

Comparative Case Studies on the Analysis of Cost-Effectiveness of the Programme Implementation with regard to the LEADER-specific Financing and Management Procedures (CEA)

Nr.	Country or region	Local group and title of project	Title and source of funding of the compared project	Responsible evaluator
1	Austria	LAG Stegersbach/Burgenland "Product development: Typical local drink"	Südburgenland/Burgenland "Marketing a local brand for fruit juices" Objective 1 (EAGGF)	Robert Lukesch
2	Germany	LAG Ludwigslust/Mecklenburg-Vorpommern "Restoration of a historical tourist ship"	Boizenburg/Mecklenburg-Vorpommern "Reconstruction of a ferry" Objective 1 (ESF)	Manfred Geissendörfer and Otmar Seibert
3	Spain	LAG Condado de Jaén/ Andalucía "Rustic tile production/Tejar Rustico"	Santisteban del Puerto/Andalucía "Albergue Vaquerizo"	Javier Esparcia
4	France	LAG Bastide/Aquitaine "Valorisation of local heritage"	The <i>Pôles d'Économie du Patrimoine (PEP)</i> , a national programme of DATAR	Denis Paillard
5	France	LAG Perche Vendômoise/Centre "Multi-media centre"	Eur et Loire/Centre "Multi-media centre Château Dun"	Jean-Claude Bontron
6	Greece	LAG KENAKAP/Thessalia "Rural Tourism in Kalogiri-Elati" *	Kalambaka-Pyli/Thessalia "Rural tourism in Vrontero-Elati", Objective 1 (EAGGF)	Sophia Efstratoglou
7	Ireland	LAG Mid-South Roscommon "Local Action Plan"	County Roscommon "Area Action Plan of the Roscommon Partnership Company", Objective 1 (ERDF, ESF)	Brendan Kearney
8	Italy	LAG Montiferru "Relaunch of the Casizolu cow cheese production"	Oristano province/ Sardegna "Farm dairy for the production of the sheep cheese Fiore Sardo", Objective 1 (EAGGF)	Carlo Ricci
9	Netherlands	LAG Flevoland "Bed & Breakfast in small-scale family enterprises"	Province Flevoland "Bed & Breakfast for farm diversification", Objective 1 (EAGGF)	Margot van Soetendael
10	Sweden	LAG Värmland/Ob. 5b "Total Musikal – performance"	Municipality of Säffle/ Värmland County "Dirty Dancing", Objective 5b	Ulla Herlitz

III. COMPARATIVE CASE STUDIES ON COST-EFFECTIVENESS ANALYSIS (CEA)

III.1 CEA OF RURAL DEVELOPMENT FUNDING (1994 – 1999), REGION: BURGENLAND (OBJECTIVE 1) – AUSTRIA

PROJECT CATEGORY:

Local Products – Branding and Marketing

LEADER II project:

“Bigala” – A traditional, sparkling apple-grape wine, produced to fit to modern standards (www.bigala.at)

Objective 1 project:

“Xunder Xandl” – Fruit drinks from local orchards (www.xunderxandl.at).

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1. Description of the context

1.1 The area: Südburgenland

Südburgenland, the southern part of Austria's objective 1 area, Burgenland, has for a long time been economically disadvantaged because of its location close to the Hungarian border. For several decades marked by strong outmigration and traditional features of farming and landscape, the region is nowadays becoming a destination for rural tourism, as the iron curtain has been lifted and the area which includes a number of mineral sources and water cure centres, is a major element of the Burgenland-Styria spa region.

The whole eligible area, consisting of the two NUTS III regions Central and South Burgenland, is classified as peripheral, the southern part, Südburgenland, in which the projects have been carried out, even as "extremely peripheral". South Burgenland consists of three districts named after their main towns (Oberwart, Güssing, Jennersdorf). It covers 1471 km², which is 37,1 % of whole Burgenland, with slightly more than 35% of its population. People live in predominantly small villages, distributed among 70 municipalities. Seasonal unemployment (specifically for people working in the construction sector) and weekly commuting is a traditional problem in the area, for which the shift to tourism activities has opened a certain market niche, although at small scale, for additional jobs. In the last decades, Südburgenland has also become a favourite area for second home owners, part time rurals and retired people, but this trend is still rather incipient.

1.2 LEADER II in Burgenland

The areas eligible for LEADER II have been the central and southern part of Burgenland covering 42 municipalities, 1002 km² and 55.297 people. There were six LEADER action groups and nine other collective bodies selected as LEADER beneficiaries. A privately owned development agency was contracted to assist and to monitor the 16 groups operating in this area, which is marked by mild climate, soft hills, valleys and basins. The leitbild of the LEADER II programme comprises four strategic pillars:

- Creating links between agricultural, cultural and tourist offers based on sustainable development principles.
- Creating innovative and flexible structures for education and training.
- Greening the local production systems and creating a scope of regional products based on environmentally sound production.
- Integrating living and working in an intact environment.

LEADER II was coordinated by a private development agency located in Güssing (4000 inhabitants). The agency was contracted for technical assistance, coordination of activities within and between the local groups and collective bodies, and for pre-selection of projects by the agricultural department of the Land government. As the LEADER areas were rather small in size and represented mainly by municipal associations, the purpose of the LEADER initiative, the strategic thinking and the operative coordination was more represented and carried out by the development agency rather than by the local groups, even if some of them showed a lot of commitment and understanding in respect to the LEADER approach (e.g. the one in the case study area). Because of the homogenising effect of the activities of the coordination agency concerning all the groups operating within its reach, we found it acceptable to pick the LEADER project from a LAG which is formally not in the sample of the evaluation.

1.3 Rural development in the objective 1 area Burgenland

The agricultural sector in Burgenland still played an important role at the outset of the objective 1 programme after EU accession in 1995 (with 8,2% of the population according to the LEADER II atlas of the European Observatory). For mitigating the consequences of the adoption of the Common Agricultural Policy, a special focus was put on “5b-type measures” within the objective 1 SPPD. The Agricultural Chamber of Burgenland, the traditional political representation and service institution for farmers, created, together with the agricultural banking and insurance sector, a “Quasi-NGO” called BABBI (Burgenländische Agrar-Beratungs- und Betreuungsinitiative) employing four full time consultants. One of them, Mr. Gerhard Perl, was appointed manager of the BABBI and himself located and integrated in the Agricultural Chamber of Oberwart, the main town of Südburgenland (~7000 inhabitants). He was assisted there by a second adviser, Mrs. Renate Timischl, who was specialised in direct marketing and farm tourism.

The strategy for rural development in the objective 1 area was based on three pillars:

- Diversification, which meant change, transformation and fostering manifold activities.
- Partnership and integration, which meant cooperation between farms and enterprises.
- Increase of value added, which meant putting the focus on economically useful and sustainable projects.

The BABBI advisors had the same function as the LEADER II coordination agency: To pre-select projects, to help applicants to fulfil formal requirements, to find partners, to assess economic viability etc. They also acted as direct links to the funding authority in the Land government. The agents in the government department (4a – agriculture and veterinary services) dealt with both programmes. The BABBI was financed at 100% by measure 6 of the

SPPD “technical assistance and evaluation” between 1996 and 1999, but was extended after 2000 and is still in operation.

1.4 Background and rationale for both projects of this comparative analysis

Relatively small scale wine and fruit (specifically apples) production and processing has been soaring, through the last years because of the outstanding efforts of some local producers and entrepreneurs. But the major part of traditional meadows, landscape orchards and hedges was at risk to get lost, as people did not see any longer an economical benefit from maintaining them. Traditional orchard meadows, and with them indigenous varieties of apples kept on disappearing, in spite of the efforts of an initiative which also became a collective body under LEADER II (“Wieseninitiative”¹). Farmers got subsidies from agri-environmental programmes (called ÖPUL since 1995), but this was no longer considered as a sufficient incentive for safeguarding the precious landscapes and their diversity. Therefore, since the beginning of the nineties, agricultural and rural development support structures searched for economic alternatives to turn the potential resources of local fruits into commercial value. The aim was to create products responding to the growing modern demand on healthy, authentic and delicious fruit products, specifically drinks. This tendency was helped by the relaunch of traditional and the development of new spa areas, which, in the last years, formed a so-called “wellness cluster” including Styrian, Hungarian and Slovenian destinations.

Both projects have benefited from the existence of a fruit press and juice factory in the little town of Stegersbach (located about half-way between Güssing and Oberwart), owned by a local entrepreneur, Mr. Karl Trummer, who had started his business as a side-activity with a second-hand apple press around 1990. He offered a possibility for orchard owners either to sell their fruits at an acceptable price – instead of letting them rot under the trees – or to let them produce their own fruit juice or apple wine on command for home consumption or commercial purposes. Mr. Trummer still worked as engine fitter in a wool factory in adjacent Eastern Styria and only became full time entrepreneur in the fruit juice business when the projects, which we are going to describe, started in the late nineties (He was involved in both projects). Until that time he had continuously upgraded his installations so that he did not only become able to press and to pasteurize apple juice, but also other fruits such as pears, strawberries, elder and even vegetables such as red beet and carrots.

¹ „Meadows initiative“

2. Description of the projects

2.1 The LEADER II project: “Bigala”

2.1.1 From idea to concept

The Land government has, in the framework of objective 1, invested in a spa hotel, in combination with a golf range in Stegersbach. However, tourism was new to this rural area of commuters working in the construction and textile sector, and the local offer in accommodation and gastronomy was quite scarce. To put it shortly, the spa had no attractive “hinterland” to bind visitors to the area.

In the spirit that both the thermal bath and the area would benefit from developing a village-based supply structure. Farmers, local business people and other private actors were called to get involved in this kind of development. In one of the early sessions of the LAG “Regionaler Entwicklungsverband Thermenregion Stegersbach”², consisting of 12, later 13 municipalities of the Western part of the district of Güssing, the stakeholders decided to start a project called “motivation and qualification” in order to prepare the population for the idea of endogenous development, for identifying innovative ideas and for making them visible until turning them into viable projects.

The agency in charge with the LEADER II coordination contracted twelve, later thirteen so-called “local managers” in the municipalities of the LAG in order to prepare the ground for this. The contracts were conceived as cost compensations and the local animators operated at a rather small scale (~200€/month), limited with 2 years (May 1997 to Dec. 1999). The project was managed by Werner Rauchenwald, employed for this purpose at the LEADER II coordination agency in Güssing, next to the LAG area. The project “motivation and qualification” was endowed with 340.109 € (EU/ERDF: 127.541, AT public: 127.541, private: 85.027 €).

Two of the local animators³ soon identified a traditional product at risk to disappear, as its traditional way of processing was no longer fitting to legal requirements and to modern taste preferences: The “Bigala”, a mixture of apple and grape wine. The apples come from the local varieties growing in the extensive orchard meadows, the grapes come from hedges and marginal plantations of the so-called “Uhudler”, a non-grafted vine from North American origin. The Uhudler wine had for a long time been banned from commercialisation, but it has been reintroduced and legalised as a local speciality since 1992. Thus emerged the idea to revitalise the Bigala as a lightly alcoholic, sparkling cider-type drink. The two village animators called for a meeting of fruit producers and farmers active in direct marketing or owning a “Buschenschank”,

² The LAG has been founded in 1996. According to the final commitment, the budget was 1.558.400 € (103,1% achievement rate, 110,0% for EU funds). From this sum, European funds amounted to 540.200 € (34,7%), national and regional public funds to 423.600 € (27,2%), private funds to 594.600 € (38,1%).

³ Ingo Pelzmann (municipality of Bocksdorf) and Maria Glöckner (municipality of Rohr)

where they sold cold dishes and drinks from their own production. Soon two Buschenschank owners, five farm shop owners, the above mentioned fruit press owner and 12 other private people joined to form an initiative which eventually became a non-profit association in 1999. Mr. Herbert Löffler, a retired worker whose family operated a Buschenschank⁴ at that time, became chairman of the association.

2.1.2 From concept to funding decision

Mr. Ingo Pelzmann, one of the local animators, was teaching at a tourism school in Oberwart. He managed the start-up phase of the initiative, operating under the contract as a village animator. Soon the group found a cellarage enterprise producing sparkling wines in the Northern part of Burgenland. It joined the group and took over the final part of the production chain.

Before the project was approved, the local animators got project expenses refunded directly from the LEADER II coordination agency. This phase lasted from August 1998 to January 1999 and was considered as “pre-project”. The total cost of the pre-project amounted to 2.968 € according to the clearing from 18/1/1999. During the pre-project phase the Bigala brand was officially registered as a protected local trade mark (20/10/1998).

When the project was formulated and the LAG has taken the formal decision to back it, the manager of the coordination agency cross-checked the proposal in respect to the conformity to the criteria established for the LEADER initiative (utility analysis). The 21 criteria are clustered under the headings:

- Cooperation and networking
- Environmental effects
- Effects on the local economy
- Effects on human resources
- Effects on market position and competitive strength
- Feasibility/success probability

The assessment paper says that “according to the internal project assessment (rank 3) there would be a funding rate of 60%”. The rank relates to a rating system in which the project got 706 from 975 possible points.⁵

⁴ They later closed it down because of health problems

⁵ Rank 1 goes from 845-975 points, rank 2 from 715-844 points, rank 3 from 585-714 points.

Before submission, informal contacts with the funding authority and the politically responsible person, the member of the Land government, made sure that the project was accepted. Then the pre-assessed proposal was submitted to the LEADER II coordination committee at the Land level, which was chaired by the EU coordination office with the participation of all concerned funding departments and social partners. This coordination committee gave a positive judgement on the project (24/11/1998) and notified this to the project initiators (Mr. Pelzmann and Mrs. Glöckler) as well as to the LAG Stegersbach two days later. The coordination committee attributed the project to the EAGGF fund according to the rule “one project – one fund” which was applied in Burgenland in order to avoid complications while implementing.

The LEADER II coordinating agency submitted the funding application to the responsible funding authority (Land government department 4a) on the 17/2/1999 under the title: “Bigala – an old home drink gets revalued.” The aims of the projects according to the submission document were

- To build up a production and commercialisation structure
- To develop and to position the bigala as a “visiting card of the region”
- To carry out an active price and product policy
- To diversify products around the bigala
- To explore the production and marketing potentials
- To develop the market
- To revalue old orchard meadow varieties
- To establish a documentary

The Land government decided positively and granted funding on the 6/4/1999, although the funding rate was then fixed at 45%, lower than hoped for by the project group. The proposed funding structure was as follows:

Type of cost⁶	First year	Second year	Third year
Personnel	36.336	36.336	72.672
Material costs (office)	7.267	7.267	14.53
Travel costs	7.267	7.267	14.53
Training of farmers	3.634	3.634	7.268
Development of other products	3.634	3.634	7.268
Promotion, Marketing	14.535	14.535	29.070
Total	72.673	72.673	145.346

⁶ For an easier understanding, we express the cost in € according to today's exchange rate and round it up or down.

The proposed financing structure was as follows:

Total sum	145.346	100%
Own capital	79.940	55%
Funding, of which:	65.406	45%
<i>Land</i>	13.081	20%
<i>National</i>	19.622	30%
<i>EAGGF</i>	32.703	50%

The amounts were considered as upper limits to be refunded against approved invoices. The funding period was limited from 1/9/1998 to 31/12/2000.

2.1.3 From funding decision to implementation

The activities were carried out along two axes:

- Product development and optimisation: There were some technological problems to overcome in the fermentation process. Finally the production chain was designed in the following way:
 1. Apples are pressed and fermented to apple wine at Trummer's juice factory in Stegersbach.
 2. Grapes are pressed and fermented to wine at each producer's own place.
 3. The cellarage enterprise collects the fermented products, brings it to its own cellar in North Burgenland and finalises the product through a second fermentation process. The final product can be described as a sparkling apple cider plus Uhdler wine plus some sugar.
- Public promotion and marketing: Using Mr. Pelzmann's excellent connections with the spas in the region, the product was first presented the 6/5/1999 in the Stegersbach thermal resort for public degustation. Product presentations were organised at regional fairs (29/8/1999 in Oberwart) and also outside the area, such as in Vienna. On 18/4/2000 a product presentation was organised together with a group of so-called "Schmankerlwirte"⁷, who committed themselves to the local food tradition. This project was also funded under LEADER II: From the total cost of 250.721 € 87.752 were paid from EU/ERDF (35%), the same amount from national and regional funds, and 75.216 € from private sources (30%).

⁷ "Titbit restaurants"

2.1.4 From implementation to consolidation

Towards the end of LEADER II implementation, the Land government decided on a new distribution between funds for the projects funded from EAGGF in Burgenland. This decision was communicated by a letter from 30/12/1999 to the LEADER coordination agency in Güssing. The justification for this restructuring was the continuous increase of EAGGF funds through indexation and reserve funds, while national co-funding remained stable. In order to compensate overdrawing of the Land account, which allegedly had already taken place, and to fully exploit the EAGGF funding opportunities, the government changed the ratio from

EAGGF	National	Land
50%	30%	20%

to

EAGGF	National	Land
72,92%	16,26%	10,84%

This engendered a change in the co-funding rate of the Bigala project from

EAGGF	National	Land
50%	30%	20%

to

EAGGF	National	Land
90%	6%	4%

Due to the extended phase of product development, the project applied for prolongation of the funding period (with letter from 7/2/2001), which was granted by the Land government's response letter on 12/3/2001 until the end of June 2001, the deadline for any invoice submission for getting funded under LEADER II.

2.1.5 Cost structure and funding rates

The project expenses were cleared in five instalments (€):

		Total investment	Total public funding	EU (EAGGF)	EU in % of total investment	EU in % of total public funding
Initial funding decision	06/04/1999	145.346	65.406	32.703	22,5%	50%
Funding decision after restructuring	30/12/1999		65.406	58.865	40,5%	90%
1 st payment	02/09/1999	10.872	4.873	2.436		
2 nd payment	10/01/2000	26.786	12.035	12.035		
3 rd payment	29/08/2000	45.221	20.341	18.307		
4 th payment	06/03/2001	23.538	10.563	9.507		
continuously		33.836	15.207	14.432		
Final balance		140.253	63.019	56.717	40,4%	90%

The initiative almost fully exploited the grant. There were some deductions in respect to working stocks and consumables (labels, corks, taxes, wrapping materials), reimbursements of costs of individual partners (telephone, transports) which were not considered as expenses of the initiative, and invoices billed after the 30/6/2001.

2.1.6 The input in terms of time and human resources

The project support was organised in three tiers:

- Mr. Pelzmann and Mrs. Glöckler, the local animators, created the idea, prepared the project and brought the people together who eventually formed the initiative. Later on, Mr. Pelzmann acted as project manager.
- The manager of the local animators team, Mr. Rauchenwald, was coordinating the thirteen local animators' activities in the area of the LAG Stegersbach, but he was not involved in the Bigala project.
- The accounting was done via the LEADER II coordination bureau in Güssing, managed by Franz Schlögl and assisted by a secretary, Claudia Radakovits. Mr. Schlögl made the pre-assessment and kept contact with the funding authority in the Land government.

There was no direct communication between the project and the Land government department, although the political stakeholders in the LAG (among the mayors there were two regional MPs) supported the project in their ways. The LEADER II coordination unit acted as official intermediary in all the official correspondence and funding issues.

2.1.7 The output

Until today the association kept stable. It comprises approximately 20 members and stretches over all the 3 districts in southern Burgenland. The output of Bigala-sparkling wine ranges between 6000 and 8000 bottles (0,75l) per year. Initially the quantitative target had been set at 40.000 bottles from the third year on. Thus, in quantitative terms, the achievement rate is at 20%. According to the chairman, Herbert Löffler⁸, the raw product is so limited in quantity that it would not be possible to exceed 15.000 bottles, anyway.

One of the reasons of the limited number of output is the refusal of the producers to sign large scale contracts with large retailers (supermarket chains). Negotiations have been lead in the time when Mr. Pelzmann was still managing the project, but the risk that the supermarket chain would sell the project out at a cheaper price than the bottom line for direct marketing, was too big. So the producers continue to sell at small scale, from their home, farm shops, or Buschenschank. Some have customers from other parts of Austria and even abroad, through personal contacts. Bigala is also sold via shop-in-shop systems in Burgenland, which allows farmers to sell their products in local drugstores. This cooperation project bringing together small village entrepreneurs with farmers producing quality food at small scale was funded under objective 1 in Burgenland.

Considering a price between 7,20 € per bottle (0,75 l) for end consumers and 6 € for restaurants, the estimated turnover of the alcoholic drink fluctuates around 50.000 € per year. If we take the calculated benefit per unit as set out in the submission document (1,2 € per bottle), we get a net profit of around 9.000 € per year for the whole initiative.

This calculation does not include the benefits from the fruit juice, which is sold under the same trade mark but exclusively by Karl Trummer who adds it to his array of fruit juice products, which is dominated by the trade mark "Xunder Xandl" – the other project analysed in this study. Mr. Löffler and Mr. Trummer estimate the output of fruit juice at around the double amount than that of the alcoholic drink. Furthermore, an acknowledged producer of fruit brandies sells Bigala liquors and brandies in the area. There has been a jam producer, but he went ill and stopped. Another supplier was not successful in attaining the required quality. The production of chocolate pralinés stuffed with Bigala jelly got stuck in the pilot phase, although considered as a big success at the annual farm products fair in Wieselburg (Lower Austria).

There is, apart from the contribution to landscape maintenance, a net benefit for suppliers through higher prices from the extensive fruit production (apples and grapes). If we take the calculated 1.200 € per 1.000 bottles, this benefit of suppliers amounts to more than 9.000 €

This results in an estimated net profit of 18.000 € to 20.000 € per year.

⁸ The interview was held the 6/5/2003 in Kukmirn.

2.1.8 The outcomes

General remarks:

After the leave of Mr. Pelzmann common marketing efforts have been drastically reduced. The initiative is lacking technical assistance, specifically on product development and promotion. It is too small to bear those costs on its own, but there has been no consecutive funding. Mr. Trummer, the press owner, has taken over some of the coordination work and cares a lot about common activities such as the purchase and distribution of material (bottles, labels, corks). He guarantees a stable, elevated price level for the raw products, which are supplied by far more than the 20 members. Mr. Trummer said that the period of support for getting this project well rooted has been far too short. There should be a follow up project, which “you would get with good contacts”. The web site (www.bigala.at) has not been updated since the end of the project (2001). Mr. Pelzmann still figures as webmaster, but there is no actuality.

The chairman, Mr. Löffler, states that they “would need another Mr. Pelzmann” in order to let the project develop further. At the same time, he seems satisfied that the traditional drink has been saved from oblivion, and, in a modernised version, contributes to additional incomes of local smallholders.

According to Mr. Trummer, there is still a lot more potential in this product line than has been realised. One example was given by Mr. Löffler: Mr. Pelzmann had produced prototypes of Bigala pralinés with his students, and this product had a wonderful taste.

Actually, there is just one new idea becoming concrete: To use the cellarage of the wine producers in southern Burgenland for the second fermentation. As this cellarage is located in Eisenberg/district of Oberwart, this would save transportation costs and quality losses, and make the product a 100% South Burgenland speciality.

Outcomes in terms of horizontal objectives:

Agricultural restructuring and diversification: Revaluing of a local drink at risk to disappear. The necessary step to modernise the recipe was done. The product range can still be developed. A small niche, but a good model for similar endeavours.

Employment: No permanent additional job, but a better use of human resources through a profitable side activity.

Income: More value added for side activities, specifically for farmers involved in direct marketing and Buschenschänken.

Equal opportunities: No effect.

Environment: A contribution to revalue and safeguard traditional orchard meadows and hedges. According to the guidelines, the apples *must* come from orchard meadows.

Outcomes in terms of behavioural changes (LEADER specificities):

Area-based approach: The initiative and the trademark is constrained to the three political districts of South Burgenland. It is based on an old home drink of local farmers, it bears its name and can be regarded as a really emblematic product.

Bottom-up approach: The village animators' role was to sensibilise and to motivate people to come up with their ideas and projects into the LEADER II initiative. The idea for the Bigala emerged from the intensive exploration of dormant potentials. The village animators have been picked among local actors, they did not come from outside.

Partnership approach: The LAG consisted of 12, later 13 mayors. It played a favourable role in the orientation of the LEADER projects. It was not only a platform for formal decision making and a means to keep local authorities informed on what was going on, but also a space for strategic reflection. The Bigala initiative itself is a non-profit organisation and represents the partnership principle at the project level. It does not intervene in economic affairs, it just takes care of the common quality standards, the image and the promotion.

Innovation: The product represents a genuine innovation. It embodies the spirit of the old drink, but it is in fact a new creation, because the old formula would not have been compatible with current food quality standards⁹.

Multisectoral integration: There is some integration downstream, as the Bigala is largely commercialised in the gastronomy and spa resorts of the area, as well as to incoming tourists and visitors. The product presentation was done in collaboration with restaurant owners who are dedicated to revitalising traditional dishes.

Networking: The temporary project manager, teaching at the tourism school of Oberwart, was quite ingenuous in making contacts in the realm of tourism and sports, specifically for marketing and promotion purposes. However, after his leave the networking capacity of the initiative broke down, except for the links provided by the juice producer, Mr. Trummer.

Trans-national cooperation: There was none.

Decentralised management and financing: The accounting was entrusted to the LEADER II coordination agency in Güssing. From the point of view of the Burgenland administration this can be regarded as a certain decentralisation in the operational management. The local group, together with the coordination agency, guided the strategic approach for local development and selected the project for submission.

⁹ In former times the grape component of the Bigala had been fermented from the husks of wine. This would not have been acceptable for today's quality standards.

2.2 The Objective I project: “Xunder Xandl”

2.2.1 From idea to concept

After the first period of growth and consolidation in the early nineties, the juice factory of Karl Trummer came to its limits because of its more or less unsystematic marketing. He had, until then, concentrated on consolidating the production system, became member of the organic producer association and continuously improved product quality and reliability. There were some market links to Vienna (Viennese kindergardens), but most of the production went to the growing home market, spa resorts, schools and other public institutions, gastronomy and private consumers.

The fruit press had gained enormous importance as regional infrastructure for processing home grown fruit. Thus Mr. Trummer got into contact with the Buschenschank owners and producers of alcoholic and non-alcoholic fruit drinks in the area. Formal quality requirements kept rising, so Mr. Trummer came into contact with Mr. Gerhard Perl, the BABBI adviser in Oberwart, to discuss possible strategies. At this time the prices for extensive fruits were at their absolute minimum. People kept on cutting down traditional orchard trees regarded as useless. At the same time tourism soared, and direct marketing “exploded” in the words of Mr. Trummer.¹⁰

2.2.2 From concept to funding decision

The BABBI advisor, Gerhard Perl considered the development of the extensive fruit production as crucial for saving the typical landscape features, for safeguarding precious and rare fruit varieties, for creating added value from endogenous resources and for creating jobs and income at the interface between agriculture and tourism. So he and his colleague, Mrs. Renate Timischl, very intensively supported the project initiators from the start on, when, in 1998, they launched an activity which they called “fruit juices for schools”.

Schools and kindergardens were contacted if they had interest in putting automatic fruit drink boxes into their hallways. The response was encouraging: The estimated output amounted to 35.000 l of different fruit juices. The suppliers started with five varieties of fruit juices: Apple, pear, grape, apple-elder and apple-carot. For the vegetables, Mr. Trummer contracted a supplier from Lower Austria. One of the later partners of the “Xunder Xandl” consortium, Mr. Neubauer, became speaker of the suppliers for the schools interested to participate¹¹. The name “Xunder Xandl” was one of three names suggested by a promotion agency in Oberwart which worked for the initiative. It became registered as trade mark the 2/6/1999.

¹⁰ The interview was held the 6/5 in Burgauberg.

¹¹ In its early beginnings, the group called itself „Mostidylle – Fruchtsaftproduzenten“, using a name of a dormant association created some years earlier for revaluing apples from traditional orchard meadows.

The project grew. In order to avoid to get a messy project structure with many members, but low capacity for decision making, Mr. Trummer invited four other partners, one fruit farmer, two Buschenschank owners (among them Mr. Neubauer) and one wine producer, to create an "ARGE", a consortium, which is the "lightest" form of common enterprise under Austrian law. The ARGE was officially established on the 1/7/1999. Each partner keeps trading on his own account, but they use a common surface for marketing.

The project was already operating, when it was submitted for getting funded under "5b-type measures" in objective 1, on the 9/2/1999 via the BABBI agents in Oberwart.

The aims of the initiative according to the submission document were:

- Supply to schools, gastronomy and other customers with fruit juice drinks
- Incentive for adding value on local fruit resources
- Building up a new income source for farmers
- Offering healthy, 100% natural drinks to students
- Preservation of the typical orchard meadows in South Burgenland through their wise exploitation

The funding proposition comprises the purchase of 30 automatic suppliers and of a truck, as well as equipment and consumables for labelling and transportation. Further components of the project proposal were the construction of a building for storage and distribution, promotion activities and the employment of a manager and an assistant in the start-up phase for promoting, distributing and accounting.

The cost structure was established in the following way¹²:

Cost type	1999	2000	2001	Total
Investments	29.069	138.078	36.337	203.484
Personnel	29.651	29.651	14825	74.127
Material costs	13.808	11.628	10.901	36.337
Total cost	72.528	179.357	62.063	313.948
Own capital	31.932	105.102	34.302	171.333
Total funding	40.595	74.257	27.761	141.613

¹² We use € at today's exchange rates

The funding rates were different according to the type of cost:

Investments	35%
Personnel	70%, 60%, 50% (annual degression)
Consumables	70%

The sources of financing were distributed as follows:

Land	24,4%
National	36,6%
EAGGF	39,0%
Own capital (including the estimated cost of own labour)	30,0%

2.2.3 From funding decision to implementation

In the early phase between submission and funding decision the group met monthly to organise the first year of common commercialisation in 1999 under their trade mark.

The funding decision was taken on the 27/7/1999, but the invoices were acknowledged dating back until 03/2001, starting with the entry date of the submission (9/2/1999). The informal channels between BABBI and the Land government department ensured sufficient certainty that the project would get funded so that it could actually start before the official decision was taken.

The funding period was fixed until the 30/6/2001.

Cost type	1998	1999	2000	2001	Total
Investments	14.535	94.475	58.138	36.336	203.484
Funding rate	35%	35%	35%	35%	35%
Material costs	7.267	18.168	7.267	3.634	36.336
Funding rate	70%	70%	70%	70%	70%
Personnel	0	24.709	24.709	24.709	74.127
Funding rate	–	70%	60%	50%	60%
Total cost	21.802	137.352	90.114	64.679	313.947
Total funding	10.174	63.080	40.261	27.616	141.131
Average rate of funding	64,7%	45,9%	44,7%	42,7%	44,9%

The project closely collaborated with the collective body “Wieseninitiative” which, after LEADER II, carried out a follow up project called “All around the apple tree” between 1999 and 2001. This

initiative prepared the ground for extensive promotional activities in the wider area, specifically aimed at spa resorts and public entities such as schools, homes etc.

The promotion was also harmonised with the tourism board of South Burgenland, which granted a licencing contract for the use of the regional logo on its products.

On the 10/11/1999 the product and the initiative were presented to a wider public in a college in Oberwart, one of the customers of the initiative.

2.2.4 From implementation to consolidation

The meetings continued in a monthly rhythm and kept being accompanied by Mrs. Timischl, who kept the minutes of the meetings. She was also responsible for implementing the five clearing procedures (including the final instalment).

Promotional activities continued, such as participating in the initiative for replanting traditional orchard meadows, carried out by the Wieseninitiative, on the 5/4/2001 together with an elementary school in the presence of political stakeholders. The last project meeting took place the 2/5/2001. The project was invited to present itself at the occasion of a meeting of the regional monitoring committee for the objective 1 programme on the 21/6/2001 in Eisenstadt, the Land capital of Burgenland.

Right before the end of the funding period (27/6/2001), the initiative wrote a letter to the Land government asking for a re-allocation between types of cost. This was justified by changes in the real cost structure: For example, the initiative refrained from buying automatic suppliers, and delivered the juices in boxes instead; they built two smaller storage buildings in different places instead of a bigger one; there were less personnel cost than expected. The intended effect of this re-allocation was to achieve higher funding rates. The personnel cost (degressive funding rates) and investment costs (30% funding rate) were reduced against an increase of the material cost, funded at the maximum level of 70%.

2.2.5 The cost structure and funding rate

This resulted in a modified funding structure. The distribution between public sources remained the same (Land: 24,4%; National: 36.6%; EAGGF: 39%).

In €	Initial cost structure	Modified cost structure	Land	National	EAGGF	Private
Total cost	313.947	320.163	34.798	52.196	55.619	177.550
Investments	203.484	180.414				
Material costs	36.336	88.277				
Personnel	74.127	51.472				

Finally the overall funding rate amounted to 44,5%, against 42,2% which would have resulted from the initial cost structure. The payments were effectuated in 5 instalments.

2.2.6 The input in terms of time and human resources

Support and assistance from the BABBI was quite intensive. Two of the four BABBI technicians in Burgenland were involved, the manager, Mr. Perl, specifically in the starting phase, and afterwards at the strategic level. He held the necessary contacts to the Land government department. The other advisor, Mrs. Timischl, expert for direct marketing and farm tourism, was regularly following the project, inviting for meetings, keeping the minutes, collecting the invoices and handling the clearing with the funding authorities. She kind of acted as project administrator.

The intensity of assistance can be explained by the flagship function of the project for the whole South Burgenland in the eyes of the BABBI manager, Mr. Perl: It provided links to other initiatives dealing with cultural landscape preservation and maintenance, it opened up pathways to the gastronomy and to the spa resorts, and it was a model for the use of endogenous resources in the best possible way.

Mr. Perl kept regular contact with Mr. Schlögl, the LEADER II coordinator, in order to avoid overlaps and to clarify the realms in which LEADER II and the 5b-type measures operated. In the project implementation, there were practically no interferences between the support structures.

2.2.7 The output

The initiative increased the output from under 100.000 l fruit juice in the beginning to 300.000 l in 2002, 2/3 of which is covered by Mr. Trummer's business. The 400.000 l threshold will be hit during the next season. 2/3 of the product stems from orchard meadows and 1/3 from plantation fruits which were not commercialised on the fruit markets. The total amount of raw material input can be estimated at around 500 t per year, coming from up to 800 suppliers, most of them very small ones. There is a separation between conventional and organic juices, which have a price at around 15% higher (only around 2% of the products, because the quality difference is considered as minimal). The juice is sold in bottles of 0,25 l, 0,5 l and 1 l. A assortment of 14 juices, including three nectars, are commercialised under the trade mark. The net profit is estimated at 35.000 € for the direct sellers and at 65.000 € for the Trummer enterprise. For the suppliers there is an additional profit from higher raw material prices (+2c/kg): 10.000 €

Thus a modest estimation of the overall value added amounts to 110.000 € per year.

The ARGE does not intend to supply super market chains. Mr. Trummer thinks that the quantity of output can still be doubled according to the increasing demand, but then it would hit the limits of product supply in South Burgenland.

In 2003 the project has submitted its candidature for an Austrian-wide competition on innovative projects in rural areas ("Agrar-Projekt-Preis") and at the same time for the innovation award offered by the LEADER+ action group "SüdburgenlandPlus".

2.2.8 The outcomes

General remarks:

The project has instigated a follow-up project, the construction of a centre for distribution and logistics close to Trummer's factory (investment cost: 443.304 €). This project is funded under objective 1 in the period 2000-2006. Also the other partners in the ARGE have very much improved their market position, specifically the Buschenschank owners. The successful commercialisation of the juices also allows paying to fruit suppliers a 20-25% higher price than the usual seasonal market price.

Three large fruit producers in the area acquired a licence for which they pay 2 cents per bottle. In exchange they have to process their fruits at Trummer's press, which allows him to keep the control over the product quality. The range of products grows. New juice compositions are invented and tested by the producers, mostly by Mr. Trummer.

Outcomes in terms of horizontal objectives:

Agricultural restructuring and diversification: The project strongly supports landscape preservation efforts. 2/3 of the 500 tons of fruits (mainly apples) come from orchard meadows. The better price for the fruit windfalls, but also for plantation fruits inappropriate to be sold as dessert ware, fosters numerous activities stabilising small farms. It facilitates vertical integration by complementing the scope of products offered in farm shops, catering services, Buschenschänken, and restaurants within and outside the area. The juice factory is at the core of the value added chain and, by the way, constitutes an important infrastructure for the organic producers in the area.

Employment: Mr. Trummer has left the company where he had been working for a long time and is now full time entrepreneur in his juice factory. Also his wife, Renate Trummer, another factory worker and a half-time secretary got employed. In the harvesting season (autumn), auxiliary workers are hired. The net employment effect can be estimated at 2 full time equivalent jobs.

Income: The income situation of all the consortium members has improved and – related to the increase in turnover – this also will have a job-creating effect, specifically in the two Buschenschänken. Not only the ARGE partners benefit, but also the suppliers: Farmers and private land owners get a better price for their fruits (8-10 cents/kg, compared to 4-6 cents according to the usual market price).

Equal opportunities: Probably the entrepreneurs' wives have got more work to do than before, but the question is, if they are involved in the decision making in the same way.

Environment: The project is essential for the maintenance of the local landscape diversity. There are even orchard meadows replanted in the course of the project.

Outcomes in terms of behavioural changes (LEADER specificities):

Area-based approach: The project is based on revaluing and upgrading local resources in the best possible way. Though is not confined to the area itself: If the production grows more than double (which means processing more than 1000 t of fruits), it would be necessary to expand the supply chain to Eastern Styria and/or Hungary. However, the active core of the enterprise would remain in South Burgenland.

Bottom-up approach: In the beginning the project was conceived as a broad initiative, and with the time a few professionals formed the ARGE and consolidated it as an enterprise.

Partnership approach: The main activities were planned and implemented by the ARGE members, notably its speaker (Mr. Neubauer) and key entrepreneur (Mr. Trummer), and by the two technical assistants of BABBI (Mr. Perl and Mrs. Timischl). The initiative itself is a partnership enterprise and thus represents the partnership principle at the project level. In the

last year the ARGE has been enlarged by three licenced fruit producers. They are now eight partners in the “ARGE der Fruchtsaftproduzenten¹³ – Xunder Xandl”.

Innovation: Innovation is done in the classical manner: Through the entrepreneurs and within the enterprise. There is some exchange with the local farm school in Güssing (e.g. concerning the web site which is not operational at the moment), but most of the research, trial and error is going on in Trummer's juice factory. In fact, the juices and juice mixtures are not completely new, but it requires specific skills and a lot of experience to make the product safe (e.g. against undesirable fermentation in the bottle) and at the same time keep it as natural as possible. There is, with the exception of the three fruit nectars, which contain sugar, no additive. They are just pure fruit juices.

Multisectoral integration: The integration happens downstream, as a high portion of the products are sold to restaurants and spa hotels in the “wellness” area of South Burgenland. The use of the tourism logo ensures that the brand has become emblematic for the area.

Networking: There is a good cooperation with the “Wieseninitiative”, seated in Güssing, which was also a collective body under LEADER II. It cares about the preservation of orchard meadows and has put up a list of apple varieties found in the area (presumably more than 200). The initiative promotes the replanting of traditional fruit (mostly: apple) trees. Until 2005 20.000 new trees shall be planted. This initiative secures the raw material supply at long term.

Trans-national cooperation: There is an indirect link via the CB Wieseninitiative which participated in a trans-national cooperation project (measure C) upon traditional apple varieties called “Pommillennium”.

Decentralised management and financing: The technical assistance (BABBI) for 5b-type projects was acting close to the project in Oberwart. The managing agent holds direct contact to the Land government department and to the member of the regional government who was politically responsible for agriculture and rural development. The project was strongly backed by the agents and considered as priority so that it could prepare and largely influence the formal decision in the Land government department.

¹³ „Consortium of fruit juice producers“

3. Comparative assessment of cost-effectiveness

3.1 Juxtaposition of both projects in respect to relevant criteria

	LEADER II: Bigala	Objective 1: Xunder Xandl
Administrative support	The responsible Land government department (4a – agriculture and veterinary services) was endowed with a staff of five agents. It was responsible for both 5b-type measures and LEADER II, for which two of these were working.	
Funding	Public funding/total cost: 44,9% EAGGF share in the investment: Initial plan: 22,5% After re-allocation: 40,4% Funding period: 17/2/99-30/6/01 (after prolongation) = 28,5 months. Payments: 5 instalments	Public funding/total cost: 44,5% EAGGF share in the investment: 17,4% Funding period: 9/2/99-30/6/01 = 28,7 months. Payments: 5 instalments
Technical assistance	TA was provided by the LEADER II coordination agency in Güssing (responsible for 6 LAGs and 9 CBs operating in central and southern Burgenland). There was one manager and a secretary. A project “motivation and qualification” was the source of the project. It was coordinated by another consultant employed at the agency. Two local animators launched the project. The technical assistance was mainly focused on accounting and administrative links with the Land govt. department.	TA was provided by the BABBI (technical assistance for 5b-type measures) embedded in the agricultural chamber in Oberwart. There were two advisers, one in the managing role. The technical assistance was focused on accounting, the communication with the Land government department and the project organisation (facilitating meetings, keeping the minutes).
Project management	The management was done by a local animator, contracted for two years by the LEADER coordination bureau. His departure left a considerable void. Now the project lacks leadership and is currently kept alive by the strategic support from the key actors of the other project (the juice factory owner).	The project is carried out by five entrepreneurs, one of which is speaker of the initiative; another one, the juice factory owner, is the dominant actor in the value added chain. The future of the project is very much tied to the entrepreneurial future of its key actors. And they are quite successful.
Output	Investment (project cost) per estimated annual profit: 20.000 : 140.253 = 1 : 7 Estimated pay off period of investment (project cost) in respect to expected profits: >7 years	Investment (project cost) per estimated annual profit: 110.000 : 320.163 = 1 : 3 Estimated pay off period of investment (project cost) in respect to expected profits: >3 years
Outcomes in terms of horizontal objectives	Opened up a small niche market for a traditional product. Goes well with spa and wellness tourism in the area. Positive effects on landscape maintenance and preservation of local apple and grape varieties.	Created a whole array (14 types) of healthy drinks from local fruits. Goes well with spa and wellness tourism in the area. Employment effect: Directly ~2 full time equivalents, but indirect effects certainly go much beyond. Very good income effect. Positive effects on landscape maintenance and preservation of local fruit varieties.

	LEADER II: Bigala	Objective 1: Xunder Xandl
Outcomes in terms of LEADER specificities	Strongly area-based, very much bottom-up, highly innovative.	Area based, bottom-up, innovative, partnership-oriented. Sectoral integration with tourism, gastronomy, catering services. Synergy with a cultural landscape initiative promoting orchard meadows and biodiversity.
Sustainability and viability	Stagnation due to lack of leadership and vision. Innovative potentials still dormant. Would have needed a further step towards growth and consolidation supported by external technical assistance. At present the project is kind of stuck between the thriving fruit processors (Xunder Xandl) and the well organised wine producers in the Eastern part of South Burgenland.	Dynamic entrepreneurship, involving the most innovative part of the area's fruit producers and processors. Up to 800 suppliers are benefiting through a 20-25% higher raw material price. Very good prospects towards further growth and diversification.

3.1 Conclusions on the programme quality

If we assess the entrepreneurial viability of a project, we will obviously see the fruit producers as the more successful ones. The pay-off period for the “Xunder Xandl” cost is less than a third compared to that of the “Bigala”, the employment effect and the environmental impact are higher etc., mostly due to the mere scale and the existence of at least one dynamic, experienced entrepreneur in the core of the initiative.

Judging on the ground of this diagnosis would miss the point of this study. The Bigala initiative stood at the very beginning of an innovation cycle. The local fruit producers had been right on this spot almost 10 years ago, when the first predecessor of both the Wieseninitiative and the ARGE Xunder Xandl had been set up under the name “Mostidylle Südburgenland” (1991).

This distinction coincides with the actual division of labour between the 5b-type objective 1 measures and LEADER: Objective 1 was to support entrepreneurial efforts which already had acquired a certain level of scale, and where the basic innovations have already been done in the past. LEADER was to explore new, unbeaten tracks for trying out activities with more or less uncertain results. It had a laboratory function.

Both programmes were administered by the same Land government department. The payment conditions were the same: Reimbursement after presentation of invoices. The interval between invoicing and payment was 2 – 3 months, the final instalment took a delay of 5-6 months for both projects. This similarity is easily explained through the fact that the administration was set up in the same way for both programmes., except that the approval for LEADER projects went through a screening phase, at first at the level of the coordination agency (who made a rating according to a rough utility analysis) and secondly at the Land level, where the interdepartmental coordination committee had to give green light for application and to decide

upon the type of fund to be chosen for financing the project. Most of the questions were, in both programmes, clarified informally and before the formal negotiations and decisions had to be taken.

Both programmes were supported by a close-to-project technical assistance. The managers of the respective bureaus held regular contacts with each other in order to keep their interventions apart and to avoid overlaps. That does not mean that the objective 1 refrained from supporting innovative projects. To the contrary, this was very much wanted, and therefore there was some competition between the assistance structures about who comes out first with a certain idea or project. The one who came out first was the one who, from then on, would accompany the project. All this took place in an amicable atmosphere.

The problem of LEADER II, and this constitutes the main difference, was the lack of continuity caused by two ruptures:

- At the project level: When the local animators' contract expired, the Bigala project was left without a dynamic leader. All the board members are responsible people, good producers and technicians, but not endowed with strategic marketing skills and too little capital for taking further financial risks.
- When LEADER II was over, the technical assistance got restructured for LEADER+. Instead of the four small LAGs which operated in South Burgenland during LEADER II, the whole territory (except towns) formed a LAG calling itself "SüdburgenlandPlus", endowed with a staff of two advisers, one of them in a managing role. The former manager of the LEADER II coordination agency was accompanying the transition for one year, but the LEADER II projects were not automatically taken up or continued by the successors.

The separation into realms of interest between the BABBI and the LEADER structures continues to prevail in the current period, although there is no more LEADER assistance to the Bigala project. The initiative is not or not substantially supported by the mainstream advisory structures and it does not get the necessary attention from LEADER+ agents or other support structures. One could say, it is poised in the void between two support structures, and between two competence fields (wine and fruits). It remains at a modest level of activity.

Nevertheless, three of the LEADER specificities are embodied in the initiative in an almost model-like way: The area-based approach, the bottom-up approach and innovation. This was made possible because

- the LAG, uniformly composed of mayors, consequently pursued an approach based on endogenous development;

- there was the preparatory project “Motivation and Qualification”, which relied on local animators, local people contracted in order to stimulate participation, to raise ideas, to give hope and to midwife projects.

There should have been and should be a more systematic connection between LEADER and the mainstream programme. Even if the two strands pursued different kinds of activities: At the end of LEADER II either the mainstream structure should have taken up and integrated the “unaccomplished” projects into its support system, or there should have been a more tangible obligation for the LEADER+ partnership to do this. Of course, one could say that it is the duty of an initiative to care for itself; but what we observe is not just an idiosyncrasy of the Bigala association, but quite a typical feature of young pilot projects, operating at a small scale, supported by mostly part-time amateurs and lacking powerful partners in technology development, financing and marketing. 28, 5 months are too short for making the baby run on its own feet.

III.2 CEA – COMPARATIVE ANALYSIS AND ASSESSMENT OF LOCAL EMPLOYMENT PROJECTS IN THE RURAL DISTRICT LUDWIGSLUST (MECKLENBURG-VORPOMMERN, GERMANY)

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1. Project description, database

Historical Touristship „Seagull“ (Leader-Project)

In the district of Ludwigslust a 75-year-old ship that could not be used for tourism anymore was completely restored and technically renewed within the Leader II project. Under the supervision of an engineer for shipbuilding, young unemployed- and older long-term unemployed people accomplished the work. Various qualification measures as well as a social therapeutical attendance were connected with the practical work. The local employment office was largely involved in the financing of the project (through job creation measures – labor cost subsidies = Job creation measueres by national law). A new firm, which was founded by teenagers, will regularlry use the tourist ship for tourism purposes after the restoration. Due to this some new jobs were created.

Data-base for the CE- Analysis

- Personal interviews with the present operator of the ship (BATZ e.V.), the manager of the employment company GBB and the manager of the LAG;
- Document analysis: promotion papers, business reports, press reports

Reconstruction of a ferry (comparative project)

The reconstruction of an old ferry in the same district serves for comparison purposes. Jobless but skilled workers restored this ferry after their shipbuilding company went bankrupt. The local employment administration took over the majority of the financing, endorsed by private funds.

The short-term safeguarding of jobs rather than the later use of the ship for tourism was emphasised. The ship is not used for tourism on a regular basis.

Database for the CE- Analysis:

- Personal interview and additional phone interviews with the manager of the employment administration GBB;
- Document analysis: promotion papers, business reports.

The rural employment company was involved in both projects. In the LEADER-project the company served as a connecting link to the employment office while it took over direct project responsibility in the “Ferry”-project.

2. Rural Situation at the outlet, context condition

The district of Ludwigslust is the largest district within Mecklenburg- Vorpommern. Characteristics:

- Supra-regional relatively good location on the development axe Berlin-Hamburg, close to the state capital Schwerin:
- however high infrastructure costs per citizen due to low population density
- the economy is mainly characterised by small and medium trade/craft companies, almost no industry:
- attractive landscape with numerous lakes and rivers offer favourable conditions for tourism; Yet the tourism could not develop to a major branch (of economy). The utilisation of available hotel beds is very low (appr. 20%) and the average stay of the guests is (too) short (1.9 days).
- The unemployment rate is about 14-18% . In comparison to the national average of about 10% this is very high, but low when compared to the regional average (17 – 20 % Mecklenburg Vorpommern).
- Concerning the economic development various weaknesses and obstacles can be observed: single-sided concentration on (**Hafenwirtschaft**, shipbuilding, agriculture, construction industry and the food industry). As a result, the qualifications of the employed citizens mainly lay in these areas.
- Almost no high-grade jobs are available. Parts of the active population, especially young and high-qualified workers migrated in the nineties.
- During the LEADER II-phase, the balance of companies recently founded and companies recently shut-down declined. One of the major reasons for that is the dependence on the activity of the construction sector and the high number of insolvencies, especially in the construction industry.

3. Description of the project course of both measures (similar and differentiating aspects)

3.1 From the idea to the concept

	“Reconstruction of the historical tourist ship Seagull“ (LEADER – Project)	„Reconstruction of a ferry“ (comparative project)
Initiator	BATZ e.V.: (association for education, work, tourism, future) Chairman Christian Rosenkranz	GBB mbH; ; Manager: Start: Rainer Sabisch; since 01.01.99 Rainer Kindermann
Project Executing Organization and Project Partners	BATZ e.V, GBB mbH non profit Boizenburger employment company, BBS START GmbH (educational institution of the district)	GBB mbH non profit Boizenburger employment association
Length of Project	5/1999 Start ABM-Project = job creation scheme) 7/1999 (Permission LEADER-Project) – 8/2000 (induction)	10/1998 Permission – 09/1999 induction
Role of the public administration (Top down) <ul style="list-style-type: none"> ▪ Funding ▪ (ministries, districts...) ▪ Employment administration ▪ Misc. support supporting or harming activities	Contacts between project executing organization BATZ and the district administration (LAG office) already existed in the past; the GBB mbH already had participated in another LEADER project (Nature Path); Experiences in the realisation of measures of the employment administration existed with the LAG-office, the project executing organization BATZ and the GBB company.	During the liquidation process of the Boizenburger shipyard a „Auffang-Gesellschaft“ (company to collect unemployees) was founded. The dockers were partially employed there. A first project was started through contacts between the liquidation officer, regional politicians, previous shipyard employees and a shipyard owner from Schleswig-Holstein, whose ancestors used to operate a ferry on the river Elbe. The employment administration and Mecklenburg Vorpommern both assured promotion funds.
Activities of local actors (bottom up) – Project executing organization <ul style="list-style-type: none"> ▪ Project Partner ▪ LAG ▪ Misc. beneficiaries and participants 	The actors developed the idea to improve the infrastructure of tourism along the Mueritz-Elde-Waterway in 1998 and founded the BATZ association in 02/99. The association developed the project (Reactivation of the „Fahrgastschiffahrt“) and purchased a unused ship that needed a complete refurbishment. The purchase of the ship was a requirement for the promotion of an employment measure as well as for the LEADER-Project (equity). The BATZ association had to campaign for funds from different sponsors in order to purchase the ship. Since the association was not accredited for the accomplishment of an employment measure, the GBB Boizenburg was involved as communal employment company.	The GBB mbh developed the idea and the concept after the city of Boizenburg received the ship from a shipyard owner in Schleswig-Holstein. The ship had a present value of 19.378 Euro and was given to the city as a gift from the shipyard. At first a concept for the use of the ferry did not exist. The municipality planned to use the ship as an attraction for city festivals.

3.2 From concept to decision of financing

	“Reconstruction of the historical tourist ship Seagull”	„Reconstruction of a ferry“
<p>Role of public administration (Top down)</p> <ul style="list-style-type: none"> ▪ Funding (ministries, district...) ▪ Employment administration ▪ Misc. support <p>supporting or harming activities</p>	<p>Problem: The combination of the different funding instruments depended on different rules on how to be used:</p> <ul style="list-style-type: none"> ▪ On the one hand the LEADER-Project was supposed to be economically efficient; ▪ On the other hand the employment administration demanded that the ship should be operated as a non-profit organisation for at least 10 years. <p>In order to solve that conflict, the different project execution organisations had to co-operate and were assigned to defined parts of the project as beneficiary (demanding, expensive). This required an exact cost separation between the organisations. In this respect the rural district and the monitoring administration acted very supportive.</p> <p>The project was first discussed by the LAG in November 1998 and has been looked after by them ever since.</p> <p>The LAG submitted the application for the project to the permanent steering committee in May 1999. The permanent steering committee approved the application at the beginning of July 1999. The district approved the funds right away.</p>	<p>Obligation of the owner to a non-profit operation of the ship for at least five years after completion (Requirement of the employment office).</p> <p>The application for and the approval of funds was rather unproblematic and occurred as a „classical employment measure“.</p>
<p>Activities of local actors (bottom up)</p> <ul style="list-style-type: none"> – Project execution organisation ▪ Project Partner ▪ LAG ▪ Misc. beneficiaries and participants 	<p>(1) Conclusion of a contract between the BATZ association and the GBB Ltd. for the implementation of the employment measure.</p> <p>(2) The financing of the employment measure, e.g. number of employed people (23), was ruled by a contract between the GBB and the employment office. Further terms of contract: expected employment costs, financing of material costs, costs for additional training, appointments and „modalities“ for payments from the national employment fund.</p> <p>(national law :SGB III § 260 ff.)</p> <p>The promotion funds of the employment administration as well present the private part for the financing of the LEADER-project (Project executing organisation: BATZ association).</p>	<p>11 project participants were selected from the crew of the Boizenburger shipyard, based on the following project qualification criteria: previously employed dockers with mainly good qualifications: therefore no training was required. The GBB arranged the financing with the employment administration (see chapter 4).</p> <p>As private funds were provided:</p> <ul style="list-style-type: none"> ▪ the value of the ship (city) ▪ the value of the rent (shipyard hall) not charged by the ship building company.

3.3 From financial decision to the realisation of project

	“Reconstruction of the historical tourist ship Seagull”	„Reconstruction of a ferry“
Role of public administration (Top down) <ul style="list-style-type: none"> ▪ Funding (ministries, district...) ▪ Work administration ▪ Employment administration ▪ Misc. support supporting or harming activities	The financial handling through the LEADER-funding administration and the employment administration was uncomplicated. Due to the monthly salary payments it was necessary to balance the books often. Payments of funds was done fast. An extension request to the employment administration was granted (high flexibility); In order to finance additional material costs it was necessary to have private funds. In this respect the chairman of the BATZ association organised funds from regional banks and enterprises (high engagement). In general the cooperation with a regional bank (Kreissparkasse Ludwigslust) was very positive; the bank arranged a interest-free loan for the runtime of the project. This loan was needed since LEADER requested the project to be pre-financed. The building for the renovation of the ship was made available by the liquidation officer of the Elbwerft without charge.	The project was conceptualised as a conventional ABM-project; because of that no further engagement of the administration was necessary. No remarkable problems concerning accomplishment; Due to the specialist knowledge of the majority of the former ship-building employees no technical problems arose; quick project-realisation; Support through the economy. The building for the restoration of the ferry was provided by the liquidation officer of the Elbwerft without charge.
Activities of local actors (bottom up) (bottom line?) <ul style="list-style-type: none"> – Project execution organisation ▪ Project partner ▪ LAG ▪ Misc. Beneficiaries and participants 	In the scope of the project, 18 unemployed juveniles and a few older long-term unemployed people were supervised by a ship-building-engineer for the reconstruction of the old ship. When selecting the employees it was assured that 1/3 of them had basic craftskills. This helped to speed up the project work and the training of the other employees. Simultaneously the juveniles also participated in training of their choice provided by an education institution (e.g. metal- or woodcrafts, electronic installation, multimedia) Due to behavioural problems of some of the juveniles a social worker was additionally hired. Continuous project work was still not always easy.	No additional qualification of the unemployed because this was not a requirement in 1998/99 in order to create a job creation scheme („Arbeitsbeschaffungs-Massnahme“).

3.4 From project realisation to consolidation (safeguarding success)

	“Reconstruction of the historical tourist ship Seagull”	„Reconstruction of a ferry“
Role of public administration (Top down) <ul style="list-style-type: none"> ▪ Funding ▪ Ministries, district...) ▪ Employment administration ▪ Misc. Support supporting or harming activities	For the realisation of the project numerous conditions of the public administrations were to meet. This meant an enormous effort. e.g.: <ul style="list-style-type: none"> ▪ The implementation of high security standards on board was a requirement for the use of the ship on public “water streets” and on the Baltic Sea; a total of 20 different permissions for the technical and organisational operation of the ship had to be obtained. Problem of competition: because established shipping companies and tourism enterprises expected competition from the “Seagull”, positive statements from these companies had to be obtained; this presented a condition of the LAG in order to avoid conflicts. It was possible to integrate the competitors into a co-operation.	The ship has a low number of seats. Because of that it must not fulfil numerous technical requirements. On the other hand its area of operation is thus limited. (e.g. no high sea); this facilitated a soon operation of the ship. However, at the end it turned out that the combined operation of motor launch and Prahm (transport ship) is no longer permitted. Therefore today only the motor launch can be used. The Prahm (Transport ship) serves as a “docking-station for the ships”.
Activities of local actors (bottom up) – Projekt execution, organisation <ul style="list-style-type: none"> ▪ Projekt Partner ▪ LAG ▪ Misc. beneficiaries and participants 	On initiative of the BATZ e.V. association the MS Seagull was given over to the new founded shipping company Neustadt- Glewe on September 18, 2000. The ship is operated by a youth company of 10 members; they were supported by the local labour administration for 36 months. (SAM = measures for structural adaptation) The juveniles simultaneously participated in a continuing training focussing on tourism and the catering business. (see section 6);	The ferry was handed over to the City of Boizenburg on September 9, 1999. Six months later the city left the ship to the new founded company „ historical shipping company Lauenburg-Boizenbuerg e.V.“ which uses the ship for tourism purposes. This association organises the city partnership between the City of Boizenburg (Mecklenburg-Vorpommern) and Lauenburg (Schleswig-Holstein). On account of the partnership both cities use the ferry for tourism purposes on the River Elbe. Exclusively honorary member of the association operate the ferry; However, additional jobs were thus not created.

4. Description of costs – and funding structure

	“Reconstruction of the historical tourist ship Move”	„Reconstruction of a ferry“
Total costs		
▪ planned total costs	705.000 DM (360.461 €)	508.200 DM
▪ actual total costs (according to accounting)	760.210 DM (388.689 €), thereof 679.117 DM eligible for LEADER-promotion	507.592 DM
Granting of funds LAEDER:	Total: 100.000,00 DM	-----
▪ EU-funding (75 %)	75.000,00 DM	
▪ national funding (Land 25 %)	25.000,00 DM	
Equity ration: total:	660.210 DM	60.700 DM (equity ration of the project executing organisation of ABM-Project: min. 10 % out of 1)+2), vgl. below); here: calculatory equity ration due to the endowment of the ship and the use of the building free of charge.
of it	658.848 DM (total personnel costs 547.823)	
▪ ABM, SAM,	107.596 (total material costs , thereof M-V: 12.580, the rest was taken over by the labour administration)	
▪ Labour cost subsidy		
▪ Subsidies to material costs	1.362 DM (without additional sponsoring, e.g. anlegertreppe, refrigerator, microwave,	1) Labour cost subsidy = wage * number of persons = 100 %
▪ Other local means		2) Additional factual means: max. 10% of the sum of wages; thereof about 5 % of the material costs were funded by the labour administration and further 5% by the land
▪ Private means (Sponsoring, ...)		1)+2) = 446.892 (employment office)

5. Input for project development and project management

	“Reconstruction of the historical tourist ship Move”	„Reconstruction of a ferry“
Workdays	Project development with actors from 11/1998 to 05/1999.	Approx. 5 workdays.
Description of the most important aspects,	<p>According to the BATZ association 0.5 days/week of input were required during the project run time (honorary work, approx. 37 days in total).</p> <p>The LEADER-Project was an investment project. In order to approve the project, the LAG demanded a “business plan” from the project executing organisation. The examination was carried out by an economy promotion society.</p>	<p>Project description; co-operation of the owner and the city; organisation of the transport; co-operation with the liquidation officer; preparation of the application for the employment administration.</p>

6. Outcomes

“Reconstruction of the historical tourist ship Move”	„Reconstruction of a ferry“
<p>During the renovation and reconstruction 28 people were employed on 23 originally planned positions. Yet during the run-time of the project 5 persons found a job in the primary labour market. In addition, 2 jobs were secured within the „GBB company“</p> <p>Nine previously long-term unemployed workers operated and marketed the MS-Move as a juvenile-company (8 fulltime employees, 1 part-time employee; thereof 6 jobs are for women only; they will be employed until 2003 through labor costs subsidies).</p> <p>The BATZ association purchased a second ship (home port Grabow) after having made first positive experiences with MS Move. Management and operation of this ship is also organized by the team of the juvenile-company. Their total number of employees increased to 10 persons.</p> <p>In order to avoid competition and simultaneously create additional “value added”, the food served on board is offered by catering services from Neustadt-Glewe and neighbouring areas.</p> <p>In co-operation with another ship company and a travel agency, the ship connection between Schwerin and Neustadt-Glewe was opened up again and the MS Move was integrated in the ship traffic. In order to increase regional attractiveness and extend the length of stay of tourists, all-inclusive arrangements were created in co-operation with hotels.</p> <p>Utilization of the MS-Seagull: (Trips/Year):</p> <p>In the first and second year of operation: positive frequency of trips with approx. 100 trips/year (mostly because the local population used the offer). In the 3rd year (2003) utilization decreased. The first interest slowed down and the number of tourists was lower than expected. It is a disadvantage that the Seagull only provides seats for 34 persons. Thus the transportation of larger groups traveling by bus is almost impossible. Nevertheless, the ship is used for evening activities by local associations and societies.</p>	<p>In the restoration-process previously employed dockers were involved, which is one of the reasons why the work went relatively smooth.</p> <p>Employment of 11 persons; Yet during the run-time of the project 1 person found a job in the primary labour market. In addition, 1 job was secured within the „GBB company“</p> <ul style="list-style-type: none"> ▪ Mainly younger participants (approx. 1/3) found work in the primary labour market ▪ Another third was employed through an additional project by the GBB (see left side – MS Move) ▪ A few older participants found no employment and are retired by now. <p>The ship is used for daytrips of smaller tourist groups. There is no foodservice on board what makes it less attractive to tourists in general.</p> <p>The association is operating two other historic ships, one of which was rebuild also in the scope of a job creation measure for youngsters.</p>

7. Comparative assessment, Conclusions

The main differences of both projects with respect to planning, realisation and further utilisation will first of all be described verbally.

Afterwards follows a subjective assessment of both projects, based on 13 valuation-criteria which will partially relate to the LEADER specifics.

When interpreting the statements it has to be considered that both projects are completely individual and were randomly selected for the CE-Analysis. Thus a generalisation of the statements is not possible.

7.1 Qualitative assessment (see ratings in 6.2)

LEADER-Project „Seagull“:

- Intensive considerations of the LEADER-group to create a tourist attraction in order to support the still weak tourism sector.
- Highly productive and flexible use of public funding from the regional employment administration; Integration of the employment administration into a regional development project.
- Relatively intensive demands concerning administration (consideration of various funding guidelines)
- High effects of motivation and employment with respect to unemployed juveniles– an especially disadvantaged group in the labour market.
- Realisation that even large individual performances in regional development are being restricted by a tight legal system (e.g. high safety regulations for ships, high contributions to unions / accident insurance for ship industry).
- Model-character: a second ship is being used for the same purpose.
- Economical capacity: Compared to production and operating costs, the utilisation for a profitable operation is too low.
- Integration of the ship into regional tourism, close co-operation with hotels and tourism associations.
- Project would not have been accomplished without LEADER-funding. Funding from other sources would not have been available or would not have been sufficient.

- The costs per employee during the project (including qualification measures) were comparatively low: 13.380 Euro / participant (based on 28 people which participated in the measure altogether).
- High personnel input for the project development, project accompaniment and the securing of success afterwards: „ Entrepreneurial thinking and acting“ were necessary; very high engagement of actors.
- The accompanying vocational training of the unemployed experienced high emphasis. Offer of „social education“.

Comparative Project „Ferry“

- Unemployed dockers and the liquidation officer of the shipyard reacted flexible in order to secure their jobs.
- Project was a pure job creation measure (mono-sectoral approach); after the completion of the ship most of the employees were dismissed; no sustainable employment effect (only a few, especially young participants profited from the project).
- Active support through the regional employment administration and the city of Boizenburg; unproblematic and co-operative support
- High commitment of individual actors of the economy (e.g. one entrepreneur (shipyard owner), who first purchased the ship and then gave it to the operators without charge; in addition the use of the shipyard hall was also free of charge.
- No integration of the ship into a tourism concept, no intensive networking between regional tourism partners
- The ship is exclusively used for short trips by an association; no further offers (e.g. catering): no co-operations with hotels or connections with other touristic offers;
- No bottom-up approach together with the regional population; initiative of individuals.
- The funding was easier compared to the LEADER Project as only the regional employment administration was involved, lower expenses for controlling and accounting.
- Costs per employee during the project (without qualification measures): 21620 €, mainly employees of the insolvent ship building company were integrated into this project. They probably had higher wage demands than the participants of the LEADER–Project. Predominantly unemployed juveniles participated in the LEADER-project. They demanded lower labour costs.
- Relatively low administrative expense (time consumption)

Conclusion

Even though the LEADER Project obviously required a higher input, was built more complex and while a long-term economic operation is not secured, it had many essential „value added“ in comparison to the other project.

- Systematic build-up of regional partnerships and networking between educational institutions, project leaders, gastronomy, ship yards, different administrations and associations. On balance numerous synergies thus should have been started.
- Integration of the project into a regional concept to strengthen tourism: Favourable influence on the capacity of the project and the special potential of the area (waterways, natural beauty)
- The involvement of the project executing organisation and active support from the administration (district administration, employment administration) led to a skilful combination of different funding options (public, private). LEADER effectively complemented already existing funding programs and allowed a boost in quality regarding the solution of rural development problems.

7.2 Visualisation of assessment / Ratings

	LEADER-Project „Möwe“ X (Move) Vergleichsprojekt „Fähre“ O (Ferry) Very low, very high, not at all very strong									
Bewertungskriterien	1	2	3	4	5	6	7	8	9	10
Participative project development				O					X	
Administrative Support								XO		
Flexibility in implementation					XO					
Multisectoral approach		O						X		
Territorial approach (orientation in endogenous potentials)					O				X	
Support of regional value added („Wertschoepfungsketten“)		O					X			
Employment effects Sustainability			O					X		
Modell-character, Transferability				O			X			
Addition to existing mainstream programs		O								X
Advantage through low administrative costs		X						O		
Economical capacity					O	X				
Costs per employed participant			X					O		
Initialization of regional partnerships							O		X	

III.3 CEA OF TEN PROJECTS FUNDED UNDER LEADER II COMPARED TO THOSE FUNDED UNDER COMPARABLE MAINSTREAM ACTIVITIES – SPAIN

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General Description

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Region	Andalucía
Responsible evaluator	Javier Esparcia

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The two projects

Name of the LEADER funded project	Tejar Rústico (Rustic Tile Production)
Name of the non-LEADER project	Albergue Vaquerizo (Vaquerizo Hostel)

PRELIMINARY OBSERVATIONS IN RELATION TO COST-BENEFIT ANALYSIS IN SPAIN

The inclusion of cost-benefit analysis in the evaluation of the LEADER approach has faced important difficulties in the case of Spain. Several problems, some of them unresolved, have prevented the Spanish LEADER evaluation team to complete this task satisfactorily, even after an important amount of work. The following bullet points resume the main difficulties and observations in relation to this part of the analysis:

- Two cost-benefit analyses were assigned to Spain: on the one hand, a comparison of two public education programs in Galicia (reference LEADER area is *Terra Cha*); on the other hand, two private projects involving recovery of local resources and heritage to produce employment and economic activity in *Condado de Jaén (Andalucía)*.
- Willingness to cooperate from the LAG manager and technicians has been very good in general, although in the case of *Galicia* it took an important amount of time getting the information on the LEADER project.
- Willingness to cooperate from institution responsible of non-LEADER project has been very low (this could be a first indicator of management effectiveness). Contact has become very bureaucratic, requiring never-ending processes of application for information. This has been specially the case for the non-LEADER project of *Galicia*.
- The study of *Terra cha*, felt apart due to the inoperative regional administration responsible for the non-LEADER project. We have an important amount of information from the Galician LEADER project, but nothing to compare with.
- Information on the non-LEADER project in the case of *Condado de Jaén* has been mainly possible thanks to the intermediation of the LEADER management.
- Private promoters have had a good and collaborative attitude.
- It is very difficult to assess the exact time that a single project took in the preparation, orientation, funding and management, in relation to the overall tasks of the management team.

1. Description of the context of both projects

1.1 General description of the area Condado de Jaén

The reference area for both projects is *Condado de Jaén* county.

The *Condado de Jaén* is a historic county in the inland of *Andalucía*. Located on the north-east area, it has been historically a crossroads between the *Guadalquivir* valley, *Castilla* and the east Mediterranean coast of Spain (Valencia and Catalonia). Two roman “vias” cross the area: *Via Augusta* and *Via Cartaginesa*.

The landscape is made up of soft hills, descending north to south between the Castilian *Meseta* (plateau) and the *Guadalquivir* valley. Weather conditions differ, therefore, inside the area in terms of rainfall and temperatures. The northern area is a mountain area with extensive Mediterranean forests and conifers. The south is a plain in are located most towns and roads. The landscape here is strongly dominated by the olive tree.

Condado de Jaén enjoys important environmental resources. The vegetation is diverse and rich, as it is the presence of an important variety of animal species (wolf, deer, eagle, etc.). Therefore, hunting and rural tourism are important development resources.

The relevance of the territory from a historical point of view is also high. First inhabitants of the area can be traced back to the Neolithic era. Iberians, Romans, Visigods, Arabs, left extensive references of their civilisations in this border area.

The area shares the traditional problems ageing demographic structure and depopulation of many Spanish inland rural areas. However, this trend seems to have stopped (even reversed) during the last decade. According to the answers to the Q202 questionnaire, the evolution of youth population after 1994 shows a slight decline, while the population over 60 years old increases.

Economically, the area has depended mainly on primary activities (agriculture and livestock), with a strong dominance of the olive crop. There are complementary activities around pig, bull, goat, sheep, vegetables, honey and wild forest products (mushrooms, hunting, etc.). There is a growing craftsmanship activity being promoted from different organisations in the area and taking advantage of the rich tradition (many times using new methods or innovative products).

There are rests of subsistence economy at family level. The so called *Matanza* (the ritual of pig killing) and the subsequent preparation of long-lasting foods, is an important economic support for many families of the area. At the same time, many families own small plots of land in which

they grow olives and/or vegetables (orchard) for own and friends' consumption. There is a rich tradition of festivities around these rituals.

From 1995, LEADER has contributed to the creation of new economic activity in sectors like craftsmanship and tourism. In any case, primary activities still are the main economic motor for the area (50% of active population in 1994), although there has been much work during the last ten years towards a diversification of the economic base.

Unemployment is a big issue in the area, as it is in the rest of *Andalucía*. Rates of 30% are not rare and have contributed to the strong outmigration trend in the area.

LEADER has been very important for the organisation and dynamisation of the local society, as well as for the structuring of the territory. However, the bad starting situation (present as recently as 1995), allows for the identification of important difficulties as shown in the following initial diagnosis:

Table 1

Main challenges of Condado de Jaén at the beginning of the LEADER II implementation period

CHALLENGE	ACTIONS UNDERTAKEN
Territorial Identity	The county was not perceived by inhabitants as a territorial unit. Due to high outmigration during S. XX, most settlements of the area have lost about half of their total population (the most dynamic and young). Population was pessimistic on development possibilities for the area.
Social structuring	Local society lacked structuring. Productive or civil associations were rare.
Employment and economic diversification	Economy totally dependent on olive oil production for both employment and income generation. Moreover, the olive oil was produced mostly in bulk. This caused that most of the potential added value of the product was gained outside the area. All other economic resources of the area (tourism, alternative productions, environmental heritage) were underused or not used at all.
Infrastructures and equipment	Bad roads to reach and to move around the area (specially national road Valencia – Úbeda) Insufficient equipment and basic services due to the traditional population loss.
Governance	Institutions did act independently and locally. There was not a culture of collaboration.

Source: F30 Condado de Jaén

LEADER II in 1995 was the first development initiative really implemented in the area. Therefore, the situation and the main challenges for the sustainable development of the area before LEADER II were those common to other inland rural areas where the effects of

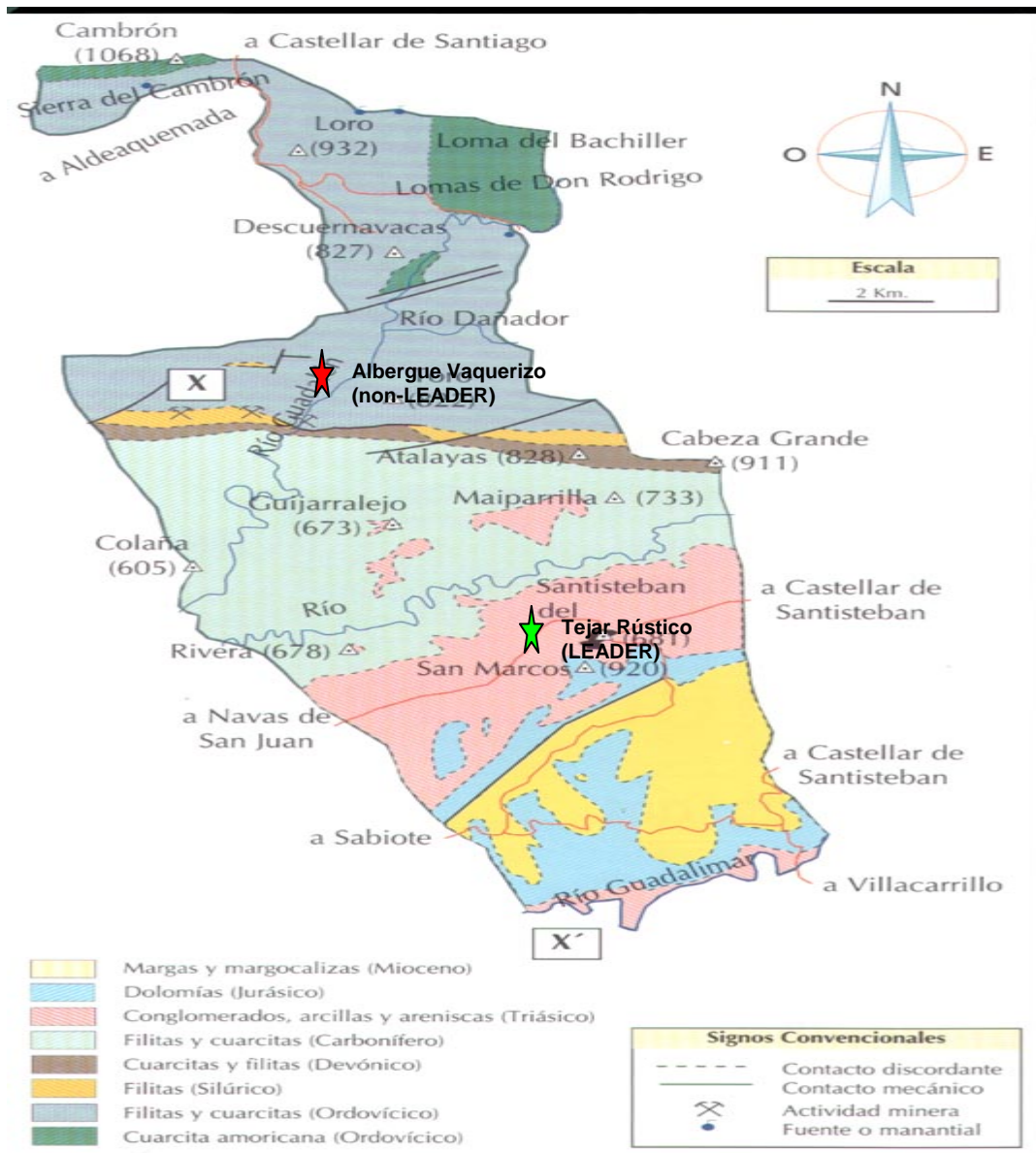
spontaneous evolution had caused loss of population, loss of economic activities, loss of services and deterioration of infrastructures.

1.2 The territorial context of the LEADER project “Tejar Rústico”:

The project premises stand in the municipality of *Santisteban del Puerto*, in the NW of *Jaén* province, some 100 km away from the capital, and about 350 from Seville (regional capital) and Madrid. *Santisteban del Puerto* is the main town of *El Condado de Jaén* county. The town has 5.042 inhabitants and 37.543 ha. It is also the see of the *Condado de Jaén* LEADER office.

Figure 1

Map of Santisteban del Puerto and the location of the two projects



1.3 The territorial context of the Non-LEADER project “Albergue Vaquerizo”: Finca La Carnicera

The “Vaquerizo Hostel” has been built in an old hunting area *La Carnicera*. The project stands on the *Condado de Jaén* LEADER area, only 22 km away from the county centre (*Santisteban del Puerto*) holds important environmental resources, mainly olive landscape and fauna. The land (*Finca*) belongs to public institutions (most of it to the town hall of *Santisteban del Puerto*, and the rest to the Regional Government).

Premises belong to the local council of *Santisteban del Puerto* that has handed over them to the cooperative DIJOMI SCA for 10 years.

Access is through a non-asphalted forest path in good conditions for car traffic. The “finca” has 2.269 ha., and a variable altitude between 911 and 500 m. (average of 705 m). The *finca* is an authorised hunting reserve (J-10.253). Apart from the *Albergue Vaquerizo*, the *finca* holds the camping area of *Majada de las Cabras* and a fluvial fishing preserve.

Figure 2

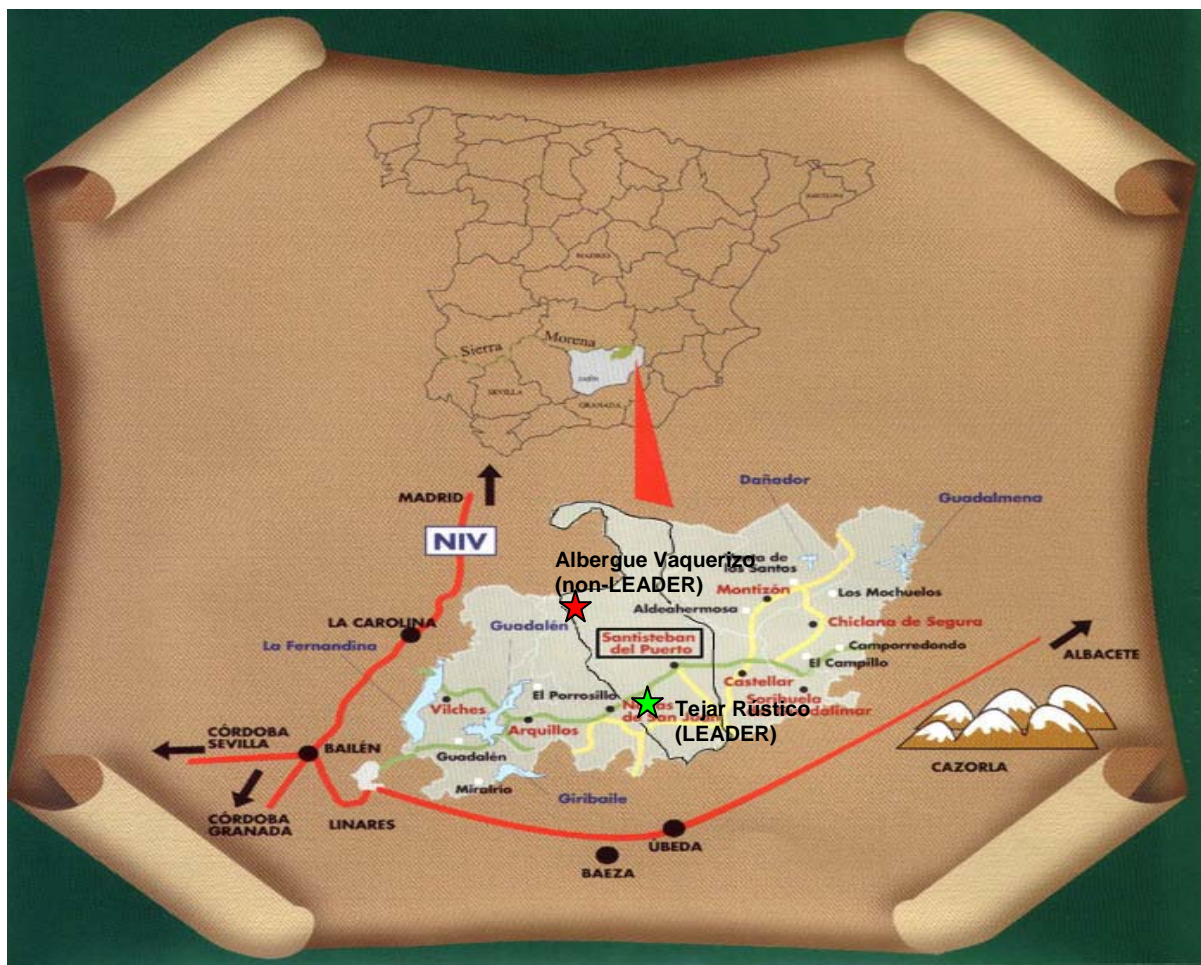
Images of Albergue El Vaquerizo



Source: <http://www.manbos.com>

Figure 3

Location map of Condado de Jaén and the two projects



Source: <http://www.santisteban.org/contenido/datosgen/mapa3.html>

2. Description of the two projects

2.1 The LEADER project: Tejar Rústico

The Cooperative *Cerámica del Condado* was created in November of 1995 to produce rustic tile and other ceramics. There are 5 members in the cooperative, all of them local, youth and previously unemployed.

Some 40 years ago, there was an active rustic tile industry in the municipality. The local economic context and the presence of a more modern and powerful ceramic industry in the relatively close town of *Bailén* caused the closure of the local industry. During the decade of the 1990, the local council of *Santisteban del Puerto* promotes the restoration of the industrial premises via an employment program called “workshop school program” that allows for the

formation of young, unemployed people while they develop a project (in this case, the own restoration of the industrial premises).

The project idea and concept were promoted from the cooperativists with strong support from ASODECO (the LEADER II LAG) and the Local Council of *Santisteban del Puerto*. The LAG contributed with technical advice and orientation. The Local Council owned the abandoned rustic tile premise¹⁴, declared the project “Local Employment Initiative” and, therefore, facilitated renting of premises and neighbouring quarry for 50 years¹⁵. Both technicians of ASODECO and the mayor of the town contributed to search for available support for both the activity and the formation needed.

Main difficulties encountered in the process included: (i) the lack of formation of promoters in relation to the activity of the project; (ii) mechanic problems in relation to the process of drainage of ceramic that delayed the initiation of the activity and put up the price. There were not outstanding difficulties in the preparation of the project proposal, its submission, or the achievement of the necessary licenses and permission (support from ASODECO and mayor were essential).

The following benefits for the local area were stated in the project proposal: restoration and modernisation of the rustic tile premises, use of immediate prime matter (clay quarry), use of bio-fuel from olive waste, and self-employment of cooperative partners as well as creation of additional employment for people of the area, and commercialisation of the product.

A technical study was needed to reform and adapt security and technical regulations to the current state of the premises. Main reforms included:

- Building adaptation:
 - Creation of administration office, creation of toilettes and improvement of wardrobe, aesthetic improvements (external walls, painting, etc.).
 - Enlargement of tile drainage area.
 - Reform and enlargement of kiln for ceramic.
 - Equipment: electricity, security lights, service lights, fire protection.
 - Machinery: revision and adaptation to security regulations.
- Transport equipment:
 - Purchase of elevator trolley.

¹⁴ The premises are located in the county broad 3.210, km 4. They include specialised machinery, buildings, water and electricity supply and clay quarry. The old tile has a 120 m² building with wardrobe without toilettes. There is also a 70 m² building for drainage of tile.

¹⁵ In relation to this, promoters give a lot of value to the attitude and support obtained from the mayor of *Santisteban del Puerto*

- Purchase of truck for transportation of the output to the market

The production process happens as follows: extraction of clay from neighbouring quarry, clay milling in a three mill line, clay mixed with water, cut of pieces, drainage, “cooking” of pieces and storage.

Initial investment includes reforms/purchase of premises and equipment already pointed out, expenditure related to initial registry of the activity, bureaucratic procedures and technical assistance.

Table 2

Sequence of actions of the LEADER project: Tejar Rústico

	From idea to concept	From concept to funding decision	From funding decision to implementation	From implementation to consolidation	Description of output
Promoters	The major of Santisteban del Puerto was the main promoter of the idea. He convinced several young people to undertake the idea.	Formation for rustic tile production, obtainment of licenses and permissions.	Finished works to start activity	Initial work of the five partners. Difficulties with the drainage facility. Leave of two partners due to reduced profitability Development of marketing strategy and search for non-local markets	Fully functional industry with three partners, opening to non-local markets and with good perspectives.
Support from institutions and organisations	Strong support from town hall (cheap rent, restoration, etc.) Strong support from LAG (technical advice, grant) Support from Regional Government (grant)				
Time devoted	Three to four months	15 months	Two months	24 months	
Human resources used (advise, administration, etc.)	9 persons in total, one from town hall, three from LAG and the five promoters		No external support	No external support	
Other outstanding aspects	At the beginning promoters were worried of the type of Project they were undertaking	Promoters needed to gain formation in aspects that were completely new for them		Normal difficulties in a unknown business	

2.2 The non LEADER project: Albergue Vaquerizo

The idea of the project comes from three youth people of the area, previously working as seasonal agriculture workers and without previous entrepreneurial experience. A formation experience in the frame of a Youthstart program, raised interest in the possibilities of rural tourism. At the same time, the local council of *Santisteban del Puerto* promoted restoration of an existing building in *finca La Carnicera* in order to generate employment.

Restoration works began in 1998 in the frame of a Workshop-school 12-month program on bricklayer. The local council completes the works with own human and material resources until the year 2000.

Local council of *Santisteban del Puerto* was the main promoter of the project. It promoted the constitution of a cooperative by the three local promoters described previously. It also handed over the use of premises after restoration to promoters. Promoters (DIJOMI SCA) designed the activity plan and worked in the final phase of adaptation of premises to the activity proposed (end of 2001).

Main initial difficulties included administrative requirements and bureaucracy to create the cooperative. Other outstanding difficulties were slowness of building works, the lack of financial resources of promoters, the bad condition of the road access to the premises and the lack of electricity supply.

The local development agency of *Condado de Jaén* (ASODECO) provided technical support and facilitated guidance through bureaucracy. There was strategic interest in the project since it could be included in one of the strategic projects (*Cañadas del Condado*¹⁶). Support was also provided to find financial resources in local banks.

¹⁶ The project „Cañadas del Condado“ creates a network of touristic attractions (hostel, camping areas, recreational areas, school-farms, etc.) in different locations of Condado de Jaén. It aims at offering environmental education programs.

Table 3

Sequence of actions of the non-LEADER project: Albergue Vaquerizo

	From idea to concept	From concept to funding decision	From concept to implementation	From implementation to consolidation	Description of output
Promoters	Get the idea from formation in a Youthstart initiative.	The promoters do not receive LEADER funding for the project (the hostel activity).	Create cooperative of associated work (DIJOMI SCA).	Get involved in the final stages of restoration of premises in order to adapt them to the hostel and educational activity. Ad hoc formation on hostel management supported by LEADER	
Support from institutions and organisations	Local council of Santisteban del Puerto is the main promoter of the idea. They carry out restoration of premises and hand them over. ASODECO (LEADER LAG) supports the idea (matches strategic line of action) A Youthstart program provides specific formation to promoters	However, restoration works of premises and environment were fully paid with public moneys. Grants for initiation of activity and for equipment.	ASODECO (LEADER LAG) provides technical assistance and support for the adequate design of hostel activity		
Time devoted	Five years	Not relevant (no funding)	Two years to finalise works and initiate activity	On going	
Human resources used (advise, administration, etc.)	Workshop-school program to restore premises involved work from several people.		Support from a technician of LEADER.	Support from a technician of LEADER.	
Other outstanding aspects					

3. Description of cost structure

3.1 The LEADER project. Tejar Rústico

The following tables gather relevant information on the investment plan of the project, sources of funding, the role and relevance of the LEADER grant for the feasibility of the project and the turnover and benefits during first years of implementation.

The project's main strength is the low degree of constant costs due to three main reasons: firstly, existing premises, equipment and adjacent quarry are rented at a very low cost by the Local Council (in relation to the project being a local development initiative); secondly, basic supplies (clay, water) are free of charge because they are included in the low rental price (clay comes from own quarry and water from a well located in own premises); thirdly, olive waste (orujo) used as the basic energy for "cooking" ceramic is low cost and available from the area.

Investment Plan:

■ Premises:	17.117 €
■ Reform and enlargement of kiln:	17.812 €
■ Building works	2.025 €
■ Electricity, security lights, etc..	27.694 €
■ Equipment	44.895 €
■ Trading capital	8.037 €
■ TOTAL:	126.356 €

Initial funding plan:

■ Contributions from partners	30.000 €
■ Regional Government grant	15.000 €
■ LEADER grant	40.140 €
■ DGC grant	20.345 €
■ Technical assistance grant	5.769 €
■ Bank Loans	15.000 €
■ TOTAL:	126.356 €

Details of LEADER grant¹⁷ (in euros):

	Total cost	Grant	% LEADER
Restoration and enlargement of draining shelter	17.116	6.272	36,6%
Reform and enlargement of kiln	17.812	6.527	36,6%
Reform of existing premises	2.025	742	36,6%
Electricity and other installations	27.694	10.148	36,6%
Equipment	44.895	16.451	36,6%

Turnover:

■ Tile:	55.052 €
■ Bricks	66.063 €
■ TOTAL	121.115 €

Expenditure

■ Clay, water	0 €
■ Electricity	8.885 €
■ Fuel-oil	2.115 €
■ Olive waste (orujo)	7.813 €
■ Salaries of partners	55.593 €
■ Interests of bank loans	11.500 €
■ TOTAL	85.907 €

Table 4

Annual benefits (% of turnover)

	Year1	Year 2	Year 3
Annual benefits (% of turnover)	10,74 %	15,94 %	19,22 %

The initial partnership of promoters (5 people) has been reduced to three at present, due to some difficulties in relation to expected output, and personal problems.

The company is accessing non-local markets, although the main weaknesses is the low production capacity.

¹⁷ 100% of the LEADER grant is ERDF

3.2 The non-LEADER project. Albergue Vaquerizo

It has been impossible to find detailed information on costs for this project.

The project received an important grant of the 50% of the total cost from the Regional Government (Junta de Andalucía) under the concept of “support to initial investment for the creation of self-employment”. This grant amounted 30.000 €. The grant required a previous investment of 25% of the total cost (15.000 €).

Therefore, the total initial cost of the project was 60.000 €

The total annual turnover at present is 25.000 €. There are not benefits at present although previsions are optimistic in the mid-term.

4. Input in terms of time and human resources

4.1 The LEADER project. Tejar Rústico

The time span from the first contact of promoters to the grant application was about four months. During this time, a total of 9 persons were involved in the process, obviously part time (the five promoters, the mayor of *Santisteban del Puerto*, and three technicians from the LAG).

Once the project was granted, it took 15 months to get the money. Promoters complain that it is a very slow process because the initial investment needs to be done. In fact, the final 20% of the aid is still unpaid.

4.2 The non-LEADER project. Albergue Vaquerizo

The support from the local council of *Santisteban del Puerto* was very important. The LAG, although did not provide funding for this project, did contribute with technical advice and search for other sources. Invested time from the external agencies that have provided funding for this project is minimal: there is not any accompanying activity, advice or guidance. Their function is to check that the application forms are correct and that the project meets funding requirements.

5. Outcomes

5.1 The LEADER project: Tejar Rústico

The first contribution of the project is the recuperation of the industrial activity of rustic tile production in the area. In relation to this achievement, an abandoned industrial site has been fully restored and an abandoned quarry has been put back to production.

The project has important multiplier effects in the local economy: on the one hand, the energy used comes from the olive waste after oil making (*orujo*), thus contributing to avoid waste generation and making use of renewable sources; on the other hand, the project introduces a new activity in the area, contributing to diversify the local economy.

Another important contribution is employment generation. It has provided self-employment for the five promoters that were previously unemployed. However, the current output only supports three employees.

The project has not made a significant contribution to equal opportunities between men and women.

Cultural heritage has also been favoured by the project. The traditional roofs of the houses are being recovered. Also, the artisan way of doing tile has been recovered

5.2 The non-LEADER project: Albergue Vaquerizo

This project is an example of innovative use of resources in the northern area of *Condado de Jaén*, the less populated, forest and agriculture-livestock oriented area of the county. Moreover, it is a key project of the “*Cañadas del Condado*” educational tourism network, making possible environmental education in an ecologically valuable landscape, as well as diversification of the rural tourism offer.

Employment creation is modest, as this is a small project. However, it has allowed for the creation of four direct jobs and two more occasional employments. More important than the quantitative impact is the qualitative impact of fixing activity in this part of the territory and the demonstration effect that can have on the collective of youth, unemployed population of the area.

The project has not made a significant contribution to equal opportunities between men and women.

The contribution of the project to the conservation of local resources and heritage is important. The activity uses a restored building originally used for farming. Restoration has taken into account the characteristics and values of the surrounding area, and the traditional materials used for construction. Moreover, both the location in the core of the more valuable environmental area of the county, and the focus on environmental education activities are aimed at increasing awareness of population on the natural values of the area.

6. Comparative Assessment of Cost-Effectiveness

The comparative assessment of the two projects is carried out according to: (i) their commonalities; (ii) the characteristics of the LEADER method and; (iii) the characteristics of the non-LEADER “method” or way to manage the implementation of many public policies.

Commonalities between the two projects:

- **Institutional-personal leadership.** There is a strong support from local relevant actors, mainly from the institutional side. More concretely, this public local support come from the figure of the major of *Santisteban del Puerto*, which is perceived as being essential during the first stages in many projects. In fact, this support is one of the consequences (or a demonstration) of the high level of leadership that major has in the municipality. Thus, he is the one that mainly identifies potential promoters and “convince” them of the potential benefits of the different projects. The important thing is that the major created (or highly contributed to the creation) of an institutional environment in which potential initiatives could received an important support in technical an economic terms, but, at least, always in terms of self-confidence and some other psychological and personal factors so important in the decision making process by potential entrepreneurs.
- Both projects are based in the restoration of local heritage that is, then, used to create activity that is well integrated in the local economy. Both projects have had a previous stage of public restoration (training program) that has served as the initial contact of promoters with the idea of the project. Both projects have received strong support from the local authority by their consideration as “Local Employment Initiative”, managed through the Local Development Agency (which is a technical structure to support the implementation of public policies of development and the local projects, mainly in their initial stages).
- Both projects have a clear focus on employment generation for local youth people that was previously unemployed. Therefore, entrepreneurship is promoted.
- Initial stages are difficult in both cases: lack of market, newness of activity and lack of experience from promoters are the main reasons. Due to this, the personal leadership

from the major plays a so important role, in any type of individual entrepreneurial initiatives.

LEADER contribution

- The main specific contribution of the LAG is the follow up of the process, from idea to implementation. The lack of experience and knowledge of promoters would have made “almost impossible in the case of the LEADER project” –from the point of view of manager- to go through all the bureaucracy of business start up and grant application. Obviously, “LEADER bureaucracy” is also an obstacle for many potencial promoters, and here the technical support from the LAG is key to deal with it.
- The leadership of the mayor of Santisteban del Puerto, president of the LAG during par of LEADER II, has contributed positively in both projects. In any case, LEADER and the consolidation of the development structure (LAG), has contributed to increase the capacity of local actors to identify opportunities (although they still need advice and support to arrive a successful implementation of the projects).

Non-LEADER contribution

- There are not outstanding benefits of the non-LEADER management approach. The main advantage in this case is the strong economic support granted to the project by the Regional Government (50% of total cost). However, the application procedures share the problems of the “traditional management structures”:
 - reference agencies and organisations located outside the area, sometimes in the regional capital (that is to say, we are still in a model low decentralised to the rural areas –concentrated in the capital of the region or capital of the provinces, in which it predominates a top-down approach).
 - complex bureaucracy (not necessarily more complex that the one involved in LEADER, but without the support from local technicians).

Concluding remark

As previously pointed out, invested time from the external agencies that have provided funding for the non-LEADER project is minimal: there is not any accompanying activity, advice or guidance. Their function is to check that the application forms are correct and that the project meets funding requirements.

Most probably, many projects that have been implemented and that are consolidated with the LEADER method would not have even been conceptualised without the existence of a technical structure at local level, and without the partnership approach and the exchange of ideas and knowledge hat it means. From a strict economic approach, cost effectiveness could be assessed better in the case of a low cost management structure, but in terms of what is long

term, thinking in the perspective of sustainable development, the LEADER method is very cost effective since it maximises the chances of having successful projects at a reasonable economic cost.

Moreover, LEADER has allowed for the consolidation of some important processes at local level that are difficult to measure but that also contribute to increase the effectiveness of actions: creation of networks, structuring of the local society, generation of synergies, introduction of the strategic thinking, participative democracy, etc.

III.4 CEA – VALORISATION OF LOCAL HERITAGE – FRANCE

Les Pôles « Economie du Patrimoine »

Au sens de la définition de la DATAR

Les Pôles Economie du Patrimoine (PEP) ont été créés par l'Etat en 1994, à partir d'un constat : le patrimoine est devenu un levier de développement économique et local. Ces pôles démontrent que le patrimoine constitue un axe novateur, en particulier pour le monde rural.

L'ambition des PEP est de construire des projets de territoire qui utilisent le patrimoine, non plus comme de simples objets culturels ou touristiques, mais comme des atouts importants d'un développement innovant, en phase avec les attentes des citoyens, connecté avec l'ensemble de l'activité économique, délibérément inscrit dans notre modernité.

Ainsi, l'objectif est d'utiliser le patrimoine diversifié de la France comme levier du développement économique. Les PEP doivent aider à transformer les potentialités qu'il recèle en activités et en emplois.

C'est la Délégation à l'Aménagement du Territoire et à l'Action Régionale (DATAR) qui a initié les PEP et c'est cet organisme qui détermine les zones éligibles. Pour cela, deux principes de base sont retenus :

- La définition de véritables projets de développement global, associant l'ensemble du corps social local et du tissu économique ;
- L'exigence d'une vision contemporaine du patrimoine, tournée vers l'avenir, en ne se limitant pas aux discours empreints de nostalgie et de passéisme, dont le patrimoine est trop souvent le support.

Ces pôles ne s'apparentent ni à une structure, ni à une ligne budgétaire particulière, ni à un label, mais à un processus qui vise à mettre en réseau des initiatives locales en vue de créer du développement économique. La valorisation des ressources patrimoniales possède un effet d'entraînement sur de nombreux secteurs : le tourisme, le bâtiment, les productions industrielles traditionnelles de grande qualité, l'artisanat d'art et autres savoir-faire, les emplois liés à l'amélioration du cadre de vie et de l'environnement.

En privilégiant la culture, l'innovation, la mutualisation dans le sens de l'intercommunalité, en produisant de la différence, les PEP sont au cœur du mouvement de recomposition des

territoires engagé par la loi d'orientation pour l'aménagement et le développement durable du territoire du 25 juin 1999.

Pour donner un peu plus de valeur et de reconnaissance à ce programme, le Comité interministériel d'aménagement et de développement du territoire (CIADT) du 20 septembre 1994 a décidé que l'Etat appuierait la mise en place de pôles d'économie du patrimoine. Intégrant le patrimoine dans l'économie locale, ces PEP seraient appelés à développer, à l'échelle d'un pays, de véritables projets économiques fondés sur la valorisation du patrimoine, notamment à des fins de tourisme culturel.

Les potentialités de développement peuvent se fonder aussi bien sur la relance de filières réutilisant des savoir-faire anciens et rares, que sur la réhabilitation du patrimoine bâti, ou la création d'activités culturelles et pédagogiques à destination des habitants comme des visiteurs. Les initiatives doivent former un tout cohérent et irriguer l'ensemble du périmètre concerné. Par exemple, la requalification d'un site touristique remarquable ne doit pas nuire par son succès à la fréquentation des autres sites dignes d'intérêt situés à proximité.

Dans ce contexte bien précis, il s'agit d'encourager les synergies, de lutter contre les concurrences, de promouvoir la mise en réseau des différents pôles d'attraction ou de compétences, de favoriser la coopération des acteurs locaux, qu'ils soient du secteur privé ou du secteur public, au sein d'un projet global de territoire.

Démarche pour mettre en place un pôle d'économie du patrimoine :

La démarche de constitution d'un PEP doit être le fruit d'une initiative reposant sur l'implication de multiples acteurs locaux : élus, personnalités locales, chefs d'entreprises et associations. La réussite d'un projet de PEP tient à leur motivation.

■ Définir un périmètre :

La définition des périmètres reflète des enjeux propres au territoire, soit en fonction de critères historiques et géographiques, soit en fonction d'un patrimoine très spécifique, soit d'une entité administrative. Dans bien des cas, parce qu'elle repose sur un réseau d'initiatives concrètes, à la même échelle géographique, la démarche de constitution d'un PEP donne un contenu opérationnel immédiat à des politiques territoriales : pays, agglomération... Ainsi, conçus à l'origine pour des territoires ruraux en déprise, les PEP s'ouvrent aussi à de nouveaux territoires périurbains et urbains.

■ **Définir une structure porteuse :**

La structure porteuse est fondamentale, car c'est sur elle que repose la mise en oeuvre du projet. C'est une structure intercommunale. Elle doit être perçue comme légitime par l'ensemble des acteurs du territoire et avoir les capacités et les compétences nécessaires pour mener à terme les réalisations prévues. Elle assure la maîtrise d'ouvrage des études et des opérations, le partenariat et la concertation nécessaires avec les acteurs socio-économiques. Elle élabore avec le préfet de département qui a la responsabilité du projet une convention avec l'Etat ou la Région définissant le programme d'actions du territoire concerné.

■ **Mettre en place un comité de pilotage :**

Le projet agréé, l'attribution des crédits pour l'étude de préfiguration du PEP requiert la constitution d'un comité de pilotage apte à en être le maître d'ouvrage et à en exploiter les résultats. Le comité de pilotage local est mis en place par les services de l'Etat, préfets ou sous-préfets, qui jouent un rôle essentiel dans l'animation des projets. Il est le lieu de rencontre de l'ensemble des acteurs du territoire. Il regroupe les services de l'Etat, les élus, les associations, les chambres consulaires, le tissu professionnel.

Le comité de pilotage est le lieu de discussion où se définit et s'élabore le projet. Il lui revient, conjointement avec la structure porteuse, de confier l'étude et l'animation soit à un bureau d'étude, soit à une équipe locale. Il veille à l'intégration du projet au sein des politiques locales de développement. Un double rôle d'impulsion et de veille lui est assigné afin d'assurer la cohésion du projet de territoire au regard des situations diversifiées des maîtres d'ouvrages, des acteurs, des actions et des échelles d'intervention.

■ **Engager une phase d'étude et d'animation**

La phase consacrée à une étude de faisabilité préalable constitue le catalyseur de la mobilisation locale. Cette phase comprend l'étude proprement dite et l'animation en terme de mise en réseau des acteurs locaux. Elle est financée par des crédits du Fonds national d'aménagement et de développement du territoire (FNADT) du volet territorial des contrats de plan Etat Région.

Cette phase doit permettre de d'assurer une continuité entre la dynamique engendrée par l'étude et, par la suite, la réalisation effective de projets structurants, dans le cadre du PEP.

Analyse de l'efficacité du programme du Pays des Bastides

■ **Description du contexte du projet :**

(Conditions géographiques, politiques, administratives, socio-culturelles au début du projet).

Le territoire du Pays des Bastides se situe au Sud-Est du département de la Dordogne et assure la transition entre le Périgord Noir (Sarladais), le Périgord Pourpre (Bergeracois) et le Lot et Garonne.

D'une superficie d'environ 50 000 hectares, les 35 communes du Pays des Bastides ne comptent que 8 400 habitants, soit une densité de moins de 17 habitants au km².

Cette faible densité démographique, ainsi que l'existence de nombreuses petites communes où l'habitat est dispersé, posent le problème du maintien des services et de la dévitalisation progressive des petits bourgs. Une étude montre que Villefranche du Périgord et Montpazier sont des cantons dits « en crise ».

Seuls les chefs lieux de canton regroupent l'ensemble des services publics ou privés (perceptions, collèges, gendarmeries, pharmacies, médecins...), la plupart des équipements (stades, bibliothèques, salles polyvalentes...) et les commerces.

Cette nécessaire interaction entre petites communes et chefs lieux a très tôt développé le sens de la coopération.

En ce qui concerne plus précisément le patrimoine, le Pays des Bastides possède une grande richesse du point de vue du patrimoine.

- naturel (paysages),
- bâti : 3 bastides, (Beaumont, Montpazier et Villefranche du Périgord), l'abbaye de Saint-Avit Sénieur, de nombreux villages et un habitat dispersé de grande qualité architecturale ;
- culturel : traditions, coutumes, productions locales....

Au sud du Périgord Noir, le Pays des bastides souffre de la comparaison avec Sarlat ou la vallée de la Dordogne, mais dispose aussi de ressources patrimoniales très intéressantes.

■ **Description du projet :**

Le programme est basé sur des actions axées sur le patrimoine. La démarche de développement consiste, à partir d'actions sur le facteur d'identité qu'est le patrimoine, à montrer qu'elles peuvent induire des effets dans tous les autres secteurs d'activité et ainsi générer du développement.

Le Pays des Bastides mène différentes opérations de développement local.

Certaines sont généralistes :

- PDI (Programme de Développement Intégré), soutenu par l'Etat en Aquitaine
- PCD (Projet Collectif de Développement). Soutenu par la Région Aquitaine

D'autres portent sur des actions spécifiques :

- ORAC (Opération de Restauration de l'Artisanat et du Commerce),
- OGAF (Opération Groupée d'Aménagement Foncier),
- OPAH (Opération Programmée d'Amélioration de l'Habitat),
- Pôle touristique Rural.

Dans le cadre du programme LEADER, ce ne sont pas des opérations spécifiques qui ont été conduites, mais plutôt une réflexion d'ensemble qui a pu être développée, associant des opérations conduites sur d'autres financements (notamment sur les bâtiments historiques et en particulier Saint-Avit), avec notamment:

- Une association des enfants des écoles à un inventaire du patrimoine, à un recueil des histoires, contes et légendes auprès des personnes âgées,
- Des résidences d'artistes (écrivains venant travailler auprès des enfants pendant 2 à 3 mois)
- La production par les enfants d'un CD Rom ludique (jeu de découverte de leur territoire et de leur patrimoine)
- L'adhésion à l'association des Villes Franches d'Europe, avec organisation d'échanges et de manifestations communes.
- Le développement d'une réflexion sur le tourisme hors saison, à partir des calendriers des fêtes et productions traditionnelles (châtaignes, champignons, chasse,)
- Une réflexion plus large sur la valeur du patrimoine, associant les élus et les habitants.

■ **Description du financement (en Euros) ?:**

Les montants budgétisés dans le business plan :

Total général des fonds :	1 191 331
Total des fonds européens :	529 480
Total des fonds publics :	498 475
Total des fonds privés :	163 376

Les montants budgétisés dans la maquette financière finale :

Total général des fonds :	1 239 617
Total des fonds européens :	550 405
Total des fonds publics :	518 686
Total des fonds privés :	170 526

■ **Les nouveaux éléments en terme de temps et de ressources humaines :**

Dès le début du programme Leader 2, deux personnes ont été affectées à l'animation locale du programme. Elles ont eu à gérer l'ensemble de LEADER II, dont il faut souligner la faible importance financière.

Ce choix de centrer l'ensemble du programme sur des opérations d'animation, d'organisation... peu coûteuses était délibéré, s'inscrivant dans une stratégie à triple entrée :

- Interne, en direction des populations et notamment des enfants : organiser la réappropriation du patrimoine par ses habitants, qui traditionnellement ont tendance à dévaloriser leur espace et ses richesses.
- Interne, en direction des élus communaux : prouver aux maires et élus des petites communes qu'il était possible de réaliser des opérations intéressantes sans pour autant mobiliser fortement des fonds publics peu abondants
- Externe : choisir des opérations emblématiques, dans une région au patrimoine très riche, comprenant de nombreuses bastides, mais fonctionnant de façon isolée.

■ **Résultats :**

Ces derniers ne sont pas spectaculaires, mais constituent à notre avis une réelle avancée pour le territoire du Pays des Bastides :

- La réappropriation par les populations de leur patrimoine, architectural et culturel, souvent déprécié car comparé au Périgord Noir.

- Un changement d'attitude des élus locaux par rapport aux patrimoine architectural présent sur leur commune, et notamment meilleure compréhension de l'intérêt du « petit patrimoine » comme élément structurant des espaces,
- La consolidation de liens intergénérationnels, notamment à l'occasion du travail de recueil effectué par les enfants,
- Le développement de coordinations entre les trois chefs lieux de Cantons, (qui sont également les trois bastides), pour les manifestations culturelles et les événements touristiques,
- L'élaboration de produits touristiques hors saison : accueil à la ferme avec cueillette de champignons, gastronomie et cuisine, (foie gras,...), ou châtaigne, chasse, ...
- L'organisation des artisans (avec formation aux techniques de restauration) autour du chantier de l'abbaye de Saint-Avit.
- **Evaluation comparative :** (valeur ajoutée apportée par Leader 2)
- Cette évaluation comparative est ici essentiellement qualitative. Les opérations conduites sur d'autres pôles économie du Patrimoine ont souvent peu débordé le domaine culturel, avec très peu de ponts avec les autres activités.
- L'opération de restauration de l'abbaye de Saint-Avit a été l'occasion d'une réflexion d'ensemble sur la place de ce patrimoine dans la vie et l'économie du territoire.
- Les retombées sur l'économie locale sont plus importantes, étant donné que les artisans ont pu se coordonner pour accéder aux marchés de restauration,
- Les collectivités ont également entrepris des opérations de réhabilitation du petit patrimoine (lavoirs, fontaines), associés à l'élaboration d'itinéraires de promenade et de découverte.
- Parallèlement aux opérations concernant le patrimoine, les agriculteurs de la zone ont réalisé des marchés « à la ferme », regroupant plusieurs producteurs dans des exploitations remarquables par leur situation et/ou leur patrimoine.
- La conception de produits nouveaux, hors saison, est une nécessité pour la zone, qui est saturée au cours des mois d'été.
- Les manifestations des différents villages ont été coordonnées, et ont fait l'objet d'une information en commun.

C'est donc à la fois une opération de réappropriation du patrimoine, de coordination et de mise en cohérence de l'offre, de développement de l'intersectorialité qui a été conduite sur ce territoire, pour un investissement public très faible. Cependant, des résultats très porteurs et durables sont perceptibles.

III.5 CEA – LE GAL PERCHE VENDÔMOIS – ESPACES MULTIMÉDIA EN RÉGION CENTRE – FRANCE

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Reference to :

Droué (Loir-et-Cher) dans le GAL Leader II Perche Vendômois : ■

Châteaudun (Eure-et-Loir) : □

1. Contextes des projets

- Droué, chef lieu de canton de 1200 habitants, classé en zone 5b, est à l'écart des grands axes (autoroute, TGV) et des pôles urbains. Sa population est vieillissante et les jeunes partent faute de structures scolaires et de loisirs adaptés. Les commerces traditionnels cessent leur activité et ceux qui se créent ne compensent pas les pertes de services à la population. La commune est en recherche d'idées pour apporter des services à la population et pour développer des activités sur place. Le canton de Droué est intégré dans le programme Leader II du Perche Vendômois (36000 habitants, 70 communes)
- Châteaudun est une sous préfecture de 17000 habitants située dans la région de céréaliculture de la Beauce. Sa situation économique est plutôt stagnante en raison des difficultés de l'industrie locale et de ses difficultés de liaison avec la capitale régionale et avec Paris. Comme à Droué on constate un exode des jeunes.

2. Description des projets

- La commune de Droué est sollicitée par NTD, petite entreprise souhaitant développer des services dans le domaine des NTIC. Sous l'impulsion des élus, la commune, maître d'œuvre, fait accepter le projet au GAL et fait aménager et équiper un local situé dans le centre bourg, qui va accueillir le centre multimédia, destiné dans un premier temps aux jeunes et aux entreprises locales. L'« espace multimédia » est à une salle de 80m² équipée de 4 postes multimédia connectés à Internet, avec divers périphériques et logiciels permettant une large gamme d'applications. Au départ de l'opération, cet espace souhaitait accueillir un public varié : jeunes, artisans et commerçants, créateurs d'entreprises, associations, etc. Il a été mis à disposition de l'Association multi-espace qui a signé avec la commune le 6 mai 2000 une convention pour la gestion des équipements et l'animation du site. Un animateur, recruté sous contrat emploi-jeune, a mis en place des séances d'initiation aux nouvelles technologies et à leur utilisation (consultation de sites, réalisation de pages web, courrier électronique...). L'espace multimédia a été inauguré en septembre 2000. L'équipe est maintenant de deux animateurs, originaires des pôles urbains extérieurs au territoire, qui font preuve d'un réel dynamisme dans leur mission participation aux fêtes de l'Internet, stages seniors, ...).
- L'opération de Châteaudun s'inscrit dans une politique Nationale " *Point Cyb – Espace Jeune Numérique* ", relayée par la Région, visant à favoriser la création d'espaces multimédia dans des structures d'accueil de jeunes notamment celles du Réseau d'Information Jeunesse (centres régionaux, bureaux et points d'information jeunesse, et plus largement à développer des accès publics à Internet. Les points Cyb' sont des

lieux d'accueil qui doivent assurer une ouverture minimale de 30 heures par semaine (dont en soirée), comporter au moins 6 ordinateurs, et disposer d'un encadrement d'au moins 2 animateurs. Les conditions d'accès reposent sur la gratuité, l'accès en libre-service et l'anonymat. En échange de ces conditions le Centre se voit attribuer un label et des crédits.

3. Financement du projet

- Le budget global au départ était de l'ordre de 60.000 Euros, financés dans le cadre de Leader II. Motivés par le projet, le Crédit Agricole et France Télécom apportent des financements complémentaires. L'espace multimédia fonctionne sur recettes, sans aucune subvention des collectivités locales, municipalité de Droué comprise.
- Le financement des Points Cyb intervient au niveau de l'investissement (50 % du coût global, ce qui correspond à la somme de 9 146 €).

4. Organisation et emploi

- Le développement du Centre de Droué s'est réalisé de la manière suivante :
 - Septembre 2000 – février 2001 : un animateur avec ouverture 6 jours par semaine.
 - Mars 2001 – juin 2002 : recrutement d'un animateur supplémentaire. Echec avec un premier recrutement en CES puis nouvel échec avec un second en emploi-jeunes. Difficultés à trouver des animateurs compétents et autonomes dans le domaine des techniques multimédia.
 - Juillet 2002 : recrutement réussi d'un second animateur en emploi-jeunes avec ouverture 7 jours par semaine dont deux soirées.
 - Depuis juillet 2002, stabilité dans l'organisation et l'emploi de l'espace multimédia.
- Le Point de Châteaudun qui ne fonctionne que depuis juillet 2003 ne dispose pour l'instant que d'un animateur.

5. Résultats

- L'espace multimédia de Droué a d'abord été utilisé pour des activités pédagogiques destinées à faire découvrir l'informatique et les techniques de communication aux habitants. Il comporte 120 adhérents dont l'origine dépasse largement la commune. Parmi les utilisateurs, les moins de 25 ans occupent une place prépondérante mais des adultes et des personnes âgées s'intéressent aussi à ces nouvelles technologies (initiation et découverte). La fréquentation est :

moins de 14 ans	20%
Lycéens et étudiants	30%
Artisans et commerçants	10%
Retraités	10%
Autres adultes	30%

De septembre 2000 à juin 2003, le temps de connexion a atteint près de 7000 heures pour un total de 306 utilisateurs.

Un système de cartes payantes a été mis en place, mais les résultats en terme de recettes sont très fluctuants d'un semestre à l'autre. La principale cause en serait le départ des jeunes utilisateurs vers des établissements scolaires éloignés de Droué. Il faut noter que depuis fin 2002, France Télécom ne finance plus directement l'espace multimédia mais continue à fournir de la documentation et des heures de connexion forfaitaire à prix réduit.

- Le point Cyb de Châteaudun a connu dès son ouverture une forte affluence surtout de publics jeunes pour la recherche d'emplois.

6. Difficultés rencontrées

- Pour le centre de Droué il s'agit de difficultés liées à sa localisation rurale :
 - les tentatives de partenariat avec les associations locales se heurtent aux craintes et à l'absence de motivation de la part de ces associations, sauf exception.
 - Le public adolescent 14-18 ans diminue du fait des départs en ville pour cause scolaire et de faiblesse en terme d'animation
 - Nombre de jeunes ont des difficultés à s'approprier les techniques informatiques.
 - Le nombre d'utilisateurs des NTIC sur le territoire tend à stagner voire à diminuer
- Pour Châteaudun les difficultés sont plutôt d'ordre financier puisque les prestations sont gratuites, ainsi que dans la pérennisation de l'emploi.

7. Quelle valeur ajoutée pour Leader II

On peut d'abord identifier **un rôle d'expérimentation**

Le site de Droué est un des très rares Espace Public Numérique à être implanté en milieu rural. Il a su se faire connaître à l'échelle nationale. Les effets se font sentir par de nombreux échanges d'information par e-mail avec d'autres espaces multimédia sur le territoire national, voire international. (selon les indicateurs des fournisseurs d'accès Internet).

Un nouvel espace multimédia vient d'ouvrir ses portes dans la commune de Cloyes, canton voisin de Droué. Il est financé par les collectivités locales, à l'initiative de la mairie et hors Leader. Pour les animateurs du site de Droué, ce nouvel espace, malgré un meilleur équipement, ne devrait pas trop fortement concurrencer celui de Droué. Selon les mêmes animateurs, sans programme Leader II, le projet d'espace multimédia à Droué n'aurait pas vu le jour et aurait été réduit au financement d'un poste d'animateur à l'école de Droué, financé par le Conseil général.

On note aussi **un effet démonstratif** à plusieurs niveaux :

- les porteurs d'un projet TIC en phase de création viennent souvent s'informer sur place des modalités de fonctionnement du site de Droué Plusieurs sites ont développé des opérations similaires
- dans le cadre de Leader II, la communauté de communes du Perche vendômois installe, à l'essai, des liaisons Internet haut-débit sur toutes les communes du territoire à partir d'une connexion par satellite (Wi-fi).

Le centre est **un service nouveau à la population** :

- Le Centre devient un lieu de service et d'information pour toute la population locale. L'Espace multimédia de Droué est aussi devenu un centre de maintenance où nombre d'utilisateurs de NTIC à domicile ou en petite entreprise viennent se faire conseiller ou dépanner !!.
- Il apporte des services pour les jeunes sur le plan de la formation et de la recherche d'emploi
- Il apporte des services aux personnes plus âgées, de sensibilisation aux nouvelles technologies et de loisirs.

L'espace multimédia de Droué a continué à se développer, en octobre 2002, il a obtenu la labellisation d'Etablissement public numérique (voisine de celle de Châteaudun) avec mise en place du Certificat Découverte et présentation des « Petits cahiers de l'EPN » (guides d'initiation). Un partenariat « passeport temps libre » a été conclu avec la Caisse d'Allocations Familiales et le GRETA (le Greta est un groupement d'établissements publics locaux

d'enseignement qui fédèrent leurs ressources humaines et matérielles pour organiser des actions de formation continue pour adultes). L'espace multimédia est maintenant labellisé centre de formation Greta. Enfin, un projet de service multimédia pour les démarches administratives est à l'étude. On note aussi parmi les projets le renforcement de l'offre de formation et de service public en direction des adultes (ANPE, stages formation...).

8. Synthèse comparative

Les deux projets sont en grande partie comparables quant aux objectifs, toutefois des différences sont à signaler, qui tiennent au caractère expérimental du projet LEADER :

- L'espace de Droué relève d'une véritable innovation alors que celui de Châteaudun s'est développé sur un modèle du mainstream que l'on essaie de standardiser.
- Le projet LEADER est parti de l'initiative conjointe d'un élu et d'une petite entreprise, alors que celui de Châteaudun duplique un cahier des charges type élaboré à Paris.
- Droué a été mis en place plus tôt, ce qui en soi est intéressant puisque la logique économique aurait voulu qu'un tel équipement s'implante d'abord dans la ville la plus grande.
- Il répond à des besoins plus variés en terme de publics et d'objectifs alors que celui de Châteaudun est prioritairement dédié aux jeunes

On peut cependant remarquer selon l'avis des animateurs que le Centre de Droué a demandé plus d'énergie et de démarches administratives pour se constituer. Sur le plan des coûts, Droué a également bénéficié d'une subvention supérieure (mais cherche à équilibrer ses frais de fonctionnement). Il est clair que sans LEADER le Centre Multimédia de Droué n'aurait pas pu voir le jour. Son implantation durable en zone rurale de faible densité reste un challenge difficile, mais les services nouveaux qui sont envisagés lui permettront de se maintenir et d'ouvrir la société locale sur les nouvelles technologies.

Nb – On trouvera ci après une fiche d'analyse établie par la SEGESA au début de la mise en place du Centre.

Espace Public Multimedia

GAL Perche Vendômois

1. L'opération

Maitre(s) d'ouvrage	Commune de Droué
----------------------------	------------------

Objectif(s) généraux de l'opération	<ul style="list-style-type: none"> ▪ Sensibiliser et former aux nouvelles technologies de communication. ▪ Désenclaver et mettre le milieu rural au même niveau que le milieu urbain. ▪ Apporter aux jeunes et à la population en général un service de proximité moderne et performant
--	--

Contexte et motivation du projet	<p>Droué, petit chef lieu de canton, est en recherche d'idées pour apporter des services à la population et pour développer l'activité dans la commune. Le programme Leader va lui en offrir l'opportunité. Le GAL est sollicité par une petite entreprise qui souhaite développer des services dans le domaine des NTIC. Sous l'impulsion des élus, la commune fait aménager et équiper un local situé dans le centre bourg, qui va accueillir le projet de centre multimédia, destiné principalement aux jeunes et aux entreprises locales, mais qui va se révéler par la suite attractif pour une plus large couche de population. Le Crédit Agricole et France Télécom, intéressés par le projet, vont y apporter des financements.</p>
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Maitre(s) d'œuvre	<p>La commune est maître d'œuvre des investissements,</p> <p>Une convention a été passée avec l'Association "Multi-espace" pour la gestion des équipements et l'animation du site (convention signée le 6 mai 2000).</p>
--------------------------	--

Objet(s)	<p>L'opération a consisté à mettre en place un « espace multimédia », c'est à dire une salle de 80 m², équipée de matériels multimédia connectés à Internet, avec divers périphériques et logiciels permettant une large gamme d'applications. Cet espace est destiné à accueillir un public varié : jeunes, artisans et commerçants, créateurs d'entreprises, associations, grand public ... Cet espace est mis à disposition d'une association qui a mis en place avec un emploi jeune des séances d'initiation aux nouvelles technologies et à leur utilisation (consultation de sites, réalisation de pages web, courrier électronique, ...)</p>
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Partenaires	Commune de Droué France Télécom Crédit Agricole Entreprise NTD et Association multi-espace
Intervenants	Budget global 430.000 Fr Forte participation de bénévoles

Bénéficiaires	Population de la commune et des territoires voisins jeunes, demandeurs d'emploi, Artisans et commerçants Associations
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Réalisations	Aménagement de la salle (80 m ²), acquisition de mobilier et de matériel (4 stations multimédia...), embauche d'un emploi jeune.
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2. Financements et actions soutenues

Financement	Maître d'ouvrage		UE (Feder)		Etat		Conseil Régional		Conseils Généraux		TOTAL	
	Prévu	Réal.	Prévu	Réal.	Prévu	Réal.	Prévu	Réal.	Prévu	Réal.	Prévu	Réal.
<i>milliers de francs</i>												
Coût total			59								196	

Postes de dépenses	Equipement		Dépenses immatérielles		Fonctionnement	
	Prévu	Réal.	Prévu	Réal.	Prévu	Réal.
<i>milliers de francs</i>						
Coût total						

3. Résultats, effets et impacts

Résultats	<p>L'espace multimédia a d'abord été utilisé pour des activités pédagogique destinées à faire découvrir l'informatique et les techniques de communication aux habitants du secteur, et a leur donner un espace d'accès à internet. Il comporte actuellement 120 adhérents dont l'origine dépasse largement la commune.</p> <p>La fréquentation se répartit grossièrement en : – de 14 ans 20%, lycéens et étudiants 30%, artisans et commerçants 10%, retraités 10%, autres adultes 30%.</p> <p>Un système de cartes payantes a été mis en place.</p>
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Degré de satisfaction des objectifs initiaux

Jour de l'étude	A terme	
Très faible	<input type="checkbox"/>	<input type="checkbox"/>
Faible	<input type="checkbox"/>	<input type="checkbox"/>
Bon	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Très bon	<input type="checkbox"/>	<input checked="" type="checkbox"/>

Le nombre d'adhérents prévu (90) est largement dépassé, et s'est ouvert à toutes les catégories.

Le premier bilan indique qu'en 7 mois le nombre mensuel d'heures de connections est passé de 66 à 330

Effets et impacts sur le développement local en général

Jour de l'étude	A terme	
Très faibles	<input type="checkbox"/>	<input type="checkbox"/>
Faibles	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Bons	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Très bons	<input type="checkbox"/>	<input type="checkbox"/>

Cette action a permis de montrer qu'il est possible d'apporter aux populations rurales isolées des services similaires à ceux des villes (matériel, animateur). Elle peut à terme enclencher un processus de développement local plus large.

Effet de cohésion sociale par le mixage des population qui fréquentent le site

Effets et impacts sectoriels

Au jour de l'étude sur	A terme			
	TF	F	B	TB
la production	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
les organisations	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
la sensibilisation	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
les connaissances	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
L'ouverture	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>

Il s'agit principalement d'une action de sensibilisation des populations aux perspectives offertes par les NTIC à la fois dans le domaine économique et dans le domaine social. Elle a mis en œuvre un partenariat original.

Caractère innovant de l'opération

Niveau	contenu	méthode	transférabilité
Très faible	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Faible	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Marqué	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Très marqué	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

L'innovation trouve sa place à la fois dans le contenu de l'action (nouvelles technologies) et dans la méthode (partenariat ouvert) L'effet démonstratif est attesté par le succès médiatique de l'opération et le fait que plusieurs sites se proposent de développer une opération similaire.

Effets et impacts sur l'emploi

Emplois	Au jour de l'études				A terme			
	TF	F	B	TB	TF	F	B	TB
directs	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
indirects	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
réalisation	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				

Cette opération a permis la création d'un emploi jeune qui pourrait être secondé pas un second poste à terme. La recherche d'emploi est cependant très minoritaire dans l'utilisation du site (connections aussi bien que réalisation de CV).

Effets et impacts favorables à l'environnement

Jour de l'étude	A terme
Très faibles	<input checked="" type="checkbox"/>
Faibles	<input type="checkbox"/>
Bons	<input type="checkbox"/>
Très bons	<input type="checkbox"/>

néant

Effets et impacts favorables à l'égalité des chances

Jour de l'étude	A terme
Très faibles	<input type="checkbox"/>
Faibles	<input checked="" type="checkbox"/>
Forts	<input type="checkbox"/>
Très forts	<input checked="" type="checkbox"/>

Le service permet aux femmes d'accéder aux technologies numériques sans se déplacer dans un centre plus important

Plus-value de l'initiative communautaire

Jour de l'étude	A terme
Très faible	<input type="checkbox"/>
Faible	<input type="checkbox"/>
Bonne	<input checked="" type="checkbox"/>
Très bonne	<input checked="" type="checkbox"/>

Leader a permis de mobiliser des acteurs et des financements autour d'une opération modeste, mais significative de l'entrée dans l'ère des nouvelles technologies pour une petite commune rurale. Le partenariat se retrouve dans la mixité des fréquentations de l'espace multimédia, favorable à une meilleure intégration

Principales difficultés opérationnelles rencontrées/ Solutions retenues	Principaux points d'appuis utilisés (prévus, imprévus)
Gestion de l'animation qui implique une présence assurée toute l'année (il faudrait un remplaçant). Fixer un « juste prix » pour les services proposés.	Appui sur une structure technique compétente dans le domaine des nouvelles technologies. Appui sur des partenaires financiers privés (Cr. Agr. et Fr. Télécom)

Perspectives de l'opération	<p>L'opération est un succès en terme d'intérêt local et de fréquentation, l'équipement peut encore être augmenté et les services offerts diversifiés.</p> <p>Les promoteurs souhaitent élargir les missions du site en le transformant en un espace public numérique (EPN) qui soit un véritable lieu Multiservices. Le Conseil Général pourrait se joindre à l'opération.</p>
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NB : Un compte rendu de l'opération a été réalisé après 7 mois d'activité par l'Association

4. Contacts

Personne(s) rencontrée(s)	<p>Marc FESNEAU animateur LEADER II en 2001</p> <p>Jean-Baptiste Chevallier, animateur de l'espace multimédia de Droué en juin 2003</p>
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III.6 CEA – CASE STUDY IN RURAL TOURISM FOR GREECE

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July 2003

Introduction

For the Cost –effectiveness comparative analysis the methodology implemented followed the general guidelines provided (C10 Manual).

The Geographical Evaluator contacted the KENAKAP (EL-TH02) LAG Manager, in order to select a LEADER II project according to the C10 Manual and also contacted the Director at the local office of the Directorate of Agriculture, Prefecture of Trikala, in order to select a similar non-LEADER project in the same area. Both proposed respectively a project in rural tourism, in the mountainous part of the prefecture in Trikala. The non-LEADER project was funded under the Operational Programme for Agriculture, 2nd Community Support Framework (CSF).

During the Focus Group workshop in May, the geographical evaluator collected all the necessary material (written documents) regarding the LEADER II project.

Following that and in collaboration with the Director at the Directorate of Agriculture in Trikala, a meeting was scheduled on June 15th in order to discuss on the non-LEADER project. At that meeting the Extension Service agriculturist also participated as the person responsible for attracting young farmers to participate in the programme.

On the same date the geographical evaluator had arranged to visit the LEADER II beneficiary to discuss their investment and also paid a visit to the non-LEADER project beneficiary in the same area.

Furthermore, the geographical evaluator contacted the officers at the Ministry of Agriculture, Central Administration that were responsible for the Operational Programme on Agriculture (Directorate of Planning and Agricultural Structures). After that, all the necessary material and interviews had been collected and its processing begun in order to produce the report.

1. The context of the projects

Both projects, the LEADER II and the non-LEADER, were undertaken in the LEADER II area of KENAKAP (EL-TH02) and specifically in two neighbouring mountainous villages, the village of Kalogiri- Elati (LEADER II project) and the village of Vrontero- Elati (non-LEADER project). Both villages are nearby Elati, a capital village that has been touristically developed and has still potential for further development. Both villages are at a distance of 40 Km from Trikala the capital city of the prefecture. So both projects had a similar geographical administrative and socio-economic context. As both projects originated in 1998, the prevailing general conditions were also the same.

The LEADER II area is part of the prefecture of Trikala and it was designated by the LAG. It has been described (LAG's report) as a mountainous, disadvantaged area covering the whole mountainous part of the prefecture of Trikala. This mountainous part represents almost two thirds (65%) of the prefecture's total area and had approximately 80,000 inhabitants at the period of the projects' initiation. All population was rural (no urban centres were included) as the LEADER II area included only small rural towns those of Kalambaka, Pyli and Farkadona.

The main weaknesses and constraints of this area have been its remoteness and the depopulation trend experienced since the sixties as well as an ageing population problem. Initially the mountainous population was moving to urban centres, but during the eighties, it settled in the small rural towns of Kalabaka and Pyli, which became poles for local development.

Despite these weaknesses, the area presents significant opportunities around its natural resources, forests of aesthetic value, rivers and valleys, unspoiled environment rich in biodiversity as well as cultural heritage (old traditional villages, Byzantine monasteries, historical sites). The Meteora rocks, this unique natural phenomenon with the Byzantine Monasteries, have attracted significant tourism mainly in Kalabaka, while a ski resort developed in the last fifteen years in Pertouli- Pyli has been another pole for winter tourism in the area. Around the two poles Meteora and Pertouli, the LAG developed their strategy for local development.

As far as productive activities in the area, agriculture including livestock and forestry is the prevailing activity. The primary sector contribution, although declining, remains vital in terms of production and employment while the limited, small scale processing activities are mainly related to primary products (cheese and meat processing, wood processing etc.). While the prefecture is mostly mountainous it also has level areas and water resources which allow the cultivation of various crops (cotton, cereals, fodder) and vegetables (green houses).

Services had a leading role in the area's local development. The sector experienced a significant increase in its employment (40% between 1981-1991) that continued into the 90's focusing mainly around tourism related activities and other services.

The physical environment of Trikala, apart from its natural beauty, ecological diversity and unspoiled environment, aspects which favour tourism and agro-tourism, creates significant potential for the further development of tourism, recreational activities and more intense exploitation of local resources.

As regards the development strategy for the prefecture, it was mainly implemented through the Regional Development Programme of the region of Thessaly, the Sectoral Operational Programme on Agriculture and Rural Development both in the framework of the Community Support Framework and the LEADER. The main priorities involved the enhancing of development of rural areas, the improvement of competitiveness of the local economies, the protection of the environment, the improvement of human resources and the enhancing of R & D.

In general the prefecture of Trikala is considered as a prefecture with development indices (per capita income, infrastructure, accessibility etc.) below the national average.

2. Description of both projects (output) highlighting similar and different aspects

2.1 The LEADER II project

<i>Project title:</i>	Construction of a C' class hotel
<i>Beneficiary:</i>	Investor A ¹⁸ , non-farmer
<i>Location:</i>	Kalogiri village, LEADER II area
<i>Priority:</i>	Rural Tourism
<i>LAG responsible:</i>	KENAKAP S.A. (EL-TH02)

From idea to concept

Following the signing of the contract between the Ministry of Agriculture and the LAG KENAKAP S.A (EL-TH02) on 22/1/1997, the LAG proceeded to the extended publicity of the programme in order to attract the local population's participation. In this framework, there was a public call in April 1997, for investment proposals in the area under the different priorities of the Business

¹⁸ The name and coordinates of Investor A is with the geographical evaluator and OIR coordinator

Plan that had been approved. The LAG had drawn and distributed an application file that contained all the steps necessary for the submission of a proposal along with the evaluation criteria.

The beneficiary (Investor A) had considerable experience in tourism related activities (owner of a restaurant in Athens for many years) and had decided to “exploit” it and create an investment at their place of origin, where they owned land.

The area had benefited from LEADER I, therefore the programme was known to the beneficiary, as one of his neighbours had benefited under LEADER I. So the beneficiary and more specifically the two brothers aged 41 and 43 years old, had decided to apply under LEADER II. As a response therefore, to the call for proposals, the interested party submitted their proposal in the sector of rural tourism on the **16/5/1997**. The application file included a technical study for the construction of a C' class Hotel, of classic type with 13 rooms and 26 beds (with the possibility to add a third bed up to 32 in total), a reception area, living room and breakfast room with the necessary auxiliary rooms of a total surface of 400m².

From concept to funding decision

The file was obtained by the LAG on the 16/5/1997 to be assessed by the Evaluation Committee. The proposal was in accordance to the LEADER II programme philosophy, goals and strategy and it was found to be eligible under LEADER II. The budget that was considered appropriate by the LAG for the particular investment, amounted to 53,500,000 drs (instead of 60,000,000 originally proposed by the applicant) of which 32,100,000 drs was to be provided by LEADER II and 21,400,000 drs was the investors' own contribution. The Evaluation Committee decided unanimously to recommend the proposal to the Administrative Board for inclusion in the local programme with the above mentioned financial data.

The Administrative Board approved the proposal, decision 94/29-5-1998, with a total budget of 53,500,000 drs however reduced eligible investment for support to 42,800,000 drs of which 25,680,000 drs would be LEADER II contribution and 27,820,000 drs the beneficiary's own contribution (VAT was not included since it was not considered eligible). This was not an ordinary experience for the LAG. Given this high demand, they decided to satisfy more beneficiaries by reducing the percentage of support and hence LEADER II contribution. The evaluation of the rural tourism proposals took almost a year much longer compared to all other types of investments (under the other priorities). Main reasons behind it were the large number of applications for funding under rural tourism (high demand) and the LAG had to proceed carefully with the tendering procedure.

In order for the contract to be signed, the beneficiary had to submit the following documents:

1. Construction license issued by the Urban Planning Directorate of Trikala

2. Suitability approval for the land by the National Tourism Organisation
3. Approval of the architectural plans by the National Tourism Organisation.
4. Other licenses or approvals according to the national legislation (from the Public Utility Organisations)
5. Letter of guarantee towards the LAG for the proper implementation of the project, worth 5% of the approved budget which remained with LAG until the completion of the project.
6. Letter of guarantee for the amount of the beneficiary's own contribution which reduced gradually according to the progress of the project.

Following the above procedure the LAG notified officially the beneficiary on the approval of their application on 11/6/1998 and provided them with a copy of the documents stating the approval of their proposal

The beneficiary then proceeded to the necessary applications to the relevant services and organisations in order to obtain the supporting documents required.

On 15/7/1998 the beneficiary obtained the Suitability Approval for the land and the approval for the architectural plans submitted to the National Tourism Organisation and on 28/8/1998 the beneficiary deposited the amount of own contribution to the bank and it was committed in favour of the LAG.

From funding decision to implementation

Following all the above mentioned procedures, on the same date (28/8/1998) the contract between the beneficiary and the LAG was signed.

The project was to be implemented in the following phases:

1. Excavation – foundations – frames
2. Masonry – Roof construction – carpentry – floors – wall painting
3. Hydraulics – electro mechanic installation – other masonry
4. Equipment.

According to the time schedule all works were to be completed by the end of 1999 (15 months implementation time). The beneficiary remains bound by the contract for 10 years after the completion of the project during which time he may not alter the use or the purpose of the project. The project is linked with the beneficiary therefore the transfer of rights and obligations

of the beneficiary regarding the project require the agreement of the Ministry of Agriculture (Intermediary Organisation).

On 17/11/1998 the construction license was issued by the Prefecture Urban Planning Office (the application was submitted on 22/7/1998) and the works for the construction of the building began.

Upon progress of the construction on 8/10/1999, the beneficiary submitted to the LAG the documentation necessary (invoices, measurements, accounts etc) in order to verify the realisation of works carried out for the project and their certification.

The LAG, following the beneficiary's application, forwarded the documents to the 3-member Prefectural Committee responsible for the control of the progress of the works that visited the construction site in order to verify the expenses realised. On 28/12/1999, the first certificate of control for the progress of works was issued by the 3-member Committee. Based on this a statement was issued on 19/1/2000 and the **first instalment was paid to the beneficiary (9,110,044 drs)**.

To obtain the second instalment, on 23/10/2000 the beneficiary submitted the documentation necessary (invoices, measurements, accounts etc) to the LAG in order to verify the realisation of works carried out for the project thus far and their certification.

The LAG following the standard procedure, forwarded the documents to the 3-member Committee, that after realising on the spot checks and controls issued the second certificate of control for the progress of the works on the 22/1/2001. Based on that, a statement was issued on 9/2/2001 and the **second instalment was paid to the beneficiary (11,433,956 drs)**.

From implementation to consolidation

Having completed the greatest part of the work for the construction of the hotel, the beneficiary applied to the National Tourism Organisation in order to get the necessary approvals for operating the hotel submitting the required supporting documents. More specifically the beneficiary requested approval for the person to be assigned as responsible for the management of the hotel, for the use of a specific name for the hotel (DIMOKRITOS) and finally requested the special sign of operation which was necessary for the hotel to operate.

On the 2/5/2001 the approvals were issued along with a certificate valid until 31/7/2001 where the special sign was to be delivered.

Having by that time completed the investment, the beneficiary also requested for the certification of the works and for the final instalment to be paid. The 3-member Committee

issued the **third and last statement on the 9/5/2001** and thus the third and final instalment was paid to the beneficiary (**5,135,940 drs**).

Moreover and since the project had been completed, the Letter of Guarantee for the proper implementation of the project was returned to the beneficiary on the 5/7/2001.

Finally, on 2/8/2001, the protocol for the final acceptance of the project was signed by the 3-member Committee indicating the official conclusion of the investment project.

Output

The final output of the rural tourism project was a C' class hotel which consisted of 12 rooms and 23 beds as well as a reception hall, a breakfast/ dining room and all the auxiliary space that was considered necessary. It occupied in total 400 m² and operates all year around. The total value of the investment exceeded significantly the 60 million drs initially proposed and amounted to 80-85 million drs according to the beneficiary.

2.2 The non-LEADER project in Agro-tourism

<i>Project Title:</i>	C' class hotel consisting of furnished apartments
<i>Location:</i>	Vrontero Village, LEADER II area
<i>Beneficiary:</i>	Investor B ¹⁹ , farmer, 30 years old
<i>Investment Programme:</i>	Operational Programme on Agriculture and Rural Development, Agrotourism- Diversification priority (Reg. 950/95), 2 nd CSF
<i>Implementing Authority:</i>	Directorate of Agriculture, Prefectural Government of Trikala

From idea to concept:

The top-down policy and programme: In the framework of the 2nd CSF, the Ministry of Agriculture prepared an Operational Programme (sectoral) for Agriculture and Rural Development. A priority axis of it was Agricultural restructuring – Diversification which aimed at supporting farmers, to diversify their activities and sources of income and create supplementary employment and income. Under this priority axis, investments in agrotourism activities were subsidised for farmers permanent residents of the municipality that the rural tourism activities are implemented. Investment proposals submitted by young farmers were given priority and higher support. Young farmers specifically in mountainous and disadvantaged areas were entitled to support of 68% of the agro-tourism investment (construction cost) and to 50% cost of equipment. However there was a maximum ceiling for supported investment up to 44 million

¹⁹ The name and coordinates of Investor B is with the geographical evaluator and the OIR coordinator

drs. Upon the initiation of the programme, beneficiaries could apply any time (open submission process), at the Directorate of Agriculture of the prefecture they reside. The application alone with supporting documents is evaluated by the Directorate to see if the farmers meet the requirements of the programme.

The bottom-up approach: The implementation of the agri-tourism programme was carried out by the Directorate of Agriculture of the prefecture of Trikala. The beneficiary, a 30 year old young farmer, specialising in livestock, always wanted to find an opportunity to improve his life, to remain in his village and to create possibilities for increasing his income. However, he did not know how to achieve it, till he met the extension service agriculturist (mobilisation officer) that described to him the opportunity under the agro-tourism program in this area, his possibilities and “persuaded” him to apply. When asked why he did not submit under LEADER II, he said that in the LEADER program he had to compete with all other local beneficiaries while as he fulfilled this program’s requirements as a farmer, funding under this programme was almost certain (no tendering).

From concept to funding decision

The beneficiary submitted an application form on the **29/12/1997** and later on a Business Plan (prepared by a consulting office) on his existing farm situation and the diversification of his activities upon completing the investment (3-year Amelioraton Plan).

The proposed budget of his investment amounted to 52 million drs but the maximum amount for support for rural tourism hotels under the programme was 44 million drs. The investment subsidy amounted to 28.4 million drs (64.5%) while the rest 1.6.million drs was the farmer’s own contribution.

Following his application submission, the local authorities (Directorate of Agriculture) within a month provided him with a letter certifying that he fulfilled the requirements and he started to complete his file with the required documents and specifically:

1. Construction license issued by the Urban Planning Office in Trikala
2. Suitability approval for the land by the National Tourism Organisation
3. Approval of the architectural plans by the National Tourism Organisation
4. Other licenses or approvals according to the national legislation (from the Public Utility Organisations) (end of August 1998)

On the 3/6/1998, the beneficiary obtained the suitability approval and the approval of the architectural plan by the National Tourism Organisation, procedure that lasted 4 months almost. For these the farmer had to travel to Volos city (main office of the National Tourism Organisation

in a distance of 160 Km from his village. On the 20/7/1998 he received the construction license and by the end of August all necessary documentation were gathered and submitted.

Upon submission of them in 10/9/1998, his application was approved by the internal approval committee of the Directorate of Agriculture in **26/10/1998**. The approval decision was sent also to the Central Service of the Ministry of Agriculture to ensure appropriation of funding. In total, it took him about 8 months to collect and submit the required supporting documents to his application.

From funding decision to implementation

The funding decision included also the implementing rules of the project and specifically:

- The investment had to be completed within a year from the date of its approval. However the farmer could apply for extension something that happened in this case and the beneficiary received an official completion date in December 2000.
- The investment subsidy approved, had to be paid in three instalments, while the 3rd could not be less than 20% of the total subsidy.
- The beneficiary had to submit original invoices, detailed accounts, measurements to the Directorate of Agriculture and their verification and check on-the-spot by the 3-member Prefectural Committee (an engineer, a financing officer and an agriculturist) they issued a progress verification report for the payment of the beneficiary.
- The investment progress was followed by the internal committee that approved his application file. The investment was implemented in three phases and the beneficiary upon completion of each phase submitted invoices, accounts etc. The submission dates of invoices and their payment were as follows:

	Subm of invoices	Payment	Amount paid
1 st phase- 1 st instalment:	30/6/99	30/7/99	12.2 million drs
2 nd phase-2 nd instalment:	31/8/00	20/12/00	8.6 million drs
3 rd phase 3 rd instalment:	28/2/0123/10/001	1.7 million drs	
Final payment:	Dec 2002	6.9 million drs	

Further to his own contribution, the beneficiary obtained a loan of 20 million drs, with mortgage on his own hotel from the Agricultural Bank of Greece. The Directorate of Agriculture facilitated him for the approval of this loan.

From implementation to consolidation

Having completed the construction of the hotel, the beneficiary submitted an application to the National Organisation of Tourism to obtain an Operation Licence which was issued on the 28/2/2001.

Upon submission of the Operation Licence, along with the remaining documents (invoices etc.) a deliverance protocol by the 3-member committee was issued after an on-the-spot check and the final payment was sent by the Directorate of Agriculture to the Central Offices of the Ministry of Agriculture in Athens 8/3/2001. The Ministry of Agriculture was collecting payment orders for all investors under different programmes on a two months basis and the beneficiaries were paid approximately within a three-month period after the local authorities had issued a payment order. However for the specific project there was a long delay in his payment as the end of his investment coincided with the end of the 2nd CSF and the Greek Government passed all these obligations under the 3rd CSF. In his case, the beneficiary although he completed his investment at the end of February 2001, he received part of his final payment in October 2001 and his final one 14 months later, in December 2002.

The beneficiary undertook the responsibility to maintain his farm and agro-tourism activities in operation for five years while he undertook 150 hours of training on agro-tourism activities for managing his hotel. He also undertook the responsibility to keep records for five years of both farm and non-farm activities.

Output

The final output of this project was a C'; class hotel in Vrontero village, consisting of 7 furnished apartments of 14 beds capacity with a third bed possibility, a reception hall, breakfast/ dining room and auxiliary space, of total surface of 340 square meters. It is operated by the young farmer assisted by his family and a cleaning personnel.

The total investment although approved for 52 million drs, reached the level of 75 million drs according to the beneficiary's estimate and the officers interviewed in the Directorate of Agriculture.

3. Description of the cost structure

3.1 The LEADER II project

<i>Planned Investment:</i>	<i>60 million drs</i>
<i>Approved Investment:</i>	<i>53.5 million drs</i>
<i>Eligible Investment for support:</i>	<i>42.8 million drs</i>
<i>LEADER II contribution:</i>	<i>25.68 million drs,</i> <i>of which</i>
<i>EU Funds:</i>	<i>20.54 million drs</i>

<i>National Funds:</i>	<i>5.136 million drs</i>
<i>Own contribution:</i>	<i>27.82 million drs</i>
<i>Final cost of Investment:</i>	<i>80-85 million drs</i>

VAT was not included since it was not considered eligible.

The beneficiary had to commit their own contribution by depositing the corresponding amount in a bank that would issue a Letter of Guarantee in favour of the LAG.

The payments to the beneficiary were made by the LAG, gradually (in three installments as described above), on the basis of the investment's achieved progress which was established after the relevant on-the-spot checks and controls. As the payments were made to the beneficiary, the Letter of Guarantee reduced gradually according to the progress of the project until it was returned to the beneficiary upon the completion of the investment.

3.2 The non-LEADER project

<i>Planned Investment:</i>	<i>52 million drs</i>
<i>Approved Investment:</i>	<i>52 million drs</i>
<i>Eligible Investment for support:</i>	<i>44 million drs</i>
<i>Programme's contribution:</i>	<i>28.5 million drs,</i> <i>of which</i>
<i>EU Funds:</i>	<i>21.375 million drs</i>
<i>National Funds:</i>	<i>7.125 million drs</i>
<i>Own contribution:</i>	<i>15.5 million drs</i>
<i>Loan from the Bank:</i>	<i>20 million drs</i>
<i>Final cost of Investment:</i>	<i>75 million drs</i>

The Directorate of Agriculture of the Prefecture Trikala approved a 52 million investment, of 44 million drs eligible cost (maximum eligible investment for support under agro-tourism measure). Investments support amounted to 28.5 million drs (65%) and 15.5 his own contribution (35%) up to the 44 million maximum eligible for support investment. However, the total investment cost finally reached 75 million drs. according to the beneficiary's estimate. For this investment the young farmer obtained a loan from the Agricultural Bank of the amount of 20 million drs with a mortgage of his hotel.

4. Input in terms of time and human resources

Time-line of procedures

To assess the input in terms of time and human resources it was considered useful to construct the time-line of procedures from the submission of the application to the official conclusion of the project.

4.1 The LEADER II project

Stages	1997	1998	1999	2000	2001
Beneficiary's application	16/5/97				
LAG approval		29/5/98			
Contract signing		28/8/98			
Final document submission		17/11/98			
1 st payment (by the LAG				19/1/00	
2 nd payment (by the LAG)					9/2/01
3 rd payment (final) (by the LAG)					2/8/01
Licence of operation					2/5/01
Official conclusion of the project					2/8/01

The beneficiaries had to wait more than a year (15 months) after the submission of their application for the evaluation approval of the investment by the LAG, due to tendering procedures and high competition. To issue supporting documents it took them approximately six months.

The investment (the hotel) was constructed in 30 months from the date of issue of the construction license (17/11/98) to the license of operation (2/5/2001). Payment period from 1st payment to the last one were in total 33 months while the project was officially completed and delivered for operation 48 months (4 years) after the submission of the application, while the official conclusion of the project was 3 months later (51 months in total). The beneficiary considered the evaluation period as too long, while they did not consider the procedures (supporting documents, invoices, measurements etc.) as bureaucratic but as normal. An explanation to that was that they were already entrepreneurs and had been used to investment procedures. However we have to note that payments were made by the LAG (global grant) quite flexibly and effectively in a short time (in about one month from the submission of documents).

4.2 The non-LEADER project

	1997	1998	1999	2000	2001	2002
Beneficiary's application	29/12/97					
Final documents' submission		10/09/98				
Approval		23/10/98				
1 st payment			30/07/99			
2 nd payment				20/12/00		
3 rd payment					23/10/01	
Final payment						20/12/02
Licence of operation					28/02/01	
Deliverance of the project					10/03/01	
Official conclusion of the project						20/12/02

The beneficiary considers the procedures quite bureaucratic and time consuming. He noted that he spent a considerable amount of his time to collect all necessary supporting documents to his application form, despite the support he received from the Directorate of Agriculture. Formal decisions (approval, monitoring, payment orders) within the Directorate of Agriculture were short and flexible. Moreover the Directorate facilitated him as much as possible. It took him approximately 8 months to gather documents and to receive final approval although he had a pre-approval in a month from the submission of his application. Furthermore he had to travel once or twice a week to Trikala, capital of his prefecture, (40 kilometres distance from his village and back) to visit the different services, and often to the relevant office of National Tourism Organisation was in Volos (160 kilometres distance from his village) to obtain the necessary documents.

The implementation phase of this project was 28 months from the date the beneficiary received the construction licence till the official deliverance of the project. With regards payments, although he should have received the support in 3 instalments upon the deliverance of the project, end of February 2001, he was paid part of the 3rd payment in October 2001 and the rest (final part) in December 2002 (for reasons explained under the cost structure paragraph). So, instead of receiving the support in about 30-34 months, he received it in 52 months (a great delay).

5. Outcomes

5.1 The LEADER II project

The outcome of the above described investment was a C' class Hotel that operates all year around, in an area of particular natural beauty. In winter the area attracts tourists thanks not only to its appealing nature (thick forests) but because it also provides to the visitors the opportunity to enjoy skiing (ski centre of Pertouli, a nearby village) and other winter sports. In the summer the area also appeals to tourists since it provides the opportunity of long walks in the forest (there are several designated mountain paths), horse back riding and other close-to-nature activities.

The Hotel has been active since 2001, it has been advertised in the local press and in magazines and attracts visitors on a regular basis (e.g. it was fully booked during the Christmas holidays).

In terms of employment, the hotel requires 3 full time employees to operate. As regards income, according to the beneficiary it has not yet shown significant effects because although the eligible cost was 42,800,000 drs, its cost was considerably higher than that (about 80-85 million drs) and it takes time to amortize it.

The investment had no undesirable effect on the environment since prior to its construction and the issuing of the relevant permit, an environmental impact assessment study had been carried out.

5.2 The non-LEADER project

The outcomes of this investment project in agro-tourism is highly related to the agricultural adjustments and diversification of activities pursued in mountainous areas. It is also within priorities for retaining young farmers in mountainous areas, facing strong ageing problems. The young farmer that was interviewed reported that he has succeeded in improving his income by 100% by diversifying his activities from a livestock farm to a mixed livestock and agro-tourism farm. Also he mentioned that he improved significantly his living standards, while remaining in his village "Now my family has better prospects".

The total investment is in operation since February 2001 in an area that attracts winter tourism as well as summer one (close to a ski resort).

Employment increased from 1.5 Man Labour Units to 2,85 Man Labour Units (almost double employment in full-time equivalent on his farm). However the most important effect is maintaining a young farmer in the area.

Changes in attitude and mentality for the young farmer were obvious as he acquired extra capacities and obtained an entrepreneur's attitude. He was obliged by the programme to acquire a 150 hours training on agro-tourism management and he has also to remain in farming and in agro-tourism for 5 years, while keeping records of his farm and agro-tourism activities.

During the investment and afterwards the Directorate of Agriculture supports all these young farmers, through extension services to remain in farming with better prospects, while increasing the viability of their farming and non-farm activities e.g. The Directorate is working on an Internet site advertising their investments.

Environmental effects have been positive as the investment was built, upon approval of an environmental impact assessment.

6. Comparative assessment of cost-effectiveness

6.1 Comparison of investment output versus its cost (quantitative indicators)

The LEADER II project outcome was a C' class hotel with maximum bed capacity of 32 beds and of total surface of 400 square meters with a LEADER programme support of 25.7 million drs.

Respectively the non-LEADER project outcome was a 7 C' class furnished apartments of maximum capacity of 27 beds of total surface of 340 square meters and with an investment support of 28.5 million drs.

Based on the above, the cost-output indicators per bed, per square meter and per job created are:

Table 1
Comparative cost-output indicators

	LEADER II project	Non LEADER project
1. Cost of support per bed	803,125 drs	1,055,500 drs
2. Cost of support per m²	65,250 drs	83,824 drs
3. Employment creation (full-time equivalent)	1.5	1
4. Cost of support per full-time job	17,130,000 drs	28,500,000 drs

From Table 1 it can be assessed that the LEADER II project had lower support cost per unit of outcome created (number of beds, square meters, employment creation) and hence, it could be considered as a **project of higher effectiveness** compared to the non-LEADER project.

6.2 Comparison of procedures and time required

To assess the effectiveness of procedures in time input, Table 2 was constructed from the analysis outlined above. To construct the table, the procedures were grouped in 6 phases in which the beneficiary was involved as well as the project authority from the submission of application till the official conclusion of the project.

Table 2
Comparison of procedures in time-required/ months

Phases of the project	LEADER II project	Non-LEADER project
1. Phase 1: Submission of application till its approval and contract signing	15 months	10 months
2. Phase 2: Gathering of supporting documentation by the beneficiary	6 months	8 months
3. Phase 3: Investment construction (from construction license till project deliverance)	30 months	28 months
4. Phase 4: Payment phases	36 months	50 months
Contract signing or approval of application till 1st payment	17 months	9 months
1st payment to 2nd payment	13 months	17 months
2nd payment to 3rd payment	6 months (final payment)	10 months (part of final payment)
3rd payment to final payment	–	14 months
5. Phase 5: Project deliverance (from submission of application)	48 months	38 months
6. Phase 6: Full circle of the project: from submission of application to official conclusion)	51 months	60 months

From the comparison of the different phases of the two projects, it is indicated that:

Phase 1 implied a tendering procedure for the LEADER II project and due to its high demand (many beneficiaries compared to its limited budget under rural tourism priority) it proved less effective in time, compared to the open process of the non-LEADER project. The LAG had to evaluate carefully to avoid complains and appeals to the Ministry of Agriculture (Intermediary Organisation). On the contrary, this stage was much more efficient for the non-LEADER project

as he received a pre-approval and the 10 months required till final approval were necessary for the submission of the necessary documents.

2. Phase 2: Gathering of supporting documentation seem to require the same time input in both projects as documents required for tourism investments (hotel) are the same and are specified by national law. The two months difference could be explained by the LEADER project beneficiary that was already an entrepreneur and more experienced compared to the non-LEADER project beneficiary that was a farmer.
3. No differences in investment construction seem to exist, (30 months for the LEADER project versus 28 months for the non-LEADER one) considering the total surface constructed (400square meters to 340 square meters).

Payment: Procedures on payment proved to be more flexible and less in time needed for the LEADER II project (global fund and decentralised funding) compared to the non-LEADER project. Of course, the non-LEADER project faced an extreme difficulty as its 3rd (final payment) coincided with the end of the 2nd CSF and due to lack of funding, the beneficiary was paid upon the initiation of the 3rd CSF. However, if the effect of this coincidence were removed, the payment phases (1st, 2nd and 3rd) present significant resemblance in time which can be accounted to the more flexible payment and control procedures under the 2nd CSF. The Directorate of Agriculture officers stated that procedures for financing the same projects under the 3rd CSF have become more bureaucratic, more time consuming and less flexible compared to the 2nd CSF.

No such experience was reported for the LEADER+ projects compared to LEADER II. On the contrary, verification and deliverance of projects passed to the LAGs from the 3-member Prefectural Committee.

As far as Phase 5 and Phase 6 it is shown that in Phase 5 the tendering procedure for the LEADER II project, was the delaying factor, while in Phase 6 the delaying in the final payment for the non-LEADER project was the key factor for delay.

The LAG, however has complained for bureaucratic procedures in its vertical partnership with the Intermediary Organisation (monthly and three months submission of the projects progress) despite the flexible management of global grant at the beneficiary's level.

In concluding, it can be argued that the LEADER II project has more effective in quantitative indicators and in payment procedures, compared to the non-LEADER project but approval procedures are more demanding in LEADER project compared to the non-LEADER one. The non-LEADER projects internal procedures seem to have been flexible under the 2nd CSF but not anymore under the 3rd CSF.

III.7 CEA – A COMPARISON OF THE MID-SOUTH ROSCOMMON LEADER GROUP AND THE ROSCOMMON AREA PARTNERSHIP COMPANY

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1. Context of both projects

Mid-South Roscommon Development **LEADER Company** is a rural development organisation established in 1994 in order to co-ordinate a community-led response in the area to the problems of rural decline and depopulation. Its formation arose from a growing awareness of the need for local people to take responsibility for the development of their own areas and to avail of EU and national support programmes to bring about a revitalisation of the Mid-South Roscommon area.

The Mid-South Roscommon area, which accounts for about half the area and population of the whole county, has a population of about 25,000 and covers an area of approximately 850 sq.km. Agriculture in 1994 was the predominant economic activity in the area accounting for 50% of the labour force (almost 4 times the national average). There was a severe farm income problem, particularly due to a combination of factors including farming system (dry stock), farm size and land quality. The area has a dispersed low density rural population declining rapidly with settlement patterns involving a movement to urban centres. The area had a high dependency ratio and falling birth rates due to out-migration of the reproductive age groups. There had been a substantial and continuous decline in agricultural employment. Falling rural population levels pointed clearly to a need to develop the rural communities in order to retain as far as possible the population within the area.

The Mid-South area has a rich heritage, magnificent waterways and an unspoilt rural landscape. In spite of this, it had a poorly developed tourism sector.

The Area Partnership context

The importance of a local dimension to local development was emphasised in experiments in the late 1980s and 90s in integrated rural development, the EC Poverty Programme, the first LEADER Programme and in an **area based response to long-term unemployment**.

This last initiative was set up directly as a result of the second national social partner agreement – the Programme for Economic and Social Progress. 12 particular black spot employment areas were designated to participate in the initiative in 1991.

There was negotiation with the European Commission, which led to the introduction of the first Global Grant for local development and in turn to the establishment of Area Development Management Ltd as the company to manage this grant. By late 1993, the Government was able to confirm that these area-based approaches had yielded significant results in terms of enterprise and employment, community development and improved services for the long-term unemployed. As a result of this a much wider infrastructure at local level to promote growth in

both enterprise and broader community led initiatives was put in place under the 1994-1999 National Development Plan.

The number of Partnerships was increased for 12 to 38 (20 in urban areas and 18 in rural). Each operated in an area designated by the Government as being disadvantaged. In addition ADM supports 33 Community Groups in non-designated areas which carry out functions similar to those of Partnerships. The actions of Partnerships and Community Groups are targeted at people who were long-term unemployed or who were otherwise socially excluded.

Partnerships are not for profit private companies, which focus on combating disadvantage and social exclusion. The Board of each Partnership consists of representatives from the Community and Voluntary organisations active in economic and social development in their areas, state agencies, the social partners at local level and elected public representatives. This takes the form of a strategic plan, which is appraised and then funded by Area Development Management Ltd. The Board of the partnership then implements the plan in consultation and in participation with the local community.

The measures, which are eligible for financial support, are broadly defined as:

- Enterprise Creation and Development
- Environmental small scale infrastructural works
- Services for unemployed persons
- Community development
- Education to prevent early school leaving
- Second chance education and training.

Actions are targeted at the areas within the catchments of the Partnership, which are most in need e.g. depopulated rural areas. Actions are also targeted at the people who are most excluded. The actions of partnerships should add value to what is already provided, and where possible actions should be innovative rather than the delivery of services.

County Roscommon is an inland County bordered by Sligo and Leitrim to the north, Offaly to the south, Longford and Westmeath to the east and Mayo and Galway to the west. The County stretches approximately 100km from the top of the Arigna valley in the north to Shannonbridge in the south. The area of County Roscommon is 255,000 hectares of which 5% is peatland and 3.4% is water.

Roscommon Partnership Area with a population of 51,881 is characterised by its largely rural nature which is interspersed with five small towns, with no large urban centre within the County.

Roscommon, along with Galway and Mayo, comprises Region 5 – the Western Planning Region, for the purpose of the EU Structural Funds.

Roscommon Area Partnership Company comprises 111 out of the 112 District Electoral Divisions in County Roscommon. The Northern part of the County is mountainous and the lowlands contain extensive areas of bog. The mid-County area contains rich pasture land devoted in the main to grazing of sheep and cattle. There are considerable areas of level ground, much of its subject to seasonal land-flooding.

The 1996 census results show that County Roscommon had a total population of 51,811, a decrease of 16 persons overall since the 1991 census. However, when viewed over the period since the census of 1841 the population of the County has decreased from 255,000, a decrease of 500%.

An analysis of socio-economic data for County Roscommon for the Action Plan indicate the following:

- A high proportion of the employed population are engaged in agriculture typically in small and medium sized farm enterprises. The major problems on these small farm enterprises are underemployment and low incomes.
- The main features of the manufacturing sector in the County are:
 - The small number of firms that are foreign owned.
 - The small number of large firms concentrated in the meat-processing sector.
- The concentration of small indigenous firms in the engineering sector.
- The underdeveloped nature of the Tourism sector.
- Outside of the public service sector the area of services is underdeveloped within the County.

There are a wide variety of statutory, social, voluntary, cultural, sporting and community services available in County Roscommon, many of which are engaged in the provision of services to the target groups.

2. Description of projects

The process of establishing the **LEADER Company** was initiated at a public meeting which took place in January 1994. It was decided at that meeting to form a rural development association for the Mid-South Roscommon area. An interim Chairman and Secretary were elected. Following the initial meeting, information meetings were held in each parish in the area and two representatives were elected from each. Individuals and community groups were encouraged to submit project proposals which would form the basis of a submission to the LEADER Programme. Over 200 proposals were received in the following months.

Mid-south Roscommon Rural Development Company was formally launched at a public meeting in Curraghboy on 4th of August, 1994. This was attended by Community Groups, public representatives, state agency personnel, private sector representatives as well as the local media.

A staff member was employed by the Company in July 1994, initially as a Rural Development Officer and since July 1995 as Manager. Members of the Board took part in an 11 session training programme during '94/95 under the Community Enterprise Programme.

Following a widespread community consultation process involving public meetings, workshops, meetings with local agencies and an audit of local community needs, a five year integrated area plan for 1995 – 2000 was completed and submitted to the Department of Agriculture, Food and Forestry, under the LEADER II programme in September 1994.

LEADER approval was received on 2nd May, 1995. A definitive set of operating rules were issued in July. Revised plans, budgets etc., were then submitted to the Department of Forestry, Food and Forestry.

The agreement for the administration of LEADER and the provision of £1.437m in public funds was signed at the Department of Agriculture, Food and Forestry on 6th October, 1995. The first instalment of LEADER funds was received at the end of November, 1995. Financial management and project evaluation procedures were put in place by the Company. Three full-time staff were employed in the implementation and administration of the LEADER II programme.

In view of the wide range of grants and schemes available, and the limited amount of funds provided under LEADER II, it was decided that LEADER grants be used to finance projects not eligible under other programmes, and that LEADER should encourage new, locally innovative projects to become established.

All projects received were assessed independently of the Board by an Evaluation Committee made up of five Members with wide-ranging expertise. The programme consisted of six measures : technical support including animation, training and recruitment; rural tourism; small firms; crafts and local services; exploitation and marketing of agriculture, forestry and fishery products; environmental and living conditions. A range of activity, output and impact indicators was developed for each measure.

In all 277 projects were undertaken during the programme period. Excluding technical support, the distribution of the projects by measure was as follows:

Feasibility studies	16
Training	72
Rural tourism	57
Small enterprises etc	70
Natural resources	15
Environment	34
TOTAL	264

In total 212 jobs were created and a further 155 jobs sustained.

The designation of disadvantaged rural areas was extended to County Roscommon in 1995 following an intensive lobbying campaign. The designation led to the establishment of **Roscommon Partnership Company (APC)** for the purpose of combating disadvantage, social exclusion and unemployment.

In preparing its Area Action Plan 1996 – 1999, Roscommon Partnership Company undertook an extensive consultation process with local community groups, statutory organisations, agencies and local development bodies. A comprehensive demographic analysis and socio-economic profile of the county was also undertaken which highlighted the acute degree of disadvantage and marginalisation in the county and the increasing need to tackle these issues.

Target Groups and Critical Issues Arising

Following the extensive consultation process undertaken for the development of the 1996-1999 Area Action Plan and the socio-economic analysis of the region, the following target groups were identified as most in need of support:

- Long-term Unemployed
- Youth
- Travellers
- People with disabilities
- Low income Rural Households
- Women
- Lone Parents
- The Elderly

The 1996-1999 Action Plan therefore was developed with reference to the support and assistance required to deal with social exclusion and disadvantage experienced by these target groups.

In undertaking its research the Partnership Company also identified a number of key issues which seen as contributing factors to social exclusion across several target groups. This led to the Partnership Company concentrating on the following critical issues:

- Enterprise and Support services
- Education and Training
- Transport
- Community Development
- Childcare
- Information and Advice

Therefore, the 1996-1999 Action Plan detailed each target group, identified the key issues affecting each particular group, and described the actions to be undertaken by Roscommon Partnership Company and the expected outcomes. A draft of the plans relevant sections were sent to working groups who provided critical comments and suggested appropriate changes. The plan was also reviewed on a number of occasions by the Board and finally approved at a one day workshop

The plan was presented to ADM Ltd for appraisal and was subsequently approved with a provision of £1.5 million towards the costs of actions and strategies as set out in the plan. Examples of the kind of actions undertaken include:

Enterprise Creation and Development

The main areas of activity revolved around support for the long-term unemployed wishing to establish their own enterprises and become self-employed. Over 250 participants were involved in the **Area Based Allowance Scheme** aimed at this particular sector. These clients were supported through financial assistance, non-refundable grant aid, various training programmes and also through the establishment of a revolving loan fund.

Roscommon Partnership company also supported a number of community enterprise initiatives including:

- Sponsorship of an **organic farming Community Employment (CE) scheme**
- Partnership in an innovative **EU Horizon** project (**RESET**) **for the provision of training to people with disabilities.**

Environment and Infrastructure

During the period 1996-1999, Roscommon Partnership company have supported a series of community-based initiatives and other projects aimed at improving environmental and infrastructural deficiencies affecting disadvantaged and marginalized groups. Project highlights in this area are as follows:

- Plans for the development of a **Childcare Centre at Ballaghadereen**
- Establishment of play facilities for children in areas of identified need
- The provision of services to marginalized children include the establishment of a **fully equipped mobile play service.**
- **The enhancement of community resources** including support for the development of community clubs.

Community Development

A significant number of initiatives have been implemented, relating to capacity building and stimulation of community activity. These initiatives are detailed as follows:

- Over fifty people participated in the three **Diploma Programmes in Community Practice** run by Roscommon Partnership Company in conjunction with the two LEADER companies in the region.

- The establishment of **two community fora** –one in North Roscommon and the other in South Roscommon.
- **A women's network** was established in 1998 following a series of seminars.
- **An estate management programme** was established which included the running of a Repairs and Maintenance Training Programme.

Rural Resettlement Initiatives

A Rural Resettlement Project was set up in the region and employed a full-time rural resettlement officer.

Education and Training

The main achievements in the areas of education and training initiatives are:

- An integrated response to tackle the problem of early school leaving in the county
- A **homework club was established** where eligible participants receive training in how best to support children with their homework and other childcare issues
- The establishment of a local branch of the **Association for Children with Learning Difficulties (ACLD)**
- **A mobile computer** suite is used in schools in the County to give pupils the opportunity to develop computer skills and to use information technology
- Financial assistance is given towards **second chance education**
- A fulltime **Travellers Support Worker** is employed, with responsibility for the preparation in implementation of effective training programmes for members of the travelling community.
- Research was undertaken in **early school leaving** in County Roscommon's post primary schools as well as a survey on **students struggling with the mainstream educational system.**

Services to the Unemployed and Underemployed

- The establishment of a **local service for long-term unemployed people** co-ordinated by the Partnership Company was funded by the Partnership.
- A comprehensive rural household survey was undertaken by Roscommon Partnership Company in conjunction with the two LEADER companies in the region. This report highlights the need for the provision of specific support services to this sector.

3. Description of cost structure

Only one measure was budgeted in the business plan for Mid-South Roscommon as contracted by the programme administration:

Activity	Total funds (LAP budget)		EU funds	National public funds	Private funds
	%	ECU	ECU	ECU	ECU
Measure A	0.0				
Measure B	100.0	5,042	1,836	788	2,418
Priorities:					
Rural tourism	31.6	1,591	512	220	859
Environment	9.2	466	128	55	283
Technical Assistance	12.8	643	373	160	110
SMEs	24.8	1,250	402	173	675
Val.of agr. products	17.5	882	274	117	491
Training	3.1	210	147	63	–
Measure C	0.0				
TOTAL	100.0	5,042	1,836	788	2,418

The following measures were budgeted in the final commitment:

Activity	Total funds (LAP budget)		EU funds	National public funds	Private funds
	%	ECU	ECU	ECU	ECU
Measure A	0.0				
Measure B	97.4	4,960	1,809	775	2,376
Priorities:					
Rural tourism	27.8	1,415	399	171	845
Environment	9.5	487	145	62	280
Technical Assistance	11.7	594	346	148	100
SMEs	28.5	1,451	554	237	660
Val.of agr. products	12.8	657	116	50	491
Training	7.0	356	249	107	–
Measure C	2.6	131	62	27	42
TOTAL	100.0	5,091	1,871	802	2,418

With respect to Measure B, 98.4% of the amount initially contracted was committed in the execution of the programme.

The time pattern of spending was as follows:

% of the budget spent in...	% of total expenditure			Total
	Measure A	Measure B	Measure C	
1994 – 1996		7.3		7.1
1997 – 1999		61.9	0.5	62.4
2000/2001		28.2	2.1	30.3
Total		97.4	2.6	100.0

Roscommon Area Partnership were awarded £1.6million (€ 2.035) from ADM to cover the period 1996 – 1999 and distributed as follows together with leveraged funding (€000):

	1996	1997	1998	1999	TOTAL
ADM	78,724	480,596	900,879	574,768	2,034,967
Of which: EU	59,043	360,447	675,659	431,076	1,526,225
National	19,681	120,149	225,220	143,692	508,742
Leverage funding	0	3,238	199,770	457,946	660,954
Total	78,724	483,834	1,100,64	1,032,714	2,695,921
% Leveraged	0	0.7	18	44	25

In the programme, there is virtually no private funding in the cost structure with leveraged funding facilitating the delivery of a wide range of projects and services. Typically administrative expenses account for about 25% of ADM income with the balance going on project costs. The latter cover eligible actions under the two main measures, which are co-financed by the ERDF and ESF respectively, and support costs related to the implementation of specific actions including community development and enterprise development workers and operational and overhead costs.

The brokerage approach in this instance Partnerships do not deliver specific services but act as a support structure. Their function is in needs assessment and lobbying existing delivery agencies for changes in order to make more focused and tailored provision of resources in their area.

Through its links and inter-relationships with other organisations, Roscommon Partnership Company has been successful in leveraging a significant amount of funds to assist target groups, which complements its own limited resources used to combat disadvantage in the region over the timeframe of the 1996-1999 Action Plan. Roscommon Partnership Company was successful in leveraging over £2 million from various organisations, agencies and European Programmes for use in combating disadvantage in specific target sectors.

4. Input in time and human resources

Following a widespread consultation process, a five year Area Plan was submitted by the LEADER Group to the intermediary Department. It was based on a University Thesis submitted in fulfilment of the requirements for a Master's thesis. Technical support in the preparation of the LEADER submission was provided by the rural development staff of University College Dublin.

The input from the Board, which met monthly, was quite substantial:

- An independent Evaluation Committee comprised of two Board Members and three non-Board Members meet monthly in advance Board meetings to assess all enterprise projects
- The Board/Sub-committee structure had been kept very simple to avoid the problem of limited staff resources being taken up servicing too many committees/working groups. All sectoral developments, executive functions and expenditure decisions are dealt with through the main Board.

The Company employed a core staff of three people with relevant expertise, qualifications and experience in rural development, community development, enterprise support, training and administration. There were two further staff members employed on a joint basis with other Local Development Bodies during the programme:

- A researcher/animator employed jointly with Arigna LEADER on the Roscommon Rural Household Project
- A Co-ordinator employed jointly with Roscommon Partnership Company from the Diploma in Community Development Practice up to May 1999.

The staff complement is compact, keeping overheads low, while at the same time making the best use of joint funding arrangements.

With respect to the **APC**, after the preparation of the Area Action Plan and the award of the contract from ADM, the necessary staff were hired to implement the programme. On average, the staff complement consisted of 12, comprising administration and operational staff and programme co-ordinators. The latter would be supported by leveraged funding from various agencies and organisations in the delivery of services. This is in contrast to the LEADER model where the staff complement is almost exclusively devoted to the delivery of grant assistance. Apart from the general manager and other administrative staff the job specification for the other operational staff and programme specialists are as follows:

Co-ordinators: Community Development
Education & Training
Long-term unemployed
Enterprise Creation and Development
Rural resettlement officer
Low income rural households
Homework Club
Assistant to **L.T.U.**

5. Outcomes

With respect to the **horizontal principles**, it was felt that in general terms, LEADER contributed to the long-term viability and sustainability of the area commensurate with the resources at its disposal. Its effects on **agricultural adjustment and diversification** were limited however. Only about 3% of total funds were utilised for this objective, but this reflected the pattern and nature of demand from the sector as the farming community, under the operating rules prevailing, could not avail of LEADER to support conventional farming activities and supports for farm diversification were provided under other Structural Fund programmes.

On the other hand, LEADER was perceived to be quite effective in terms of **employment**. During the programme over 200 jobs were directly created in FTE terms and a further 155 jobs sustained. The employment effects were triggered through funding small enterprises and employment grants with the SME sectors being the main provider of jobs.

The **income** effects, while positive, are difficult to quantify. Income effects would have been indirectly triggered through increased employment and the expansion of businesses and tourism on the part of local investors. However, it would require special surveys/studies to estimate the income impact of the direct support to individuals and communities for economic and social development, but the training and capacity building initiative will ultimately bear fruit in additional income and employment creation.

LEADER was perceived to be of moderated significance in terms of **equal opportunities**. For the main measures focusing on direct grant assistance to enterprise, tourism and environmental projects there was no specific orientation towards women – they were not a target group. However, in training programmes there was a specific encouragement of women participation

especially related to training in computer use and information technology. The participation of women in rural tourism projects would also be above average.

No projects were specifically linked to **environmental** protection, as it is not a major issue in the area. In a broad sense a number of projects were linked to **environmental improvement** through the enhancement of the built environment and supporting small villages with the provision of supports for amenity, cultural and heritage projects. This has done much to generate a sense of pride and identity on the part of many small rural communities.

With respect to **behavioural change**, LEADER was the first initiative in the area to adopt the intrinsic and specific features of LEADER in local development. Each of these features was an essential building block in the effective implementation of the programme itself. The programme enhanced the profile of and community identity with the area and a large number of small enterprises was stimulated and the bottom-up approach influenced the perception of local needs and solutions, and the LEADER approach also influenced other local action programmes and agencies in the manner in which the LEADER consultation ethos was adopted. The LEADER method was also promoted by the LEADER representation on Boards of other agencies and vice-versa. This was also enhanced by the establishment of agreed sectoral strategies at the outset of the respective programmes. Perhaps the most significant feature of LEADER which effect behavioural change was its animation activity.

The broad target is to facilitate community development activities in all parts of the area, and to bring the maximum number of projects to a stage where they can be considered for supports from all available sources.

LEADER animation added value to the development process through for instance

- Projects were stimulated that would not otherwise take place. Many of these were referred to other agencies
- The capacity of individuals and groups to avail of LEADER and other supports was enhanced by means of the direct advice and assistance provided.

While the mission and operational principles of the Roscommon Partnership Company (**APC**) were not specifically addressed to the achievement of the horizontal objectives they did ultimately assist in the attainment of these objectives. This can be gleaned for example from a perusal of the Action Plan which includes such aims as:

- Improve the chances of the long-term unemployed securing work
- To improve the income earning opportunities of low income and underemployed farm families

- Understand and address the causes of women's exclusion
- Understand and address issue of exclusion for people with disability and in particular to address issues of gender
- To improve the capacity of local communities to participate in local developments.

In its development strategy also low income rural households were identified as were a number of weaknesses in terms of environment and infrastructure in the county.

With respect to **employment** the **Area Allowance Scheme** facilitated the employment of about 200 people with a success rate of about 75% in encouraging sole trading. Services were also provided to the long term unemployed in business mentoring. A number of services were also provided for the employed and underemployed.

With respect to the income horizontal objective it is difficult to quantify the contribution of the programme to **income generation**. There is much more emphasis on training in this programme which ultimately facilitates employment and income generation through promoting such aspects as entrepreneurship and business development.

There is a considerable focus on **equal opportunities** in the programme. Indeed the target groups in the programme include women, youth and the elderly. Specifically with respect to women, a women's network was established to work on strengthening new and existing women's groups to identify their training and education needs. Other projects which specifically supported women were the provision of a Diploma in Community Development Practice, the establishment of Community fora and Back to Education supports.

In the **environment** sphere the focus was more on enhancement of the built environment and infrastructure, particularly as it related to marginalised and disadvantaged groups. The projects included the provision of childcare facilities and the enhancement of community resources and centres for the arts.

The programme was not specifically addressed to rural or farming issues but **low income rural households** were one of its target groups. Indeed while many such households could benefit under other broad headings, there were specific projects which addressed the problems of such a group. They included an organic farming community employment scheme, advice to smallholders on assistance available, courses on supplementing farm income and supplementary enterprises on the farm. This followed from a comprehensive survey, which highlighted the need for the provision of specific support services to this sector.

Another major **behavioural** outcome or result area is the learning and evolution that has taken place in the county among the organisations and groups that interact with the Partnership

Company. In particular Roscommon Partnership Company has now positioned itself as the voice of disadvantage in the county. This is clearly a “constituency” in need of a champion and Roscommon Partnership Company is now the clearly accepted champion. Additionally some other pilot areas have broken moulds and created new ways of tackling disadvantage from identification of issues to the gathering of information, to proposing solutions and implementing measures. This learning process and development of relationships and approaches, though not as measurable in the tangible sense as numbers of job placements or numbers of training programmes delivered, leaves a more lasting and durable impact in the target area with the multiplier effect that will stand to the activity of Roscommon Partnership Company in favour of its county area for time to come.

6. Comparative assessment of cost-effectiveness

The objectives and strategies of the two programmes – **LEADER and the APC** – were somewhat different to begin with. The overall aim of the **LEADER** programme was to make full use of all Mid and South Roscommon’s assets in order to generate sustainable economic and social development, especially employment, whilst ensuring the conservation and protection of the natural and built environment.

The Group achieved the bulk of its objectives and in general even exceeded its own expectations. It was not an area which previously had a history of local and voluntary inputs to rural development and the LEADER method was totally new to the area. The main territorial problems addressed by the priorities and measures chosen by the Group related to rural development skills, employment and tourism. The programme in its outcomes, seems to have fully responded to these priorities given the distribution of resources in the final commitments.

The Group was perhaps disappointed with its contribution to agricultural restructuring and diversification but in this respect it possibly did not sufficiently take account of the supports provided under other Structural Fund Programmes, yet the provision of supports for rural tourism and small rural enterprises also substantially contributes to rural diversification.

The pervading sense one is left with after LEADER II is the difference the process has meant to local development actors in contrasting what went before to the sense of self-confidence, vibrancy and empowerment which the Initiative has engendered in the area. In the classical grid with respect to governance and the will to decentralise, this area would have been in the “ free governance space” and “strong will to decentralise” box. It also stimulated a considerable degree of voluntarism and instilled a feeling of ownership of the process to local communities. At the same time, it might be considered that perhaps the programme as operated should have been more focused and strategic and less concerned with funding a heterogeneous array of small projects. It was recognised that under LEADER II the challenge of contemporary rural

development must be thought of in terms of individual and community development “capacity”. In the absence of such “capacity” even obvious development opportunities may not be taken and policy supports would be less effective.

Dealing with disadvantage and marginalized groups has resulted in the limited resources of **Roscommon Partnership Company** being stretched across a large number of target groups and issues throughout the county. This broad focus of the Partnership Company put strains on the organisation’s ability to achieve its objectives with limited resources and within a limited timeframe.

The Partnership Company made significant progress towards achieving many of the objectives contained in the 1996-1999 Area Action Plan. It helped to highlight the nature and extent of disadvantage and social exclusion in the county and contributed to the evolution of a more integrated approach to the delivery of services to combat disadvantage amongst target groups.

However, it is clear that the achievement of these objectives requires long-term investment of resources both from Roscommon Partnership Company and other relevant organisations and agencies. There is still, however, a significant amount of work which needs to be done before many of these objectives are fully realised. This is particularly true in specific areas, such as services to the long-term unemployed, creating links with employers, and assistance to low income rural households.

The work of Roscommon Partnership Company between 1996-1999 has resulted in a number of practical benefits and tangible outcomes, which were many in number, for local communities and target groups throughout the county. Innovative actions and pilot projects have also benefited target groups. The long-term success of some of these pilot projects should be judged by the amount of learning which was achieved and can be used to develop additional tailored programmes to assist these target groups as well as through mainstreaming of these projects as appropriate for continuation in the future.

The level of co-operation that existed between Roscommon Partnership Company and other support agencies and organisations in the region was extensive. There is significant scope for further enhancement of these relationships so that additional and more productive co-operation takes place for the benefit of marginalized and disadvantaged sectors.

In conclusion, both of the development initiatives described in this report are considered to be quite cost-effective with respect to achieving the particular objectives which they set out to achieve. The focus of each of them was different but complementary with little degree of overlap. It has to be stated, however, that the specific features of LEADER would be considered to be somewhat more effective in achieving its objectives than the less area-based and bottom-up nature of the Area Partnership approach.

III.8 CEA OF 2 FARMYARD MINI-DAIRIES FUNDED UNDER LEADER II AND OBJECTIVE 1 IN SARDINIA – ITALY

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Introduction

The operative objective of the two examined projects is the improvement of the processing conditions of local products. In particular:

- with the LEADER II the LAG intervened for technical support, promotion and structural improvement of the transformation conditions of the 'Casizolu' cheese;
- the Objective 1 Operational Programme (OP) EAGGF, measure 7.5, under measure "farmyard minidairies" financed farmyard investments for the renovation, enlargement and building of premises for the transformation of the 'Fiore Sardo POD' (= Protected Origin Denomination) cheese.

In both cases the general purpose of the projects is to relaunch and to propose on the market high-quality cheese productions, that embody values of environmental and social sustainability. In fact, from the environmental point of view the two cheeses derive from animals (cows in case of the 'Casizolu' and sheep in case of the 'Fiore Sardo') fed in most natural way (wild cattle). From a social point of view instead, the manufacturing of these two cheeses follows traditional methodologies, that assure to the product the organoleptic value, recognized with a typicalness trademark (the 'Fiore Sardo' has a POD label) and with the certificate issued from the associations of cultural character (the 'Casizolu' is a production indicated by Slow Food, under the protection²⁰).

These both projects take place on the territory of the LAG Montiferru, meanwhile in case of the 'Casizolu' the funding is strictly limited to the action area of the LAG, the measure of OP was able to fund the entire territory of the region Sardinia, with the exception of some specific zones.

1. Description of the context of both projects

1.1 The socio-economic situation in Sardinia

The Sardinia is, for its size, the second island of the Mediterranean. With the population of almost 1,6 millions of inhabitants and with a territorial surface of 24.000 Km², Sardinia represents one of the lowest settlement density in Europe. Moreover, almost a quarter of the total population, resides in chief communes. This causes a strong marginal situation of the inland areas with the phenomena of crowding in urban centres.

Sardinia is certainly one of the most enchanting Italian regions. It really combines an uncontaminated environment of the inland areas with the richness of the coast zones. Notwithstanding a fair development that has taken place during the last decay, there are still

²⁰ METTERE COSA è un presidio slow food.

many socio-economic problems to be solved in Sardinia. This is testified by the high rate of unemployment (equal to 22%), with particular reference to the young (equal to 52 % under 24 years) and to women (equal to 31%)²¹.

The productive system is fragmented and characterized by a prevalence of micro enterprises, with organizative problems, low capitalization and low levels of marketing and with a limited technological renewal. The same tourist activity, that represents the main income source, is too concentrated on the bathing season during the summer period.

The agriculture, that for many zones is the economic core, is strongly based on the zootechnical sector. The agro-pastoral system has influenced and continues to have its influence on the local culture. The productions are of high quality because they have even received different acknowledgements and trademarks, like 'Agnello di Sardegna PGI' (= Sardinian lamb with Protected Geographical Indication), 'Fiore Sardo POD' , 'Pecorino Sardo POD' (cheese) and 'Pecorino Romano POD' (cheese).

1.2 Area LEADER II: LAG of Montiferru

The Montiferru, dues its name to the volcanic massif, which is situated in central-western Sardinia in the province of Oristano. Its territory presents numerous foreshortenings of primitive beauty, and an extension which makes it to have an incredible variety of natural habitats. The area, in fact, combines the sea and the mountain.

The area of LAG Montiferru coincides with that of the mountain community, that together with the province of Oristano promoted and formed the LAG.

The zone has the population density still lower than the regional average (29 inhabitants per Km²), and the rate of depopulation is quite high (-7% between 1991 and 2001).

The area is strongly oriented towards agriculture and its economy is based on the agro-pastoral and olive oil sectors. This aspect is testified by the 25% of the employed in agriculture.

The farms present in the area are 2.857, and the 15% is dedicated to the bovine-cattle-breeding with more than 9.000 head.

The manufacturing division is tied to the small building trade business and to traditional handicraft activities, particularly to those relative to the equestrian art.

²¹ Data from Regional Operational Program Sardegna – Source ISTAT “Enquire on labour force”.

Indicators for comparison – Region Sardinia and Area of Montiferru

	Sardinia	Monti-ferru	Montiferru/ Sardinia*100
Population – ISTAT 2001	1.599.511	15.189	0,9
Surface (kmq)	24.090	518	2,2
Density	66	29	44,2
Rate of depopulation – ISTAT 2001/1991	-3%	-7%	231,7
% Employed in agriculture – ISTAT 1991	11%	25%	240,0
Farms – ISTAT 2001	112.689	2.857	2,5
SAU (=Utilized agricultural surface)(ha) – ISTAT 2001	1.020.411,3	30.483,3	3,0
% SAU (=Utilized agricultural surface) over the total surface	42%	59%	138,9
Medium size of the farms	9,1	10,7	117,8
Variation SAU (= Utilized agricultural surface) – ISTAT 2001/1991	-25%	-22%	88,0
Farms with breeding/Total of farms – ISTAT 2001	25%	33%	133,3
Medium size of farms with breedings (head)			
– cows	29	22	77,2
– sheeps	194	137	70,5

1.3 Description about the characteristics of the beneficiary farms

In order to comprehend better the productive fabric on which these two projects intervened here below a data summary about the farms.

Characteristics	Beneficiary farm of POP (=multifund operative plan)	Beneficiary farm LEADER II
Farm localization: soil type and altimetry	Level, irrigated, 13 mt above sea level	Hilly, 370 mt above sea level
Sex and age of the farmer	Male, born in 1937 – 66 years	Male, born in 1965 – 38 years
Farm managment	Family managment. The members of the family working there: the son at full time, the wife at part time.	Family managment. The members of the family working there: father at part time, the wife at part time.
Farm owner's educational qualification	Secondary school. The son has a higher degree of specialized professional secondary school (land surveyor).	Higher degree of not specialized secondary school (accountant)
Dimension of the farm – SAU (=utilized agricultural surface) ha	25	90
Dimension of the farm – head/animals	500 shheps	40 cows
Main productions	Cheeses (Fiore Sardo, Ricotta) 85% of the PLV (=saleable gross product), meat (lamb and sheep) 15% PLV.	Cheeses (Casizolu, treccia) 40% of the saleable gross product (PLV), meat (60% PLV)

2. Description of both projects (output), highlighting similar and different aspects

As already stated previously, both projects provide business investments for the valorisation of typical local productions. They somehow seem to be different due to the following factors:

- a) typology of valorised products:
 - the 'Fiore Sardo' DOP cheese (investment POP= multifund operative plan) is a historic production and totally homemade of the Sardinian region. It received the quality trademark DOP (=protected denomination of origin) in 1996. When in 1997 was founded the 'Consorzio Fiore Sardo' (= association for the protection of the trademark of the 'Fiore Sardo' cheese), it got together 160 producers, mainly in the province of Nuoro (historically the 'Fiore Sardo' has been produced in the zone of Gavoi). At the moment the number of members of this association is 64 (later on the motivations for this drastic reduction will be explained), with a production potential of 5.000 quintals per year of product (the yearly production in 2002/03 was about 2.000 quintals), equal to an yearly agriculture gross production of about 4,6 millions of Euro.
 - the 'Casizolu' cheese has historically been produced in the zone of Montiferru, with a homemade method prevailing by the women. Normally utilized for the family consumption or for a strict local market, before the intervention of the LAG the marketed production was about 140 quintals, with a agriculture gross production of about 130 thousands of Euro.

- b) typology of investments:
 - Objective 1 OP financed in the measure 7.5 undermeasure "farmyard minidairies" the building works for the construction, the enlargement and the renovation of the farmyard premises where takes place the proceeding phase of the 'Fiore Sardo' cheese;
 - the LEADER II realized both direct investments in farm, principally destined to the purchase of the transformation machines and equipments, and a series of horizontal activities of technical assistance, formation and promotion of the product.

In reality the substantial differences between the examined projects derive from the different global and specific objective that guided the entire action. These differences are reported here below.

	POP (= multifund operative plan)	LEADER II
Global objectives	To start initiatives of rural development, by valorizing the typical regional productions.	To conserve the identity and to valorize the imagine of Montiferru, to stimulate the traditional resources
Specific objectives	To relaunch the 'Fiore Sardo DOP' cheese at the risk and in crisis because of the application of the safety food standards	To create relationships and connections between the producers for the conservation and the relaunch of a production at the risk to get lost
Operative objectives	To equip the farms with standardized transformation structures	Animation, assistance for farms, farm investments, promotion

In other words:

- in case of Objective 1 OP the investments have been driven to face a crisis of the sector because of the application of the safety food standards, that very often are not compatible with traditional productions of strictly homemade type;
- in case of LEADER II the complex action realized on Casizolu cheese was developed as a key of access in order to valorize the territory as a whole, by associating the product with the territorial imagine.

2.1 From devising to the realization of the Objective 1 OP investments – Role of the regional administration

From idea to concept

The measure 7.5 “Interventions of rural development” was inserted to the regional POP (=plurifund operative programme) only at the end of 1997, with the revision of the programme from the part of the FEOGA (= European Agricultural Fund of Orientation and Guarantee). The measure was created with the Decision of the Commission C(97) 3778 of 22/12/97. In the course of realization of the first three-year period of the programme (1994/96) the major part of the resources were destined to the overall renovation of the primary sector, by concentrating most of all on the “strong” sections of the Sardinian agriculture. In relation to the obtained results, to the carried out evaluations and to the emerging of new necessities, the regional administration decided to concentrate on the rural development of the region, by utilizing a territorial approach and valorization of the typical agro-industrial productions. The measure contains, so, a series of typologies of different investments which vary from the support to environmental initiatives, mainly carried out in the National Park of Gennargentu (more of territorial feature), to investments on agricultural productive sections characterized by

typicalness (cherry orchards and other orchards), and with a craft transformation processes (almond groves for the craft confectionery and 'Fiore Sardo' cheese).

From concept to funding decision

A particular attention was paid to the productions of the 'Fiore Sardo' cheese, because the production, notwithstanding it is POD, was always less and less. The methods to manufacture this cheese, in fact, require the utilization of the just milked raw sheep milk. This requirement does not reconcile with the delivery of the milk to the dairies, where, instead, it would be necessarily subjected to the pasteurization. Owing to this reason it was necessary to equip the farms with small transformation equipments, according to the safety food standards in force. The major part of the farms, in fact, did not meet this requirement. That's why were established very precise regulations, in order to safeguard the small producers. These regulations provide, in fact, a series of requirements in relation to:

- the proponent (historical manufacturer of 'Fiore Sardo' cheese, member of the association for the protection of the 'Foire Sardo' cheese), who has to commit himself to assign the entire milk production to the production of 'Fiore Sardo' and to undergo the controls;
- the characteristics of the premises to be financed.

From funding decision to implementation

The initial allocation for the adjustment of the equipments for the 'Fiore Sardo' cheese provided investments for about 1,5 millions of Euro.

The putting into effect of the undermeasure provided for the following phases:

- presentation of the application;
- verification of the administrative documentation;
- evaluation of the project from the part of one commission purposely formed and composed by three regional officers, by utilizing the parameters relative to the location of the farm, to the business conditions of the farm, to the planning conditions.
- issue of classification list from Agriculture Regional Administration and assignation of the funds for the provincial services for the agriculture. These last mentioned services are responsible for the initial verification of the farm and the project, the allocation of public financial resources, the inspection of the works and of the balance.

Description of output

The following table shows the farms financed with the undermeasure of farmyard dairies.

Indicators	entire region	province of Oristano
Sent in applications	63	13
Applications with granting of a payment	63	13
Applications paid out	60	13

2.2 From devising to the realization of the Objective 1 OP investments – The producer’s viewpoint

From idea to concept

The producer was driven to send in the application by the association for the protection of the ‘Fiore Sardo’ cheese, that also helped to produce all the required technical documents. The producer was compelled to send in the application. The business conditions of the farm, in fact, did not absolutely meet the required safety food standards in order to be able to mark the cheeses with the quality trademark. Without these conditions the producer should have delivered the milk to the other dairies or to work not being in conformity with the law, by running the risk to have sanctions until the closure of the farm. Based on these prospects the farm owner, together with his family, decided to carry out the investment.

From concept to funding decision

In contrary to what was required by the disciplinary measures, which provides that the different transformation phases (coagulation, salting, smoke-drying and maturing) take place in separated premises, the production took place in one sole premise inside the farmhouse, where the producer lives with his family. The funding provided a contribution in capital account equal to 75 % of the investment. For the remaining 25 % the producer utilized own resources without taking out external loans.

From funding decision to implementation

The realization of the investment did not cause great difficulties. In front of the farmhouse was realized a building, with the characteristics reported in the final paragraph.

At the moment of the completion of the works, in 2000, the producer had requested the sanitary authorization. The farm was inspected by the sanitary operators only in 2002, and then finally was obtained the license. The producer complained about this delay, and what concerns two previous sales campaigns he had to market the cheese without all the required licences.

From implementation to consolidation

Only starting from the last sales campaign (2002/2003) the 'Fiore Sardo DOP' cheese can be sold with the quality trademark. The producer hopes to see the association for the protection for the 'Fiore Sardo' cheese to intensify its activity in order to meet the producer's needs. The association is supported by the members with an amount of 2,5 Euro per head/animal in order to carry out its activity, and, moreover, every producer pays in 1.250 Euro per year.

In order to understand better the activities of the association for the protection of the 'Fiore Sardo' cheese the president of this association was interviewed. The president confirmed to us the difficulties regarding the production of the 'Fiore Sardo DOP' cheese. As mentioned previously the number of the members of the this association since the foundation until today is reduced drastically (from 160 to 64)²². The motivations for this renunciation from the part of many producers derive essentially from the numerous heavy burdens over the farms. The production of the 'Fiore Sardo' cheese, in fact, bases on a homemade production tradition, that ignores the standards utilized for the productions of more agroindustrial feature. According to the president, the role of the association for the protection of the 'Fiore Sardo' cheese is that to orient better the producers and to establish "simple" rules that can be adopted without being too heavy for the producers. Unfortunately the regulations are many and often their interpretation is left to the discretion of the local services.

From a promotional point of view the association for the protection of the 'Fiore Sardo' cheese does not operate because the production is already very required. On the contrary, the production does not manage to satisfy the demand. After all, the producers find it convenient to produce 'Fiore Sardo' cheese, because the net profit after the all the productions costs, enables them to sell the product to the market with prices particularly remunerative. The 'Fiore Sardo' cheese, in fact, is sold from the producer at the price of 9-10 euro per Kg. The ultimate consumer pays about 19 euro per Kg. The producers association should operate for the reduction of this mark-up²³.

²² The president confirmed that, up to now, 66 farms are partners in the consortium but only 23 of them sell the cheese with the official quality label.

²³ Non ci viene però detto come.

Description of output

The building realized in the farmyard for the cheese production is composed as follows:

	Mq
Changing room, WC, access area to the bathroom	10
Working room	20
Pickling room	5
Smoke-drying room	16
Premise for maturing	22
Other premise (weighing)	25
Total	88

**2.3 From devising to the realization of the LEADER II investments –
Role of LAG**

From idea to concept

The local action plan has as a strategic objective the promotion of the imagine of Montiferru as a land still to be discovered, where you can become part of the nature and appreciate the flavour of the dishes almost forgotten. In order to do this the adopted strategy since the planning of the activities is that “to optimize the organizational interaction between the sectors and to get rid of the strong sense of individuality of the local communities” (LA, page 23.) The objective to recover “rural know-how” becomes still more relevant if you consider that in Montiferru existed a basket of quality products very appreciated by the consumer, among these products also the ‘Casizolu’ cheese. Anyway, the productions have gone down in the course of the decays in quantity, then almost disappeared. Inside of this framework was planned by the LAG, and in particular by the coordinator, with the help of local technician (also producer) the entire operation about the ‘Casizolu’ cheese.

From concept to funding decision

The investments on the ‘Casizolu’ cheese regarded:

1. Orientation, assistance and optimization of the production process:
 - definition and preparation of a technical regulations for the production, to which to adhere is voluntary;
 - definition and preparation of the plan of safety food;
 - realization of a specific training course about the production technics.
2. Direct incentives for the operators, with the funding of the transformation plants;

3. Orientation, assistance and optimization of the functioning of the sale and distribution of the product:
 - launch the image of this traditional product to be saved and to connect it to the image of the Montiferru territory;
 - network action with other typical local productions (honey of quality, extra vergine olive oil of quality, malvasia wine);
 - development of the presence of the product in the restoration of quality;
 - connection between the producers to face the demands of the product that can exceed the supplies of a single producer (virtual warehouse).

From funding decision to implementation

As seen previously, the operation with the 'Casizolu' cheese is articulated and complex. Apart from the funding of the five farms, that represents one piece on the whole framework, the main difficulties are, most of all, due to some initial suspicions of the operators. One obstacle to get over was the introduction of innovations in the production process imposed by the adherence to the disciplinary measures. In particular, it is to indicate the fact that only thanks to the help of external experts in the area the producers convinced themselves to use one type of cheese-ripening in respect of that traditionally utilized one in order to make the final product more easily saleable outside of the local market. Therefore, an important role for the good success of the project was played by a process of 'contamination' of local production traditions with the demand of the market. The process was facilitated by the utilizing of the external experts, whose skills were shared and recognized by all the producers.

At last it is to point out the fact that major resources were utilized in respect of those initially anticipated. Thanks to the utilization of economies in other projects of LAP, in fact, 5 farms were financed. The initial resources were slightly lower.

From implementation to consolidation

The consolidation of the whole operating on the 'Casizolu' cheese can be concretized as follows:

- incisive communication activities. The LAG together with the producers participated in the edition 2000 of 'Salone del Gusto di Torino' (Food Show held in Turin), probably the most important showcase of national feature. In that occasion were sold (and requested for the following three years) all the quantities of available productions, with prices equal to double in respect of those normal ones. The regional press was interested in this 'Casizolu' case and numerous articles were written about this argument. Also the national press followed with interest the product and the area by

publishing articles on different weekly magazines (more or less specialized in tourism and winegastronomy);

a diffusion of the product in restoration and catering filiere. The agreements were made with the restaurants and the accomodation facilities for tourists for the utilization of the product in their typical and traditional menus. **Description of output**

Activities	Indicators	Quantification
Qualitative improvement of the product	Realization of the disciplinary measure for the production	1
	Farms that complied to the disciplinary measures for the production	4
	Farms that accepted the HACCP manual	5
	Participants to the training course about the production technics	15
Incentives to improvement of the farmyard equipments	Beneficiary farms	5
Improvement of marketing conditions	Creation of the association for the protection of the cheese	1
	Participation to the show rooms at national level	3
	Restaurants and accomodation facilities for tourists that inserted the 'Casizolu' cheese ex-novo to their menus	Min 3
	Articles published by the regional and national press about the 'Casizolu'	30
	Creation of a web site	1: www.casizolu.it

2.4 From devising to the realization of the LEADER II investments – The producer's viewpoint

From idea to concept

The motivations that incited the producer to start the 'adventure' together with the LAG was from one side due to the willingness to maintain and to improve the own family business and from the other side due to the need to diversify and to reinforce the production. Before the funding the manufacturing of the 'Casizolu' cheese was completely handmade by the producer and his father. The working conditions were anyway so hard that the productions was limited to the quantitatives below the potentials of the farm.

From concept to funding decision

The producer noticed the call on the municipal notice board and was interested in the whole operation:

- attended to the informative meetings about the operation;
- participated to the meetings with the external experts;
- tested the innovation of the proposed production process;
- complied to the volunteer disciplinary measures for the production and to HACCP system.
- at the same time the wife participated to the professional training course of the LAG. All the activities were judged very positively by the producer, and did not meet any difficulty.

From funding decision to implementation

There were not also any problem with the allotment of the funding. The equipment was purchased in order to realize a substantial reduction of the hard work. The LAG granted a contribution in capital account equal to 75% of total cost. The remaining 25% was paid by the producer without taking out external loans.

Also in this case there were delays with the concession of all the sanitary authorizations, delays, anyhow, considerably lower in respect of those happened with the 'Fiore Sardo' cheese (about 6 months after the conclusion of the works)

From implementation to consolidation

The producer also participated to the foundation of the association for the protection of the cheese, by making horizontal agreements with the other producers and the food chain for the consignment of the product to the restoration operators. He participated to the Food Show, and was so personally able to verify the potential reference market to the product, by selling himself all the quantitatives of the product brought to the show.

In any case the producer stated to be more interested in local/regional market because prefers to have direct contacts and to avoid to argue with his own clients (above all about the price). For this reason favours more the agreement with the local/regional restoration of quality.

At the present time the producer would like to enlarge the range of his products, in order to manufacture also fresh products (considering that the maturing leads to a weight reduction of the product) or confectionaries (like typical cakes called 'seadas').

Description of output

Beyond the funded equipment, as results are to highlight: the complying to the disciplinary measures for the production and to the HACCP system, the participation to national food shows, informal agreements with the food chain operators, wife's professional training.

3. Description of cost structure

In terms of costs we have just considered the farm investment of the project financed by the Operational Programme:

	Total cost (euros)	Public Expenditure	% Public Expenditure on total cost	Of wich EAGGF	Private
Farm Operational Programme Investment	33.097,14	24.822,86	75,0%	16.548,57	8.274,29

The expenditure is the same of the provisional amount.

For the LEADER II Initiative we have considered not only the farm investment of the project but also the other activities carried out by LAG in terms of technical assistance, promotion and training. These last costs have been allocated to the single producer as a rate of the whole investments devoted to the Casizolu production. In this way we can distinguish direct from indirect costs.

	Total Cost (Euros)	Public Expenditure	% Public expenditure on total cost	European Funds	Private
Direct Cost Farm Investment	78.766	46.481,12	59%	30.984,32	32.285,04
Indirect Cost	12.378	12.378	100%	8.251,39	-
- of which technical assistance&promotion	11.016	11.016	100%	7.343,08	-
- of which training	1.363	1.363	100%	908,31	-
TOTAL COST	91.144	58.859	65%	39.236	32.285

As we can see the direct costs are higher in the project financed by LEADER initiative than in the Operational programme, but the opposite happens to the public expenditure rate.

We have considered in the financial budget also the indirect cost because we believe that the most important contribution to the success/results of the investment is to be found in the technical assistance activities.

4. Input in terms of time and human resources

Before to proceed to the analysis of the realizations of the investments in single farms, here below are reported the times and the collaborators for the entire valorization project of the 'Casizolu' cheese.

Times, activities and collaborations realized by the LAG for the entire operation about the 'Casizolu'

PERIOD	ACTIVITY	WHO	WITH THE COLLABORATION OF
December '97	Starting of LAP Montiferru and the action B34 Formaggi del Montiferru (=cheeses of Montiferru)	LAG	The LAP realized with the support of ERSAT OR =(regional body of development and technical assistance for the agriculture of the province of Oristano).
December 1998	Call for tender for minidairies	LAG	
January 99	Selection minidairies	LAG	
December '98 – February 99	Call for tender and selection of the companies for the technical assistance of total quality	LAG	
December '99 – June 00	Study and realization of the disciplinary measures for the production	LAG- Producers' association ABTQ	Ersat Quality – and Bonassai Research Insitute on animal productions
November '99	Agreement with Slow Food to start the positioning on the markets of high quality	LAG – Slow Food	
March 00	Insertment of the 'Casizolu' and the Sardinian-Modica sheep race among the 100 products of the Ark (=) to be saved from the extinction	LAG- National Commission SLOW Food	
March 00	Test meeting with national experts of 'Casizolu'.	LAG- Slow Food	
March – June 00	Preparation presence of LAG Montiferru at SALONE DEL GUSTO DI TORINO 25-29 October (= National Top Food Show held in Turin).	LAG- Slow Food	
June 00	Signature of the first drafting of the disciplinary measure for the production of 'Casizolu'	LAG- Producers/ owners of 5 funded minidairies	
June 00	Television transmission 'AGRICULTURE' about the 'Casizolu' cheese edited by the ERSAT section Quality inside the project POM (=multiregional operative programme) Agriculture	ERSAT-LAG	
June 00	Participation ERSAT to CHEESE ART of Ragusa with the poster and the "CASIZOLU CASE" of Montiferru	ERSAT- LAG	
June 00	Specific request of collaboration to the Ersat in order to set up a continuative control system of food chain	LAG- ABTQ- ERSAT	

This table demonstrated how articulated and complex the entire operation was.

Considering the necessary times for the funding of the farms, the following table shows the confrontation between POP (= plurifund operative programme) and LEADER II.

PROCEDURE PHASES	Obj 1	LEADER II	LEADER II-Obj 1
Planning investments (approval dates of POP and LAP)	Dec-97	Dec-97	0
Call for tender for the selection of the beneficiaries	Dec-98	Dec-98	0
Dead-line for the sending in of the applications	Apr-99	Jan-99	-90
Selection applications	Jun-99		
Works started	Set-99		
Concession I imprest	Dec-99	Jan-00	31
Conclusion of the works	July-00		
Inspection	July-00		
Final balance	Set-00	Jan-01	122

In base of this table can be made the following considerations:

- in both cases from the planning to the issue of the call for tender was passed 1 year;
- the regional administration showed itself more efficient in the phase of the allotment of the contributes (in particular for the settlement).

This second aspect derives from the bright organization from the part of region for the realization of the measure. In fact, once the classification lists were published all the procedure was handed over to the provincial offices, that had supervised the projects. In the province of Oristano were supervised 13 applications. The provincial office affirmed that the swiftness in the funding management is principally due to the fact that the accomplishment instructions of the measure were very clear, with the pre-established parameters. This facilitated the work of proceedings and the verification of the practices. It must be also mentioned that, according to the interview with the responsible officers came out the utilization of an idoneous procedure and particularly efficient, created autonomously by the provincial office. This procedure allowed, for example, to let pass only 13 days from the communication date about the closing of the works (3rd July 2000) to the farm inspection (20th July 2000). The working team showed itself to be particularly efficient and, we can say, represents an excellent result in respect of the regional average.

From the other part the LAG complained about a certain delay from the regional administration in paying fundings. This caused in some cases problems with cash with consequent delays with the allotment of the contributes to the remittees.

From the point of view of the utilization of human resources, an estimate reveals that were not substantial differences. For the funding of the application the regional administration utilized the 3% of a resource at full time in an year (3 persons per week for the evaluation of the 63 sent in projects, 1 week per practise for the proceedings and the concession of the anticipation, 2 days to settle the payment); the LAG utilized the 2-3% of a resource (animator's estimate).

5. Outcomes

5.1 Horizontal objectives: employment, income, equal opportunities, environment and – if applicable – agricultural restructuring and diversification.

Income

Most effects are on farm income, as shown in the following table.

	Obj.1 OP			LEADER II		
	With investment	Without investment	Changin Rate	With investment	Without investment	Changin Rate
Revenues	70.651,30	58.876,09	20%	72.287,91	45.854,49	58%
Costs	42.194,53	42.194,53	0%	39.767,18	25.926,14	53%
Net revenue	28.456,78	16.681,56	71%	32.520,73	19.928,36	63%

Main differences between two projects are:

- in the case of OP, the producer should realise a better price for his production. Without the investment he should not commercialise his products as Fiore Sardo DOP²⁴;
- in the case of LEADER II investment, the machinery should provide an increased product's quantity.

Other Effects in Synthesis

OBJECTIVES	LEADER II	Explanation	OBJECTIVE 1	Explanation
Employment	+20%FTE	Increased production	-	Same production
Income	+63%	increased production	+71%	Increased unitary prices
Equal opportunity	+	Wife training course		
Environment		No effects		No effects
Agricultural restructuring and diversification	++	Global Objective	++	Global Objective

²⁴ The cheese's price shown in the table has been reported by the President of Fiore Sardo POD Association.

5.2 Behavioural changes (LEADER specificity's) and the overall relevance and usefulness of the project.

About the behavioural changes we have underlined the role of the LAG in building a participative approach, with the involvement of external experts and local actors. The LEADER II producer has told us about the change in relationship with other producer (horizontal) and the operators of the catering filiere. These linkages should provide a better dialogue for solving common problems and for supply organisation.

Synthesis of the LEADER features

FEATURES	LEADER II	OBJECTIVE 1
Territorial approach	+	++
Bottom-up	++	0
LAG	++	Not relevant
Innovation	+	+
Integration	++	0
Network and cooperation	++	0
Financing	0	+

Legend: very positive (++), positive (+), no influence (0), negative (-), very negative (--).

6. Comparative assessment of cost-effectiveness

Finally, we have done a simplified economic/financial analysis, finalised to understand the costs effectiveness of the two investments (enclosed financial tables).

The Financial Analysis is based on:

- life investment: ten years;
- comparison between cost and revenues with the investment and without the investment;
- calculation of Net Present Value (NPV) with a discount rate of 5%,;
- calculation of Internal Rate of Return (IRR), both for total investment and public investment.

For LEADER II investment NPV and IRR is calculated also both for direct and direct+indirect costs.

The results are showed in the following table:

	Obj. 1	LEADER II
NPV (differences between with-without investment)	97.055,0	118.738,5
IRR total cost (only direct costs for LII)	28%	8%
IRR public expenditure (only direct costs for LII)	41%	22%
IRR total cost (direct+indirect costs for LII)		5%
IRR public expenditure (direct+indirect costs for LII)		15%

As shown, differences in terms of economic advantages are significant. If we consider the LEADER II whole costs, objective 1 investment is more convenient. But it is also worth to note that in both cases IRR is high.

So we can conclude saying that:

- from an economic point of view the Obj.1 investment is more convenient than LEADER II investment, considered direct costs or as a whole;
- the two investments have a very high impact on farm income. The IRR is more than 25%, in Obj.1, that is twice of the usual productive investments – 10% (Guide to Cost-Benefit Analysis of Major Project, EC, 1997). In LEADER II initiative the IRR is quite similar to the average of usual productive investment;
- in both cases public expenditure has a very high IRR.

In any case, if we consider other impacts, such as employment, social effects, behaviour changes LEADER II investment is more effective.

Generally the differences between these two experiences are clearly to be highlighted:

- in case of Objective 1 it was a question to finance a “necessary” investment, which the producer in some way had to face to. From this point of view it can be affirmed that the spent communitarian resources were utilized in a strict way relative to the needs. But a perspective and comprehensive vision was missing, enable to solve on the whole the producers’ problems;
- in case of the LEADER, instead, the operation was comprehensive and was connected directly with all the other activities of the LAG. The coherence of the action is visible with all the connections about the funding. For the rest also from the social point of view the system revealed to be a success, because in many farms the production is being reintroduced. A role of extreme importance comes out from the fact that the following groups were involved with the operation:

- an association of national prestige, engaged with the promoting and sustain the culture of taste;
- the restoration operators which were behind the major demand of the product.

Probably, somehow, a further and very significant difference regards the impact on the territorial capital:

- in case of the Objective 1 the investment had the effect to reinforce a typical, strategic production for the region, that has been an object of investments in research and development and in technical support, since more than 30 years (therefore it can be considered already valorized);
- in case of the LEADER, the investment contributed towards the recovery of a peculiar production of the area that otherwise would have fallen into disuse (it is just not a case that it was inserted by the Slow Food, a very accredited association, among those 100 Italian products to be safeguarded). In this case, therefore, a distinctive part of the territorial capital of identity and of know-how was safeguarded and its economical potential finally utilized to produce income and diversification in a local farms.

III.9 CEA OF 2 BED & BREAKFAST PROJECTS FUNDED UNDER LEADER II AND OBJECTIVE 1 IN FLEVOLAND – THE NETHERLANDS

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1. Description of the context of both projects

This comparative case study was carried out for two twin projects regarding the funding of a Bed & Breakfast (the rural tourism action type) in Flevoland. The first was financed by Objective 1) and the second by Leader-II.

Both Projects are sited in the Leader-area of Flevoland (the Netherlands), while the Obj1) project is sited in a rural zone, the Leader-II project is located in the nearness of Lelystad.

1.1 Description of the area (source: Leader II European Observatory)

Reclaimed from the sea, Flevoland is the youngest region in Europe -in every sense of the word. It is experiencing a rapid population growth with which infrastructure, services and jobs are having to keep up. Flevoland is situated to the east of Amsterdam. It is quite unique in Europe and indeed the world because it is literally new. This region is made of three polders that were reclaimed from the Zuiderzee in the middle of the twentieth century.

Two factors induced the Dutch authorities to drain a large area of the Zuiderzee and use it for human settlement purposes: the tidal wave that occurred in 1916 demolishing some dykes and causing huge floods, and concern about the difficulties linked to the provision of fresh supplies during the First World War. The 14 June 1918 law authorised the government to seal off the Zuiderzee with a dyke, to drain five polders and to settle farmers on the drained land, so as to carry out the following objectives:

- *to increase the amount of national farming land, which had been too little for a fast growing population;*
- *to shorten the defence lines against the sea and thus better protect the interior of the country against the dangers of flooding;*
- *to improve communications between the northern and western parts of the country, thanks to the road that was constructed on the closing dyke (completed in 1932);*
- *to create a fresh water reserve in the northern part of the Zuiderzee that had not been drained.*

Flevoland is made up of three of the five polders (the first, Wieringermeer, belongs to southern Holland and the fifth, Markerwaard, has yet to be completed):

- *the Noordoostpolder (48 000 ha), drained between 1936 and 1942, is joined to the continent;*
- *Flevoland-East (54 000 ha) was drained between 1950 and 1957;*

- *Flevoland-South (1959-1967; 43 000 ha) are artificial islands surrounded by dykes, whose only transport link with the rest of the Netherlands is by bridge.*

The three polders were combined in 1986 to form the Netherlands' twelfth province. Because the development of its infrastructure is still underway, Flevoland was selected as an Objective I area for the 1994-1999 period. It is part of the Structural Funds transition programme for the 2000-2006 period.

- ***Recreating a very old region***

The creation of Flevoland could almost be referred to as a "recreation" since the Zuiderzee only appeared in the 14th century, when the sea broke over the coastal strip of the Friesian islands and covered the land up to the fresh water lake that the Romans called "Flevo Lacus" (many pieces of pottery found when the drainage work was being conducted point to human presence in this "first Flevoland" 5,000 years earlier).

The "poldering" process and use of the Zuiderzee were initiated by two State departments that acted successively:

- *the Zuiderzee public works department carried out the engineering work: it dug the drainage canals while the future polder was still flooded, constructed dykes, dredged and imported equipment, pumping stations, locks, roads and bridges;*
- *the department responsible for settling people and promoting the newly recovered land cultivated the polders in the five years that followed the land-drying phase, split the land into plots of 12, 24, 36 or 48 ha and constructed farm buildings and towns. Once they were ready to be farmed, the new holdings were offered to selected farmers, one half for tenant farming and the other half for leasing or full ownership.*

As a whole, agriculture occupies three quarters of the surface area of Flevoland (98,000 ha) and employs 7% of the working population. The farms are on average 40 ha. 33% of the production consists of major crops, 18% of flowers and 17% of vegetables.

- ***The number of inhabitants doubles every ten years...***

The non-farming population lives and works in the villages and new small towns where commercial, administrative, social and medical services and schools are concentrated. The Noordoostpolder has a small town known as Emmeloord (with a population of 15,000 inhabitants) and 10 large villages. Flevoland-East has three villages and a town known as Lelystad (with a population of 60,000 inhabitants), the provincial capital. Flevoland-South has a larger town known as Almere (with a population of 95,000 inhabitants) and has the highest population growth in the Netherlands (an increase of more than 80,000 inhabitants in 16 years).

The number and quality of facilities are still inadequate and job creation can barely meet the requirements of the fast growing population (+220% between 1980 and 1990). The population growth mainly consists of an influx of young people from Amsterdam and more generally from Randstad Holland. According to population forecasts, Flevoland will have 400,000 inhabitants in the next fifteen years.

■ **Jobs and activities have to keep pace**

One of the biggest development challenges is for the employment rate to keep up with the rapid population growth. This seems to be happening in Flevoland, given the substantial reduction in the rate of unemployment in recent years.

More than 9,000 companies have set up in Flevoland. In most cases, these are very small structures (1% of the companies have more than 100 workers). However, they are often very innovative and yield good results with regard to their exports in areas such as the environment, waste management, hydrology, aeronautical research and recreational activities. Urk, a former Zuiderzee island “recovered” by the Noordoostpolder and inhabited by people since the year 800, has an important fishing port and is home to a fleet of some 160 ships.

Nature related recreation is another predilection of Flevoland. Compared with other parts of Europe, the environment in Flevoland is particularly healthy because in the endeavour to give the area appeal, the authorities were careful to take into consideration protection of the water, flora and fauna, eg, by constructing the railway lines in such a way as to avoid nesting sites for birds.

Many protected areas have been created, starting with the Oostvaardersplassen Ornithological Reserve – a marshy area of 6,000 ha set up in 1967 that was unique in Europe. Also, Zeewolde in Flevoland-South, the “youngest” rural community in the province (the first inhabitants settled there in 1984) has a huge forest of leafy trees, beaches and large recreational spaces.

■ **LEADER II: consolidating and improving what has been achieved**

The LEADER II area (1,000 km²; 82,000 inhabitants; 82 inhabitants/ km²) covers the Noordoostpolder and the eastern part of Flevoland, except Lelystad. The territorial organisation of Noordoostpolder (41,000 inhabitants) is based on ten small market towns forming a crown around Emmeloord, the chief town. Horticulture and greenhouse farming are Noordoostpolder’s main activities. The other part of the area, ie, Flevoland-East, is organised around the town of Dronten (31,000 inhabitants) created initially with a view to responding to the needs of the agricultural activities carried out in the surrounding areas. Like Zeewolde, Dronten hosts one of the main recreational centres in the province.

The LEADER II regional programme's declared objective is to reduce the agricultural sector's vulnerability, render the recreational and tourist sector more dynamic and improve the quality of the infrastructure and services in the small villages.

Among the Flevoland LEADER II group's partners are representatives of Noordoostpolder, Dronten and Lelystad provincial authorities and rural communities, and representatives from each of the sectors covered by the Initiative.

1.2 Description of the sample

It has to be said that the similarity of the two B&B projects is limited:

- the investment level is proportioned by 20 to 1 and the aid level by 6 to 1 (respective L-II and Obj 1))
- the beneficiary type is differing: The L-II beneficiary is a small-scaled family enterprise, financed by the ERDF, while the Obj1) beneficiary is a farmer, financed by the EAGGF.

Unfortunately it was not possible to individuate more similar projects, so this study was carried out on "two non identical twins".

The sample was proposed by the Leader-II project coordinator. He searched both projects and asked the beneficiaries if they were willing to cooperate. He fixed the visits and was also present during the interviews. He also provided the Obj1 documents as the former Obj1 responsible left the Administration a few years ago.

At the beginning of the Obj1)-programme, the B&B sector was totally absent in the province of Flevoland. The relevant administration decided to fund about 50 B&B and 20 mini-campings. The foreseen funding amount for every B&B was rather low comparing with the other types of projects which were most of the time large-scaled. Therefore, the B&B of this case study is representative of the 50 B&B financed by the Obj1)-programme, as funding amounts were of the same level.

In the Leader-II programme, the funding of a B&B was rather original. Although the infrastructure of the B&B was funded, it was the added value, namely the cooperation between the B&B and the neighbour organic farmers which made the project very innovative and Leader-like. As Flevoland is a pioneer in organic farming and collective distribution of organic products, lots of groups (agricultural institutes, enterprises) and individuals from at least 25 countries are visiting the area, and there was an increase in demand for meal service and overnight stays. The combination of B&B and organic group meals on demand, was corresponding very well with the economical context of the area.

To answer the question “*To what extent did the specific financing and management procedures contribute to the added value of LEADER II?*”, a questionnaire was prepared and was compiled during the visit (see ANNEX I). The L-II beneficiary was visited at a workshop on rural development where her B&B was presented as a case study. She presented her project, and talked about the difficulties and constraints encountered during the development of the project idea and its implementation. Later, together with other B&B owners, ideas and experiences were exchanged. The Objective 1 beneficiary, also present at the workshop, was interviewed “in situ” on his B&B. He explained his former life as a farmer and the change to rural tourism. For both beneficiaries the same questionnaire was used. The Leader-characteristics were not directly used to avoid advantaging the Leader-project as it is more difficult to respond to these characteristics for the more “classical” Obj1 project.

2. Description of both projects (output), highlighting similar and different aspects

2.1 From idea to concept

Both the beneficiaries consider *My personal "entrepreneurs-spirit"* and *The cultural-historical value of the building* as the two main driving forces for their choice to start a B&B.

Obj1

The VVV (Netherlands Board for Tourism) made a visit and proposed the idea of a B&B. On the farm there was already a mini-camping (funded with obj1)) and VVV promoted the combination B&B and mini-camping. VVV underlined the attention on "Six Flags", a funfair at 3 km distance which could furnish the clients.

L-II

The personal attraction towards the beauty of the area and the personal will to give the opportunity to people to get in contact with organic food and organic farming, were the main reasons to develop the idea of a B&B. Therefore the area was studied personally, and the “open demand” for meal service and B&B service was discovered. Other similar projects and complementary projects were visited to make an idea of the feasibility of this personal idea.

2.2 From concept to funding decision

Obj1

As the VVV (Netherlands Board for Tourism) secured the feasibility of the project (B&B and mini-camping seemed a good combination, the demand of overnight stays was increasing

thanks to the funfair), the proposal to invest in a B&B and the funding from Obj1) were accepted.

Rural development and alternative ways of income for farmers were already known as concepts by the beneficiary, as a mini-camping already was set up before. Besides, in 1996, VVV was promoting the combination of mini-camping and B&B together.

To know some more about B&B, a specialisation course was followed at the technical agronomic institute. The course was called "tourism on the agricultural enterprise" and was referred to B&B and mini-camping. Although it was interesting because other examples of B&B were analysed, the course did not have any influence on the concept of the project. But interesting contacts with other participants were created, some of them maintained. The course was subsidised.

The purpose of the investment was increasing the family income.

L-II

As the personal plan was developing already in 1993, but own financial means were lacking, information on rural development and funding was sought (newspaper, information centre, centre for organic farming). In this way the contact with L-II was made. To check the feasibility of the project, complementary and similar services were visited, and the area was personally visited and analysed.

To realise the project, the need to know more about undertaking was felt as a necessity and a specialisation course for female starting entrepreneurs was followed. The course was subsidised, and created a support for new starters. Although no other B&B were analysed, the learning's from the course influenced the concept of the project, a more professional approach was applied. Contact was kept with both the training centre as some other participants.

2.3 From funding decision to implementation

Obj1

Once the decision was made and the project demand was formulated, the administrative procedures were very fast: in September 1994 the demand was presented and in December 1994 the project was approved. After realising the project, the funding was paid (1998). The level of the investment did not require a loan by a bank or financial institute. Although it was not possible to receive a funding advance, no problems were encountered with cash flow.

The programme was managed by FBT (Flevoland's Bureau for Tourism). They did not give any form of support or advice, but managed the funding in a very adequate way. The former

experience (mini-camping, funded by Obj1) as well as this one were seen as very positive. The total funding amount was paid.

L-II

To write the project demand, some constraints were encountered as privately, the partner was not fully supporting the B&B idea, and the contractor for the wooden house (the infrastructure for the B&B) seemed to be a swindler. The problems were solved although time was lost. The LAG coordinator was giving support in this phase. Once the demand was formulated, the project was easily approved by the LAG. About 5 months passed between demand and approval (26-11-96 and 15-05-97 respectively) and the project was realised at the end of 1998.

A funding advance was requested and obtained: it was about 75% of the total amount of the public funding. The other 25 % were paid after the project's realisation (last payment 13-01-99).

A loan was contracted by a bank to pay the private part of the investment. The evidence of the Leader-II funding was required.

It was the first experience with public funding, beside a local private sponsoring campaign, no other financial channels were sought to receive alternative ways for funding

2.4 From implementation to consolidation

Obj1

Although the funfair market seems in crisis (the funfair Six Flags was doing rather bad the last 2 years), the B&B investment has brought an increase of income. This thanks to tourists who like to visit Lelystad and Amsterdam, but who prefer to stay in a quieter less urban area for the evening and night, and also because of the variety of the offer on the farm enterprise. Besides the B&B, there is also the mini-camping, 2 trekking huts and bicycle rent. In this way a broad public is achieved.

The services are described in some tourism and travelling guides (ANWB, VVV, VEKABO,...) and tourist offices refer to the B&B of the area. No special label was granted to valorise services or products. No real network of B&B is existing in the area, although practices of good-fellowship are the rule: in case of full booking or particular demands, tourists are forwarded to other colleagues.

The B&B knows a seasonal activity and during winter time and late autumn there are less clients. Annually about 100 nights a year the B&B is occupied. About 60 stays/year are estimated and about 25% of them are foreigners. Most of the clients stay 1 or 2 nights.

No further investments are foreseen.

L-II

The B&B created the income for the beneficiary, who is living full time of it. Besides the B&B, meal services made with organic products are available on demand. This combination created a good supply for the area's demand.

The services are described in some tourism and travelling guides (ANWB, VVV, VEKABO,...) and tourist offices refer to the B&B of the area. No special label was granted to valorise services or products. No real network of B&B is existing in the area, although practices of good-fellowship are the rule: in case of full booking or particular demands, tourists are forwarded to other colleagues.

The B&B doesn't know any seasonally pattern, as it lives on both clients and meal during the entire year, beside tourists. The B&B is occupied every day of the year. About 280 stays/year are estimated and about 40% of them are foreigners. Most of the clients stay 1 or 2 nights, but also 10% stay until 1 week.

As the demand of small group accommodations is still growing in the area, this type of investment is foreseen when the financial situation of the beneficiary will permit it.

2.5 Description of output

Indicators of achievement

OUTPUTS	OBJECTIVE 1)	LEADER II
Number of rooms:	2	2
Number of beds:	4	4
Kitchen	0	1

Considering the outputs, the two projects seem to be very similar: both realised 2 rooms with 4 beds, the L-II project also realised a kitchen for the meal service (the kitchen was taken into account for 50% as it is partly used in private for the beneficiary's family).

3. Description of cost structure

Table 1

Structural Fund programmes in the region of Flevoland (ECU)

Name	Objective 1)	LEADER II	PESCA	% L-II of Obj1
Total funds	730.000.000	12.147.153	4.344.000	1,7
EU funds	150.000.000	2.531.939	1.980.000	1,7
EAGGF	22.000.000	1.339.543	0	6,1
ERDF	82.000.000	1.162.282	1.682.000	1,4
ESF	35.000.000	30.113	0	0,1
FIOV	11.000.000	–	298.000	
National/regional/local public funds	375.000.000	5.495.520	1.554.000	1,5
Private funds	205.000.000	4.119.694	810.000	2,0

In July 1996, the Provincial Administration decided to foresee the funding for about 50 B&B and 20 mini-campings in the Objective 1 programme. The main objective was to create about 70 employment's places (one FTE per accommodation) and to create in the programme period about 62.500 overnights in the area. The B&B funding was limited on 4 beds per accommodation and the mini-campings on 10 places (15 places in high season) per accommodation.

Table 2

Financial data for the 50 B&B and 20 mini-camping funded by Objective 1 (ECU, source: Project plan rural tourism Objective 1, EUR/95/050593/A)

	Total	Public funding				Private
		EAAGF	Total cofinancing	Province	VVV (*)	
1 ½ salary	40.713	40.713	-	-	-	-
Overhead (ca.)	40.713	-	40.713	-	40.713	-
Promotion and inspection	35.129	17.564	17.564	17.564	-	-
Investments B&B	281.028	81.967	199.062	81.967	-	117.095
Investments minicampings	562.056	70.257	491.799	70.257	-	421.542
Total	959.639	210.501	749.138	169.788	40.713	538.637

(*) VVV = Netherlands Board for Tourism

For the Obj1) project the funding was foreseen by the EAAGF and Provincial Administration (50% each). Every B&B of the programme received the same amount of funding.

Table 3

Total investment and programme funding for the L-II and Obj1) projects (ECU)

	Leader II	Objective 1)
Total investment	140.672	6.807
Public funding	18.696	3.176

For the L-II project, the following financing sources were presented in the project proposal:

Table 4

L-II and Obj.1 financial table of the project approval (ECU)

	Leader II	Objective 1
Own savings	15.882	3.631
Demanded contribution (L-II or Obj.1)	15.519	3.176
Additional contribution – B&B regulation (*)	3.176	0
Bank loan	106.094	0
Total investment	140.672	6.807

(*) In the framework of the B&B regulation, financed by the Provincial administrations and VVV (Netherlands Board for tourism) a contribution was demanded for 2 rooms.

4. Input in terms of time and human resources

Assessment of the bureaucratic and time consumption related to the funding process

Considering that the LAG was supported by the Provincial Administration, which also managed the Objective 1) programme, it can be assumed that there were no relevant differences for bureaucracy. The two approval procedures were both quite fast: 3-4 months and 5,5 months respectively for the obj1) and L-II project.

The complete time path between project's demand and realisation was about 25,5 months for the L-II project and 28-40 months for the Obj1) project (it was not possible to have exact data for the latter). From this point of view, the L-II project seems more efficient, especially because the project itself required a bigger financial investment and a larger structural intervention (new building).

Both beneficiaries were satisfied about the management of the programmes. The most important difference is the funding advance which the L-II project has received (75% of the total aid) and which was extremely important for the project's realisation, by means of the access to a bank loan and financial capacity of the beneficiary.

Both beneficiaries received the entire approved funding amount.

Very notable is the final payment of the L-II contribution only one month after the project's realisation, for the Obj1) project it was not possible to express an opinion as no sufficient information were available to estimate the time period between realisation and final payment.

Table 5

Procedural timing (Time Path)

Step	Obj1	L-II
Project demand	Sept 94	26-11-96
Approval by LAG/FBT	Dec 94	12-05-97
Realisation	1998	Dec 1998
Final Payment	1998	13-01-99

5. Outcomes

5.1 With regard to horizontal objectives: employment, income, equal opportunities, environment and – if applicable – agricultural restructuring and diversification.

Employment

The L-II contribution produced 1 FTE, justified by the annual turnover of the B&B. For the Obj1) project this cannot be confirmed, as the turnover of the Obj1) contribution did not create 1 FTE.

Income

The following table presents the tourist activity generated by the investment and represents a reference for the turnover calculation for the year 2002.

Table 6

activity of the B&B

	OBJECTIVE 1)	LEADER II
Number nights/year:	90	532
Number of stays/ year:	60	280
Number of Foreigners	25%	40%
Duration Stay		
1 night:	50%	60%
2 nights:	50%	30%
1 week:	0	10%
Number of meals	0	1831 (estimation)

Comparing the turnover levels of the year 2002 (so 4 years after the project's realisation), it can be said that the L-II project knew a huge turnover improvement in confront of the Obj1) project.

Indeed, an estimate on the yearly turnover (2002) of the L-II project is calculated on 37.338 Euro in total, of which 16.000 Euro from the B&B and on 21.338 Euro from the organic meals (catering included), while the Obj1) project has a yearly revenue of 2.000 Euro from the funded part of the B&B. It has to be said that it was difficult to estimate the income from the Obj1) project, as the beneficiary already has a mini-camping (former Obj1) funding) and also enlarged his B&B with small group accommodations without funding. His overall yearly turnover was estimated on 12.000-14.000 Euro.

Only the L-II beneficiary affirms the income increment thanks to the realised investment. For the other case, it is the overall investment (two Obj1 contributions, private investments for group accommodation and trekking huts) which foresees a complete income for one person, so it cannot be affirmed that the investment of the 2 rooms created an important increase of income.

Equal opportunity

The two projects are not comparable on this issue, but it can be underlined that the L-II project produced the employment for a woman who affirmed to have obtained her independence from her former husband thanks to the new income of her B&B activity.

Environment

This objective is not directly applicable. It can be said that an indirect effect was obtained as local organic products are valorised in the L-II project.

Agricultural restructuring and diversification

The Obj1) project could be a typical case of agricultural diversification but the farmer abandoned the agricultural activity so now it should be considered relevant for the agricultural restructuring. However the financial size is so small that it is difficult to assume this kind of direct impact.

The L-II project produces an added value for organic products: offering organic meals at the B&B, tourists have the opportunity to get in contact with organic food and farming, the outside catering in cooperation with the organic farmers also valorises the local products on the market. This added value is guaranteed by a formalised cooperation (by means of signatures) with the neighbour organic farmers of the area in the project proposal.

Synthesis of the horizontal objectives

Table 7

Synthesis for the horizontal objectives for both projects

OBJECTIVES	LEADER II	OBJECTIVE 1
Employment	++	0
Income	++	0
Equal opportunity	+	0
Environment	+	0
Agricultural restructuring and diversification	+	+

Legend: direct positive effect (++), indirect positive effect (+), not influent or not assessable (0), indirect negative (-), direct negative effect (--).

5.2 With regard to behavioural changes (LEADER specificity's) and the overall relevance and usefulness of the project.

Territorial approach

The L-II project describes an important link with the local territory as she operates in a group context and not as an individual in the area. It is extremely interesting the link between the tourist activity and the local organic products. The Obj1) project was realised in a typical cowshed of the area: it got a new function but from the outside the structure remained intact.

Bottom-up

This feature is extremely evident for the L-II project as she had already developed her project idea and searched the financing to realise it. It means that in this particular case, Leader-II has succeeded to sustain a need for investment which probably would not have found the funding in a classical programme. The Obj1) project is a clear example of the top-down approach, as he was visited by the VVV (Netherlands Board for Tourism) who promoted the idea of B&B on former agricultural enterprises.

The homogeneity and financial level of the subsidising for B&B in the Obj1) programmes, probably caused several "deadweight" projects (in terms of employment, income,...). It can be said that L-II individuated an important gap in the mainstream of the Obj1) programme.

LAG

The LAG was present during the project process, but the beneficiary, although satisfied about the procedures, did not add a particular value to the working management of the group.

Innovation

Both funding aids were used for the structure of the B&B. For the L-II project, the wooden house was not considered innovative, but the added value of the cooperation between the B&B and the organic farmers was seen as highly innovative. This cooperation was also formalised by means of signatures of every organic farmer of the area in the project proposal.

Integration

In the L-II project there is a new form of integration between the B&B and the organic farmers of the area and the use of their organic products for the meals. In the Obj1 project, it is difficult to describe a kind of integration as his agricultural activity was completely abandoned. Integration can be explained in another way: the tourist activity was planned and proposed considering other local tourist attractions (funfair) and contains different offers: B&B, mini-camping, trekking huts, bicycle rent. Therefore it can be said that the initiative of the FBT to stimulate the B&B activity was very positive for the area.

Network and cooperation

No links.

Financing

the funding advance of the L-II project was very important to realise the project, without funding the project would have been realised, although in a lower scale. The obj1 beneficiary affirmed that he would have done the same investment also without funding (deadweight).

Synthesis of the LEADER features

Table 8

Synthesis of the LEADER features for both projects

FEATURES	LEADER II	OBJECTIVE 1
Territorial approach	+	0
Bottom-up	++	0
LAG	0	Not relevant
Innovation	+	0
Integration	++	+
Network and cooperation	0	0
Financing	+	0

Legend: very positive (++), positive (+), no influence (0), negative (-), very negative (--).

6. Comparative assessment of cost-effectiveness

The most important difference between the two projects is the following: while the **Obj1 project is a typical example of a deadweight case**, the **L-II project would not have been realised in the same way without funding**. Furthermore, the L-II project created 1 TFE (for a woman) considering a rather low cost (18.696 Euro). The L-II beneficiary declared that she would have realised the project also without funding, however in a much smaller dimension. The Leader contribution was important for the financial support, but also had its importance for the loan by the bank and the familiar consensus, both necessary to achieve the investment.

Resuming, the L-II project prevail on the Obj 1) project for the following:

- better efficiency of funding
- better competitiveness of the B&B on the market
- created employment
- better revenue (the estimates on the income are assumed on the beneficiary's declarations)
- better integration in the territorial context
- better payment modalities of the programme (advance and velocity of final payment after the project's realisation)

Table 9

financial comparison between the L-II and the Obj1) project (Euro)

	L-II	Obj 1)
Funding/bed	4.674	794
Cost/bed	35.168	1.702
Funding/room	9.348	1.588
Cost/room	70.336	3.403
Funding/FTE	18.696	–
Cost/FTE	140.672	–
Ratio gross cost/turnover	140.672 / 37.338 = 3,77	6.806 / 2.000= 3,40
Ratio net cost/turnover (*)	121.976 / 37.338 = 3,27	3.630 / 2.000 = 1,81
Yearly nights/bed (**)	133	22,5
Use index (**)	39,7%	6,7%
Multiplier effect (***)	121.976 / 18.696= 4,7	3.630 / 3.176 = 1,14

(*) The Ratio Net Cost is the cost for the beneficiary (without the public funding).

(**) Considering the rural tourism type of activity, 335 and not 365 days/year are used, as usual for the calculation of use index of beds in hotels

(***) private co-financing/public funding.

It remains difficult comparing the financial data of both projects as the L-II project has a funding contribution which is about 6 times the Obj1) one.

Regarding the above table, the Obj1) project cost-effectiveness effect appears more positive than the L-II projects, thanks to the very low investment in absolute terms. If we compare the projects for their sustainability of the investment, the deviation is almost cancelled considering the *Ratio gross cost/turnover* but is outstanding for the *Ratio net cost/turnover*, due to the relative higher subsidising level of the Obj1) project comparing with the total investment. Considering the indicators for economical efficiency, it is clear that the L-II project has a better score. With a use index for beds of almost 40%, this B&B can be considered highly competitive with the “classic” hotels.

The L-II investment has achieved a better quality offer for the following reasons:

- better use index score (39,7% ↔ 6,7%)
- higher frequency of strangers (40% ↔ 25%, although they are estimates)
- price per night of the L-II B&B is 1,5 times the price of the Obj1) B&B

Furthermore, the Obj.1 project did not produce a direct effect on the employment and also the multiplier effect is much higher for the L-II project (4,7 ↔ 1,14).

Indeed the assessment of cost-effectiveness is extremely better for the L-II project.

The performance of the L-II project is positive also comparing with analogue subsidised projects in some other European regions (1), which registered a mean (average) ratio Funding/FTE of 23.411 Euro for a similar period (1996-1998).

In the three below mentioned regions (Emilia-Romagna, Castilla-La Mancha and Pays de la Loire) the Full Time Employees were created for a 75% and preserved for a 25%.

(1) Comparison of rural tourism policy among three European Regions: Emilia-Romagna (I) – Castilla-La Mancha (E) – Pays de la Loire (F), L.Marangoni, M.Fini, Conference proceedings “1st World forum in agri-tourism and rural tourism” – University of Perugia (I), 21st of September 2000.

**ANNEX I:
Questionnaire filled in by the relevant administration and beneficiaries of respective the L-II and Obj1 project.**

LEADER II – ex post evaluation

Comparative case study on Bed and breakfast

Institutional PART

ADMINISTRATION IDENTIFICATION

Name of the interviewed person:	L-II: Geert Gielen Obj 1: Geert Gielen (it was not possible to interview the responsible of Obj 1, because he left the Provincial Administration)
Institution:	L-II: Province Flevoland Obj 1: idem
Position in the Institution:	L-II: Project coordinator L-II Obj 1: idem
Adress:	L-II: Pb 55, B200 AB Lelystad Obj 1: idem
Tel:	L-II: 0320-265481 Obj 1: idem
E-mail:	L-II: gielen@flevoland.nl Obj 1: idem

1. Is the project representative for the Programme?
L-II: Not really, but more than the B&B for Objective 1
Obj 1: No, other projects of Obj 1 were generally large-scaled

2. For this project, which are the following features?

▪ promotor type:	L-II: 1 person	Obj 1: Family
▪ total cost and public funds of the project:	L-II: 310.000 Gulden and 41.200 Gulden	Obj 1: 15.000 Gulden and 7000 Gulden
▪ What was financed with the funds:	L-II: Infrastructure	Obj 1: Infrastructure
▪ Time period between approval – realisation – payment:	L-II: 1.5 year	Obj 1: Province -> FBT (*): a few years; FBT -> beneficiary: a few months
Failure chance in the Programme (not realised, not approved, approved but not implemented projects...)	L-II: /	Obj 1: of a total nr of 15, 2 were not approved

(*) FBT= Flevoland's Bureau for Tourism

3. Personal idea about the project within the Programme context (mid- and long-term period)?

L-II: An added value was obtained by the cooperation between different actors of the 'neighbourhood' of the B&B: organic farmers and an organic distribution centre send their clients to the B&B, and on demand, the B&B prepare organic business lunches. All actors formed the project demand.

Obj 1: the Objective was obtained: thanks to the funding of Obj 1, the B&B sector was set up and is still growing (was totally absent before Obj 1)

Documentation :

L-II: Project's demand, description cooperation between organic distribution centre and B&B

Obj 1: Project plan rural tourism Objective 1

LEADER II – ex post evaluation

Comparative case study on Bed and breakfast

IDENTIFICATIE VAN DE B&B

Name Beneficiary:	L-II: Door Miggelbrink Obj1: Berend Tinge
Adress :	L-II: Bronsweg 18, Lelystad (town) Obj1: Stobbenweg, 40, Dronten (country side)
E-mail:	L-II:/ Obj1: info@thecht.nl
Tel. / Fax.:	L-II: Tel: 0320 233 801; Fax: 0320 231 789 Obj1: 0321 31 39 71 (no fax)
Age:	L-II: 44 Obj1: 54
Education	L-II: nurse Obj1: Technical Agricultural Institute (Tropical specialisation)
Professional Activity before B&B	L-II: free-lance cook Obj1: farmer

BENEFICIARY'S "PARCOURS" IN THIS PROJECT

Course	Date: L-II: 1993; Obj1: 1994 Duration: L-II: 1 year, 10 hours/week; Obj1: 5 days Type : L-II: entrepreneurship; Obj1: rural tourism ("re-create in rural areas)
Time Path	project demand: L-II: 26-11-96; Obj1: Sept 94 Approval by LAG/FBT : L-II: 12-05-97; Obj1: Dec 94 Realisation: L-II: Dec 1998; Obj1: 1998 Payment: L-II: 13-01-99 (last one); Obj1: 1998 Total investment:L-II: 310.000 Gulden; Obj1: 15.000 Gulden Total funding: L-II: 41.200 Gulden; Obj1: 7.000 Gulden Type product: rooms
Quality-label	/

LEADER II – ex post evaluation

1. INFORMATION

1.1. Why did you take the decision to open a B&B?

L-II: to give the opportunity to people to discover the area and to get them in contact with organic food and organic farming

Obj1: on demand of VVV (Netherlands Board for Tourism)

1.2. When did you get the idea to realise a B&B ?

L-II: 1993

Obj1: The VVV visited us and proposed the idea of a B&B, we had already our mini-camping and they said that it could be a good combination.

1.3. Did you know something about the demand for a service like B&B in the area, did you have information of the feasibility of a B&B in the area?

L-II: I studied the area personally, I visited other similar projects and complementary projects to make an idea of the feasibility of my idea.

Obj1: VVV stressed the attention on "Six Flags", a funfair at 3 km distance which could furnish the clients.

1.4. What was the biggest hindrance for you to realise the B&B? What was negatively affecting the project's implementation?

L-II: My partner was not really enthusiastic; own financial means were lacking; the wooden house producer was a swindler.

Obj1: no hindrances

1.5. Did you participate at information meetings about rural tourism, public financing etc....

L-II: first there was my idea for the B&B, afterwards I got in contact with L-II on a info-meeting.

Obj1: Yes, already before the idea of B&B when we were setting up the mini-camping. in 1996, VVV was promoting mini-camping and B&B together.

1.6. If Yes, who or what informed you about these information activities?

L-II: Newspaper, information centre for organic farming

Obj1: Newspaper

LEADER II – ex post evaluation

2. EDUCATION – SUPPORT

2.1. Did you follow a course, and if yes, did it learn you something? What was really interesting?

L-II: Yes, support by development business plan

Obj1: Yes, the visits of other B&B

2.2. What type of course was it (initiation, specialisation)? Who financed it?

L-II: specialisation, it was very detailed and focused on the support for (young) female employers

Obj1: specialisation, only about mini-camping and B&B seen in the context of rural tourism on a agricultural enterprise

2.3. What were the costs of this course (inscription, hours, travel costs)?

L-II: 850 Gulden, totally funded (I did not pay)

Obj1: 250 Gulden

2.4. Why did you choose this course?

L-II: extra support, first step in entrepreneurship.

Obj1: it was my interest, it was not obligatory.

2.5. During the course, did you analyse other B&B?

L-II: No

Obj1: Yes

2.6. Did you realise already your B&B before ending the course?

L-II: No

Obj1: No

2.7. Did you keep in contact with the educational centre who organised the course?

L-II: Yes, about 1 year

Obj1: No

2.8. Did you keep in contact with the other participants?

L-II: Yes

Obj1: Yes

2.9. Would you have realised your project in the same way without this course?

L-II: No (the course learned me a lot)

Obj1: Yes

LEADER II – ex post evaluation

3. REALISATION OF THE B&B

3.1. Which factor prevailed on the decision to open a B&B?

L-II: personal will

Obj1: improve income

3.2. Order the following items (from 1 to 5, most important to less important):

To allow public funding	4	4
The result of my first business plan	5	3
My knowledge about the market	3	5
The cultural-historical value of the building	1	2
My personal "entrepreneurs-spirit"	2	1

3.3. Would you have realised the B&B without public funding?

L-II: Yes, but smaller

Obj1: Yes, in the same way

3.4. Did you know about other financing channels, and if yes, why did you decide to not accepting them?

L-II: no other types of funding. I organised a sponsor-action to get some more money

Obj1: No

3.5. Was it possible to receive a funding advance, and if yes, did you ask it and received it?

L-II: Yes, 75% of the total amount of the public funding

Obj1: No

3.6. Did the way of funding by the LAG/FTB satisfy you? Did you receive the approved demand or was it reduced for some reasons?

L-II: Yes, total amount

Obj1: Yes, total amount

3.7. What kind of support (help desk) did you receive from the LAG/FBT during the realisation of the project?

L-II: I did not need any further help, because the LAG gave me a positive advice by the first project demand (although they offered their support in case of problems or doubts)

Obj1: No support, no advice, only the money

3.8. Did you contracted a loan to realise the B&B. If yes, what was the type of institution?

L-II: Yes, a Bank

Obj1: No

3.9. Was it necessary to deliver a proval of the public funding at the bank/institution where you contracted the loan?

L-II: Yes

Obj1: /

3.10 Did you already receive public funding, and if yes, did you see differences between the way of financing and the procedures?

L-II: No

Obj1: Yes, I received public funding for the mini-camping, managed by FBT and from the Programme Objective 1 (so no differences between the first and second time)

4. TRADE-MARKS AND QUALITY LABELS

4.1. Does your B&B has a label or trade mark?

L-II: No

Obj1: No

4.2. If yes; who granted the label/ trade mark? Which services/products were valorised by them?

L-II: /

Obj1: /

4.3. If no, who should promote and support labelling?

L-II: The Province doesn't do it, but I think they should give support for it

Obj1: ANWB

4.4. Is your B&B present in travelling guides?

L-II: Yes, ANWB, VEKABO (VEreniging KAmpeerBOeren, Association of camping farmers), ECEAT

Obj1: ANWB, VEKABO, ...

4.5. Do you have some other services beside the B&B?

L-II: organic (business) lunches on demand

Obj1: mini-camping, 2 trekking huts

4.6. Does your B&B makes part of the tourist context in the area? Do you participate at promotion actions, is your B&B known by tourist operators, etc...?

L-II: FBT (Flevoland's Bureau for Tourism) , operating also as a tourist info, informs tourists about the B&B possibilities in the area.

Obj1: VVV (Netherlands board for tourism), operating also as a tourist info, informs tourists about the B&B possibilities in the area.

5. DIMENSION & INVESTMENT

Number of rooms:	2	2
Number of beds:	4	4
Number nights/year:	532	90
Number of stays/ year:	280	60
Number of Foreigners	40%	25%

5.1. Duration Stay:

1 night:	60%	50%
2 nights:	30%	50%
1 week:	10%	
(mean duration: %)		

5.2. How did your clients discover your B&B:

mouth -to-mouth:	55%	50%
Tourist Guide:	45% (together with internet)	50% (together with internet)
internet:	45% (together with tourist guide)	50% (together with tourist guide)
other:		

5.3. Price per night?

L-II: 35Euro/person; 60Euro/2 persons

Obj1: 45 Gulden

5.6 Influence of the B&B activity on the income of the family?

L-II: full income for one person

Obj1: before enlargement (so only 2 bedrooms), the increase in income was minimum

5.7 Number of employment

L-II: 1

Obj1: 1

5.8 Did your investment improve the family income? (% or Euro)

L-II: Yes, I became totally independent, could stand on my feet after splitting up with my partner

Obj1: +10.000-12.000 Euro/year (now with 7 bedrooms and 17 beds)

5.9 In how many years do you think to recuperate your investment?

L-II: loan for 30 years

Obj1: 10 years

5.10 Do you think about further development of your B&B? If yes, why and how?

L-II: Yes, development of small group accommodation (4 to 6 persons)

Obj1: not anymore, after realising the other 5 rooms now, we do not foresee further investments

5.10 Are you satisfied about your investment?

L-II: YES!

Obj1: Yes

III.10 CEA – SWEDEN

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1. Description of the context

1.1 Sweden

Civic tradition

Sweden has been marked by a great civic social involvement. The social-democratic ideals have for a long time influenced the development of society and the construction of the welfare state. In Sweden the church has a relatively weak position, while on the other hand popular movements of various kinds, such as the union movement, the co-operative movement, the women's movement, and the environmental movement and the village action movement have had great impact. In Sweden popular movements the study associations have played a major role in educating and training people. It is still a natural thing for children and adults in Sweden to attend study circles to study or discuss diverse topics and issues. They can, en evening or day-courses, study anything from languages, navigation, history of arts, and EU politics to IT, or practical courses with activities such as woodwork, water colour painting, straw handicrafts, or music and theatre of every kind.

Involvement in associations and the volunteer sector is large. Sweden's nearly 9 million inhabitants hold in excess of 32 million memberships in volunteer associations. Compared to the United States, for example, where the volunteer sector is largest in the core areas of the welfare state (87%), Sweden has only a minor part in that area (27%). Instead focus is on volunteer work within the leisure sector; such leisure activities as sports, culture and general knowledge in study circles are major areas.

Tradition of local self-governing

Besides EU level Sweden is governed at three different levels: the local level, the regional or county level and the central level. Every four years, Swedish citizens go to the polls and choose their representatives in the Municipality, the County Council and the Government (www.sweden.gov.se). All elections are at the same occasion. In Sweden only political parties can run for the elections, independent candidates are not allowed at any level.

The central level is governed by the Riksdag (Swedish parliament). Sweden is divided into 21 counties, each is headed by a County Governor appointed by the Government. A county administrative board is responsible for police matters, some social welfare issues and regional planning. On trail regional associations have been set up in three counties to achieve more effective use of resources and to strengthen local influence on development. Two of them with general elections to a special regional council. Sweden is also divided into 23 county council districts. Their main area of responsibility is medical and health care, but also cultural activities and communications (share with municipalities).

Sweden has a long tradition of local self-government and is written into the constitution.

The tasks of the nearly 300 municipalities are divided in obligatory tasks and voluntary tasks. The municipalities also levy taxation to finance the management of their tasks. Obligatory tasks are social welfare, compulsory and upper secondary schools, planning and building questions, environment and health protection, refuse disposal and waste management, water and sewerage, rescue services, civil defence and library activities. Some voluntary tasks are leisure and cultural affairs, technical services, energy supply, street repairs, housing, labour market programme and refugee reception.

The county councils also levy taxation in order to finance their tasks. Income tax is the only type of tax that may be levied by both municipalities and county councils. The average total taxation rate is about SEK 30 per SEK 100 of assessed income. Of the total net municipal expenditure 66 % is going to schools, child care, individual and family care and care of elderly. Sweden has an income and expenditure equalisation system for municipalities and county councils; areas with high taxation capacity will contribute to areas with low taxation capacity.

1.2 Säffle Municipality

The two cultural projects investigated in this study are brought about in the same municipality, Säffle. Säffle Municipality (www.saffle.se) is situated by the lake Vänern in the County of Värmland, south west of Sweden. 350 km from Stockholm, 200 km from Göteborg, 200 km from Oslo, capital of Norway, and 60 km from Karlstad airport. The area is 1221 km², population 16.000 and the population density is 13 inh/km². The population is decreasing since long ago. The unemployment rate is 7 % in the age 20-64 and 15 % in age 20-24 (Swedish average 6 % and 8 %).

Säffle is a territory with a higher amount of jobs in the sectors of industry (25 %) and public services (24 %) than in Sweden (18 % and 18 %) as a whole. Agricultural sector is 5 %. The municipality has a very active social life and a rich cultural tradition, and today more than 200 voluntary organisations can be mapped. Säffle, even it is a small town, has its own theatre which is well known throughout Sweden for its high quality performances. There is a tendency of competition in the county between three theatres; the County Theatre in Karlstad, Västanå Theatre (which perform the famous Swedish author Selma Lagerlöf) and Säffle Opera. In Säffle still the share of jobs in the cultural sector is small, 6 %, slight smaller than the Swedish average of 7 %. The gender figures for the cultural sector is 8 % women and 4 % men. 21 % of the population in Säffle have higher education compared to 31 % in the whole nation.

Säffle municipality is a part of LEADER Värmland and as well as Objective 5b Western Sweden. During that time the municipality also had an "EU-pilot" to help people, organisations and authorities to get EU-funding for their projects. The LEADER area consisted of five

municipalities within the county; total 76.000 inhabitants. The total budget was 9 million ECU (2), which makes 20 ECU/inhabitant of EU-funding ; of which EU funding is 17%, national public 40 % and private 43%. An office was set up in Sunne 100 km north Säfte and an official from the County Board was employed as project manager. The LEADER office worked closed to rural advisors and the village action movement in the five municipalities.

The Objective 5b Western Sweden had it's head office in Göteborg and then three regional offices; one of them in Karlstad at the Värmland County Board. The 5b area had 165.000 inhabitants. The total budget was 21 million ECU, which makes 125 ECU/inhabitant; of which EU funding is 35%, national public 52% and private 12%.

1.3 Total Musikal

The association Total Musikal started in April 1998. The background to this start has to be found among the children and young people who took part in the Opera of Säfte, longing for their "own" performance. Some parents met and decided to found an association. Another reason for the committed parents was to establish alternative cultural activities to the children's great and common use of TV and video. When this new LEADER funded project started, parents and children, together and without public funding, had already performed one musical in the summer 1998.

The purpose of the association was to give children and young people the possibility to develop in the different art forms – theatre, dance and singing – as well as, through co-operation across the age limits, to reach the same objective. This could be done through co-operation with different theatre groups, educational associations, music schools, etc. The ambition of the association was to be accessible to all children and young people, whatever the sex, the ethnical origin or the economic resources. That's why only a small membership fee (12 ECU/person) could be asked. The association had between 40 and 50 members, most of them being children and young people but there were also parents and other adult sustaining members. This kind of commitment can be understood and is strongly related to the Swedish civic tradition of participation.

1.4 Dirty Dancing

The society is in a deeply changing process and that's also the case with the municipality of Säfte. The most vulnerable group is young people. When unemployment increases and downsizing opens deep gaps in the society, especially among young people, it is important to have adult models who dare to take on the responsibility for young people and their future. It is therefore very important that young people work towards a common objective and that they can take part in a constructive process together with adults.

This project is targeted principally to young people. An important part in the project is devoted to support a trans-cultural co-operation and to emphasise the participation of young immigrants in the project. To involve people in search of work in the project is another important issue. The idea is to lead a social project to create contacts and social welfare in order to reduce the gaps between the different kinds of youth groups.

This background to the 5b project Dirty Dancing is seen from the municipalities point of view. It is a task for the municipality to offer activities for the youth in order to create good living conditions and equal opportunities to different groups of young people. When a good idea like Dirty Dancing appeared, although emanating from one single person, also coincided with the policy and task of the municipality, it was easy for the municipality to adopt the project.

2. Description of projects highlighting similar and different aspects

2.1 Total Musikal

2.1.1 From idea to concept

As mentioned in the description of the context Säffle municipality has a rich cultural tradition and a small but well known Opera. The non-profit association Total Musikal was a product in that local context, as it was an idea emerging originally from children participating in the performances of Säffle Opera. After ending associations first musical with the children (summer 1998), which was a great success, and at a board meeting in a kitchen they just got the idea to make a new musical with Georg Riedel's music and with words from Barbro Lindgren.

The board consisted then of five women and three of them worked very hard to make a project out of the idea, taking starting point from the "kitchen-idea". Funding of the earlier project had to a very great extent been private; voluntary work from members, funds from ten local businesses (including one local bank) and Säffle Municipality; a study association and the two schools also helped a lot. At a very early stage in this new project they decided to go for LEADER II funding. The two young women of the core-team had in 1998 got the LEADER II youth-scholarship for their innovative work, among other things with Total Musikal's first musical with the children (1).

The purpose behind the new musical, named "I have an ocean inside me"... was to allow children and young people in Säffle to work under professional guidance to reach together the common objective: a complete music and theatre performance. The play planned to have four performances in Säffle, but also in Arvika and Långserud as well as in two other places. Children and young people were going to work together across the age limits and got thereby the possibility to learn from each other, strengthen their self-confidence and develop inner qualities. The emphasis was also put on the necessity to take the children's and the young

people's need of music, poetry and literature seriously. By presenting the music and the texts in a performance, the public could also take in the material and get inspired by it.

In short the idea was to make a musical with children for children, which supposed to increase the positive living conditions in the municipality and give an alternative to "plastic-culture" offered by TV and video. The project also aimed to support participation of women and youth in the organised cultural life and give them experiences of that kind of engagement. Another aims were to give the participants qualitative behavioural changes, developing their knowledge; and an enrichment of the cultural life in the municipality.

The planning was made very quickly. The two young women (the art-managers) had no children and were able to put a lot of time on planning, together with parents. The most engaged parents, also the responsible musicians, had children that performed in the musical. In that sense they had a very private driving force to implement the musical in the best way, and to contribute with voluntary work was regarded as a natural. Overall it was a lot of voluntary work done during the whole project.

A programme and budget was set up by the association Total Musikal and enthusiastic members immediately started to think about the coming script for "I have an ocean inside me". Contact was also established with Säffle Municipality's EU pilot, but the main contact was with LEADER office in Sunne. Heidi Stridsberg at the office helped them a lot through the whole project. She became their mentor and they had a very close contact. At the office they were always accessible and they were always helpful whenever they had a question (EÅ). They called every second week and had questions about the funding/economy, they could not handle the projects economy in a professional way and later on we advised them to engage a consultant to deal with the economy issues. We gave them mental support as well as a kind of training. They increased there knowledge and competence when they had to take responsibility for there own project. It was a learning process of which the experiences could be useful in the future. (KT).

2.1.2 From concept to funding decision

Research and contacts were made how to fund the project and the Total Musikal association itself sent applications to the intended public funding authorities, which were LEADER Värmland, Säffle Municipality, and Värmland County Council. The application arrived to the LEADER administration 98-11-17. The LEADER Värmland program had a decentralised financial procedure regarding Värmland County Administrative Board; the LAG took the decision and then the LAG applied the funding. The Säffle Public Employment Service was asked by the association to support them with labour force from the employment programme.

In a short time positive response were given:

98-11-18	Värmland County Administration Board
98-11-26	LEADER Värmland
98-12-14	Säffle Municipality
98-12-21	Säffle Public Employment Service
99-03-05	Säffle Public Employment Service
99-03-25	Värmland County Council

Special for LEADER funding procedure in Sweden was the double decision making; first decision in the LEADER board and then a formal decision in the 5b regional decision-group. Or even a third level as the funding authorities also made judgements. In this case the LEADER decision was made 98-11-26. The chairman of Total Musikal, Eva Åberg, signed the terms for LEADER fund 99-05-10. Not until 99-11-24 this project arrived to the 5b administration and the decision of 5b was taken 00-03-01, but this was not even noticed by the project administration. They started to work and spend money immediately after the LAG decision. They got the national co-funding in advanced, but the LEADER money they had to ask for afterward with the receipts as "evidence".

It was a heavy bureaucracy, due to the fact that the municipalities and Värmland County Council didn't want to decentralise the decision-making. They didn't fully accept the LEADER principals. The LAG had no checklist for the applications, but they tested the LEADER principals and e.g. an application from Säffle Opera to produce a new play was not approved, it didn't have an innovative aspect as it was just to fund the normal production. (KT)

In addition to the public funding and the private contributions a large number of businesses supported the project in some way or another. Voluntary workers and one employee in the project first called, then sent letters to the local businesses in Säffle. 37 sponsoring-applications were sent and resulted in 29 positive responses.

"The companies in Säffle were very positive when it comes to sponsor us; many companies think that singing, dance and music are very important and that it should be a complement to e.g. sport! "(EÅ) The reasons to sponsor the project were their wish to support good projects for children and youths, that a children's musical would be of added value for the inhabitants of Säffle and of course that the business had its name and logo in the program showing the inhabitants that they took a serious responsibility for the development of the area.

2.1.3 From funding decision to implementation

The project runs from 98-11-17 until 99-10-31. The work with the script started nearly immediately after the idea was born, engaged five persons, and was finally ready in January 1999. An invitation was made to the members for the audition; also some other children that had shown interest were invited. 51 kids in the age of 4-18 years old entered for the competition. 1999 February 13th was the day for the first meeting of the participants in the musical and they should make many training sessions until the first performance 99-05-28. From February to May the children were at training sessions 3-4 times a week. Six performances were made and some other minor performances as well.

29 persons were directly involved in the production, of which 15 were employed during the project. The others contributed with a lot of voluntary work and some were participating through Säfte Public Employment Service's programme. Studieförbundet Vuxenskolan, a study association, supported the project with office facilities and many good advises. Also many parent to the children participating were a tremendous help in many ways during the whole time. Some schools, teachers and students in Säfte were also involved.

Much effort was made marketing the musical. The response from the local newspaper was good, especially after invitation to the open rehearsals.

2.1.4 From implementation to consolidation

There was no continuing activity after ending the project. The association Total Musikal is still existing but have at the moment no plans for any other big project as the one just brought about. The board members have been changed and Eva Åberg is the only one left from the previous board.

The future objectives of the association is to be able to give children and young people the possibility to develop in the cultural fields by carrying out different small and big projects, as well as to be an alternative to the ordinary recreational activities run by the municipality and other organisations. The intention, like before, is to offer more or less professional leaders to the utmost possible extent in the future productions.

2.1.5 Description of output

Six performances were given. 47 children participated in the musical, 8 persons performed in the orchestra and as mentioned above 29 persons were directly involved in the production of the musical. 29 businesses were sponsors to the project. 1010 voluntary working hours were spent by 6 persons and their voluntary time was also taken as public co-financing, to a value of

150 SEK/hour (17,5 ECU/hour). All the hours the children spent on training and performances were not included in the co-financing, but must have been an incredible number of hours.

“The project has been very successful, in so far as there was full house when we played. Everybody involved on stage or backstage found it fantastic. Children, young people and adults have worked together across the age limits and all have danced, sung as well as said some lines.

We who worked in the project feel that it is the funniest and most interesting we ever did!

Working in co-operation with children and young people is fruitful, thanks to their spontaneity, honesty and happiness. These qualities, in combination with high quality of text and music, gave us all who took part on stage or at the side of the stage were a fantastic reward for our pains; a reward that contains everything: laughter, tears, joy, misfortune, good fortune and cultural experience like dance, singing and music. We think we can look back to a successful project in all respects. We have fulfilled the objectives we fixed except the tour and we can not help it. When the lights went out, the audience went home and the stage emptied, the most important was left; the feeling to have participated in making a fantastic job, and the pride and satisfaction to have made it well. That gives pleasure, that gives confidence and that makes one dare to believe in oneself. Whatever the age and the experience.” (EÅ)

To describe the output of the project in terms of employment doesn't give a fair description of the results. Projects with cultural aims like this increases the individual's and the area's capability. Participation in this project made the children as well as the adults more experienced. The project as a whole must be valued in its context; it is part of a greater development helping to enrich the cultural life in the area and to increase the attraction of Säfte as a good place to live in and visit. (KT)

2.1 Dirty dancing

2.2.1 From idea to concept

The idea of a musical based on the film Dirty Dancing originated from one single person, Ulrika Svanström. It was a dream she had had since she was a teenager. She grew up in Säfte area, but moved to studies at the university in Uppsala. After finishing the studies she happened to notice an advertisement in a newspaper, about a 15 months pilot-training course for project managers. She attended this course. As a part of it she started with the project in autumn 1996 as her training-project and formulated the plan, including financial plan. She also got a number of well known people to support the idea to realise this project in Säfte. Her interest was to develop a project that gave the teenagers a chance to creatively produce something together with each other and to make them part of a creative process where they all work for a common

objective. In other words; to give the youth an meaningful spare-time occupation in a small municipality where the activities for youth were very limited.

“The purpose of the project is to give young people the chance to become creative at the side of adults. Young people get inspiration and knowledge from adults who are themselves already competent in different professional fields as dance musical is going to require. A positive work for a common objective that young people, in addition, are interested in, makes learning a natural process and can increase motivation for longer studies and development. My interest is that young people should find new fields that they feel interesting; fields and interests that young people usually don't have the possibility to discover because the activities that a dance musical would contribute to most of the time are not represented in small municipalities.” (US)

The project aims at creating jobs for young people and people looking for work in the countryside. To give them the conditions to discover new fields of interest that afterwards can give them more chance in life and in the labour market. Another objective is that Säfte gets a bigger power of attraction to the advantage of young people and the municipality. To create 8 training possibilities for unemployed people in search of work as well as to involve 80 young people. The objective is to display 10 performances of dance musical.

Ulrika Svanström first discussed her idea with a youth-leader employed at the municipality. She anchored the idea in him, as he had experiences in the field. He gave her many advises and also recommended her to invite key persons to a meeting about the idea. The plan, to make the musical Dirty Dancing, was then presented to the municipality, both political leaders as well as officials, in January 1997. They gave a very positive response and supported the idea and she went on to make a more detailed planning.

2.2.2 From concept to funding decision

During 1997 Ulrika Svanström established the project and presented it to many local and regional actors. She started the funding process and a lot of applications were sent to different national, regional and local funding institutions and organisations. In October 1997 after seven rejections she had a meeting with the EU-pilot at Säfte municipality. In a rapid speed contacts and meetings were then arranged with the Säfte Public Employment Service, the Värmland County Administration Board and the Värmland County Council. Later applications for national public funding were sent to them. The approval from Employment Service was dated 981016, from Säfte municipality 980204, from County Board 980219 and the County Council 980312.

Säfte Municipality became the owner of the project and Ulrika Svanström was employed as a project-manager. An applications was sent from Säfte Municipality to the objective 5b fund 980204. As the postpone the application the first time Ulrika Svanström tried to find out still another way for funding. An application was sent to the National Youth Board 980430, which

was rejected 980504. During all these work with applications the EU- pilot assisted Ulrika Svanström. Indeed she followed and helped the project from now on till the end.

The objective 5b administration got the application 980205 and the same day they returned a letter with information about the decision and financing procedures etc. 980209 they got some financial clarifications. At the 5b decision-group meeting 980320 the application was postpone. The reason was that one member didn't want to approve the project because "the project didn't aim to give long lasting employment in the region". The procedure to prepare the application comprised e.g. of a checklist for 11 horizontal criteria. The project got score 50 out of 80.

980420 a letter was sent from objective 5b administration to LEADER Värmland about Dirty Dancing, with a request to look at the project "Unfortunately the project was postpone and they are losing speed. The initiator is a young woman from Säffle who during her training to project manager has developed a very good idea. Is there any possibility to fund this project within LEADER?"

After discussions an application was sent to LEADER and at the same time Ulrika Svanström and the EU-pilot had a meeting with representatives from 5b and made some clarifications about the aim of the project. Finally the project was again on the agenda to 5b decision-group meeting and the approval was dated 980616. The approved project time was 970901-990731. A letter from Säffle Municipality to 5b administration with signing of the terms etc. was dated 980714. Nearly two years after Ulrika Svanström first started to think about the project.

2.2.3 From funding decision to implementation

Ulrika Svanström was now engaged as project manager for Dirty Dancing. The musical was change from Dirty Dancing to Grease (980831) due to problems to get the right to perform

Dirty Dancing. In September 1998 the work started. At first much efforts were put on administration of the whole project. To employ and introduce the director, musicians, 12 instructors, start 4 working-groups (marketing, costume & make-up, décor and music/theatre/dance) and requite 120 youth for the musical. Before leaving for Christmas holiday they could carry through two weekend rehearsals. April 10th 1998 was the day for the first performance. Total 10 performances were given and they were very much appreciated. The project got very good publicity in the local/regional newspapers and was also introduced to the national arena through a national TV programme in June 1999.

The first requisition was made 1999-03-19 to a sum of 152.390 SEK. A final report from the project was given to 5b decision group 990916. The final claim was dated 000726 to a sum of 312.610 SEK.

2.2.4 From implementation to consolidation

There was no planned continuing activity after ending the project, but the youths wanted to make a new musical. This time Ulrika Svanström and one of the other employees at the Dirty Dancing-project wrote their own musical based on a traditional regional yearly performed play "Värmlänningarna". That project could not have been developed without the experiences from working with Dirty Dancing. This project also became EU-funded, but they had learned from earlier and made a more appropriate (bigger) budget, that covered all the working hours, including the voluntary hours. It was also a part of a larger project called "A more attractive Säffle" for which Säffle municipality was the project-owner.

Incomes from performances of Grease were put in a special youth-foundation at Säffle Municipalities. From this fund scholarships and grants can now be given to youth to support culture activities. There are ongoing discussions between the project managers and Säffle Municipalities to mainstream the activities in such way that the municipality should be able to offer Säffle youth participating/performing in a musical every third year.

2.2.5 Description of output

Ten performances of the musical Grease. They were very appreciated and got good revenue in the press. The output in terms of employed or engaged people during September 1998 – July 1999 was about 20 employees/consultants and 120 youth having voluntarily participated in the production of the musical. Säffle Employment Public Service could offer temporary jobs to 8 unemployed persons. Several professionals were also engaged on consultant basis for the production of the musical. A total of 140 persons were engaged.

"The project will create employment for the young people in the municipality. With the project, we also see the possibility to increase the skills of those in search of work. To allow young people to exchange experience with already skilled people, which leads to co-operation between apprentices and teamwork, which can allow to give off new initiatives and jobs.

To build deeper co-operation between the municipality, schools, recreation centres, the trade and industry sector, in order to develop co-operation and create a strong network. To increase among young people the motivation to get qualified and go on studying. To allow lost and insecure young people in today's society to develop with each other, give vent to their feelings and get active in a positive way." This was the expected outcomes of the project and many comments in the final report verified that the participating young people developed in a very positive way.

The output of the project is more of the kind: "the aim is the journey not the destination".

3. Description of cost structure

3.1 Total Musikal

The total cost for implementation of the project 98-11-17 until 99-10-31 was 576.000 SEK (66.765 ECU). Financial input from European fund 15 %, national public funds 35 % and private funds 50 %. The calculation in the business plan, for the year 1999 was set up as follows:

Voluntary work	158.000 SEK
Employees	311.000
Including travels and training	
Consultants	15.000
Rent of room, computer, tel. etc.	79.000
Other costs	13.000
Total	576.000

The plan for funding was as follows:

National public funds

Säffle Municipality	32.000 SEK
Värmland County Council	31.000
Värmland County Administration Board	31.000
Säffle Public Employment Service	108.000
Total national public funds	202.000

EU

LEADER II	86.000
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Total public funds 288.000

Private funds

Voluntary work	158.000
Funds	10.000
Tickets income	120.000

Total private funds 288.000

Total 576.000

3.2 Dirty Dancing

The total cost for implementation of the project was 1.609.200 SEK (189.318 ECU). The calculation in the business plan was set up as follows (in SEK):

Décor:	100.000
Sound & Light:	125.000
Rent of hall:	85.000
Marketing:	100.000
Administration:	20.000
Director:	75.000
Costume and make-up:	30.000
8 Group-managers:	774.400
Project-manager:	324.000
Total	1.609.200

The decision in objective 5b "decision-group" was made in 1998-06-16. The project time was 1997-09-01 – 1999-07-31, but later prolonged to 1999-11-30. Financial input from European fund 29 %, national public funds 67 % and private funds 4 %.

FINANCIAL INFORMATION – BUSINESS PLAN

National Public Funds	1998	1999	Total SEK*	Total ECU*
Säffle Municipality	133	19	152	18
Public Employment Services	616	158	774	91
County Administration Board Värmland	79		79	9
County Council Värmland	79		79	9
Total National Public Funds	907	177	1.084	127
European Fund – objective 5b	317	148	465	55
Total Public Funds	1.224	325	1.549	182
Privat Funds				
Ticket income	10	50	60	7
Total	1.234	375	1.609	189

*unit 1000

The first requisition of 152.390 SEK (total cost 525.493 SEK) from the project to objective 5b secretariat regarding the objective 5b fund was made 1999-02-25, and from the secretariat to the national funding authority 1999-03-19.

The final requisition from the project to objective 5b secretariat of 312.610 SEK (total cost 1.119.588 SEK) was made 99-10-13, and from the secretariat to the national funding authority 2000-07-26. In connection with the final requisition the national structural fund administration found a missing decision about prolongation of the project as some costs in the account were dated after the final date of the project. The project was then prolonged. The final account shows that the total cost in the original business plan was 1.609.000 SEK, but ended up to be 1.645.000 SEK.

4. Input in terms of time and human resources

4.1 Total Musikal

The board of Total Musikal spent approximate one month making the program and application. Less than 2 weeks later they had a positive decision from LEADER. In five weeks time from the date when applications were sent they had got positive decisions from all but one. In February when they started the actual training there was still one national co-funding partner that wasn't ready with the formal decision.

The decisions were first taken in the LAG group and then passed on the Objective 5b Western Sweden for a formal decision, in this case by the vice president of the 5B "decision-group". Säfte municipality was partner in the LAG, but neither the municipalities nor the County Council gave the right to the LAG to take decisions to finance projects with "there" money. That meant all co-funding from Säfte municipality had to pass the formal municipality funding process and the same for the County Council (reason: they were democratic elected public bodies and they didn't want to decentralise decision making to a non democratic elected body.)

The planning phase was 1 months and project from start (time for LEADER decision) until end was 12 months.

The bureaucracy in the funding process was much of a problem for the LEADER administration. They had from the beginning conceived that LEADER was a very special EU-programme with decentralised power; including decision-making and funding. In reality it showed up to be bureaucratically due to two circumstances; first it was the three different funding authorities and second the fact that in LEADER Värmland the five municipalities and Värmland County Council didn't want to decentralise the power to make decisions about "their" funding. The funding procedure was about the same as for objective 5b; each project had to apply for national co-funding by itself. It was only the Värmland County Administration Board that had taken the decentralised step. The responsible manager of LEADER was disappointed. It caused more work for them and for the projects as well. But Total Musikal got much help from the LEADER office and wasn't aware of the problems in detail. The project administration was on the other

hand very positive to the fast procedure of the funding process. They felt a mental belonging to the LEADER office in Sunne, with its enthusiastic employees. In fact the office was located more for away than the 5b-administration in Karlstad, but the LEADER office was a unit by its own adopted to the LEADER programme and 5b-administration was handled by the Värmland County Administration board within its normal administration and culture. The LAG had no doubt about the project Total Musikal which was found to be eligible according to the programme and also when testing against the LEADER principles.

4.2 Dirty Dancing

The initiator spent from autumn 1996 to January 1997, about 6 months developing the idea. The next 10 months was used to develop the project further and try to get funding from different local, regional and national actors. Not a single response in the funding mission. After contact with and assistance from Säffle Municipality's EU-pilot the project got positive response from four national public funds and an applications was also sent to objective 5b. In time that phase took 4,5 months. From 5b-application to approval 5 months passed, due to postpone in the first meeting. In all 9,5 months from plan to funding, counting the start from recognition of the EU-possibility of funding through objective 5b.

The long planning period, 16 months, was special as it was part of a training course. The planning period as a EU-5b-project was then 9,5 months and from start (date for 5b decision) and end it was 13,5 months. The prolonged project time, 3 months, was formal and related to account procedures. The applications were processed in the regional offices, checklists were made etc. and then all the officials from the three regional offices met and made one proposal to the 5b decision-group of which projects to approve or not. This project took longer time, due to the rejection at the first board-meeting. The 5b administration tried to help the project with contact and advised them to apply for LEADER funding. The project-manager and the EU-pilot from Säffle also had a meeting with the staff at the 5b-office etc. All this was time-consuming, and in addition 5b decision group had only four sessions a year and they had to wait to the next board-meeting for a new decision. This was also frustrating for all persons already waiting to start the project implementation, and the manager got anxious about how the co-funding authorities, which had already made approvals, should react.

Säffle municipality had taken the responsibility for the project and the EU-pilot was naturally involved in the funding process. She was very active trying to get this project funded. The whole project was included in the bureaucracy of the municipality, the project-office was there, the municipality took care of the financial issues etc.

5. Outcomes

5.1 Horizontal objectives

Both projects show the same outcomes regarding employment. The jobs were temporary, during the time the project last. The key persons were engaged either as consultants or as employed during the project. Some of them were indeed participating in both projects, first in Dirty Dancing and then went on to Total Musikal. The chance to have a job in this sector and in Säftele meant a lot for them. Both projects also gave opportunities for unemployed – through Säftele Public Employment Services – to take part in such a stimulating development process that a musical was. The persons involved gained experiences. A few persons from the 5b-project even continued with another similar Objective 2 funded project. But from both projects they argued that the experiences the participating children and youth gained could make an important base for their future working life. E.g. that they got stimulated and interested to look for further training or education within this field or perhaps in another field.

Still another effect that is not showing immediately, is building and increasing of the common competence in the culture sector. It is an indirect benefit for Säftele Opera and the tourism industry in the area. For the performances and the development Säftele Opera is dependent of experienced labour, musicians, artists etc. and also sometimes children and youth for special occasions. To have skilled and interested labour force is a crucial point in developing of the sector. In the Dirty Dancing project they stress this situation as Säftele is a decreasing municipality with out-migration, and has problem to find skilled labour.

The projects were not at all involved in the debate or discussions about gender issues; but in both projects the women were in majority and in the musicals the girls were in great majority. In Dirty Dancing one aim was to overcome the gap between youth from different cultural backgrounds. Both in Total Musikal and Dirty Dancing they also stressed the positive results as working cross the ages. Adults and children worked side by side on equal terms.

5.2 Behavioural changes

Area-based

Both projects were area based. They took there starting point in the local context, but from different views – one collective initiative and one individual initiative – and more or less unconscious about the fact that they were taking part in an area-based development process. The projects did fit the programme of LEADER and objective 5b.

Bottom up

Total Musikal had a genuine bottom up approach. It was parents and professionals together with the children who initiated and implemented the project. This is not something special for the project itself; in relation to the Swedish tradition presented in the beginning of this study the bottom up approach of acting together implementing an idea is a quite normal thing.

In Dirty Dancing this perspective was not stressed at all. It was an idea that fit in the municipality administration and became an activity led by the municipality and run with its expertise etc. But that was not the whole true, parents to the youth and also employees had to participate with voluntary work, otherwise they had not been able to manage the project to the end. This experience influenced the next similar project in which the budget was adjusted and nearly double as for Dirty Dancing. The solution was to employ more people to reduce the voluntary contributions instead of looking for more.

Partnership/Networking/Multi sectoral

Total Musikal was very active involving partners and networking. Private, public and business actors were supporting the project. The schools and study associations too. In a way the whole society was involved in the implementation of Total Musikal. In Dirty Dancing the project had got mental support in the beginning from many local key-actors, it was a strategy to highlight the project, but without any funding missions. Schools and study associations gave support to this project also.

Looking at networking it appeared that many people had been involved in the two projects.

Approx. 110 were engaged in Total Musikal-project:

Board and members of Total Musikal

Local businesses

Parents working voluntary

Other local sponsoring organisations and private persons

Participants in the musical

Employees/consultants in the musical and administration

And approx. 140 were engaged in Dirty Dancing/Grease-project:

Project-manager Ulrika Svanström

Staff and politicians from Säfte Municipality

Säfte EU-pilot

Participants in the musical

Employees/consultants in musical and administration

Parents and other voluntary workers

Trans.national

Neither of the projects have had any trans-national co-operation within their projects. But the two young key-persons, of which one worked in both projects, had earlier received LEADER travel scholarships for rural youths.

When compare the two projects much of the outcomes are the same. The reports and interviews verify that they both had been a success in relation to their original plans. They were brought about as planned and the effects in terms of temporary employment, the individual growth for participating children, youth and adults, the benefit for the culture sector in the area and also in the long run supposed positive effects on the labour market were targeted.

The great difference was the participation from the local businesses and the voluntary work done by the members in Total Musikal. In comparison Total Musikal had more involvement from the local businesses and voluntary contributions (the civic society) while Dirty Dancing was more oriented towards the municipality (the public society).

6. Comparative assessment of cost-effectiveness

The two projects had in many way very similar outcomes, and that is not at all surprising. They were brought about in the same area and based on the same local context and historical background and had also similar ideas.

Similarities:

- idea
- number of persons involved in the decision- and funding process
- both projects had a mentor in the administration
- duration of the project
- temporary employment's
- voluntary participation in the musical
- individual growth
- contribution to local culture life
- increased interest/focus on culture sector
- supposed benefit for the local culture sector labour market in the long run
- success

Difference:

- time for decision and funding process
- budget
- voluntary participation
- business participation
- funding share of EU-fund, national public fund and private fund
- continuation
- they appeal to different culture/political traditions

Through the interviews it became obvious that it was a difference between LEADER and 5b. LEADER was regarded as to fund only small and rural project and 5b bigger projects in all both rural areas and towns. It was also said that LEADER was more difficult, it was slow and gave less money, 15%, and they set up their own office in the LEADER area and start from the beginning which caused problems. 5b funding was easier. (ME) But this could not be verified in the two interviews with the project-managers. Both of them were very satisfied how they had been treated by the respective funding administrations, disregarded the first 5b rejection. On the other hand the municipalities didn't fully accept the LEADER principals and didn't come to LEADER info etc. They only learned how Objective 5b was organised, and used it to fund their projects. (KT)

In spite of these different views, which didn't seem to have any influence on the project level, and of the fact that the LEADER idea of decentralised decision-making/funding wasn't working in LEADER Värmland, the process in LEADER was more efficient, it was a faster delivery of a positive decision and support.

If regarding number of performances and participants the approx. total project-cost/participant in Total Musik was 103 ECU (873 SEK) and for Dirty Dancing 135 ECU (1149 SEK). The 5b funded project was about 30 % more expensive to implement than the LEADER funded project.

Another question is how to value the big share of private funding in Total Musikal which was 50 %, compare to that in Dirty Dancing of only 4%. Regarding the private contributions in each project Total Musikal had a total public funding of 33.882 ECU (288.000 SEK) and Dirty Dancing 182.236 (1.549.000 SEK). A new and appreciated function in LEADER was the possibility to have private co-funding through voluntary work. In many rural development projects in Sweden local people have been contributing with voluntary work, but it had not before been counted as a "money" contribution. In this way local people felt that their commitment was seriously taken into account and that was of great value for them.

As mentioned earlier the local businesses and the members of Total Musikal made great contributions within the private funding. A local project with many local actors, is supposed to be sustainable; the members are working voluntary for interest of the associations, the parents for helping their children and the businesses gain good-will in the local area. This is a difference, compare to the 5b funded project. LEADER offered a method for local participation that was acceptable for both local people and local businesses, a method that could release and allocate local resources. This is only possible in LEADER, no private businesses would be sponsor to a project that is a municipal task. (KT)

The municipality was project-owner to Dirty Dancing and that project could have been run as a normal activity within the municipal youth programme. A project that is already mainstreamed with the policy and municipal procedures and financing routines as this 5b-project, has a bigger chance to find ways to continue. This was also the case as a similar project became a part of the municipalities Objective 2 application as mentioned above. It did fit in the administrative culture of the municipality. Total Musikal did not continue, and LEADER Värmland was not selected to continue in LEADER +.

The two projects appealed to different culture/political traditions in Sweden. On the one hand a civic tradition of a broad participation from local people in different matters and on the other hand a strong tradition of self-governing and the municipal right to levy taxation to finance there tasks. Total Musikal and LEADER funding appealed to the civic tradition. The bottom up approach was found natural and the LEADER principals – in theory – with local decision-making and funding possibilities were seen as an interesting development to support this civic tradition. But, also mentioned before, not all public authorities fully agreed with the LEADER principals. Objective 5b programme and funding were more alike what they were used to. Dirty Dancing and 5b appealed to the other tradition of a self-governing public legal democracy that the municipality constitute. The right to decide how to use public money is dedicated to a legally elected body. You can find lots of examples of the two traditions in the projects studied. How to judge the value added in Total Musikal and Dirty Dancing depends on which aspect is the central one. Anyhow Säfte can benefit from both.

(1)

LEADER travel scholarships for rural youths

These scholarships are to be awarded young people between the ages 15-25, in order to stimulate contact and exchange of experiences between young people, and others, in rural

areas throughout the EU. Those elected must have shown initiative, enterprise, interest, and involvement. The intention is for the young people to obtain wider perspectives, inspiration, and stimulus, and eventually become role models for others. Host organisations are found through

other LEADER groups and Carrefour offices within the Union. The scholarships are sponsored by banks and private enterprises.

(2)

1 ECU = 8,5 SEK

Persons interviewed

Total Musikal – LEADER II

Eva Åberg (EÅ), project manager

Kjell Toreld (KT), LEADER manager

Dirty Dancing – objective 5b

Ulrika Svanström (US), project manager

Maud Emanuelsson (ME), “EU-pilot” Säffle Municipality

Björn Elmbrant (BE), Objective 5b Western Sweden, responsible person at
Värmland County Administration Board