH) and the SPI Foundation Berlin. The Regiestelle LOS (LOS coordinating office) is the contact and contractual partner for all local authorities taking part in the program.

Target groups:

- In particular, LOS is intended to support:
- Socially disadvantaged youths
- Disabled people
- Resettled ethnic Germans
- Migrants
- Single parents
- People re-entering the labour market
- Older employees
- Long-term unemployed
- Homeless
- Addicted people
- Offenders

The LOS project types (MicroProject Types 1 – 3) serve to attain the following program objectives:

- Supporting individual activities to promote vocational integration (MP 1)
- Support for organizations, initiatives, and networks that support the cause of disadvantaged people in the labour market (MP 2)
- Support for start-up companies and for establishing social enterprises including (MP 3), including:
 - Start-up advice
 - Limited start-up aid for disadvantaged people (Deminimis)
 - Start-up aid for social enterprises and self-help organizations
 - Support for start-ups/social enterprises that foster tolerance and democracy

All projects must contribute to improving the employability of disadvantaged groups in the labor market, however all measures can be funded that accord with the policy priorities of the European

Employment Strategy. With regard to these objectives, the following policy priorities play a particularly important role:

- Active and preventive measures for the unemployed and people who are economically inactive
- Promoting entrepreneurship and job creation
- Gender equality
- Promoting integration and combating the discrimination of disadvantaged groups in the labor market

Program implementation: Regional (or local) Coordinating Office

Each managing authority shall establish a Regional Coordinating Office and provide one member of staff to manage it. The Regional Coordinating Office is responsible for forwarding information within the administration and, through its communication channels, it creates transparency. In addition, the Regional Coordinating Office is also responsible for the following tasks:

- Contact and contractual partner for the Regiestelle LOS on the national level
- Instructing the local network
- Contact partner for potential micro project providers
- Drawdown, allocation, and controlling of funding
- Providing information on the LOS program at the local level, determining and advising applicants for the micro projects and processing the applications (together with the local network and a monitoring committee);
- Participating in the regional conferences of the Regional Coordinating Offices/Collaborating with the scientific support
- Producing documentation on the outcomes and impacts of the micro projects and forwarding them to the Regiestelle LOS.

The LOS program also aims to increase the participation of stakeholders and/or committed citizens in local decisions. For this reason, the micro projects are selected not just by politicians and local authorities but also by representatives of all relevant players that assume responsibility in the respective development area. In addition to representatives of the local authorities or rural districts, the local networks should, in particular, include residents of the respective development area and representatives of the LOS target groups. Applicants for micro projects shall be determined and advised, and the corresponding applications processed. Based on the LOS project types and the action concepts described in the respective local action plan, the monitoring committees shall decide on which submitted projects receive funding and monitor these during the implementation.

LSC Länderprograms in Germany

The federal program LOS, described above, should be distinguished from the programmes of the various federal states (Länder). The Länder programmes are implemented in accordance with their own specific guidelines. The respective contact partners for the Länder programmes can be found at www.losonline.de.

In Berlin, gsub mbH is also in charge of the “Local Social Capital” Program of the Land Berlin (www.loskapberlin.de). Within the framework of this program, gsub is in the role of an intermediary: directly advising, coordinating, funding, and monitoring these micro projects. The decision-making process (selection of and eligibility for the micro projects) in Berlin is made by the “Territorial Employment Pacts” (district alliances) of each of the 12 districts of Berlin, in accordance with the level of the Land Berlin, Department for Labour.

Why the approach is relevant to Vukovar and Varazdin

First, the local social capital approach (LSC) is an excellent tool to improve local governance and simultaneously multilevel governance because the micro projects have to be embedded in a (regional) local strategy and a (regional) local action plan. For instance, the approach could be easily integrated into the ROP process of both counties. The approach stimulates a process to overcome barriers between departments and external organizations/NGO's initiatives because a steering committee has to decide how to distribute and disseminate the local social capital. The keyword “participation” is crucial for the approach: the local people or representatives of local groups are invited to join the decision-making process. In our Berlin example we observed that the decision-making process by the local (district) partnerships, which is essential in order to select the “right” projects, sometimes was even more important than the projects themselves.

The LSC responds very well to the scarcity of resources: with relatively small amounts (€10,000 in Croatia due to the different income levels; it could be even less money per micro project) you can move a lot towards local economic and employment development and in particular towards fostering social cohesion.

Integrated in the framework of the ROP strategy or another kind of a local action plan the LSC approach enables the completion of traditional employment strategies such as training measures or wage subsidies. Single actions can be undertaken to reach the “hard-to-reach groups”, to develop new employment opportunities or to foster small initiatives and networks between NGOs or businesses, for example. The Micro project type 3 is an appropriate tool to prepare or to coach business foundations and social enterprises – a type of enterprise that may be appropriate for Vukovar and Varazdin as well.

In both counties of Varazdin and Vukovar we are facing problems in border or remote rural areas. In Germany the program was successful not only in urban but also in rural areas because the microprojects and the rationale behind it brings people together even if they live in distance from each other. Small, flexible resources can be provided for the agricultural sector and rural initiatives as well.

The approach addresses and stimulates the civil society. In particular in Vukovar, but it is supposed also in Varazdin, there are a lot of NGOs and other small initiatives. The LSC approach is tailor-made for these initiatives, which often have no access to national, EU, or other funding opportunities.

In the German LOS program, an additional special thematic focus is on “Tolerance and Democracy” (i.e., micro projects that address, for example, intercultural or multicultural and inter-religious dialogue, ethnic minorities, or actions tackling xenophobia), and these may be also useful in Croatia.

Reasons for the success or failure of the approach

The LSC approach is successful because it stimulates local action with “tiny” flexible resources. “That is local money for local people”, as a resident in Berlin Neukölln once noted. However, it is crucial that the micro projects are embedded in a local or regional strategy or action plan committed by regional stakeholders and addressing overarching goals of the regions LEED, otherwise the single projects will not have any impact. One success factor was the financing by 100% EU (ESF) means. That made it easier to convince local politicians and local authorities to use this option. A critical point for program implementation was the bureaucracy due to the dual legal framework: one has to take in account EU and national regulations as well. However, most of the initiatives that are in the focus of the program have no experience in accountability and are unable to follow such complicated rules. Therefore, a very stable, professional, and close accompaniment structure is essential for the success of the program. The evaluation of the pilot action of the European Union and the German program as well recommended that an intermediary (or a very professional local department as a coordinator) should be used, receiving up to 20% of the budget to ensure appropriate guidance, monitoring, accountability and dissemination of the program. The German federal program is limited to so-called “areas with special development needs”, according to the parallel German national program “Socially Integrative City” (i.e., 440 areas German wide have been defined as “areas with special development needs”). This sometimes raises the question of “over funding”, which should be avoided.

The obstacles faced and the quality of the response taken

At the beginning of the last funding period of the ESF (2000–2006), the national and Laender governments did not use the program, even though it was available under Art. 4 and even though it was 100% ESF financed (which is very unusual because in all other EU programmes, national or otherwise, co-financing is compulsory). This reluctance was partly due to the fact that politicians and the administration on the national and regional levels distrusted both the local approach and the intended impact or contribution of small micro projects/grants. The mainstream employment and social cohesion policies were concentrated on central and “heavy” instruments, applying them everywhere in the same manner. However, the experiences since 2003, when the program was initiated, were encouraging, and convincing from the beginning due to the commitment of local stakeholders, the successful dissemination of the LSC approach on the local level. It eventually became increasingly obvious that the LSC approach met on a wide range the real needs of local people and initiatives. However, it was important that the national level required certain prerequisites, which were compulsory for the eligibility of the program applicants, these include: (1) a sound local action plan, (2) a well working local coordination office, (3) a steering committee that decides on the micro projects autonomously, including local residents and/or target group representatives, (4) the gender mainstreaming approach (5) the establishment of a monitoring and evaluation system right from the beginning. Thus, the program started with a “call for proposals”, and only local authorities and local areas were selected, which guaranteed by contract pursuing the goals, the strategy, and the methodology described above. Furthermore, it was crucial that the program was accompanied by an intermediary, which organized regional conferences for exchange of the local coordinators in the regions and provided counselling and central application, monitoring, and accountability tools.

Considerations for adoption of this type of approach in Vukovar and/or Varazdin or in other Croatian cities

As described above, in Germany (and other EU countries) we had a twofold LSC approach: one on the national (LOS) level, and one on the regional level. We assume that it will not be possible in a short or midterm prospective to implement a national program for entire Croatia. Thus, it could be easier to set up a pilot program in both regions, taking into account all the experiences on European

and on a German level. The advantage: a formative evaluation could determine outcomes and impact of the LSC approach in two very different regions: in one of the most developed counties (Varazdin) and in one of the most deprived counties (Vukovar). The financing of the program may be enabled by the precession funds.

Furthermore, we would recommend a dissemination process in advance, to inform the local residents of the new program. A public call for proposals is necessary, because at the beginning there may be a lack of good ideas and the best ideas should be selected in order to put them into practice. The project proposals should be submitted to a professional intermediary for formal pre-selection, based on agreed indicators, and finally decided by a committee on the county level, which could be the ROP steering committee, completed by regional (local) citizens and/or small initiatives.

The transfer of the model could be organized by the gsub mbH.

Contact details and website for further information

Reiner.Aster@gsub.de

Project leaders in gsub:

Markus.Wicke@gsub.de (for the national program LOS)

Kerstin.Grosch@gsub.de (for the regional program LSC on the Berlin level)

www.gsub.de

www.losonline.de

Environmental information systems, Berlin, Germany¹⁰

Description of the approach (aims, delivery, budget, etc.)

The ubb project provides a framework for creating business and practice oriented links between the Berlin business community and current research at the University of Applied Sciences of Management and Technology; FHTW (Fachhochschule für Technik und Wirtschaft). Together with students from the business environmental information systems (beis) course, Berlin enterprises develop individual solutions to tasks having a theme that is relevant to the environment. The ubb approach thus creates a win-win situation for the study course and the cooperating local enterprises as well as for the city of Berlin.

The aim of the ubb project is to integrate expertise and the results of research from the beis course into business practice in the setting of workplace based training projects. In consequence, ubb furthers the development of the environment relevant potentials of businesses in Berlin by sensitizing and qualifying the employees that are involved in the cooperation project. At the same time, the students make their first experiences in planning and realizing practical projects in Berlin industry.

Collaboration between the beis course and the enterprise takes place in the context of enterprise projects during the master course or specialized practical placements during the bachelor course. These cooperation projects are individually coached by the staff of the University FHTW.

The ubb project ran from 2004 to 2007 as a model project, co-financed by the Berlin Senate for Economy, Labour and Women's Issues and the European Social Fund. The Berlin Senate actually

¹⁰ An example of a winwin cooperation between the University of Applied Sciences and the region in which the university is located (* in German: Umweltinformatik in Berliner Betrieben – therefore called “ubb”)

plans to further develop the ubb approach as a cross university project between three Berlin Universities of Applied Sciences and to widen the range of cooperation themes beyond environmental topics.

The ubb model project showed that there is a need for individual qualification and training on the job of the companies' staff in Berlin. It turned out that especially SMEs don't train their employees as a result of lack of adequate qualification offers. The cooperation between companies and local universities has the potential to fill this gap.

Project costs were planned for program management, ongoing evaluation, the acquisition of cooperation partners, and the coaching of the student projects. The overall costs totalled €580,000 in the three-year project period.

We chose this project for Vukovar because the analysis demonstrated that there could be a better cooperation between the university and Vukovar County.

Why the approach is relevant to Vukovar

The E-Vukovar project, the Cisco Academy, and the Microsoft Academy at the Polytechnics of Applied Sciences in Vukovar, are cornerstones for a better cooperation between the university (college) and the surrounding city and county or more general: between Higher Education Institutions (HEI) and enterprises. We assume that the cooperation between local enterprises and HEI's can be further developed to a mutual benefit. The college can be a driving force to foster a more knowledge based society in the region. Currently, most students leave the Vukovar region after completing their studies. This could be changed through a closer cooperation between the universities/colleges and the enterprises and public institutions. In the best case, new jobs can be created or the students can enter existing employment needs after the end of their study and supported through the project beforehand. In cooperation projects, like the one we propose, the company's employees are trained to do specific jobs, while realizing a workplacebased project with the students.

Reasons for the success or failure of the approach

Threats and weaknesses

- The cooperation projects between HEI and enterprises have to be designed, planned, and coached very carefully. In particular, if partners (company, students, and university staff) do not know each other, the risk of misunderstood and time-consuming coordination is evident.
- University and private companies work on different cultures, different methods, approaches, and constraints on both sides. This can cause conflicts, which can be resolved by regular communication.
- Students seem to have the tendency to plan bigger projects than they can handle in the foreseen project time. It is important that the design of the cooperation projects and the planned tasks are realistic and implemented in the scheduled timeframe.

Strengths and opportunities

- The practical benefit for the companies in "using" the expertise of the universities (HEI's) is obvious, and is demonstrated by the positive feedback that was generated during the evaluation.

- Qualifying the staff of companies is not easily done, especially in SME. This is due to the fact that often the offered qualification courses do not cover the actual needs of the company or the single employee. Workplace oriented qualification, initiated by cooperation projects like in the ubb projects, can be a solution through up-skilling the employees on the job.
- The biggest factor for a successful implementation of such local cooperation projects is a motivated staff at the university who is interested in the practical problems of the companies. They guarantee the actual knowledge transfer into the companies and therefore the win-win situation for the enterprises and the university. This can affect the whole local economy on the long term.
- The master students are actually experts that develop individual solutions for companies' problems. This can be the basis for further cooperation between the companies and the university, leading to further innovation and eventually the creation of spin-offs.

The obstacles that were faced and the quality of the response taken

At the start of the program, implementation and organizational problems in the cooperation projects arose and were solved in frequent communication between the external project management (gsub) and the university staff. gsub also acted as a broker between the companies and the university project teams.

The start of the individual cooperation projects needs more intensive coaching by the specialized university staff. Regular presentations by the students on the project's progress minimized mismanagement or misleading efforts.

A former attempt to implement the ubb project failed because the university staff was unable to convince the companies of the added value of the project. The external program management (gsub and BS&U) was necessary for project success. The two bodies organized the contact to interested companies and trained the university staff to further develop the enterprise contacts into strategic partnerships and to gain new partners in the future.

Considerations for adoption of this type of approach in the Vukovar – Sirmium County

Conducive for an adoption of the ubb approach are a willing and motivated university that has an interest in the practical problems of the local economy. In addition, a partner able to reach and motivate the local enterprises is necessary. The management or the owners of firms have to be open to the approach. An intermediary or a well-trained person that is accepted on both sides should translate between the two cultures. The support of the local authorities and entrepreneurial associations is necessary to implement the new approach and to facilitate the dissemination of project results.

Contact details and Web site for further information

Christoph Pörksen
Project Manager at gsub
Tel: +49 30 284 09 509
Email: christoph.poerksen@gsub.de
www.ubbberlin.de (German)

Personnel Recruitment and personnel procurement: good practice from Berlin

Description of the Approach

Background of the Learning Model

Adapted from the Berlin Senate (government) and gsub mbH ESF projects:

- “Business Recruiting Package” (since 2005)
- ADAPT projects "Personaltransfer" (Personnel transfer) and "Challenge" (1997–2001)
- ECOS Overture project “IRES Improving Regional Employment Services” (1999–2002)
- International “AVALON project added value of local networking” (2001)

One central issue for all these approaches is the challenge of how to integrate small and medium sized enterprises (SMEs), but also large firms in a region or local partnership, which is seen as one of the key success factors of local partnerships (more in our international study at: www.avalongsub.de).

Since 1991, gsub has gathered substantial experience in specific segments of human resource management. For example, gsub has implemented personnel procurement and personnel recruitment projects, particularly involving applicants who had formerly been unemployed (pre-selection, assessment). As a result of structural change, often mass redundancies are taking place, especially in large firms. In this context, gsub has implemented personnel transfer programmes, i.e., programmes to qualify, train, and transfer employees to new jobs in cases where personnel reduction is unavoidable.

Moreover, gsub has been supporting Berlin businesses since 1994 in the creation and maintenance of jobs by utilizing various kinds of support programmes. In this context, gsub – in cooperation with the Berlin Business Development Corporation (BBDC) has set up a unique personnel recruitment and procurement service for companies in Berlin: the BUSINESS RECRUITING PACKAGE.

The Berlin Business Recruiting Package (BRP) is a new service operating since 2005 and comprising two components (twofold approach):

- Module 1: personnel recruitment aimed at companies seeking to hire new staff (Budget 2006: 347.000 €)
- Module 2: employee training aid (in company training) to raise skill levels in the workforce of medium sized and large companies in alignment with regional/local needs and current EU regulations (Budget 2006: 1,350 Million €)

This service is unique throughout Germany. The BRP provides free, one stop support. This offer is made available through cooperation between the following partners: The Berlin Senate (government), the Department for Economic Development, Technology and Women, Berlin's regional public employment service, gsub Social Business Consultancy, and the Berlin Business Development Corporation (BBDC).

a) Module 1: Personnel Recruitment of the BRP:

With the personnel recruitment module of the “Business Recruiting Package” (BRP), one can address both needs simultaneously. The package facilitates resettlement and helps jobless people to increase their chances in the labour market through training and qualifications. The network of partners involved provides all-round assistance, from writing job descriptions through placing ads and pre-selection, to application management, training courses, and qualification. The modular structure of the package enables the various elements to be used extremely flexibly. The complete coordination of the BRP is the responsibility of the BBDC. The labour agencies provide the applicants and ensure that there is a single point of contact for each company. The package is available to companies hiring five or more new employees. Both the time schedule and the application procedure are determined by the company itself.

The concrete service offers of the one stop agency are:

- Job description
- Job announcement
- Preselection/Assessment Center
- Job application management
- Training measures
- Information and placement of special support programmes for recruitment in Berlin Residency and workpermit matters

b) Module 2: Employee training aid (incompanytraining) of the BRP

The Employee training aid (“ETA”) is the other module of the BRP, an extensive program of specific and general training to be carried out in Berlin companies. The primary objective of the training is to raise the skill level in Berlin’s workforce.

Additionally, the project supports universal training in lean production techniques with a view to improve the effectiveness and the performance level of the personnel.

Enterprises will be funded in the following circumstances:

- Reduction or closure of important plant sections
- Relocation of the complete enterprise or important plant sections
- Fusion with other plants or division of plants
- Basic changes of the facility site
- Production of basically new or radically changed material and immaterial goods

The basis for funding is the EU regulation 68/2001. The funding predominantly covers internal training of employees.

Why the approach is relevant to Varazdin

If Varazdin is to compete in the global knowledge society, it must invest more in its most precious asset—its people. The productivity and competitiveness of Varazdin's economy are directly dependent upon a well educated, skilled, and adaptable workforce that is able to embrace change. We chose this topic as a learning model for Varazdin on the one hand in order to support the large companies in structural change and to avoid unemployment through transfer models. The Varazdin city and county has long experience in this field and the already proven models and the strategies of the city, how to cope with the structural change after socialist times, have been described as one of the key success factors of the city and the region (see chapter “Strengths and Weaknesses”). Thus, the approach for this learning model in Varazdin is “to further strengthen already existing strengths”. Moreover, due to the successful economic development in Varazdin, it is necessary to improve staff recruitment strategies because there are mismatch problems and a lack of a well skilled staff.

On the other hand, the personnel recruitment module of the Business Recruiting Package is geared towards foreign companies looking to relocate their offices and/or expand their business activities in growth sectors of a region. To stabilize or to foster these sectors, the recruitment of qualified staff is of major importance.

The Employee Educational Aid module of the BRP aims at the restructuring of companies and the training of employees, which also is important for Varazdin. Croatia (and here Varazdin) has to develop its own area of excellence and comparative advantage, which inevitably must lie in a commitment to the knowledge economy in its widest sense. In a global economy, Croatia and its sub regions have no choice but to radically improve its knowledge economy and underlying economic performance if it is to respond to the challenges of Europe, Asia, and the US.

The other challenge comes from the enlargement of Europe. Growth and employment are here the two sides of the same coin.

Reasons for the success or failure of the approach

The expertise, experience, and language skills of the regional labour force have proven to be of great assistance when accessing new markets. In Berlin, over 19,000 students graduate each year from regional universities and colleges; personnel costs are approximately 20% lower than in other major cities in western Germany; people work longer hours on average than in Scandinavia, the Netherlands, Belgium, and France; and working hours are also longer and more flexible than in western Germany.

These facts attract investors to establish businesses in Berlin. The trick now is to combine the qualified workforce with the needs of the employers. Very often this matching process is done by either service providers or institutions (which do not work together), and if not, the companies are unable to find the right persons.

The BRP builds a bridge over both gaps. The possible services offered by public institutions like the Public Employment Service (labour agencies) and ESF funded projects are combined and directed towards the company as a one stop agency. What sounds like a marketing campaign actually in reality helps to fit the needs of the employers. They only have to discuss their job profiles with one contact person, which then bundles all the different services. So the recruitment is provided by one source in cooperation with partner organizations.

Very important is the experience and network of the staff members of the project. They are business professionals who can cope with the different job profiles that the companies offer. Whatever

they look for, a hybrid engineer or a helpdesk officer in a customer care service centre, the project has the right channels and contacts to find the right people. Most of the companies that have successfully used the BRP will later provide testimonials to attract new companies to set up new business in the region or expand.

Many large corporations have offices in Berlin but their headquarters are actually located somewhere else in Germany or Europe. To be not only a workbench of these international companies, the Berlin approach is to connect each other on the distributor and customer side. This networking is only possible if the employees are highly qualified. The internal market permits those companies and sectors that have relative competitive strengths to build on their specialist advantages and grow. This becomes a self reinforcing trend. Resources are used by those most capable of using them, who in turn can build up economies of scale and therefore lower operating costs and market prices. There is then a general uplift in real incomes, profits, and innovation. Sustainable economic growth has always been associated with opening new markets and strong growth in trade.

One example in Berlin is the company Gillette, which was acquired by Procter & Gamble in 2005. The major companies build up a new plant in Poland. This threat could only be overcome in Berlin by up-skilling the workers to raise productivity.

Very often, the first budget to be cut in case of a crisis is the budget for internal (in company) or vocational training. The fund in Berlin assisted many companies to absorb this lack, so that the training could be carried out.

The main results were the preservation of jobs and even the creation of new jobs. Overall, the funding is an investment in human capital and helps to strengthen the employability for employees and workers.

The obstacles that were faced and the quality of the response taken

All services have to be custom-made and the Business Recruiting Package services have to be combined efficiently with one another, which makes it possible for investors to take advantage of the package effectively at short notice.

This custom made approach must be developed and you have to find a professional team to do it. Within the project, we have now gathered experience over several years. It is just since 2005 that we can provide a real service that can persist in the market of private personnel agencies. For being successful, you have to convince all relevant stakeholders to work together and combine the different services. The main argument is the strengthening of the region as a common goal, particular concerns should be postponed. This obstacle was overcome when a round table was established. In this highranked group of experts, the content could be outlined, so that services could be combined effectively.

The two main obstacles in the personnel procurement or educational training aid module have been:

- Restructuring is often combined with crisis, redundancies, etc.
- Restructuring is difficult and sometimes combined with insolvency (bankruptcy)

Both difficulties led to a very passive behaviour of these companies towards “begging” (claiming) for public support. Sometimes the requests for support are too late. ESF-Funding strictly bans funding in such cases.

In Berlin, we found it helpful to work with the accountants of companies.

Considerations for adoption of this type of approach in the Varazdin or in other places in Croatia

The following steps of realization could be made:

- Selection of branches searching for new staff (for instance call-centres)
- Roundtable of relevant stakeholders
- Definition of project leader (intermediary or department of an institution)
- Assurance of funding (either ESF or IPA)
- Searching for professional team members and professional services
- Project visit in Berlin

Contact details and Web site for further information

Burkhard Volbracht
Project manager
gsub mbH
Tel: +49 30 284 09 531
Email: Burkhard.Volbracht@gsub.de
<http://www.gsub.de>
www.berlinpartner.de (Web site Business Recruiting Package and more)
www.avalongsub.de (how to integrate SMEs in local development processes – success factors of local employment pacts – a study of seven European countries, 2001).

Perspective 50plus – Employment pacts for older workers, Germany

Why the approach is relevant for Varazdin and Vukovar – Sirmium

This additional learning model we chose for both counties because one of the most vulnerable group in finding jobs are older workers, and in particular the women and the long-term unemployed amongst them. The demographic change and the top European issue of “Active Ageing” affect also Croatia. As noted in the Chapter “Strength and Weaknesses” in Varazdin, for instance, persons 45 years or older cover 44% of all unemployed. Additionally this approach fits perfectly in the partnership strategy: because it is a regional or local approach, based on a reliable network of regional social partners, local authorities, universities or higher education institutions, and others.

Employment pacts for older workers

Description

© Source: BMAS "The pacts show what's needed for success: that industry, trade unions, joint agencies, local authority agencies and the actors in the regions pull on the same rope with all their strength and in the same direction to create more jobs for older people," said Federal Labour Minister Franz Müntefering at an annual meeting of the Federal program "Perspektive 50 plus".

At the end of June 2007, the 62 employment pacts will have already found work for a total of approximately 14,500 over50yearolds on the general job market. Nearly 80,000 participants have been directly addressed by the pacts with concrete offers. These are good figures considering that the pacts exist only in certain regions and by no means cover the entire country.

Successful competition

The projects (pacts) are the winners of the ideas competition "Employment Pacts for Older Workers in the Regions" launched in June 2005 by the then Federal Ministry of Economics and Labor. 62 employment pacts were chosen for promotion, involving 93 joint agencies and licensed local authority agencies nationwide. The successful projects received altogether €250 million in grants to implement their ideas and schemes. At the same time, in order to further develop the idea competition, the activities of all employment pacts were consolidated in the new federal program entitled, "*Perspektive 50 plus Beschäftigungspakte für Ältere in den Regionen*" (employment pacts for older workers in the regions).

During the two-year implementation phase, the pilot projects will be closely monitored and evaluated by professionals. The focus is on forming and intensifying regional networks and supraregional dialogue between the projects. This process is supported by regional workshops with the project participants and a joint communications platform allowing structures to form that go beyond individual regions and the two-year grant period, and provide lasting support for the integration of older workers in the general job market. In addition, particularly successful projects can become the basis for nationwide strategies and solutions ("best practices").

Diverse approaches

The diversity of the approaches supported by the federal "Perspektive 50plus" program is remarkable. Some of the projects aim to enhance collaboration between the regional actors to create more jobs for older workers by founding regional associations and forming regional alliances. Other pacts focus on directly addressing employers and specifically encouraging them to hire older workers. Others again pursue a core idea, for instance by consciously linking environmental policy objectives with labour market policy measures, e.g., in the housing or renewable resources sectors. The federal government's €25 billion investment program for research and innovation creates the appropriate good overall conditions for this. Last, but not least, some of the pacts test new instruments or experiment with an innovative combination of instruments, resulting in effective integration strategies for older workers.

For more information:

Email: Reiner.Aster@gsub.de

Internet: www.gsub.de

Tel: +49 (0) 30 28409100 Fax: +49 (0) 30 28409110

CONCLUDING OUTLOOK

This report results from OECD USAID field work exploring the development trajectory of local partnerships in two counties of Croatia. It seeks to provide an external perspective on opportunities for the development of new forms of governance to foster local employment and economic development and promote innovative approaches to social inclusion. The report makes observations on the strengths and weaknesses of the current local partnership approaches and provides recommendations on how public, private and third sector actors could effectively join efforts, and provides examples of programmes in other countries that illustrate the sorts of approaches that could be taken to implement the recommendations.

This report aims to bring forward a discussion of how policy development and delivery can become participatory and responsive to local needs. The different chapters of this report are prepared by external consultants, all local development practitioners and with a long track record of local development advice work. They worked under the supervision of the OECD and USAID on the preparation of reports that are addressed to local development practitioners and the policy making community.

The notion of "partnership" is stated in a number of policy documents. The most prominent ones are (i) "Local Partnerships for Employment (LPE)" in the field of employment policy, and (ii) "County Partnerships" for regional policy and local development. Some documents are promoting co-operation between different levels of government, which supports local partnership agreements and the establishment of local strategic alliances. However, conditions for inclusion of the non-governmental sector organisations seem to be still difficult. Previous reports prepared for the Croatian government state that "most of this co-operation is among different level of public legal entities (ministries, administrative organizations, local and regional units, public utilities). There are no indication and clear criteria for involvement and active participation of non-governmental subjects (citizen's associations, entrepreneurs associations, social partners, etc)".¹¹

The international perspective on local partnerships seem to reveal a question on whether partnerships are a "black box" in the process of improving governance or a tool for influencing public policy. Studies and international review activity shows that partnerships can be both. Partnerships are often perceived as "black boxes" with visible inputs and outputs, but no clear mechanism for transforming the former into the latter. However, they are increasingly aiming to play a more transparent role in both the delivery and design of policy. Partnerships often attempt to tailor policies to local needs and help to ensure effective delivery against given policy goals and objectives. In addition, more and more partnerships across the OECD member countries are becoming interested in influencing the actual establishment of policy goals. Such partnerships thus endeavour to become an integral part of both policy design and delivery processes at local, but also at national levels.

Previous OECD LEED research has identified a series of mechanisms through which partnerships can impact on the design and delivery of public policy, including: fostering co-operation across

¹¹ Ecorys (2004): "Analysis of Regional Development in Croatia", part of Strategy and Capacity Building for Regional Development (CARDS 2002 Programme for Croatia).

organisations, assessing the coherence of the various actions conducted and proposing ways to improve this, conducting strategic planning exercises aimed at setting common objectives in order to better achieve policy goals, and implementing local strategies through for example, proposing or appraising projects, designing specific measures and delivering services. With its new series of capacity building activities, the Forum on Partnerships and Local Governance has opened a discussion on such mechanisms for influencing public policy, looking at the principle interests of partnerships and their rationales, the underlying policy framework for their actions, and the potential added value resulting from the way in which partnerships feed into the policy design process.

The aim of this concluding section is to facilitate the identification of local partnerships in OECD member and non-member countries that could offer learning model approaches for local partnership development in Croatia. In the following policy areas local partnerships are currently discussed as potential fields of action for effective partnership work: (i) fight against poverty and social exclusion: community development initiatives; (ii) improving employability and skills of workers; and, (iii) regional and local development: tailor policies and measures to local needs.

For each of these areas key points, taken from policy documents and international policy advice statements, are discussed in turn below.

Fight against poverty and social exclusion: community development initiatives¹²

- "Refocus Active Labour Market Programmes for the long-term unemployed or those at risk of long-term unemployment and, in particular, people with disabilities, the older unemployed, the young unemployed, single parents, the Roma and returnees;
- Develop personalised counselling and guidance services for people from disadvantaged groups and establish progression routes back towards employment involving education, training, community work, and public sector employment;
- Improve coordination between Croatian employment services and other relevant social services and local initiatives so as to develop integrated programmes of support for disadvantaged groups facing multiple problems;
- Develop sheltered employment opportunities for vulnerable groups such as those with certain intellectual or severe physical disabilities;
- Promote community work and public employment options for the long-long term unemployed who are very far from the labour market, such as the homeless, people with alcohol and drug problems or for those living in areas with few employment possibilities;
- Increase access to public service jobs for ethnic minorities;
- Establish local employment partnerships between employment services, social services agencies, education and training providers, local authorities, employers, trade unions and NGOs;

¹² The following points are part of a set of recommendations developed by the UNDP 2006 report on social exclusion in Croatia.

- Develop programmes to support entrepreneurship among vulnerable groups and provide practical and financial support to promote self-employment;
- Increase access to affordable transportation for disadvantaged groups to facilitate access to jobs."¹³

Improving employability and skills of workers¹⁴

- "Improve the overall skill levels of the working age population by increasing the share of higher education graduates, in particular the share of post-secondary VET graduates (polytechnics) and to develop further mathematical, natural and technical sciences and increase student numbers;
- Considerably expand adult learning opportunities for both employed, unemployed and inactive people by creating an appropriate support framework for continuing training/lifelong learning (e.g. better targeting of current instruments, joint funding models between employers and employment services, new incentives such as the introduction of a further education/training cheque or a Training Fund for employed people and individual adults etc.);
- Foster the development of management training in particular for SMEs (review and assessment, network of companies at regional/local level, synergies with existing training organisations);
- Support the development and implementation of a comprehensive National Qualifications Framework (NQF) – comprising all levels of education, including higher education - and to adjust education programmes to the knowledge and skills needed in the future, with a particular emphasis on the development of interdisciplinary and key competences at all levels of education (particularly the entrepreneurial way of thinking);
- Promote the establishment of effective partnership structures, involving both the education and economic/social actors in VET and lifelong learning (e.g. creation of national and regional joint Employment and VET Councils, to learn from good practice in sectoral agreements in the EU and the framework of European social partners for the lifelong development of competencies and qualifications);
- Develop and introduce a system of continuously monitored labour market signals and demands for the purpose of education (VET) planning;
- Support the occupational and social integration of risk groups (students from rural and poor families, ethnic minorities) and foster intercultural education amongst pupils from different communities (e.g. Croats and Serbs in Eastern Slavonia); and,
- Improve the status and incentives for private initiatives in education and training and foster public-private partnerships (PPP)."¹⁵

¹³ UNDP (2006): "Unplugged: Faces of Social Exclusion in Croatia", Human Development Report 2006.

¹⁴ The ETF report provides a number of recommendations for human resource development and labour market related reform and modernisation processes.

Regional and local development: tailor policies and measures to local needs¹⁶

- "Planning of local development through local partnerships and monitoring of the impact of public investment in regional development;
- Designing of specific support projects for rural areas (economic diversification) and measures to enhance the self-employment of women in rural areas (e.g. agriculture projects, care services within the community);
- Construction of internal capacities in border regions in order to encourage the local population on both sides of the frontier to jointly identify and create opportunities for local development and employment (construction of infrastructure, education, employment, mitigation of ethnic intolerance);
- Stimulating cooperation between government bodies and civil society organisations in regional development policy (so far the focus has been more on co-operation between authorities); and,
- Central government still has to take charge of the transport connections between the islands and mainland, because transport is a major requirement for the island population to ensure equal access to services available on the mainland (education, health, employment etc.)."¹⁷

In this report both the discussion of strengths and weaknesses, and the list of recommendations are not meant to draw-up an exhaustive picture of the local scenario, leading to immediate and concrete policy actions. The aim of this paper is, rather, to stimulate and catalyse a process, whereby counties and cities in Croatia can stand back and reflect on their overall options, needs and priorities, by facilitating an exchange of information on innovations and good practices from a range of OECD Member countries.

¹⁵ ETF (2006): "Croatia: ETF country analysis for IPA programming in the field of human resource development".

¹⁶ The Joint Memorandum on Social Inclusion provides a number of recommendations for economic development in disadvantaged areas.

¹⁷ EC and the Government of Croatia (2007): "Joint Memorandum on Social Inclusion of the Republic of Croatia".

ANNEX

Recommendations at a Glance

The following table brings together a set of recommendations that were presented in a draft summary report at a regional workshop on 28-29 May 2007 in Opatjia, Croatia. This aims to facilitate discussion around recommendations given to strengthen local partnerships in Croatia and to develop local action plans that could be followed by local partnerships and national and local governments.

General recommendations for building and maintaining effective local partnerships relevant to both counties

From a project-based to a sustainable strategic partnership

In Vukovar-Srmiun and Varazdin Counties the various partnership structures may need to be reviewed. There exist ROP-driven county partnerships, focusing on investments and economic development, and employment and social inclusion-oriented partnerships on the other. Moreover, partnerships are largely project-oriented and tend to dissolve after project completion. Although project-based partnerships are necessary for project sake the legacies require lasting governance through strategic partnerships. These latter types of partnerships include county and city level stakeholders across the many fields (economic development, employment, etc.). This partnership should assuage any organizational or policy tensions between the different levels of government and the different areas of activity. Regular bi-monthly (once every two months) meetings are recommended. An effective organizational structure through a formal agreement between the partners is highly recommended. The partnership may be founded as a legal entity (association or limited liability company) with a board, an executive secretariat, a decision-making steering committee, and broad participation of stakeholders.

Use a performing public administration or an external intermediary body/agency as a leading force

For a well-functioning partnership a professional support structure must provide assistance with project application procedures, organization and facilitation of partner meetings, and with financial management. In short, such a body would assume administrative tasks allowing partners to hone in on strategic matters. In OECD countries an intermediary agency is usually founded as a separate entity from the public administration primarily for the reasons of flexibility and speed. The intermediary should have the authority to act within publicly defined parameters and may be tasked to mediate, and facilitate. It is of paramount importance that it has the requisite professional and technical skills and the service focus. In most OECD countries international cooperation and networking (through professional, NGO, university and business exchanges) is widely seen as the prerequisite to successful partnership management.

Organize SME and start-up support to foster job creation

Increased involvement of businesses (especially SMEs) in the partnerships and support services for business start-ups appears to be of increasing importance. Both Vukovar and Varazdin may benefit from additional incentives for job creation and SME support has been one of the leading job-creation routes in OECD countries. OECD experiences point to the potential lead role of large businesses as sponsors of local employment organizations and business linkages between the SMEs and large firms. In addition, transparency and communication of business support services may be improved by the establishment of a single institutional identities, brands or gateways, perhaps applying the 'One-Stop-Shop' model. The issues for discussion may include whether this service should be outsourced or established in-house as a public agency, separated or integrated into existing structures.

Implications for Local Government – Partnership Capacity Building

<i>What</i>	<i>How</i>
<i>Building local government capacity</i>	Counties and towns/municipalities are already leading local partnerships, but effective partnerships assumes active participation and contribution by all its members. Perhaps the government authorities would benefit from identifying competencies to manage functioning partnership. Capacity building programs may benefit from work done by various international and bilateral donors like USAID, GTZ, UNDP and others).
<i>Support for leadership within partnerships</i>	Leadership in partnerships may come from local politicians, senior officials or civil society organizations. But leadership in a partnership context poses specific challenges compared to traditional autocratic type leadership. Former emphasizes consensus building over exercise of authority. OECD experiences demonstrate that support programs for local leaders may be important in the dynamic environment of the partnership
<i>Technical support for partnerships</i>	Local councils and governments (along with other partners) will need to ensure that partnerships have access to a range of skills and knowledge.
<i>Assist in the improvement of performance management, monitoring and evaluation</i>	Enhanced capability and capacity for performance management, monitoring and evaluation is a need usually met by the counties and towns/municipalities. Local partnerships should have appropriate local structure and capacity, and performance management, evaluation and learning are key priorities recognized by all partners. Local performance management arrangements should provide management information on both the progress of the local development strategy, and on the effectiveness of partnership arrangements, and ensure action plans are fully implemented. Performance management will depend on robust monitoring and information systems, backed by objective evaluation. The capacity to perform these functions may be located within a partner support team or contracted out.
<i>Organizational and cultural change</i>	Partnership work challenges leaders, officials and businesses, but perhaps especially those accustomed to the traditional government hierarchies. Partnership requires both leaders/managers and front-line staff to collaborate with both partner agencies and citizens. Specialized training on organizational change and management may be warranted to fulfill this requirement.

Implications for National Government

<i>Coordination between different policy areas</i>	Local partnership assumes joint work between local actors, and therefore in turn requires a coordinated, flexible approach in the implementation of policies and programs. Local actors need to contribute to and shape local priorities and partake in meeting national targets.
<i>Provision of clear guidance and support from central government for local partnership work</i>	Local partnerships will look to central government for clear guidance and support. This may include, establishment of skills training and development programs, and institutional capacity building.
<i>Facilitation of good practice exchange and inter-partnership learning</i>	Central government also has an important role to play in facilitating the exchange and dissemination of good practice by local partnerships. An example may be through peer review exercises.
<i>The role of an intermediary agency.</i>	In some OECD countries, the role of coordination and support is provided by an intermediary agency with specific responsibility for managing and supporting local partnerships. It should be noted that the agency needs to have sufficient status within Government hierarchy to be able to negotiate with relevant ministries.
<i>Establish guidelines for performance management, monitoring and evaluation</i>	Central government should establish guidelines for local partnerships on performance management, monitoring and evaluation; provide support and training for local actors; monitor and manage local performance; and, identify and disseminate good practices.

Recommendations for building local partnerships in Varazdin

<i>Establish a framework that allows for integration and coordination of local partnerships</i>	The creation of a common framework, incorporating both the conceptual understanding of a region and a supportive structure that facilitates the joining of different partnerships, should be addressed. Such a framework does not imply having the same development priorities for the city and the county, but it sets the ground for a common platform intended to align locally tailored strategies within a wider regional context. It further creates opportunities for synergies and mutual benefits. This can be achieved through intensified cooperation between the two regional development agencies, perhaps initially through visible public events with the express aim of forging common identity and values.
<i>Consider the establishment of thematic working groups at county level</i>	The County Partnership should devote more effort in the development of permanent thematic working groups. One such issue-area may be labour skills development. Here participation of various actors, including the Croatian Employment Service, educational/training organizations, business community and NGOs, would further secure locally suitable approaches.

<i>Expand on the existing good practice projects</i>	In terms of economic development and employment, the Free Zone Varazdin is a success case with 1,800 employees. The Varazdin County also provides an entrepreneurial zone for craft businesses with infrastructure and facilities under the condition that the businesses employ a specific number of new employees. In terms of social inclusion, the Foundation for Solidarity of the City of Varazdin and City Department for Social Affairs projects can be viewed as good practice projects. A partnership could assume the role in evaluation of results achieved through these initiatives, actively disseminate relevant information and contribute to partnership learning.
<i>Make better use of the regional (county) employment service</i>	In Varazdin, the Regional Employment Service offers a wide range of active labour market measures. It offers problem solving strategies, employment generation know-how, and training needs assessments that could significantly contribute to the local Economic Council and the ROP driven County Partnership.
<i>Provide investor incentives through attractive recruitment strategies and educated workforce at county level</i>	Varazdin needs lifelong learning programmes and preventive active labor market measures based on successful county practice of active transfer and adaptation measures. Investors are attracted on the one hand by the free zones and tax exemptions, but also by the abundance of skilled workforce. The role of the partnership would be to integrate initiatives through the training institutions and the local businesses in a broader local development strategy that addresses employment and skills development issues.
<i>Towards an umbrella partnership for the entire county and an appointed impartial body as driving force</i>	The two partnerships: City's Economic Council and the County Partnership are lead by strong governments. The impartial body World act as mediator through the umbrella partnership. Potential members may be from training institutions, NGOs, Chambers. It is important to keep the partnership open to new members, to be responsive to local needs and revise strategic directions as the circumstances arise.

Recommendations for building local partnerships in Vukovar

<i>Further integration of the two local partnerships and strengthening of the umbrella partnership</i>	Several interviewees highlighted the need to integrate the Local Partnership for Employment and the County Partnership into a single entity functioning at county level. Thematic working groups and detailed action plans would evolve in due course
<i>Establishing organizational structure of the partnership</i>	The structure should consider a management/co-ordination unit that maintains communication and enables partners to easily interact. The co-ordination unit should be able to provide professional support to facilitate partner contributions.
<i>Make use of international technical experience</i>	Experienced technical assistance is encouraged to facilitate the development of fully functional partnerships. This would serve to further partner networking and anchor various initiatives with the local development plans and to facilitate capacity building and technical exchange of good practices and models.

Enhance and expand knowledge- and market-based training programs

The Croatian Employment Service and the regional employment partnership provide good practice in terms of customized training. There is: (i) professional orientation for the young (e.g. Project My Choice), (ii) integration of formerly unemployed in Spacva company (wood-processing), (iii) tourism-related project providing language skills, catering training, and (iv) the ECDL – European Computer Driving License - project. Such projects, intended for specific labor market placements may be intensified and broadened, i.e., the training program measures should be targeted for current and anticipated jobs. In order to better assess the future labor demands additional business surveys and questionnaires may be warranted.. Knowledge-based training measures, like IT, language should be expanded and improved to bolster workforce qualifications and attract new businesses and investments. Here, the local partnership may provide the local baseline knowledge and information for the development of locally tailored strategies and approaches.

Improve the cooperation between training institutions and businesses

Moreover, cooperation between these sectors can help guide the education system towards meeting the market demands for professional and technical cadres. It appears that a local college could play a significant role in terms of increasing employment opportunities through skills development and upgrading. The potential of the craft industries is not fully recognized, in particular the hospitality and tourism, in wood processing and in the agricultural sector, where new labor demands are anticipated. The application of the German apprenticeship model (dual system with internships and lectures) has demonstrated encouraging results in Vukovar-Srmiium. Here, the role of the partnership would be to integrate initiatives between training institutions and the local businesses into a wider local development strategy that comprises of employment and skills development issues.

Devise a regional (county) action plan for job creation

The application of the European guidelines and the National Action Plan for Employment should be linked to the regional (county) bottom-up employment strategy with adaptations in various environments (urban, rural, underdeveloped). The cornerstones of such an action plan can be (i) preventive measures like adaptation for businesses and employees to prevent dismissals or mass redundancies, (ii) measures intended for special target groups (older workers, youth and women) including subsidized job creation schemes for the hard to employ groups, and (iv) schemes which provide support for start-ups and which promote entrepreneurial engagement and spirit in the region (for example “start-up-your-own-business award”, micro-grants and/or micro-credit schemes). A partnership framework could facilitate: (i) introduction and implementation of a strong bottom-up strategy; (ii) alignment of economic, social and environmental factors of local development; (iii) action planning with robust targets, clearly assigned tasks and responsibilities and associated performance indicators; and, (iv) linkages with national and European strategic priorities and programs to ensure continuity and sustainability.

List of interview partners

Vukovar – employment and training

Croatian Employment Service (HZZ Vukovar)
Ms. Ankica Paun Jarallah (Director)
Vladimira Nazora 12
Telefon: +385 032/44 13 44
Telefaks: +385 032/44 17 40
Ankica.Paun@hzz.hr
www.hzz.hr

HZZ Vinkovci
Dubravka Konečni
Pročelnica
dubravka.konecni@hzz.hr
Juraja Dalmatinca 27
Telefon: +385 032/33 11 55
Telefaks: +385 032/33 16 99

Fund for Reconstruction and Development
Ljiljana Blažević
ljiljana.blazevic@fond-vukovar.hr
J.J. Strossmayera b.b.
32000 Vukovar
Hrvatska/Croatia
Tel: +385 32 450 400
Fax: +385 32 450 401
www.fond-vukovar.hr
Cell 098-494-977

Lavoslav Ružička Polytechnic
Dean prof. dr. Antun Pintarić
Županijska 50, 32000 Vukovar
Tel.: +385 32 444 688
Fax: +385 32 444 686
<http://www.vevu.hr>
dekan@vevu.hr

City of Vukovar
Mayor Zdenka Buljan (HDZ)
Dr. Franje Tuđmana 1
Vukovar
Telefon +385 (032) 456-501
Telefax: +385 (032) 456 500
gradonacelnik@vukovar.hr
Department of Economy
Dragan Njegic
456-571
gospodarstvo@vukovar.hr

County of Vukovarsko-srijemska
Božo Galić, Zupan
Vs-zupan@vk.t-com.hr
Tel. +385 (032) 454 201
Jadranka Golubić, Department for Local Government and Administration
Nenad Jerković, Department for Economy, Reconstruction and Development
upravni-odjel-za-gospodarstvo@vk.htnet.hr
Tel: 032/454-601 or 602
Zoran Vidović, Department for International Cooperation and Capital Investments

List of interview partners

Sasa Dević, ROP Director

Županijska Komora Vukovar
Vinka Ivanković (President, also works for HPB, Vinkovci)
Zmajeva 1, Vukovar
Tel: +385 32 441-155; 441-157
Fax: +385 32 441-463
hgkvu@hgk.hr
Jugoslav Holik, tajnik

Zupanijska Obrtnicka Komora
Vinkovci
Gaja 17 (opposite of Trznica)
+385 032/333-304
Ivan Klaric (president, volunteer)
Djuro Kadoic (tajnik)
Hok-vinkovci@vk.t-com.hr

Udruženje obrtnika Vukovar
Dr. Franje Tuđmana 18 P.P. 37
Tel: +385 032 / 441 995
Fax: +385 032 / 450 391
uo-vukovar@vk.t-com.hr
Predsjednik: Ivica Adžić

VIMIO
Gordana Bujišić,
Ljudevita Gaja 3
Cell 098-346-547
+385 32 442 978
+385 32 442 977
vimio@hi.t-com.hr

PRONI, Sanja Vuković,
vukovar@proni.hr
204. Vukovarske brigade br. 86
+385/32/441-612, 450-106 (obrazovanje)
fax: +385/32/441-612

Centre for Peace Vukovar, Ljubomir Mikić
Cell 098-346-119
center-za-mir@vk.htnet.hr

Varaždin – local economic development

County of Varaždinska
Radimir Čačić, Župan
+385 042-390-555
zupan@varazdinska-zupanija.hr
Darko Hrenić, Department for SME Development
Darko.hrenic@varazdinska-zupanija.hr
Danijel Ivanagić, Department for Regional Cooperation and European Integration
Danijel.ivanagic@varazdinska-zupanija.hr

City of Varaždin
Ivan Čehok (Mayor)
Contact Drazen Dretar (Protocol) at +385 042-402-508
Trg kralja Tomislava 1
tel. 402-500

List of interview partners

<http://www.varazdin.hr>
gradonacelnik@varazdin.hr

College Varaždin (Veleučilište u Varaždinu)
Mario Punčec (Prodekan za nastavu)
Tel. +385 042-493-315
mario.puncec@vels.hr

Open Community College (Pučko otvoreno učilište Varaždin)
Nevenka Kobal (Director)
Telefon: +385 (0)42 213-138, fax: 313-475
pou@vz.htnet.hr
kino@vz.htnet.hr

University of Zagreb
Faculty of Organisation and Informatics
Marijan Cingula (Professor)
+385 098-284-715
marijan.cingula@foi.hr

Županijska Komora Varaždin
Preradovićeve 17
tel: +385 042/405-401; faks: +385 042/405-405
Čedomil Cesarec (President)
ccesarec@hgk.hr
Renata Papec (SME Sector)
Snježana Marcuiš (Industry Sector)

Županijska Obrtnička Komora
Vladimir Habek (President since Dec 2006)
Ivan Vusić (tajnik)
obrnicka-komora@vz.t-com.hr
Varaždin, I. Kukuljevića 13/1
tel: +385 042/320-986

Hrvatski zavod za zapošljavanje
Jasenka Hutinski
Pročelnica
Područna Služba Varaždin
Varaždin, Trenkova 56
tel: +385 042/401-516; faks: +385 042/230-445
jasenka.hutinski@hzz.hr

Razvojna Agencija Sjever Dan
Andrija Petrović (Director)
Ms. Rados (EU, strategy)
Zagrebačka 94, 42000 Varaždin
tel. +385 42 213-700
fax. +385 42 200-720
varazdin@dan.hrmailto:varazdin@dan.hr

Slobodna Zona Varaždin
Krešimir Meštrić (Director)
Ms. Novak
Gospodarska 1 , Trnovec,
42 202 Trnovec Bartolovečki
tel. +385 (0) 42 492-022, fax. +385 (0) 42 492-027
info@slobodna-zona.hr

Udruženje obrtnika Grada Varaždina
Marijan Sajko, tajnik

List of interview partners

Kukuljevićeva 13/I
Varaždin
Tel. +385 042 320-616
+385 042 320-582

International review panel and workshop participants

Dr Reiner Aster is currently Managing Director of Gsub (Gesellschaft für soziale Unternehmensberatung mbH, society for social management consulting) in Berlin, Germany. Gsub is an agency which implements employment market policy programmes on behalf of the State of Berlin. Dr Aster has been advising and supporting local governments and national bodies on employment issues for more than 15 years. As a policy expert and technical assistance provider he has been involved in several EU projects focusing on local employment development, social inclusion, partnerships and networks.

Field of expertise: labour market policy, work force development, social inclusion.

Ms Marion Byrne joined Pobal LTD (formerly ADM) on secondment from the Probation and Welfare Service of the Department of Justice in 1995 where she had worked in senior management positions in areas such as family law, training and community based alternatives to custody. In Pobal she manages a number of programmes that are focussed on social and economic inclusion including the national funding stream for local development partnerships companies and programmes that address the integration of immigrants, enhance access to third level education and deliver community based rural transport.

Field of expertise: public policies, local government, intermediary organisations.

Mr David Galliers has worked in partnership development in Coventry and the West Midlands area of the UK for 10 years. He is currently based in Birmingham West Midlands where he has developed and is running a support programme for 38 Local Strategic Partnerships in collaboration with the UK's regional and central government departments. Prior to his work on Strategic Partnership working, David specialised in regeneration work in disadvantaged communities particularly in the field of Adult Education. David is currently the Chairman of the LSP Futures network which is a national network of Local Strategic Partnerships that helps spread good practice and develop effective policies with government departments.

Field of expertise: regeneration, strategic partnerships, adult continuing education, local government.

Professor Mike Geddes is a Professorial Fellow in the Local Government Centre, Warwick Business School, University of Warwick. He holds a PhD in Urban and Regional Studies from the University of Sussex. His research interests include numerous aspects of public policy, ranging from local democracy and partnership to local economic development, public services, and poverty and social exclusion in the UK and Europe. Prof Geddes has been involved in several activities of the OECD LEED Forum on Partnerships and Local Governance since its creation. He advises the OECD LEED Programme on identifying the capacity building needs of partnerships and is actively engaged in a thematic workshop organised within the Forum.

Field of expertise: public policies, partnerships and strategic planning.

Mr Pat Leogue manages the OAK Partnership, a Local Development Company serving the needs of the communities of North West Kildare and North Offaly. Created in 1995 as part of the E.U. Operational Programme for Local Urban and Rural Development, the OAK Partnership responds to issues of unemployment, social exclusion and disadvantage within its catchment areas through its employment, enterprise, community, education and training programmes. Over the last eleven years he has assumed responsibility for the preparation and implementation of Area Action Plans funded by the

EU and the Irish Government under the Operational Programme for Local Urban and Rural Development (LURD) and more recently the Local Development Social Inclusion Programme funded by the Irish Government under its National Development Plan 2000-2006. From October 2004 until December 2005 he assisted as international expert in the establishment of a local partnership in Kamenica, Kosovo, as part of a joint project between the European Training Foundation, the Italian Government and the OECD LEED Programme on building local partnerships in the Balkans.

Field of expertise: building and managing local partnerships, social inclusion.

Mrs Maria João M. Filgueiras-Rauch is currently Content Manager and partnership coordinator of the Project "Competences Development in and for the city of Munich" in Equalmünchen GmbH, a municipal enterprise of the city of Munich. At the same time she is continuing to act as an Independent Expert as researcher, project developer and/or consultant in the fields of: Structural Funds (especially ESF), Local Development based on Partnerships approach and Employment and Training, working, among others, with the EC and the Portuguese Labour Ministry. She has 18 years of experience in the management and implementation of development projects and programmes in Europe (old and new Member states), both as a senior consultant and as a public sector manager.

Field of expertise: building and managing local partnerships, ESF project management.

Mrs Andrea-Rosalinde Hofer joined the OECD in 2004 as a Policy Analyst in the field of local governance. She is based at the LEED Trento Centre for Local Development in Italy where she manages activities related to partnerships and governance in Central, East and South-East Europe and the LEED Forum of Partnerships and Local Governance. Prior to this she worked for the United Nations Development Programme as an expert and regional project co-ordinator for local governance.

Field of expertise: public policies, local governance, role of local governments.

Mr Arsen Juric is currently Rule of Law and Local Government Affairs Specialist at the United States Agency for International Development (USAID), U.S. Embassy Zagreb, Croatia.

Field of expertise: public policies, local governance, role of local governments.

Organisation for Economic Co-operation and Development

OECD LEED Centre for Local Development

Vicolo San Maro, 1, 38100 Trento, Italy

www.trento.oecd.org

United States Agency for International Development

Mission to Croatia

U.S. Embassy Zagreb, Croatia

Web: <http://www.usembassy.hr/usaid/>

Arsen Juric from USAID and Andrea R. Hofer from OECD prepared and edited this Discussion Paper. Helpful assistance and input has been provided Davide Aggazi and Elisa Campestrin, OECD LEED Trento Centre.

Cover picture: Elisa Campestrin, with kind support of USAID.