



Evaluation Support Study on the Impact of Leader on Balanced Territorial Development

Executive Summary



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October 2021



EUROPEAN COMMISSION

Directorate-General for Agriculture and Rural Development

Directorate A – Strategy & Policy analysis

A.3 – Policy performance

Contact dissemination: AGRI-EVALUATION@ec.europa.eu

European Commission

B-1049 Brussels

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Luxembourg: Publications Office of the European Union, 2022

PDF ISBN: 978-92-76-41487-2 doi: 10.2762/045455 KF-01-21-218-EN-N

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Date: October 2021

EXECUTIVE SUMMARY

AIMS AND APPROACH

LEADER is a distinctive approach to local rural and sustainable development that has been piloted and supported with European funding since 1991. Its seven key operational features are centred around a 'bottom up', community-led and integrated approach, mobilising local actors in a specific territory to design and deliver a Local Development Strategy (LDS). Public authorities, private enterprises and community groups work together in partnership to animate and support projects and activities designed to meet local development needs, promoting innovative solutions and multi-sectoral actions, networking and cooperation. LEADER at local level is led by Local Action Groups (LAGs), supported by Managing Authorities (MAs) and Paying Agencies (PAs) for the relevant EU programmes and funds. In the programme period 2014-2020, LEADER under the Common Agricultural Policy (CAP) European Agricultural Fund for Rural Development (EAFRD) supported 2 784 LAGs across 28 Member States (MS)¹, covering between 49 and 100 per cent of the total rural population in at least 22 Member States². LEADER's planned budget was EUR 7.01 billion, representing around seven per cent of the EAFRD³ (up to April 2021). By 2021, LEADER across the EU-28 had spent 49% of this.

This study concerns an evaluation of the impact of LEADER on balanced territorial development in the 2014-2020 period. The study was undertaken between October 2020 and October 2021. The aim of the evaluation was to assess how and how far LEADER - Measure 19 within the EAFRD and the LEADER approach of Community-Led Local Development (CLLD) - contributed to the CAP strategic goal of Balanced Territorial Development. Measures and instruments covered by the evaluation include those in the Rural Development Regulation (EU) 1305/2013 and the approach set out in the Common Provisions Regulation (EU) 1303/2013). Links with other European Structural Investment (ESI) funds and CAP instruments were also considered.

The evaluation examined the performance of LEADER across 28 Member States⁴. It considered to what extent LEADER contributed to Balanced Territorial Development, and made recommendations to enhance its future performance.

Fourteen Evaluation Study Questions were defined, covering the following aspects:

1. **Relevance** – is LEADER well-targeted and designed to meet needs for economic, social, environmental and balanced territorial development, in rural Europe?
2. **Effectiveness** – is LEADER achieving its objectives? Is it stimulating positive local economic, social and environmental outcomes? What is its impact on local governance and capacity? How well does it leverage resources to achieve goals? Do the seven features of the LEADER approach influence its performance and in what ways?
3. **Efficiency** - is LEADER working in an efficient and cost-effective way? Could it achieve more with the same resources, or achieve the same at lower cost? What are the main administrative burdens and how might they be reduced?
4. **Causal analysis** – how does LEADER operate? How do its design and implementation affect its performance?
5. **Coherence** – does LEADER work well alongside other CAP measures and other EU funds? How coherent is it with relevant national and regional policies? How does LEADER funded through EAFRD alone, compare to CLLD where multi-funded?
6. What is the **EU added-value** of LEADER?

¹ LAGs for Community-Led Local Development can also be supported by other ESI funds.

² Lower cover was reported in Bulgaria and Luxembourg, while data was missing for Cyprus, Romania, Hungary and Lithuania (Annual Implementation Reports, 2020).

³ Figures cover the original programming period 2014-2020, not including additional EU funds provided for the transition period in 2021-2022, under regulation (EU) No 2020/2220.

⁴ The United Kingdom is covered by this evaluation because in the period 2014-2020 it was part of the EU.

Methodology

To address these questions, the study took a mixed-methods approach incorporating both quantitative and qualitative elements. Evidence was gathered on LEADER design, delivery and impacts, and diagnostic analyses covered patterns, causalities and context, as follows.

EU information-gathering, analysis and validation:

- Literature review of relevant scientific and policy documents and documentary analysis, including detailed examination of the relevant legal texts and ENRD and evaluation helpdesk guidance;
- EU-level analysis of Measure 19 EAFRD spending by Member States to September 2021 and LEADER indicators from Annual Implementation Reports 2019 and 2020⁵⁵;
- Two EU-wide surveys, separately for Managing Authorities and LAG managers, gathering quantitative and qualitative data on LEADER operation and outcomes. The LAG survey produced a representative sample of 511 complete responses from 28 Member States (including just over 18% of all EAFRD LAGs), and the MA survey received usable responses from 56 Managing Authorities in 27 MS - also broadly representative. Surveys were analysed individually and comparatively;
- EU level interviews with selected experts (including representatives of the European Network for Rural Development and independent ELARD LEADER network, also LEADER experts of the EU evaluation helpdesk) and a validation workshop to discuss emerging findings with officials - study Steering Group members and additional attendees from DG Agri and other Commission Services.

Local Case Studies of LEADER covering 36 contrasting LAGs operating in 14 selected Rural Development Programmes (RDPs) from ten MS: Austria; Belgium- Wallonie; Czechia; Germany – Rheinland Pfalz and Sachsen; Spain – Castilla-la-Mancha and Extremadura; Italy – Veneto, Abruzzo and Toscana; Ireland; Romania; Slovenia and Sweden. Case study LAGs and regions were selected using a stratified approach to ensure a representative spread of delivery models, LAG budget size; age / experience; territorial coverage; socio-economic context and needs. Each included:

- Detailed analysis of RDP texts and financial tables, RDP Annual Implementation Reports (AIRs), and Local Development Strategies (LDSs) and other policy and guidance documents from the selected LAGs, for each RDP;
- Examination of related 2007-2013 RDP ex-post evaluations, 2007-13 LEADER or individual LAG (self-) evaluations, and any other relevant documents produced by the selected LAGs/MAs since 2014, including mid-term evaluations where available;
- Interviews with key LAG personnel; also local and regional/national stakeholders (Managing Authority and/or Paying Agency, National Rural Network and other LAG network representatives); LEADER beneficiaries and non-beneficiary local actors;
- Validation webinars, to present early findings of each study to its key stakeholders, using the feedback to strengthen the evidence and address any gaps.

The study was undertaken during the 2020-2021 Covid-19 pandemic, so almost all data-gathering and all team and Steering Group meetings occurred remotely, online.

MAIN FINDINGS

LEADER has demonstrated its relevance, effectiveness and added value for integrated and sustainable rural development at a local level, across Europe in the 2014-2020 programming period. Spending only a very minor share of total EAFRD funds – around seven percent, or EUR 7 billion over the period -to establish 2 784 LEADER LAGs spread

⁵⁵ AIRs contain data from the previous full year of LEADER activities – so AIR 2020 contained data up to the end of 2019, and AIR 2019 reported figures until the end of 2018.

across all Member States and regions, LEADER has been able to develop complex and locally-tailored solutions to rural development challenges in many contrasting rural contexts, as illustrated in case studies. EU-wide surveys of LAGs and Managing Authorities have provided strong endorsement for the particular distinctive approach of LEADER and its value within the wider toolkit of CAP and other ESIF policies.

Whilst covering a significant proportion of Europe's rural population, LEADER Local Action Groups had very limited EU resources to focus on their territories, averaging only EUR 20 per inhabitant. Targeted, well-designed projects and activities were essential to maximise impacts, which in turn depended on well-informed and inclusive local development strategies and implementing arrangements supported by transparent and strong positive relationships between LAGs and their Managing Authorities and Paying Agencies. These elements were achieved in many cases, but examples were also found where some of the factors were not in place and performance suffered accordingly. Key weaknesses included:

- overly restrictive pre-determination of funding options, eligibility conditions, operational processes and strict targets by some MAs before LAG LDSs were in place and local challenges and contexts were sufficiently understood or recognised;
- lack of skills, knowledge and outreach capacities among some LAG management teams, failing to ensure high quality LDSs, strong partnerships and networks with relevant local actors, and efficiently-managed operations;
- budgets squeezed by increased administrative burdens and limited funds leading to low resources for animation and facilitation actions, reducing beneficiary demand and project quality;
- insufficient dialogue and structures for regular and open communication between all main actors involved in realising LEADER results and outcomes, within an RDP territory.

Relevance

LEADER's relevance was clear for local development, considering needs and opportunities integrated at local level and reflecting the scale of resources deployed. Study evidence suggests the LEADER approach was relevant to sustainable and balanced territorial development in LAG areas, in many ways. LAGs targeted or gave particular priority to areas in their territories that were economically disadvantaged, peripheral or remote or hosting vulnerable communities. Although environmental goals were less frequently the main focus of LAG activities and projects, they were frequently targeted in a subsidiary and integrated way (see below).

Economic and social needs, as well as the broader needs of sustainable rural development were recognised by LAGs and Managing Authorities across the EU and clearly targeted within the case studies. Economic needs (employment, business growth and development) appear to have had the highest priority and were targeted by all LAGs; social needs were identified and targeted in the majority (especially enhancing social capital), while environmental needs were prioritised in fewer cases. Three main approaches applied: direct targeting of particular needs or groups with needs; specific calls / projects and/or actions; or holistic targeting as a consequence of wider territorial development activities, such as when the LDSs contained strategic themes specific to the territory of the LAG with funding priority, or new partnerships for delivery were forged between actors, to better reach certain goals. A third type of targeting was subsidiary and integrated, where a project designed to achieve one goal also included design features to enhance impacts on the other goals of sustainable development identified within the LDSs.

Targeting was achieved through combined actions of both LAGs and Managing Authorities. Evidence shows effective targeting required well-coordinated actions; it was less effective where good MA-LAG co-ordination was lacking and operational decisions were made at one level without taking account/being made aware of needs at the other level (regional/national and local). If MAs pre-determined LEADER priorities, details and budgetary allocations before LDSs had assessed local needs, this limited LAGs' ability to meet these needs (Czechia, Spanish regions). Conversely, if LAGs acted without sufficient

MA guidance or technical support to fully identify needs and priorities, their LDSs were less able or likely to meet those needs (Romania, Italy-Abruzzo).

In the economic arena, LAGs particularly focused on targets including maintaining or improving jobs, supporting new or better rural enterprise, upscaling, marketing/adding value, and other investment. In respect of social needs, most LAGs prioritised strengthening the local social fabric through their activities and projects, and supporting marginalized or disadvantaged groups was also a frequent feature. Among environmental needs, most LAGs emphasized needs for raising environmental awareness and improving local amenities rather than prioritising specific environmental actions such as reducing biodiversity decline or improving natural resource protection. However, LEADER in some countries and regions gave priority to meeting environmental needs (Sweden, Belgium, Slovenia). MAs in most case study areas (except Austria, Sweden) exerted significant influence on LAG priorities. Whilst very little data is available at an appropriate degree of granularity for testing whether LEADER targets across the EU match objective evidence of relative needs, the indication of rural population decline between 2011 and 2018 at LAU level suggests widely dispersed rural needs which mirrors the dispersed nature of LAGs, and case studies found that LEADER was targeted to rural needs as identified in both LDSs and RDPs. Both MA and LAG surveys reported that LEADER was meeting needs.

Case studies found LEADER's relevance was increased where it had skilled and experienced LAG leaders and technical support, to ensure local knowledge was captured and local experience understood when preparing the LDS, as well as to understand the breadth of rural challenges. Relevance was reduced by a low level of capacity among some LAG leaders and stakeholders (Romania, Austria), or by certain constraints in respect of the permitted scope of LAG activities or type of LAG beneficiaries and the conditions and scoring systems applied to project eligibility, selection and grant rates, which arises from inexperienced or insufficient LEADER sensitivity or support among MAs, NRNs and other agencies, and/or technical assistance (Czechia, Ireland, Slovenia, Spanish regions).

Effectiveness

Study evidence suggests strongly that **LEADER was effective in developing regionally- and locally-specific, tailored solutions to address economic and social development challenges and opportunities**. Although EU data suggested that on average, LAGs had spent only 49% of their planned funding by September 2021, surveys indicated a significant level and wide variety of LAG activity, and most case studies showed high levels of LAG success in funding relevant projects and activities, with positive early impacts. LEADER projects connect varied regional resources (actors, assets, knowledge), which has been effective in strengthening regional competitiveness and establishing links between economic sectors and key social groups.

Surveys and case studies suggest LEADER's strongest areas of focus and impact in the 2014-2020 period were job creation and maintenance, local added-value of products and enterprise modernisation. Enhancing local governance capacities and knowledge, within LEADER operations, was also widely reported and identified. Case studies gave examples of positive impacts to promote social inclusion and diversity especially among excluded or marginal groups including migrants, remote communities, unemployed youth, and poorer and older people facing problems to access services and support. Surveys indicated these impacts as less strong than LEADER's positive local economic and governance impacts. Indicator reporting in 2020 AIRs suggests LEADER's first few years of funding were strongly focused on local development actions, with smaller shares for other priorities.

Case studies in all 14 regions and 10 Member States demonstrated good examples of LEADER's effectiveness and LAG and MA surveys confirmed strongly positive views in respect of the difference that LEADER made for rural economic and social development in respondents' own territories. Many case studies revealed a **focus on economic over social development**, often connected to regional/national (MA) or LAG Board emphasis on using LEADER funds to create jobs and help SMEs, but in some cases reflecting a lack of skills (Romania) or guidance (Toscana) on how best to address social and socio-economic cohesion, even where it was identified as important. In some MS there

was a lack of recognition of disadvantaged groups (Germany-Rheinland Pfalz), or a limited focus on particular issues through the use of rather narrow project selection criteria, which could only deliver social objectives as indirect benefits of economic development activity (Spanish regions). By contrast, in some cases LAGs operate in territories with relatively high levels of income and employment, so action to target social inclusion among specific vulnerable groups was evident (Sweden, Austria, Belgium-Wallonie).

LEADER was effective, but limited, in addressing social inclusion as the level of targeting and achievement varied. MA and LAG surveys indicated varied effectiveness of LEADER in reducing gender disparities or social cohesion, but case studies showed clear evidence of LAGs addressing the needs of vulnerable groups. For social inclusion, a small number of survey MS/Regions reported medium impact and most reported slight impact.

LEADER was judged more successful in addressing social inclusion than rural poverty. In surveys, most MAs and LAGs indicated that LEADER was not the right instrument to tackle this complex issue. Germany-Sachsen case study found LAGs contributing to poverty reduction through investment in rural housing and infrastructure. However, problems were met in projects targeting poverty reduction in Spanish regions, Germany-Rheinland-Pfalz, Romania, Czechia⁶⁶, Slovenia and Sweden (in other cases, no initiatives directly addressing poverty were identified). LAGs in many cases supported projects with indirect positive effects, e.g. enhancing incomes and employment among communities that suffer disadvantage and poverty. For marginal areas in particular, local support for LEADER was strong: case studies and survey responses identified it as almost the only measure which targeted small, locally-tailored actions in sparsely-populated places often overlooked by the operation of other economic and social development funds.

LEADER performance in improving the environment, developing environmental capital or fostering climate action, was less prominent compared to other impacts. The broad scale and scope of environmental issues, a lack of skills within LAGs, and insufficient interest among rural populations and actors, were all cited as factors. LEADER's small scale and mode of operation make it generally not well-suited to supporting (complex and costly) rural infrastructure. However, LEADER achieved indirect benefits for the environment via incorporation in economic and social projects; such as environmental awareness-raising/education, preservation of cultural heritage and sustainable tourism.

Case study findings suggest that **where LEADER features were fully implemented and LAGs received guidance in thematic priorities and needs, LDSs were more effective** in improving economic and social capital and in socio-economic cohesion. However, in some regions, strong *a priori* thematic foci were detrimental to LAGs' ability to respond to local needs (Czechia, Spanish regions). The size of the LAG budget, capacity of LAG personnel, and local political and economic context also played a strong role influencing LAGs' improvement of economic and social capital.

LAGs achieved relevant outcomes in local governance and innovative approaches, as identified particularly in case studies. There were strong interlinkages between the quality of governance relations between LAGs and MA-PA and the quality of local governance achievements. Expanded in findings on efficiency, an 'enabling context' of good relations made it possible for LAGs to implement good governance, innovative approaches, and lasting changes in communities. Both surveys also supported LEADER's positive impact on local governance.

Many examples among all case study LAGs demonstrated a wide range of innovation, from social innovation to product and process innovations, and including innovative governance approaches and animation and outreach activities. Innovation through cooperation was less strongly evidenced: a few examples were identified. In several countries and regions there were significant administrative and policy challenges to achieving transnational cooperation, in particular. However, in LAG and MA surveys, LAGs' perceived impacts on innovation ranked lower than other socio-economic impacts.

⁶⁶ Poverty reduction in LAGs in Czechia was not funded by EAFRD, but by other ESI operational programmes.

LAGs leveraged a significant mix of additional resources. As well as helping private and NGO beneficiaries to raise and apply project co-funding at varying rates, many LAGs created local access to other funding (i.e. available EU, national, and regional funds), generating and co-ordinating funding knowledge and expertise among actors in local areas, and increasing public and community participation, also acting as a hub to draw upon local volunteers. LAGs in regions and MS with long and strong histories of LEADER implementation appear to have achieved particularly high levels of project match-funds (above 50% in German regions and Ireland), while those with less LEADER experience had generally lower amounts (e.g. 1-3% in Romanian LAGs). LAGs with significant experience using a variety of other funds have been able to transfer this knowledge successfully to other local actors, developing their capacity to bid and secure such funding.

Causal Analysis

The combined evidence cited above suggests that **LEADER has been effective** with significant, positive local development implemented in many rural territories across the EU through LEADER LDSs. The range of project types and funding identified in case studies was significant, including investment in private businesses, in infrastructure and support services, and in networks, events or exchanges that brought different actors together and stimulated new project ideas and partnerships. These are:

- **the bottom-up approach**, ensuring involvement of local people, including stakeholders, beneficiaries, experts and communities;
- strong implementation of **participatory methods** in LDS design and delivery;
- **capacity-building** among local actors, to ensure active and meaningful participation in and influence upon LEADER strategies, actions and projects; and
- **animation and facilitation activities**, which are a particular feature of the way in which LAGs work, having a dedicated resource for these activities;
- **effective networking** and information exchange with a very broad and diverse range of partners and actors at both local and higher levels (notably including the MAs and PAs and key supporting agencies, to be most successful).

In addition, evidence showed **local decision-making** (reflecting a level of LAG autonomy) was also essential to LEADER performance, whilst noting that this can be achieved by a variety of different models, as illustrated among the case studies. Together, these processes helped to ensure that LEADER projects and actions delivered results, impacts and outcomes supporting LDSs and achieving local development in LAG territories.

Case study evidence showing the power and influence of these processes helps to explain the causal linkages underpinning the results of the survey analysis, which showed a clear correlation between LEADER's perceived effectiveness and the extent to which LAGs were able to fully implement the seven core LEADER features. The combined evidence broadly confirms the validity in practice of the Intervention Logic of LEADER described in policy and guidance documents, which emphasizes these seven features.

Achieving wide **participation of multiple actors through application of the bottom-up principle** and promotion and animation strategies including events, publications, web-based and direct communications for further engagement with stakeholders and the wider public were effectively applied in all case studies except Romania. This feature is intrinsically linked to the LEADER approach and was identified as essential for effective delivery, though some obstacles were also noted. By emphasising good participation, LEADER in all cases enabled the participation of actors who would otherwise not be involved, in developing their territory.

Networking was identified in both surveys and case studies as the most effective mechanism to stimulate social innovation. Communications, local connections and strong local social and technical knowledge were central to LEADER's effective and efficient functioning. This required skilled staff, experienced and enthusiastic Board members and trusting/trustworthy and diligent funding administrators and managers in the MAs.

LEADER has particularly benefited rural social goals through **indirect targeting via soft measures (e.g. hosting events, meetings and other opportunities to engage)**, especially targeting specific groups to broaden participation (women, youth, refugees). Such activity is in addition to other more direct action on social goals. By supporting 'non-productive' projects (i.e. those without a commercial gain), LAGs also improved living conditions in rural areas through projects with both tangible and intangible benefits (e.g. from community buildings powered by renewable energy, to cultural events and educational and leisure activities with a specific territorial focus). Case study findings illustrated how causality was indirect as well as direct in LAG projects and animation, and how single actions achieved different goals: economic, environmental and social.

The analysis highlighted that **animation was crucial to ensure LAG performance and capacity to achieve good results**. Animation proved essential both for effectiveness and efficiency.

Efficiency

Efficiency strongly depended on the LEADER approach designed in each RDP, e.g. rules for LAG selection and approval. MA and PA capabilities to prepare timely guidelines and procedures were critical. Despite EAFRD deadlines for LAG selection, the process started late in some countries and delayed LAGs' ability to commence work.

Overall, over 60% of MA survey respondents felt the LEADER administrative burden had increased since 2007-2013. In countries/regions applying the CLLD-multi-fund approach, the selection process was particularly complex due to different funding administrations' involvement and the need to coordinate roles of different selection bodies. The change from mono-fund to CLLD-multi-fund approach was a main reason for increased administrative burden on LAGs, in some countries (Czechia). Efficiency of M19 spending was highly variable, depending on the sufficiency of personnel in PAs, project complexity, quality of written or online applications, also internet / IT platforms and accessibility.

LAGs identified high administrative burden in handling payment claims, support for project applicants, controls, and eligibility checking/ranking. Case studies showed efficiency was also affected by LAG characteristics: budgetary provisions, LAGs' skills and capacity to find a proper balance between animation and administrative activities, and their ability to implement projects related to social issues (which tend to have higher cost to establish).

An enabling implementation context- of institutions, rules and instruments – was a strong factor helping case study LAGs to define and achieve objectives efficiently. Regular communications and meetings and mutual learning, greatly eased LEADER implementation in many cases (Austria-Tyrol, Belgium-Wallonie, Italy – Toscana, Veneto). Other main actions to improve efficiency included the following:

- A clear definition of tasks and roles, especially in CLLD multi-fund coordination and simplification.
- Support by MA and PA to LDSs and LAGs via guidelines, manuals, websites, FAQ sessions and working groups, regular communication and meetings, formal collaboration (specific joint committees, meeting regularly), greatly eased LEADER implementation and spending capacity. These "enabling factors" were also jointly supported (in a coordinated system) by complementary instruments or actors (e.g. technical assistance, programme evaluators, national rural networks, specialist LAG support agencies, etc.). Creating a collaborative and mutual learning process between administrative and programming bodies and LAGs is crucial for efficiency of the system.
- MA and PA introducing more efficient IT and digital platforms to facilitate online application uploading, payment claims and administrative controls.

While LEADER projects and activities are more complex and locally-tailored than other EU-funded rural development initiatives, with relatively higher administrative costs, this must be set against strong study evidence of specific local effectiveness and added value, compared to more conventional approaches. Overall, this represents value for money.

Improvements identified to minimise administrative burden included simplification of CLLD multi-fund management via a 'lead' MA (Sweden, Germany regions), management arrangements based on more cooperation/collaboration between MA and LAGs, wider adoption of simplified cost options (SCOs) and IT and digital platforms to facilitate application, payment claims and administrative controls (as in other non-CLLD cases).

SCOs were widely used for administration and running costs, among LAGs. Case studies included examples where they were also used for projects, with mixed success, but overall **simplified cost options offered distinct benefits in respect of reduced administrative burdens**, so long as LAGs and MAs avoided overly simplistic uses.

Coherence

Good internal coherence of LEADER within the RDPs was found in surveys and most case studies. A coherent framework was provided by the regulations, and internal coherence among M19 sub-measures, LAG activities and the LDS started during LDS drafting. Case studies found strong synergies and complementarities between LEADER sub-measures (though to a lesser extent for M19.3 cooperation). Cooperation projects were more difficult due to differing guidance and implementing rules between RDPs. LEADER also operated coherently with Pillar 2 of the CAP, and in line with general CAP objectives. Other EAFRD measures supporting local development were mainly M7 (basic services/village renewal) and M16 (cooperation and EiP Agri innovation), also M1 and 2 (training and advice) and M4 (investments). Few links were identified in case studies between LEADER and other CAP instruments (Direct Payments; Single CMO; Horizontal regulation)⁷ except where LDSs focused particularly on agri-food supply chains (Spanish, Italian and Irish cases -agribusiness, wineries).

LEADER was coherent with ESIF policies for CLLD. External coherence between EAFRD and other ESI funds was explicitly planned via Partnership Agreements introduced for 2014-2020 programmes. There was little overlap, conflict or duplication between LEADER and ESIF policies' implementation in the sphere of CLLD. Case studies provided evidence of coherence via coordination of LEADER with operational programmes in specific fields (e.g. tourism, village renewal, infrastructure enhancement, depopulated areas).

Multi-fund CLLD offered enhanced coherence with ESIF programmes (for social goals with ESF, economic and environmental goals/infrastructure with ERDF and EMFF) compared to a mono-fund situation, but only if additional complexities of management were minimised or overcome. In a mono-fund situation, coherence seems to have been more a matter of good communication than of linked complementary activities between funds, in many cases. LAGs essentially acted separately in scope and scale, often, but very close and effective partnership working favoured coherence and generated more integrated projects.

At LAG level, in case studies complementarities were found between LEADER and Interreg, and a few LIFE projects. **National, regional and local policy initiatives targeting local development were mostly strongly coherent with LEADER.**

Added Value and EU Added Value

Survey and case study results find the LEADER approach and its implementation provide added value in three main aspects. These are: improved local governance, capacity-building and better designed, more multi-impact projects.

Regarding improved local governance, LAGs' territorial presence implies the introduction of a new supra-communal coordination structure for funds and actions. New distribution of power among actors evolved via the introduction of non-state actors into LAG governance. Applying LEADER's seven key principles challenged actors longstanding 'ways of thinking', fostering innovative approaches and developing shared identity and purpose.

⁷ Direct Payments (Regulation (EU) No 1307/2013) ; Single CMO (Regulation (EU) No 1308/2013); Horizontal regulation (Regulation (EU) No 1306/2013).

The LDS consultation process and LAG activities gave better mutual knowledge of actors in the territories (and beyond) and promoted common understanding of local issues and co-constructed, tailored responses. They promoted empowerment and capacity building of local actors, also some socially excluded or vulnerable groups.

Through the establishment of LAG partnerships, consultations and animation activities, LAGs created new networks of local actors (and beyond), leading to stronger social capital. Animation and coordination by LAGs, reinforced by private-public partnerships and networking principles, enabled recognition of common values and generated trust.

This combination of factors contributed to successful implementation of projects across a variety of contexts and regions as demonstrated in case studies, with enhanced local rural results and impacts, compared to other EU or national/ regional development policies.

A range of evidence from surveys and case studies demonstrated a strong link between the LEADER approach and recognition of EU added value, arising from the specific features of LEADER operation which make it distinctive and widely-recognized. LEADER has acted as a stimulus to help MS and regions to identify connections between local and EU-level goals and to pursue both, together. In this sense, it has offered EU added value.

RECOMMENDATIONS

The findings of the evaluation highlight the importance of information, awareness, clarity and trust in relationships, to ensure a cost-effective and value-added result from LEADER, in a wide variety of local situations and socio-economic and environmental contexts.

Therefore, many of the recommendations emerging from these findings concentrate upon mechanisms that can be used to strengthen and improve these aspects, with a particular emphasis upon **enhanced forms of Knowledge Exchange, between all parts of the governance and delivery system**. This includes between MAs and PAs and LAGs, between LAGs in a territory and between LAGs across territorial boundaries (national and international). It is also key between LAG board members, between LAGs and target beneficiary groups, and between the hierarchy structures that influence LEADER operations and funding – fund administrators, controllers, enablers and evaluators.

The recommendations are summarised in Table 1.

Table 1. LEADER Evaluation Study Recommendations

What to change?	By Whom?	Rationale and details
Confirm the value and importance of LEADER's distinctive local rural development approach	European Commission, Council and Parliament	The study has identified the continuing value-added and importance of the LEADER approach and its seven key features, for successful local rural development. This approach should be maintained as a distinct strand in future rural policy at EU level.
Enhanced roles for networks, and promoting a more enabling institutional framework	EU network actors	ENRD should deliver a continued and enhanced programme of training & skill-sharing among LAG networks and LEADER Managing Authorities, expanding participation to multi-fund CLLD authorities and Paying Agencies (PAs), and emphasizing engagement activities over more passive forms of knowledge transfer.
	European Commission	EU-level independent LEADER networks have important knowledge. They should be enabled to participate in key policy discussions on local rural development in Europe. Ensure that MAs understand, fully uphold and promote the 7 LEADER features in LEADER design and implementation. This will require more attention to encourage cooperation, innovation, good governance and consider future resilience, in guiding LDSs and selecting LAGs' proposals.

What to change?	By Whom?	Rationale and details
	National / Regional networks	National and Regional Rural Networks are a key mechanism to build LAGs' capacity, enhance national and transnational knowledge exchange and LEADER know-how through dedicated events, online media and other novel communication. They should be sufficiently funded to enable a strong support for LEADER as a particular approach, to help LAGs across the territory.
	LAG boards and LAG management teams	Recruit, retain and train members and staff with a wide range of skills and sector knowledge in local development. Facilitate balanced and open discussion of needs and priorities among members, ensure strong efforts for balanced leadership, inclusion and awareness of local needs.
Improved communications and clarity in roles	European Commission	Guidelines or implementing regulations for CAP strategic plans should require dialogue between current LAGs and MAs preparing them, learning from LEADER experience in 2014-2020. Guidance should recommend that MS and Regions identify dedicated LEADER teams in Paying Agencies, facilitating more efficient claims, checks and controls via greater familiarity with LEADER specificities. LEADER can be a key mechanism for future- and climate-proofing rural development at local level. The Commission should work with ENRD and ELARD to provide guidance for MAs and future LAGs on the new priorities (climate action, net zero) arising from Green Deal and Farm to Fork strategies.
	Managing authorities and LAGs	Commit to regular and open liaison between MA/PA and LAG personnel, before, during and after LAG selection and implementation.

What to change?	By Whom?	Rationale and details
Simplification of procedures and new requirements	European Commission	It could be important to specify a dedicated minimum budget for animation as a share of the total EU LEADER + ESIF CLLD funding in each region/MS: we suggest c.five per cent - subject to discussion with ENRD/ELARD and other LEADER experts. Guidance should be strengthened concerning a minimum (EUR 2.5 million) of LAG operational budget, in view of the negative effects of reduced resources on LAGs' ability to meet local needs. Guidance or implementing regulations should encourage MAs to avoid applying standard EAFRD Measure conditions and controls to LEADER projects, promoting design and use of more flexible measures (learning from best practice in LEADER 2014-2020). EC rules should apply a stronger principle of proportionality in obligatory financial controls and checks, to simplify the burden of these processes on LEADER implementation – reducing the levels of application in line with reduced financial risks for small scale projects and activities. The study identified that these tasks represent a significant administrative burden on LAGs and Paying Agencies. Further streamline the 'lead authority' approach for multi-funding: devise common rules / procedures for all ESIF devoted to CLLD, and adopt a common implementing regulation for the particular CLLD mechanism, replacing separate implementing requirements of each ESIF. Enable/promote a more extensive use of Simplified Costs Options for all LEADER sub-measures, including projects (give attention to resolving current issues that hinder effective application of SCOs to projects).
	MS / Region Authorities / LAGs	Ensure MA/PA guidelines and the LAG/MA division of roles are carefully drawn and understood between all actors, with the explicit aim to reduce the administrative burden on LAGs and avoid any duplication of effort – especially for eligibility checks and simple administrative controls.
Enhanced Collaboration	European Commission	Incentivise and promote more strongly, ways for LAGs and MAs to access/identify and establish transnational and domestic cooperation projects – harmonise rules for transnational cooperation.
	MS / Region Authorities	Improve channels of communication and/or regular, formal meetings and cooperation between Authorities (MA/PA) and LAGs, to ensure smooth implementation and enable problem-solving with LAGs early in the implementation period. Consider funding a dedicated LAG support agency or network, separate from the NRN, to provide bespoke facilitation and guidance to LEADER LAGs in line with new strategic priorities for rural development, especially climate actions.

What to change?	By Whom?	Rationale and details
New indicators and monitoring approaches to better capture LEADER outcomes and measure its relevance	European Commission	Identify a range of new social indicators to measure improved governance, social capital, and social benefits, from research/ good practice examples already used in LAG self-evaluations. These indicators should include evidence of participation, cooperation and networking and should seek to measure social inclusion and the quality and balance of local decision-making within LAGs, in view of the importance of these features for LEADER success and value-added. Develop simple indicators and reporting protocols to record projects and actions that deliver multiple goals simultaneously. Further expand work on fine-grained context indicators for rural development, along the lines of the JRC Degurba project, to enable geospatial mapping of key economic, social and environmental context indicators at LAU level, to better assess rural development needs.
	MAs and LAGs	Take stock of good practice and lessons learned through LAG self-evaluations and build these into improved common monitoring and evaluation approaches that can work for both local and EU levels, generating valuable advice.

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Publications Office
of the European Union

doi: 10.2762/045455
ISBN: 978-92-76-41487-2