Institutional framework of administration of rural development in Lithuania

Instytucjonalne ramy zarządzania rozwojem terenów wiejskich na Litwie

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Abstract. More and more attention is being paid to condition of the rural development and activities of the administrative institutions regarding the rural development in Lithuania. In scientific literature it is widely discussed the development of the rural development policy but responsible institutions are not researched widely. However, it is important to highlight the fact that the administration of the rural development starts in the institutions, which are appointed to implement the policy. Emphasis is placed on preparation and implementation of EU programs. In this context, the activities of responsible institutions are significant. In recent scientific sources management solutions regarding optimization and development of more efficient activities of institutions are analyzed in great detail. In addition, it is often highlighted that many perspectives in Lithuania is implemented throughout the solutions regarding corresponding agricultural and rural development solutions. The research aim – to determine possible functions, which could be included in the framework of the rural development administration. In foreign scientific sources the activities of institutions are analyzed throughout the perspective of system formation and system systemization principles.

Keywords: institutional framework, rural development, system

Abstrakt: Coraz więcej uwagi poświęca się warunkom rozwoju obszarów wiejskich i działaniom instytucji administracyjnych w zakresie rozwoju obszarów wiejskich na Litwie. W literaturze naukowej szeroko omawia się rozwój polityki rozwoju obszarów wiejskich, ale instytucje odpowiedzialne za ten rozwój nie są szeroko badane. Ważne jest jednak podkreślenie faktu, że zarządzanie rozwojem obszarów wiejskich rozpoczyna...
Introduction

Today's fast social and economic development of the countries influenced by the globalization and economic competition, as well as social and political tensions, cause stricter requirements for public sector and its institutions. Moreover, the society as a final beneficiary requests more effectiveness, new forms of activities and continuous improvements in the quality of services of public institutions. Relation between public institutions and final beneficiaries becomes more and more relevant; as a result, institutional changes occur. The UN (2007) obliged certain governmental institutions to provide qualitative services with reduced bureaucratic resources and to be able to adapt to the processes of public administration in more efficient and creative way. Since 2014 one of the priorities has become the modernization of public administration in the context of the European Union. Public administration and institutions of this sector cover various fields. However, it was chosen to analyze further one of the less scientifically analyzed subjects – the institutional framework of rural development administration. Lithuanian rural development remains one of the priorities in the State. Systematic approach allows establishing a functioning general network in rural development; however, the main issue is the factor of institutions’ responsibilities for the framework itself (Rural development, 2015).

Research problem: which institutions of public administration could be included in framework of rural development administration in Lithuania.

The research aim: to determine possible functions, which could be included in the framework of the rural development administration.

The objectives of the research is:

- To conduct theoretical analysis and identify dimensions of rural development,
- To analyze legal documents, which regulate activities of institutions of public administrations,
- To establish primary institutional framework of rural development administration.
Lithuanian rural development remains one of the priorities in Lithuania. After taking into the consideration the priorities identified by the European Commission, certain responsible institutions face many challenges. In order to determine the principal activities of specific institution and systemic features, it is significant to define rural development, institutions and features of the framework. The first priority of rural development perspectives of the European Union in 2014-2020 is: “(...) to promote knowledge transfer and innovation in agriculture, forestry and rural areas (...)” (Rural development, 2015). Further, it is foreseen to cooperate with business actively, in order to introduce innovations in agriculture and to conduct scientific research and experimental development.

The entity, which takes initiative at least at the specific group of society, is responsible for the efficient process and implementation of the rural development. However, the analysis shows that rural development is analyzed in the context of economic growth in the most cases (Žukovskis, 2009). This aids to estimate real benefit of the rural development to a person and to establish long-term perspectives of the rural development policy in the future while improving economic state of the country. At the same year Atkocioiniene (2004) divided the rural development into four dimensions, which are the following:

- Economic development. To improve financial stability and stimulate growth,
- Social development. Self-realization and community in rural areas,
- Cultural development. Promotion and protection of culture,
- Environmental development. To protect and renew available resources.

At the present, the regulations of the European Union, which determine the common policy of rural development, are relevant to the policy of Lithuanian rural development. Sustainable and balanced rural development is emphasized. It is directed to work not only on the direction of food production but, also, to search other alternative services, which create economic value. Development of new income resources and creation of new jobs while protecting culture, environment and material heritage of rural areas are highlighted (EU Regulation, 2013).

Scientific sources determine that the rural development is related to economic, social, environmental and cultural development while achieving the satisfaction of all interested parties in rural areas. Institutions implementing the rural development, final beneficiaries (i.e. local residents) and private sector can be recognized as interested parties.

In scientific literature the term administration is understood as a tool to organize, mobilize human, material and financial resources while implementing national will and political decisions, in order to satisfy the interests of various social groups (Domarkas, Juknevičienė, 2010, p. 78). Therefore, in the research of administrative institutions, administration determines the meaning of institutions. However, administration becomes only a part of public administration, which establishes institutional activities in the context of the rural development.
In scientific sources the framework is analyzed as a whole composition of various elements, which have mutual goals. It is significant that every element has united feature and relation to other elements included in the framework. Element in the framework can be analyzed separately or in the context of the framework.

In the context of the rural development, institutions can be identified as the element of the framework; however, in scientific sources institutions related to the rural development are not analyzed throughout the perspective of the framework. In order to establish the grounded framework of administrative institutions of the rural development, firstly, it is appropriate to overview how objectives and functions formulated by all institutions are related to each other.

<table>
<thead>
<tr>
<th>Authors</th>
<th>Definition of Rural Development</th>
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<tbody>
<tr>
<td>Law on Agricultural and Rural Development of the Republic of Lithuania (Official Gazette: Lietuvos Respublikos žemės ūkio ir kaimo plėtros įstatymas, 2002, Nr. 72-3009), 2002</td>
<td>Rural development – promotion of life quality of the residents in rural areas, the improvement of rural economic and social structure, as well as relations among communities, in order to ensure economic and social cohesion, to carry out job keeping and creation in rural areas, to maintain and foster ethnical culture, countryside and natural environment.</td>
</tr>
<tr>
<td>Ploeg, 2000</td>
<td>Rural development – deliberate process of economic, political, social, cultural and environmental changes.</td>
</tr>
<tr>
<td>Atkočiūnienė et al., 2004</td>
<td>Rural development is defined as certain changes in residence while aiming at economic, social, cultural and environmental development. The entity, which takes initiative at least at the specific group of society, is responsible for the efficient process and implementation of the rural development.</td>
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<td>Jarmaliūnaitė, 2007 (p. 15)</td>
<td>Rural development – social–economically targeted structural changes of the system (rural economic, communities and infrastructure) in rural area; in addition, it is continuous process during which institutions operating at the place and/or local enterprises initiate, promote and stabilize activities, in order to use local resources more efficiently, to promote life quality and work conditions, make them more attractive.</td>
</tr>
<tr>
<td>Šežė, Jasaitis, 2012 (p. 48)</td>
<td>The concept of rural development is often related to the improvement of life quality while promoting its economic and social infrastructure, also improving community relations while establishing the new work places and fostering the landscape and ethnical culture.</td>
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</table>
1. Research method

The analysis and synthesis of scientific sources, literature, legal provisions and documents and the method of content analysis for identification of significant criteria are applied in this article. Primary institutional inter-connections in the context of the institutions under the Ministry of Agriculture of the Republic of Lithuania are identified in the analysis. After that, institutions can be classified into the institutional framework of rural development administration and selection can be made. Institutions under the administrative framework of rural development should perform administrative functions, to formulate objectives leading to the implementation of the goals of the rural development. The selection criterion – public administrative institutions under the Ministry of Agriculture of the Republic of Lithuania, which correspond to the definition of administrative institutions of the rural development. The research is conducted in several stages. In the first research stage all institutions under the Ministry of Agriculture of the Republic of Lithuania are identified. In the second research stage the institutions are estimated according to the determined fields of the rural development – whether they can be classified as institutions related to the implementation of the rural development or not. In the third research stage systematical analysis of legal documents is performed, goals and functions of the institutions were examined. According to the distinguished criterion of the rural development, institutions were classified into the first level institutions – which directly establish activities regarding rural development in their goals and functions– and the second level institutions – which do not directly establish dependency on the rural development in their goals and functions; however, they perform concrete functions delegated by the Ministry of Agriculture of the Republic of Lithuania, which lead to the implementation of the rural development.

2. Research results

In order to classify institutions under the administrative framework of rural development, primary analysis of legal documents and public resources was performed. The Law on Agricultural and Rural Development of the Republic of Lithuania determines institutions, which implement policy of the rural development (the Law on Agricultural and Rural Development of the Republic of Lithuania, Official Gazette, 2002):

“Article 5. Implementation of the Agricultural and Rural Development Policy

1. The agricultural and rural development policy shall be implemented by the Government, the Ministry of Agriculture, institutions authorised by the Government and municipal institutions within the competence granted by laws and other legal acts.
2. The Government shall set up a Rural Development Council, an advisory institution functioning on a voluntary basis, from representatives of State and municipal institutions, public organisations, and approve its composition and regulations.

3. The Rural development Council shall consider key issues related to agricultural and rural development, assess the implementation of the Agricultural and Rural Development Strategy, submit proposals to the Government, and carry out other functions laid down on its regulations.

4. When implementing the agricultural and rural development policy, State and municipal institutions shall co-operate with representatives of producers of agricultural products and foodstuffs, organisations of purchasers, processors, farmers’ self-government and other public organisations, scientific, educational and consulting agencies.”

However, in the theoretical part the concept of the rural development was defined; thus, according to the selected criteria in the theoretical part, the relevant institutions and their attribution to the institutional administrative framework of the rural development have to be estimated. In this article it is analyzed only those institutions, which are under the Ministry of Agriculture of the Republic of Lithuania (MoA). In total, 30 institutions and enterprises under MoA were analyzed. Pursuant to the first criterion, the selected institution should correspond to the status of institution, and in the second stage institutions are estimated according 6 criteria: whether it influences economic, social, environmental and cultural area; whether it is related to the rural development; whether it performs administrative/operational functions. 11 institutions were selected and the main authoritative institution is the Ministry of Agriculture of the Republic of Lithuania. The following legal documents were chosen for the selection: legislation of the Republic of Lithuania, rules and regulations of the institutions (see Table 2).

In order to classify institutions into institutional framework of the rural development administration, it is appropriate to analyze institutions distinguished in the first stage according to their purposes and functions. Firstly, the institution performs its activity according to their established goal, and, in order to achieve concrete purposes, specific functions are formulated. The distinguished institutions can be grouped into two groups: the first one – institutions, which named direct connections with the rural development in their goals and functions, the second one – institutions, which perform administrative/operational functions for the implementation of the rural development. Municipalities and neighborhoods are not analyzed in this case – they will be included in further research of institutional administrative framework of the rural development.

Local government becomes the closest structural part of the local area, which communicates with the society of that region. It is the lowest but the closest to the local society political part of the framework throughout which the national politics
and other decisions can be implemented. One of their functions is to transfer directly and implement decisions of hierarchical higher institutions (i.e. Government, the Ministry of Agriculture of the Republic of Lithuania) (Žukovskis et al., 2013).

Table 2. Classification of the Institutions of the Rural Development According to the Areas

<table>
<thead>
<tr>
<th>Institutions</th>
<th>Economic area</th>
<th>Social area</th>
<th>Environmental area</th>
<th>Cultural area</th>
<th>Rural development</th>
<th>General rating</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ministry of Agriculture</td>
<td>1</td>
<td>1</td>
<td>1</td>
<td>1</td>
<td>1</td>
<td>5</td>
</tr>
<tr>
<td>National Paying Agency</td>
<td>1</td>
<td>1</td>
<td>1</td>
<td>-</td>
<td>1</td>
<td>4</td>
</tr>
<tr>
<td>Program “Leader” and Farmer Training Methodology Center</td>
<td>-</td>
<td>1</td>
<td>-</td>
<td>1</td>
<td>1</td>
<td>3</td>
</tr>
<tr>
<td>Public enterprise The Lithuanian Agriculture Advisory Service</td>
<td>1</td>
<td>1</td>
<td>-</td>
<td>-</td>
<td>1</td>
<td>3</td>
</tr>
<tr>
<td>Municipalities and neighborhoods</td>
<td>1</td>
<td>1</td>
<td>1</td>
<td>1</td>
<td>1</td>
<td>5</td>
</tr>
<tr>
<td>State enterprise Agricultural information and Rural Business Center</td>
<td>1</td>
<td>-</td>
<td>1</td>
<td>-</td>
<td>1</td>
<td>3</td>
</tr>
<tr>
<td>State Plant Service</td>
<td>1</td>
<td>1</td>
<td>1</td>
<td>-</td>
<td>1</td>
<td>4</td>
</tr>
<tr>
<td>Public enterprise “Ekoagro”</td>
<td>1</td>
<td>-</td>
<td>1</td>
<td>-</td>
<td>1</td>
<td>3</td>
</tr>
<tr>
<td>State Food and Veterinary Service</td>
<td>1</td>
<td>-</td>
<td>1</td>
<td>-</td>
<td>1</td>
<td>3</td>
</tr>
<tr>
<td>State Animal Breeding Supervision Service</td>
<td>1</td>
<td>-</td>
<td>1</td>
<td>-</td>
<td>1</td>
<td>3</td>
</tr>
<tr>
<td>National Land Service</td>
<td>1</td>
<td>-</td>
<td>1</td>
<td>-</td>
<td>1</td>
<td>3</td>
</tr>
<tr>
<td>State Land Management Enterprise</td>
<td>1</td>
<td>1</td>
<td>1</td>
<td>-</td>
<td>1</td>
<td>4</td>
</tr>
</tbody>
</table>

Source: own development

A base for the activity of each institution can be considered the established goals and functions, their direct obligation to fulfill them. In this case, institutions, which determined their goals and function in official documents, were analyzed. Institutions are divided into the first level and the second level institutions. The first level institutions define directly the implementation of the rural development in their goal and functions and the group of the second level institutions include institutions performing additional functions related to the rural development, but do not have defined specific priorities in their goal and functions.
Ministry of Agriculture (the first level). The main goal of the institution is “to develop national policy on the fields of land and food, fisheries (except protection of fish stocks and control in internal waters), rural development, land reform, land management, geodesy, cartography, real estate cadaster, state control of land use, engineering development and technical progress in agriculture and infrastructure of rural residential areas, development of renewable energy sources, science, training, education, application of innovative technologies in agriculture, food processing, and fisheries, land reclamation and investments in land reclamation, crop production, livestock farming, plant protection, seed growing, breeding, fish farming, phytosanitary and veterinary, national heritage and to organize, coordinate and control the implementation of the state policy in these fields.” (Regulations of the Ministry of Agriculture of the Republic of Lithuania, 1998). In order to accomplish this goal, 16 out of 93 functions related to rural development were distinguished: in the area of its competence prepares projects of laws, decrees of the Government of the Republic of Lithuania and other legislation; in the area of its competence determines the use and transparency of the provided support; in the area of its competence establishes legal and economic conditions for diversifying rural development; in the area of its competence develops efficient management framework of the rural development; prepares programs of State aid and EU support, coordinates and controls their implementation; prepares economic, social, regional and structural strategy of the rural development; forms and improves integrated information system of the rural development (Regulations of the Ministry of Agriculture of the Republic of Lithuania, 1998).

National Paying Agency (the first level). “The goal of the agency is to implement measures of the policy of Lithuanian agriculture, rural development and fish farming in the area of institution's competence in accordance with laws of the Republic of Lithuania, legislation of the European Union and other legal provisions” (Regulations, 2003). The agency administers State aid to the rural development, makes and controls payments. In total there are 23 functions and one of them is directly linked with the rural development “coordinates the actions regarding the development of management system and its implementation for EU financial support for the agriculture, rural development and fish farming. However, other functions related to financial support allocation, payment, administration and control have to be looked in the analysis as well” (Regulations, 2003).

Public enterprise “Lithuanian Agricultural Advisory Service” (the first level). “The aim is to satisfy public interests while carrying on public-benefit activities, i.e. to promote the competitiveness of agriculture and rural development.” After evaluation of all rules, one function can be highlighted – to consult citizens on the issues of agriculture and the rural development (Rules, 2010).

Program “Leader” and Farmer Training Methodology Center (the first level) aims to promote equivalent regional development, to improve life quality
in village, to solve social, economic and environmental problems while involving local residents, rural nongovernmental organizations, local entrepreneurs, local governmental institutions and other participants in the rural development. The Center Regulations determine in total 31 functions and 8 out of them are directly connected with the implementation of the rural development:

- prepares relevant methodological training literature, methodological training tools, informative publications, to teach and inform participants of agriculture and the rural development, to supply educational institutions with these publications;
- supervises the quality of continuing vocational training of the participants of agriculture and the rural development;
- prepares and implements projects regarding qualification improvement of the participants of agriculture and the rural development;
- in the area of its competence together with other social partners participates in the activity of the Lithuanian National Rural Network and the European Network for Rural Development;
- disseminates the good experience regarding activities of the participants of agriculture and the rural development and continuing vocational training, develops informative data base of educational innovations;
- organizes national competitions related to the image improvement of farmer’s profession and youth occupational guidance to study professions of agriculture and the rural development;
- performs orders related to the development of human resources of agriculture and the rural development of other natural and legal persons (Regulations, 2012)

**State enterprise “Agricultural information and Rural Business Center”** (the first level). “To implement national policy in the informative area of agriculture while following laws and other legislation and to ensure effective functionality of parts (systems of ministry management registers and information, their data bases) of informative agricultural system and implemented administrative system of support for agriculture and rural development, which corresponds with the European Union requirements: save, process and submit operative, summarized information to national and municipal institutions, social partners, seek profitable activity” (Regulations, 2013). In the content analysis of examined documents and identified functions, only those functions are selected, which identifies rural development clearly. In this case, despite the fact that the aim and specific functions are related to data collection and processing, general functions are related only to the rural development.

**State Plant Service** (the second level). In Regulations (2016) institution has formulated 11 objectives directed to the implementation of the guaranteed control in the food sector. Functions are related directly to the implementation of control activities. This institution shall be classified to the institutional framework of rural development administration because significant role in control of food sector.
Public enterprise “Ekoagros” (the second level). “While satisfying public interests to certificate the production and management of ecological agricultural and food and products of specific quality and accreditation of additional materials necessary for ecological production” (Rules, 2016). The stated institution's activity areas are directly connected with the production certification. Due to the fact that in the system of the rural development act producers, which aim to fulfil standards, the function of this institution is to ensure the production quality.

State Food and Veterinary Service (the second level). The Service aims to protect interests of consumers and defend their violated rights in the field of food protection. In order to achieve this aim, 10 functions are formulated. Despite the fact that in these functions there are no direct links to the rural development, it can be assumed that the insurance of food safety and the quality control are connected to the policy of the rural development (Regulations, 2011).

State Animal Breeding Supervision Authority (the second level). Supervision of animal breeding and implementation of legislation. The Authority monitors, controls and implements the order established in legal acts regarding animal breeding.

National Land Service (the second level). “Implement state policy in the areas of land management and administration, land reform, land-use planning, real estate cadaster, accountancy, geodesy, cartography, preparation of data sets of national georeferential spaces and development of Lithuanian spatial informational infrastructure” (Rules, 2003). The Service organizes and implements the order of land management determined by the law.

State entrance “State Land Fund” (the second level). Pursuant the order determined by the law, the institution aims to implement the policy of land management and administration and its functions are directly connected with the implementation of this aim (Rules, 2015).

It should be noted that conducted analysis shows systematic distribution of aims and functions. In general context, the first level institutions are responsible for the implementation of the rural development. These institutions have formulated aims and specific functions to achieve them. There is clear and structural division of functions within the second level institutions – specific and clearly described activities complement the implementation of the rural development. The general context of institutions shows that institutions have established clear activity fields in their official documents. The article does not focus further on neighborhoods and municipalities, which are identified in Table 2. Under the Law on Agricultural and Rural Development of the Republic of Lithuania, they are classified as institutions implementing rural development; however, their analysis could be conducted from the other perspective. In this article, the aim was to identify institutions on the national level.

While conducting this preliminary research on administrative institutions of the rural development, which are under relevant legislation, regulations and rules,
it was determined that it is appropriate to analyze in more detailed way the activity of each institution and how it can be allocated to the rural development more specifically. Pursuant the research results, a model of institutional framework of rural development administration was formulated while following the institutions established by the Ministry of Agriculture of the Republic of Lithuania, their inter-connections throughout their aims and functions. The administration lets clearly interpret primary sources and classify institutions according to the performed specific functions. The established model shows that the main implementing, coordinating and controlling institution is the Ministry of Agriculture of the Republic of Lithuania, the subordination connects to all institutions and this institution is useful to determine relations among other institutions. This preliminary model lets to understand the place in the institutional framework of rural development administration and to formulate further research fields.

Fig. 1. Preliminary model of institutional framework of rural development administration. 1 – the first level institutions, 2 – the second level institutions (developed by the authors)

Source: own research
In this article this model describes the framework of administrative institutions of rural development in public sector. It was chosen to analyze institutions which are directly under the Ministry of Agriculture of the Republic of Lithuania, which is connected to the implementation of the rural development. Pursuant to the determined criteria, the initial analysis and evaluation of the institutions’ aims and functions let to determine inter institutional connections among institutions and possible inter institutional relation. The first level institutions are connected to each other by responsibilities for implementation of general rural development. In functions there are clearly determined activities under which they operate in the framework of the rural development. However, the preliminary analysis enables to identify the second level institutions, which specialize and ensure the activities for general agricultural and rural development framework.

Conclusions

To sum up theoretical insights and practical research of legal documents, the conclusion can be drawn that in order to establish the framework of administrative institutions of the rural development, it is appropriate to identify clear selection criteria. In addition, it is necessary to take into the account the base of legal documents, because public administrative institutions in every framework operate according determined laws and their activity is clearly regulated. In addition, the following conclusions can be formulated:

- The theoretical definition of the concept of the rural development and analysis of scientific resources let to identify main dimensions of rural development: economic, cultural, environmental, social. In order to implement fully rural development, efficient solutions are those, which encourage the growth of these dimensions. Public sector is significant in the implementation of the rural development, which aims to implement general rural development program throughout formulated aims and functions. However, there is a lack of systematic attitude towards coordination of administrative institutions included in framework of the rural development.

- Legal documents (i.e. Regulations and Rules of the institutions) were analyzed. According to the primary identified criterion and analysis of the essence of “rural development”, 11 institutions under the Ministry of Agriculture of the Republic of Lithuania could be identified. According to the jurisdiction level, they could be classified into the first level (operating generally in the rural development framework) and the second level (specialized area of the activity).

- According to the received research results, the preliminary framework of administrative institutions of the rural development could be established.
The municipalities and neighborhoods, which are under the Law on Agricultural and Rural Development of the Republic of Lithuania classified as the institutions implementing the rural development, were not included in the research. Therefore, in order to analyze the institutional framework of the rural development administration, it is appropriate to use other research methods and extend the research field.

BIBLIOGRAPHY


ELECTRONIC SOURCES


