

REVIEW

of a dissertation paper for the award of educational and scientific degree 'doctor' in the doctoral programme "Organisation and management beyond the sphere of material production (Public Administration) at D. A. Tsenov Academy of Economics - Svishtov

Reviewer:

Prof. Dr. Margarita Yordanova Bogdanova, D. A. Tsenov Academy of Economics - Svishtov, Department of Strategic Planning

Title of the dissertation paper:

Stimulating the economic development of rural areas through activation of local communities

Author: *Dimitrina Lyubenova Prodanova*

Scientific advisor: *Prof. Borislav Dimitrov Borissov, DSc*

Grounds for the submission of the review:

Order No. 268/ 28.04.2022 of the Rector of D. A. Tsenov Academy of Economics - Svishtov for appointment for a member of the scientific panel for defence of a dissertation paper

1. Information about the doctoral student

Dimitrina Prodanova has been a student in the doctoral programme "Organization and management beyond the sphere of material production (Public Administration)" at the Department of Strategic Planning at D. A. Tsenov Academy of Economics – Svishtov for the period 01 June, 2018 – 19 April, 2022. She has graduated in Finance at D. A. Tsenov Academy of Economics – Svishtov. She has over 15 year job experience in the administration of Svishtov Municipality. At present she is Executive Director of LAG Belene - Nikopol.

2. General overview of the submitted dissertation paper

The dissertation paper of Dimitrina Prodanova focuses on a universal topic: “Stimulating the economic development of rural areas through activation of local communities”. The relevance of the topic is undisputable, in view of the serious problems of rural areas in Bulgaria, studied in detail by the author and related to depopulation, large regional disparities and insufficient capacity of local authorities to cope with deficits. At the same time, there are instruments that can be used which is the light in which **the purpose** of the paper is formulated: *to investigate the economic development and mobilization of local potential of rural areas in Bulgaria in order to identify the problems and to evaluate the results and effects of the implementation of the LEADER approach as an influential instrument of the EU's Common Agricultural Policy for coping with the serious problems in the economic and demographic situation of rural areas by activating local communities.*

The object of the research as formulated by the author is *the economic development of the rural area in Bulgaria as a specific combination of local resources and institutional capacity.* **The subject** of the research are *the problems and ways to promote the economic development of rural areas using the “bottom-up” approach to activating local communities.*

Six research tasks are formulated, the fulfilment of which corresponds to the research framework of the dissertation.

The dissertation paper is in the volume of 268 pages, including 224 pages main text and 44 pages appendices. Structurally, the paper consists of an introduction, an exposition in three chapters, and a conclusion, a list of references, 8 appendices, a list of abbreviations, and lists of tables and figures. The literature on the topic of the dissertation reviewed is extensive – 125 sources, 49 of which in Bulgarian.

The volume of the dissertation paper, of the visual aids - a total of 52 figures and 41 tables, as well as of the reviewed scientific literature meets the requirements for such scientific papers.

3. Evaluation of the format and contents of the dissertation paper

Chapter one is devoted to the theoretical foundations, the regulatory framework and current issues of the approach to promote the economic development of rural areas by activating local communities in Bulgaria. It consistently clarifies terminological, historical, theoretic and regulatory aspects of the problem so that it can be defined from different perspectives.

Presented and considered are views on: (1) the role of the concept of multi-level governance in the European Union's regional development policy; (2) the condition of rural areas in Bulgaria in the context of the new common agricultural policy of the EU; (3) the concepts of economic development and the place of the LEADER approach in the models of endogenous development; (4) the functioning of local action groups as governing bodies in rural areas, their administrative capacity and efficiency.

The doctoral student clarifies objectively, with understanding and in sufficient detail the most important regulations in recent years concerning the LEADER approach such as the Common Agricultural Policy, the European Union policy for the promotion of sustainable rural development, the concept of multi-level governance, the rural development programs, incl. national programs, the LEADER approach as part of endogenous theories, local action groups, etc. They all condition the economic development of rural areas and can be considered as part of the institutional environment in the analysis of the object and the subject of research.

Chapter two debates on the definition of rural areas for the purposes of practical implementation of rural development policy. A territorial analysis (geographical method) was used to assess the activities of local action groups (LAGs). Based on the information from the Annual Reports on the Implementation of the Community-Led Local Development Strategy (CLLD Strategy), the effects of the LAG's functioning on activating local communities and achieving the goals of the CLLD Strategy are assessed using a system of absolute and analytical indicators. The results from the statistical observation and the analysis of the reports on the activity of the local initiative groups in a sample of municipalities in Bulgaria are summarized. As a result, an integrated assessment of the impact of the LEADER approach on local economic development in Bulgarian municipalities is made.

All statistical data are processed correctly. The procedures for defining research hypotheses and their verification using statistical methods are followed. Correlations between different indicators characterizing LAG activity are

considered, thus confirming the thesis that LAGs supported by several funds not only attract much more resources to the territory, but also create more jobs. This is of great importance for rural development and shows the line that should be followed in developing policies in the coming years.

Chapter three provides an empirical analysis of the mobilization of local potential in municipalities in Bulgaria within the EU policy on decentralized and integrated development of rural areas. A survey design was created to assess the impact of the LEADER approach on activating local communities. The results of a survey on the impact of the LEADER approach to the mobilization of local potential in municipalities in Bulgaria are reported.

The empirical research was conducted with precision. The methodology is clearly presented - in determining the population, statistical units, observed characteristics, the formation of the sample, using simple random sampling, the type of the sample, the development of the questionnaire, the testing of the questionnaire, the conducting of the survey, the deadlines etc. Despite the small volume of the general population, the requirements for representativeness are met, incl. the requirement for territorial balance of the respondents. The necessary measures have been taken for reliability and validity of the received answers, by sending the questionnaires to competent respondents, as the author notes. Pictures of the screens are presented in a separate application, so that readers can follow the process of data collection with the software product used by the author.

One main and 6 additional hypotheses are defined, which are tested with statistical methods. The results of the studied dependences between the respondents' answers are presented, using the Pearson correlation coefficient and the Spearman rank correlation coefficient. A demo version of SPSS was used for statistical analysis. Most dependencies are positive, with the exception of territorial dependence, which confirms the importance of the LEADER approach for the development of rural areas throughout the country. The conclusions adequately present the main results and the logical links between them.

The conclusion, based on the data from the comparative analysis and the empirical study, summarizes the final conclusions and recommendations for

improving the forms of activation of local communities in order to stimulate the economic development of rural areas. Emerging trends in the implementation of the LEADER approach in the country and recommendations for future steps in its implementation in Bulgaria are presented, which corresponds to the research thesis of the dissertation.

The language and style are scientific and properly used. There are no significant detours, repetitions and logical contradictions. The rules of scientific ethics are observed when quoting literary sources. The candidate shows a good command of the specific terminology on the topic of the dissertation, deeply delves into the techniques of the approaches and methods of analysis used, successfully copes with the difficult task of combining several methods to implement the set research tasks. Thus, she shows competence in defining a research problem, developing and verifying hypotheses, evaluating the results of research, outlining not resolved or insufficiently resolved problems in the practice and future steps to cope with them.

4. Scientific and applied contributions of the dissertation paper

The author claims six key contributions, which can be summarised as follows:

- Done functional and territorial analysis of the local action groups in the Republic of Bulgaria and an assessment of their impact on the economy. The main conclusion concerns the effects of the allocation of RDP funds that are determined not by the needs of local communities, but by the activity of the LAGs.

I believe that this is a fundamental conclusion related to the ideas and the philosophy of the Leader + approach and its benefits for initiative communities. It is obvious that some of the Bulgarian municipalities are not aware of this, thus missing benefits by ignoring the opportunities provided at the local level.

- Formulated original proposal for a new definition of "rural area" to be implemented in the next programming period.

The problem is not theoretical, but normative, to the extent in which the policy for rural development and the achievement of internal cohesion between settlements depends on the accepted definition.

- A conducted comparative analysis of the municipalities that implement the LEADER approach in Bulgaria and the other municipalities in our country

in several cuts - demographic, economic and territorial, and several structural factors revealed. Special emphasis is placed on regional disparities in a number of indicators characterizing the development of rural municipalities in Northern and Southern Bulgaria, emphasizing the lagging development of the Bulgarian north.

- Based on a comprehensive evaluation of the results of the CLLD strategy, the advantages of those strategies that are supported by several funds are justified and the recommendation is made to use them more widely, thus displacing the strategies supported by only one fund in the next programming period.
- The relationship between the administrative capacity and the socio-economic impact of CLLD, on the one hand, and the location of the LAG, on the other, is analysed. On this basis, a recommendation was made to apply a unified approach to stimulating rural areas in the country (rather than differentiated - by regions or districts).
- A system of indicators for analysis and assessment of the effects of LAG functioning in terms of activating local communities and achieving the objectives of CLLD strategies has been developed. The proposed system has been tested and the conclusion stands out that the functioning of the LAG significantly increases the activity of local communities, and this is more pronounced in municipalities with LAGs supported by several funds.

I find that the above described scientific and scientific-applied contributions are significant in theory and especially in practice. They contribute to the deepening of the analyses in the field of rural development, to the clarification of problematic issues and are a justified basis for the future policies and instruments in the subject area of the research.

5. Evaluation of publications related to the dissertation paper

The doctoral student has submitted 5 publications on the topic of the dissertation, including 1 study, 2 articles and 2 reports from proceedings of national conferences. One of the publications is co-authored, the others are independent. Thus, the ideas of the author have reached the general scientific community.

The above evidences that the doctoral student meets the minimum national requirements with a score of 50 points (at required 30) in area 3. Social, economic and legal sciences, PF 3.7. Administration and management, according to the LDAS in the Republic of Bulgaria.

6. Evaluation of the abstract of the dissertation paper

The abstract accurately and fully reflects the dissertation work. It meets the requirements, the established standards and presents the main problems extensively. It contributes to gaining a complete picture of the scientific value and practical applicability of the achieved scientific and applied scientific results, in the context of the research thesis proved by the author.

7. Critical notes, questions and recommendations on the dissertation

I have no critical notes on the dissertation paper, as I have made my recommendations at the pre-submission discussions held at the Department of Strategic Planning.

My standard recommendation to PhD students in the defence phase is to continue and deepen research by publishing in scientific journals abroad, which will help the dissemination of the results of their work and their message will reach a larger scientific community and practitioners.

8. General conclusion and opinion

The submitted for review dissertation paper is a topical, independent, theoretically and methodologically robust and practically feasible research work. The author has designed and applied a research methodology that is adequate to the described issues, and the conclusions are correctly presented.

Therefore, I give my **positive assessment** for the dissertation paper and I invite the scientific jury to award the educational and scientific degree "Doctor" to Dimitrina Lyubenova Prodanova in the field of higher education: 3. Social, economic and legal sciences; Professional field: 3.7. Administration and Management; doctoral programme "Organization and management beyond the sphere of material production (Public Administration)".

Reviewer: .
(Prof. Dr. Margarita Bogdanova)
20 May, 2022

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