Nonprofit sector is regarded to be ever more significant part of a democratic society. Within the European context it is seen as a partner of public and commercial sectors also in relation to the development of specific regions. On the level of local action groups, which apply the LEADER methodology, it is directly defined as an inseparable partner of regional cooperation and development. The aim of the thesis is a detailed survey of nonprofit sector in the area of Local action group NAD ORLICÍ. Additionally, it focuses on analyzing the potential of nonprofit sector for the following development of the region. Several researches were conducted in order to collect as much data as possible. Analyses of publicly accessible databases and information sources as well as of records acquired from the respective specialized institutions were performed. Simultaneously, independent questionnaire surveys were carried out, focusing on representatives of local authorities and representatives of non-governmental non-profit organizations. Both researches were mainly quantitative, having covered also some aspects of activities and cooperation between the non-governmental non-profit organizations and public sector by use of a simple qualitative analysis. Additionally, the obtained data combined with publicly accessible statistical data enabled to implement and test the methodology processed in this thesis, which resulted in a description and measurement of the level of citizen participation in public affairs. Thus the thesis described the current state and analyzed the potential of nonprofit sector in terms of development of the current rural region.