

## LOCAL DEVELOPMENT MANAGEMENT IN FLAG GALATI

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**Abstract.** *Any local development strategy needs to contribute to the objectives set at a county regional/national level, while promoting the development based on partnership and local knowhow, thus placing the community as the promoter of development. The vision, objectives and priorities of FLAG Galati converged synergistically towards the European and national sectorial policies, while being born from the local information and needs. This ensures the sustainable development of the micro region.*

**Keywords:** *European funding; local development; FLAG; strategy*

### 1. Introduction

Between 1995 and 2005, Romania's fishery production suffered a sharp decline, from 18,675 tons in 1998 to 13,352 tons in 2005. In 2005, the obtained fish production presented the following structure: aquaculture 7.284 tones (54.55%), fishing in inland waters 4,042 tons (30.27%), Black Sea fishing 2026 tons (15.17%). The reasons behind this decline in fish production, both in freshwater and in marine waters, were represented by the new conditions typical to a transition period from the centralized economy to the market economy (low investment in this sector) and the instability of the institutional and legal framework especially in land ownership [1-13].

In 2005, the total number of employees in the sector was 6,811, out of which 633 (9.29%) were involved in the fishing activity, 2,531 (37.16%) persons in the inland fishing activity, 2,781 (40.83%) persons in the activity of aquaculture and 866 (12.71%) people in the processing activity.

In this context, Romania designed the Operational Program for Fisheries for the period 2007-2013.

### 2. Operational Program for Fisheries for the period 2007-2013

The Romanian Operational Program for Fisheries for the period 2007-2013 has been developed by the National Agency for Fisheries and Aquaculture in accordance with Article 17 (3) of the Council Regulation (EC) no. 1198/2006 of 27 July 2006 on the European Fisheries Fund, following a process of consultation

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of socio-economic agents, central and local public authorities, trade unions, NGOs and professional organizations.

The program included 5 priority axes [13]:

Axis 1: Measures for adapting the Community fishing fleet (4.33% of total allocated budget);

Axis 2: Aquaculture, inland fishing, processing and marketing of products obtained from fishing and aquaculture (45.51%);

Axis 3: Measures of common interest (13%);

Axis 4: Sustainable development of fisheries areas (32.51%) ~ € 100 million Euro;

Axis 5: Technical Assistance (4.65%).

### **2.1. Priority Axis 4**

Priority Axes 1-3 of the Operational Fisheries Program propose measures to support vertical development of the fisheries sector. Axis 4 proposes a territorial approach in completing this set of measures. Leaving aside the other 4 axis, this article concentrates on the implementation of Axis 4 and its tangible results in the Prut –Danube area, Galati County.

The main objective of Priority Axis 4 was the sustainable development of the fishery areas, to minimize the decline of the fisheries sector and support reconversion of areas affected by changes in this sector. Axis 4 comes in completing short-term measures of the Common Fisheries Policy (CFP) through economic, social and environmental support measures to counteract the phenomenon of exhaustion of fish stocks [14].

The implementation of Axis 4 was done through the direct involvement of relevant actors from well delimited fishing areas by developing and implementing a sustainable local development strategy in line with the needs of that area.

Objectives of measures financed under Axis 4, Measure 4.1 were:

- Supporting the implementation of local development strategies by the Fisheries Local Action Groups (FLAGs);
- Supporting cooperation projects between Local Action Groups for Fisheries (FLAGs).

The implementation of Axis 4 involved two phases:

- The selection of Fisheries Local Action Groups (FLAGs) and of their integrated local development strategies;
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- Implementation of integrated local development strategies by the FLAGs selected in the previous stage.

### **3. The Association for Sustainable Development "Prut-Danube" – FLAG Galati**

The Sustainable Development Association "Prut-Danube" Galati, through the Strategy for the Development of the Fisheries Area, aimed to contribute to the sustainable development of the county through a superior and balanced valorisation of the resources it owns. The vision of the Strategy was that, until 2015, the development of Galati County fishing area should be channeled towards capitalizing on the benefits provided by local fisheries and aquaculture resources so as to make a significant contribution to the overall attractiveness of the county and the region and to contribute to improving the living conditions of local communities.

The strategy developed by FLAG Galati covered a territory stretched in the south-north direction, occupying all the border towns in the eastern district of Galati. The distance between the Danube Cliff from Galați (southern boundary of the fishing area) and Cavadinești commune (the northern limit of the Pescărești Area) is approximately 80 km.

The initial allocated budget for the implementation of their strategy was 5.826.090 Euro, for a period between 2012 and 2015. In the period covered, the Strategy aimed to contribute to a better local awareness of the territorial character of the area and to convey to the local communities the real image of the development potential of the sector. Thus, by implementing the proposed Strategy, FLAG Galati assumed a development model based on the exploitation of the territorial potential of the area and created the necessary framework for a sustainable development focused on the high capitalization of its natural and anthropic heritage.

### **4. Integrated local development strategy of FLAG Galati**

The Galați County Fisheries Area, defined by the administrative territory of the communes situated on the lower Prut River and part of the Galati municipality, framed by Prut, Danube and Siret, has a recent history of economic and social measures that are relatively inexpensive to the endogenous potential. Although the natural environment and the resources at its disposal are prerequisites for a development based on the fisheries sector, the area has been forcedly industrialized. Fishing activities, though much more developed two decades ago, have been removed from the local tradition as it is still preserved in the memory of fishing communities. In the post-decade, aquaculture and fishing activities

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recorded a significant decline, among the causes of this situation being the lack of necessary funds, poor awareness of the development potential of the sector, the general lack of interest of the fishing community, etc.

The fishery tradition is still maintained by a relatively small number of fishermen facing quite large obstacles (environmental and border constraints, very high taxes, inadequate working conditions, poor product capitalization, etc.). In this context, many (commercial) fishermen practice subsistence fishing, often being the sole source of income for their families. The increasing difficulties and the strenuous conditions of fishing have made many fishermen move to other occupations, while at the same time abandoning the transmission of local fishing tradition.

In this context, the need for an Integrated Local Development strategy was obvious.

The strategy aimed to support 33 projects in the below areas:

Measure 1: Development of infrastructure for eco-tourism and recreational fisheries

Measure 2: Generating added value to local fisheries and aquaculture products and services

Measure 3: Develop traditional fishing and fish processing

Measure 4: Improvement of the local fishery product recovery system

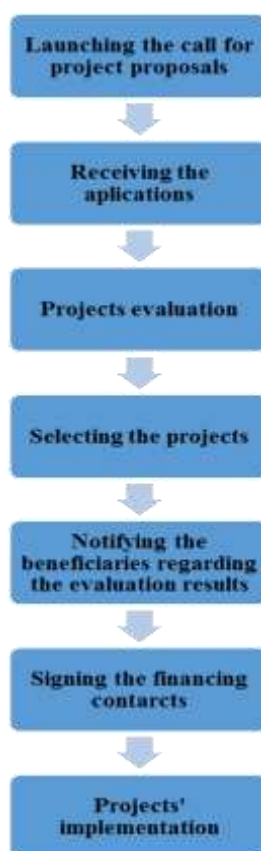
Measure 5: Improvement of human factor capacity to support the sustainable development of the area

Measure 6: Protection and conservation of cultural, ethnographic and environmental heritage

The measures were launched in 4 calls for project proposals carried out during 2012-2014. The guidelines on these sessions as well as the evaluation and selection procedures were established by the FLAG in line with the Local Development Strategy.

The actual implementation of the Local Development Strategy was carried out by supporting the projects of the local stakeholders that are part of the operations established by the Strategy and which contribute to the achievement of the strategic objectives of the Fishing Area for the specified period. Decisions to finance projects of interest are taken following selection processes involving technical and administrative evaluation activities carried out by the Fisheries Local Action Group (FLAG) and the financing decision of the General Fisheries Directorate within the Ministry Agriculture and Rural Development.

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**Fig. 1** - Steps in implementing the measures of the strategy  
(Source: processing of the data available from FLAG Galati)

## 5. Results in implementing the Integrated Local Development Strategy

The implementation of the Local development strategy raised many struggles, but it is considered a real success considering the below achievements for 2007-2013:

- achieving the objectives proposed by the local development strategy in a proportion of 66.56%;
  - creating a functional structure for the management and monitoring of the local development strategy;
  - Acquiring professional expertise specific to the evaluation, implementation and monitoring of projects / monitoring;
  - raising awareness of the needs of the fishing area for the next programming period by collecting information from the eligible area;
  - raising the awareness of the population in the FLAG eligible area on the need for development and the importance of reviving the fisheries area;
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- increasing the interest of public and private actors on the new opportunities for local development within the strategy;
- strengthening the role of civil society with interest in the fisheries area in promoting fishing activities and fishing specifics among young people (preschoolers and pupils).

The problems that were encountered during the strategy implementation and which made it less possible to attain 100% of the KPIs are presented below:

- Very short evaluation, selection and implementation period;
- The uncertain legal situation/ ownership of land and water shadows;
- High percentage of co-financing for potential beneficiaries;
- Difficult access to financing lines for potential beneficiaries / bank reluctance;
- Lack of specialized consultants to support the potential beneficiaries in designing and implementing the projects;
- Non-observance of the commitments by the selected and contracted beneficiaries.

Given the difficulties presented above, not all allocated funds have been spent, but approx. 33% of the financing has been reported as underspend. The below table shows the measures of the strategy and their allocation:

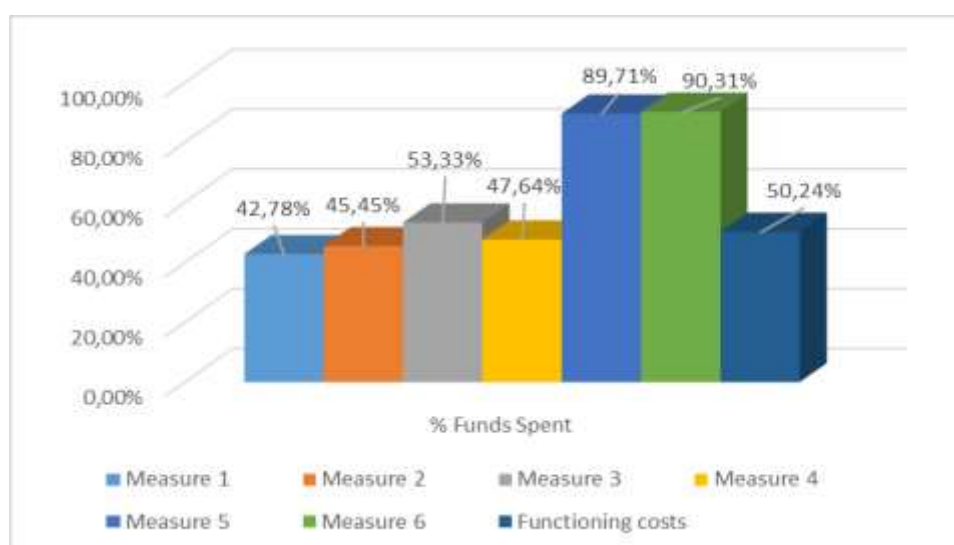
**Table 1.** Measures included in the local development strategy and allocated / absorbed budget

<i>Measures included in the local development strategy and allocated / absorbed budget:</i>	<i>Allocated Funds</i>	<i>Funds Spent</i>
Measure 1: Development of infrastructure for eco-tourism and recreational fisheries	€ 1.820.000,00	€ 778.539,62
Measure 2: Generating added value to local fisheries and aquaculture products and services	€ 286.000,00	€ 129.975,00
Measure 3: Develop traditional fishing and fish processing	€ 375.000,00	€ 200.000,00
Measure 4: Improvement of the local fishery product recovery system	€ 1.420.000,00	€ 676.461,46
Measure 5: Improvement of human factor capacity to support the sustainable development of the area	€ 760.000,00	€ 681.803,19
Measure 6: Protection and conservation of cultural, ethnographic and environmental heritage	€ 595.000,00	€ 537.357,57

<i>Measures included in the local development strategy and allocated / absorbed budget:</i>	<i>Allocated Funds</i>	<i>Funds Spent</i>
Functioning costs: Developing the administrative and operational capacity of the FLAG (including information, publicity, territory animation and administrative costs)	€ 570.090,00	€ 286.415,38
Total value of the Strategy	€ 5.826.090,00	€ 3.290.552,22

(Source: processing of the data available from FLAG Galati)

**Fig. 1.** % Budget absorbed through the implementation of the strategy



(Source: processing of the data available from FLAG Galati)

Regarding the number of supported projects, due to both endogenous and exogenous causes, the KPI was attained in a percentage of 78,78.

**Table 2.** KPIs in implementing the Local Development Strategy

<i>Key Performance Indicators</i>	<i>Measure 1</i>	<i>Measure 2</i>	<i>Measure 3</i>	<i>Measure 4</i>	<i>Measure 5</i>	<i>Measure 6</i>	<i>TOTAL</i>
No of projects forseen in the strategy	4	2	1	9	12	5	33
No of contracted projects	4	2	2	11	13	5	37
Projects terminated by the Managing	1	1	2	3	4	0	11

Authority							
Implemented projects	3	1	0	8	9	5	26

(Source: processing of the data available from FLAG Galati)

From the “Analysis of opportunities for development of activities complementing fisheries” [15] (Lower Danube University, p. 19), the number of active companies in the native fisheries sector tended to increase slightly between 2013 and 2015. Of the 1,100 economic agents registered in 2014, 3/4 are in the field of aquaculture. It is an increasing evolution of aquaculture towards fishing, similar to the European one. In the rural area there are 412 economically active companies (with positive turnover in 2015) [16] with 1,531 employees, 5 aquaculture units, 58 craft out of which 25 operate on the Prut River and 33 on the Danube.

The fishery area has 9 units licensed by the National Agency for Fisheries and Aquaculture with a total area of 4,160.69 ha and 12 licensed aquaculture units with a total area of 1,517.09 ha. The quantity of fish harvested in 2015 was 276.83 tonnes with approx. 40% less than in 2014. 90.22% of fish originate from aquaculture activities.

## Conclusions

The implementation of FLAG Galati Local Development Strategy had a significant positive impact on the development of the targeted micro-region. There were created / maintained 102 jobs in the fishing or adjacent sector.

Among the financed investments there are two bases of ecotourism and recreation with fishery profile; 1 unit with functions of accommodation and public catering with fishery profile; 1 museum of the Fisheries Zone; 1 project related to the restoration of the area's fishing pond (Balta Zaton complex) - all these have increased the tourism attractiveness of the area, generating economic growth.

Also, the experience gained through the implementation of the strategy during 2012-2015, both by FLAG employees and members, but also by potential beneficiaries, facilitated a more efficient rollout of a new strategy.

Through the concrete actions that were supported, the Strategy encouraged the creation of new sustainable sources of income for the population in the Fisheries Area to support improvement of the quality of life in local communities. Both through the selection criteria of the supported interventions and through its own information and awareness actions, the Fisheries Local Action Group “Sustainable Development Association Prut-Danube Galati” ensured a balance between



economic development, environmental protection and preservation, but also social equity.

An opportunity to develop the fisheries sector is to finance local development strategies, especially since the concrete results of the 2007-2013 strategy have attracted the interest of the business environment and not only towards a new strategy. In April 2017, FLAG Galati obtained a new financing of 11.512.854,91 lei through the European Fisheries Fund. The new strategy has 3 measures aiming at promoting economic growth, diversification, social inclusion and job creation within the fisheries and aquaculture communities in the Prut-Danube Galați fishing area.

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