

***Ex-Post* Evaluation**
of the LEADER I Community Initiative
1989-1993

GENERAL REPORT

This report is the final version of the ex post evaluation of the Community Initiative LEADER I, realised between 1996 and 1998 for the European Commission in response to the call for tender (95/C 263/12) and co-ordinated by CEMAC and its partners.

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ACRONYMS

EU	(UE)	: European Union
CSF	(CCA)	: Community Support Framework
LAG	(GAL)	: Local Action Group
Q 217		: Grid for collecting data about the universe of 217 LAGs
Q 50		: Questionnaire for the sample of 50 LAGs
Q N/R		: Questionnaire for the National/Regional key informants
EAGGF	(FEOGA)	: European Agricultural
ESF	(FSE)	: European Social Fund
EFRD		: European Fund for Regional Development
EC	(CE)	: European Commission
AEIDL		: Association Européenne d'Information sur le Développement Local
SME	(PME)	: Small and Medium Enterprise
IO		: Intermediate bodies or organisations
C.I.		: Community Initiative
SF		: Structural Funds
MS		: Member State(s)
N/R (level)		: National/regional (level)

Chapter 1

1.1. Main characteristics of the LEADER I initiative

The **Community Initiative LEADER** (Links between actions for the development of the rural economy) was launched in 1991 with the aim of improving the development potential of rural areas by calling on local initiative, promoting the acquisition of know how on local development and disseminating this know how in other rural areas. LEADER I addressed rural areas as designated under the EU Structural Funds Objectives 1 and 5b. While mainstream rural development support is channelled through traditional national/regional delivery systems, mainly based on Community Support Frameworks (CSFs), the LEADER Initiative has put particular emphasis on stimulating local development from the bottom-up and differentiating interventions to suit local need.

The **main characteristics of the LEADER approach** can be summarised as follows:

- an approach based on areas of limited size with a recognizable local identity;
- an active involvement of local people, firms, associations and authorities in all phases of the initiative;
- Local Action Groups (LAGs) bringing together the main partners concerned;
- business plans with integrated, multi-sectoral development strategies and actions based on a careful analysis of problems, potentials and perspectives;
- establishment of a network at a European scale;
- financial support through a system of global grants for the LAGs.

1.2. The evaluation approach and its implementation

For LEADER I, like for other support schemes under the Structural Fund regulations, an ex-post evaluation is required. In the Commission's call for tender (95/C263/12) the **objectives of this evaluation** were specified as follows:

- analysing the relevance and conformity of the actions implemented by the LAGs, as well as by structures responsible at national and regional levels;
- evaluating the expected effects and the effective impact of the actions at local level;
- analysing the procedures implemented -- with a view to assessing to what extent certain administrative procedures, institutional or legal realities, have effected the efficiency and impact;
- evaluating the suitable use for the funds allocated to this initiative;
- analysing the running and efficiency of the network;
- evaluating in qualitative and quantitative terms the positive value produced.

1.2.1. The evaluation team

Based on a detailed proposal the Commission has entrusted an evaluation team to carry out the ex-post evaluation for LEADER I.

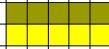
The team consisted of two groups:

- **Group 1**, with four experts, responsible for conceptualising, co-ordinating and monitoring the general evaluation process, and for reporting the evaluation results. This implied in particular, drawing up the methodology as well as drafting the interim and final reports. Group 1 also had to collect data and to evaluate LEADER I implementation and value added at the European level;
- **Group 2** composed of 14 teams from the 12 Member States where LEADER I has been implemented, responsible for collecting information and evaluating national/regional forms of implementation and financing, as well as for completing the questionnaires at the local level both for the universe of LAGs as well as for the selected sample.

The evaluation matrix

**General Evaluation Framework
for the Community Initiative LEADER I**

Areas of work: **Group 1**
Group 2



Analytical	Themes	ACTION	PARTNERSHIP	FINANCING	NETWORKING	VALUE ADDED
Levels		Plans, Realisation, Results	Institutional Structures and Procedures	Allocation, Management, Control	Animation and Capacity Building	(by level)
European Level Commission Member States		LEADER POLICY IMPLEMENTATION				European Value Added
National / Regional Level 12 Member States and their regions		LEADER DEVELOPMENT IMPACT				National / Regional Value Added
Local Level 217 LEADER 50 Case Studies						Local Value Added
						Overall Value Added (by theme)

1.2.2. The evaluation framework

The Commission's call for tender (95/C 263/12) explicitly referred to the particular, innovative nature of LEADER I as compared with other rural policy measures. Consequently, also its evaluation requires **an innovative conceptual approach** involving:

- the measurement of the results and impact of local development actions according to the standard procedures already established for the evaluation of EU programmes;
- an assessment of the role that European and the different national and/or regional administrations had in the implementation of the Community Initiative and the implications that this had on the results and impact of the initiative;
- an analysis of the unique aspects which characterised the LEADER initiative and made it different from other approaches to rural development and programmes.

The last two items represent the innovative conceptual approach of the evaluation design. There is little accepted and shared knowledge about the method for evaluating these aspects which are influential when the programmes have been designed at local level. The Methodological Report, produced in the initial stages of the evaluation work, describes how the innovative aspects of the evaluation have been conceptualised and implemented. Its main framework will be briefly recalled. The evaluation design may be summarised as a matrix in which the assessment of the implementation and financing procedures defined at European and national/regional level have been indicated in the columns and the unique aspects which have characterised LEADER are indicated in the rows.

The **evaluation matrix** (see Figure 1.1.) distinguishes :

- **3 evaluation levels:** European, national/regional, local
- **4 evaluation themes:** Action, Partnership, Networking, Financing

For each of the four themes a series of **key issues** have been identified for the evaluation:

ACTIONS - the area based approach - the bottom up approach - the innovative, integrated, multisectorial character	PARTNERSHIP - horizontal (Local Action Groups) - vertical (implementation procedures by the public administrations involved)
FINANCING - the global allowance (simplification and flexibility)	NETWORKING - the European network (LEADER Coordination Unit) - other networking practices at local level

Crossing themes and levels generates a matrix with 12 grid cells, each defining a particular analytical aspect of the evaluation. Of course, not all grid cells are equally important in terms of evaluation content. At the

- **local level:** the focus of the evaluation is mainly on the Action theme and on the horizontal aspects of partnership (the LAGs) and networking;
- **national/regional level:** the focus is on the Partnership (its vertical aspects) and Financing themes which are crucial for assessing the implementation and delivery mechanisms within the various intervening institutions;
- **European level:** the focus is on the initial conception, implementation guidelines and the Networking theme.

These levels refer to different institutional subjects which are responsible for the realisation of the initiative. The European and the national regional level are associated in what we have called a vertical partnership which is not specific for LEADER but is also responsible for the decision making about it. The local level is represented by the Local Action Group which is an association of partners, both public, private or mixed which are considered representative of the collective interests present at local level; we have called this a horizontal partnership to distinguish it from the first. These three institutional subjects

which have a particular division of labour in the realisation of the initiative will often be referred to in the evaluation as the stakeholders.

The evaluation matrix and the set of key issues served as a common reference for communication, both among the various team members as well as with LEADER actors and observers on whose participation and co-operation the evaluation relied heavily. The scheme also helped to structure the various analytical tools and results, such as the questionnaires and reports.

On the other hand a more conventional type of evaluation was also developed, especially for the analysis of the local level (chapter 2), based on the analysis of actions by type of measure (the six indicated in the Notice to Member States), physical indicators and impact indicators and, for what was possible to realise, financial tables about the initially planned expenditure and the final payments.

1.2.3. Methodological tools

For collecting information in a systematic manner that would allow the aggregation of results between individual groups and comparisons at different territorial levels (objective areas, individual countries and for Europe as a whole) a set of **detailed questionnaires and gids** has been developed and used:

- **Q 217** (annexe VIII) surveying basic quantitative information about the universe of 217 LAGs which participated in LEADER I, collected on the basis of available material at national/regional level and only exceptionally through direct inquiries; this tool was used for the analysis at local level, mainly regarding the initial situation: the types of areas involved, the general orientation of the business plans, the composition of groups and the implementation of the programme. A first evaluation of success and failure based on this data is also given. The results of this analysis are reported in the first part of chapter 2.
- **Q 50** (annexe IX) asking for in depth qualitative and quantitative information to a sample of 50 selected LAGs, considered representative of the universe, collected through direct interviews with informed representatives of the LAGs; this tool was also used for the analysis at local level, emphasising mainly the evaluation of results and impact: qualitative aspects which could not be covered in the Q217, the implementation and results of the unique aspects introduced by LEADER at local level (themes and key issues), quantitative aspects about results and impact (physical and impact indicators), value added of the initiative. The results of this analysis are reported in the second part of chapter 2.
- **Q EU** consisting in a set of themes and issues to be discussed in open interviews with EU officials involved in the initial conception of the initiative, the selection of LAGs, the establishment of implementation procedures at european level and the realisation of a european network; this tool was used for the analysis of the EU level. The results are reported in the first part of chapter 3 regarding implementation and vertical partnership and in chapter 4 regarding financing arrangements.
- **Q N/R** (annexe X) consisting in a set of a structured questions, addressed to national/regional key informants involved in LEADER I implementation and financing decisions. This tool was used for the analysis of the national and/or regional level. It addressed different attitudes and approaches to the initiative, institutional arrangements, administration and financing. The results are reported in the second part of chapter 3 regarding implementation and vertical partnership and in chapter 4 regarding financing.

In addition, a series of financial forms were used to collect information at local, national/regional and european level (see annexes XI to XIV)

Sampling

The criteria for selecting the sample of the Q50 LAGs was based on the following parameters:

- each Member State had to be represented with at least one group (this implied that the small countries like Belgium, Luxembourg, Netherlands and Denmark, some having just one LAG, were represented with "all" their LAGs);
- the main orientation of the business plans, based on the percentage of expenditure by measure and at least one for each type of orientation (if possible given the other two parameters);
- the feasibility checks carried on by interviewers during the fieldwork.

The distribution of the effective sampled LAGs, based on these parameters, has been the following:

Types of programmes	% of expenditure by measure	Number of LAGs (Q217)	Number in sample (Q50)
technical assistance oriented	> 33	4	3
vocational training oriented	> 33	1	1
predominantly for rural tourism	> 50	71	9
significantly for rural tourism	> 33 and < 50	67	8
SME oriented	> 35	13	8
exploitation and marketing of agricultural products oriented	> 33	13	7
other measures oriented	> 30	4	2
diversified orientation	none of the above is reached	44	12
TOTAL		217	50

1.2.4. Main assumptions

Two main assumptions have been made in the design of the methodology for the evaluation of LEADER I, both in relation to the three evaluation levels and the four evaluation themes indicated in the evaluation matrix above:

- the first assumes that the innovative aspects (themes and key issues) introduced by LEADER influence positively not only the quantitative but also the qualitative achievements of actions, thus improving the effectiveness of rural development, in other words, providing a value added in relation to other programmes which have not introduced such innovative aspects;
- the second assumes that the filtering down of the initiative through the three institutional levels considered, from the European level where it was conceived, down to the Intermediate Bodies which administered, established guidelines and procedures for its implementation, and further down to the individual local groups which devised the objectives, strategies and actions to be realised, influenced significantly the final results and achievements of individual groups and explains part of the differences in performance observed.

1.2.4.1. The innovative aspects introduced by LEADER:

LEADER I was an experimental and innovative initiative, both in its approach to the development of rural areas (locally based, bottom up, with emphasis on networking) as well as in the type of actions promoted (innovative, multisectorial, linked with each other, not competing with other existing policy measures). The evaluation should therefore focus not only on the results and impact of actions in the conventional sense (physical and financial indicators), but also on how each of the unique, specific aspects introduced by LEADER (the above mentioned themes and key issues) contributed to the achievement of a different approach to rural development, innovative results and impacts, which could not have been achieved with a conventional top down approach. The set of innovative aspects will be considered as the value added of LEADER.

The problem in evaluating these innovative aspects is that:

- they have not been defined operationally in the Notice to Member States by the Commission and there is no consensus from a scientific point of view on the precise meaning of, for example, the bottom up approach, the linkage between actions, what is an innovative action;
- it has not been made explicit ex ante, either by the Commission or the other stakeholders what were the objectives and the results expected from the introduction of these unique and distinctive aspects; for example why the locally based approach is supposed to be an advantage?, how should we evaluate its influence?

Consequently every individual group and partner interpreted these specific aspects as they found convenient and evaluated LEADER as any other programme or as an internal evaluation for the benefit of the LAG.

Furthermore, some specific aspects were implemented always (the LEADER area, the Local Action Group) because they were preconditions for the eligibility, while some others only partially or not at all (the participatory approach, the integration of actions, multisectoriality, networking, innovative actions). Therefore their cumulative effect has been different according to the "mix" of specific aspects that were implemented. For example, a LEADER group may have worked at the linkage between actions in the formulation of its business plan but did not implement a participated diagnosis for the definition of objectives and strategies. There might have been a good integration of the actions, but little bottom up.

We have assumed that the correct implementation all of the specificities (the unique aspects included in the "key issues") of LEADER would influence positively the results and impacts of actions. If only some or none of such specificities were implemented this should reduce the innovative impact of LEADER, making it more similar to other ongoing programmes. It is therefore expected that the implementation of some or all of the specific aspects introduced by LEADER should make a difference in the results achieved with another type of approach and this will be considered as the value added of LEADER as a whole in relation to other rural policies.

This is not a mechanical assumption: a participated diagnosis of the problems of a rural area, may affect the quantitative realisations of an action (for example the number of households willing to participate in the development of local tourism) as well as the type and character of the action itself (in the same example, the fact that the inherited cultural traditions are used as a reference for the building techniques that will be promoted for attracting tourists instead of using more urban, modern, undifferentiated building types). In general we do not expect that the introduction of LEADER innovative aspects will influence significantly the individual physical achievements (more tourist beds, more typical products, more employed, more SMEs) but rather the type of actions themselves.

1.2.4.2. The relevance of the role played by different institutional levels

In conventional evaluation designs the relevance of different institutional settings is usually ignored as a factor influencing the outcomes of policies. However, there is strong evidence to believe that the different sets of legislation, norms and public administration procedures characterising not only the European Member States but also their regions, as well as the different perspectives that in relation to other policies (rural, territorial, sectorial) the designated Intermediate Bodies could have in its understanding and appreciation of the LEADER pilot initiative, did indeed act as relevant filters, with various degrees of success, and therefore partly influencing results and impacts at the local level.

Furthermore technical assistance, networking services and financial inputs were also managed both at European as well as national regional level and influenced the operations of LAGs and its decision making and should also be the object of an evaluation.

1.2.4.3. The explaining factors of success and failure

In the original methodology of the evaluation it was assumed that a typology of LAGs was needed for two purposes:

- in order to stratify the sample of the 217 LAGs and therefore increase the representativeness of the Q 50;
- to use as an explanatory variable in the interpretation of evaluation results.

The parameters used in the selection of the sampled LAGs, essentially based on the sectorial orientation in terms of expenditure of the business plans (see above), contained the assumption that success or failure of the LAGs was related to the type of actions which had been implemented. This assumption did not prove to be true and this criteria was abandoned as an explanatory variable for the interpretation of results. However the exercise which had been elaborated for the evaluation of success and failure, based on a series of indicators, well related to the themes and key issues relevant at local level, was realised using the different countries as explanatory variable (which is coherent with the second assumption mentioned above) and the results have been reported in chapter 2, section 2.2.6.

1.2.5. Main problems in the collection of data

The most relevant problems in the realisation of the fieldwork for this evaluation were:

- the absence or incompleteness of the information required,
- the failure to obtain a coherent and consolidated set of financial information.

The first type of problem of course reduces the reliability of the results and estimates based on the sample of LAGs, extrapolated to the universe. We cannot overemphasize the approximation of these results and the care that should be taken in its use. It should be remembered that the sample is representative only at European level and no quantitative elaborations may be realised for individual countries based on the results of the Q50, except on an indicative basis. The situation for the Q217 is relatively better because, notwithstanding the rate of non responses, the number of cases is in any case always higher.

The second type of problem has caused the impossibility of providing financial indicators, realise cost/efficiency analysis and consolidate financial tables for the different levels considered. A more detailed explanation of these difficulties may be instructive for the future of the initiative.

The sources of information used for the evaluation of the financing theme have been:

- Documentary information : business plans, commitments at the different stages of development of the Initiative, budget modifications, final reports and balances.
- Statistical data : financial ratios, indicators of financial realisation, delays in payments.
- Interviews : details on the documentary information, qualitative information about the real functioning of the financing, on the rationale of the choices made, on the success and difficulties, on the perceptions, opinions and lessons learned by the different actors, at each level of evaluation (European, National/Regional, Local).

According to our methodological report, the planned treatment of the financial data had to produce two databases :

- A database consolidating the initial budget (business plans and EU and national-regional commitments), the variations and reallocations made during the implementation, and the final expenditure for each LAG, by source of funding (private, national/regional, and the three Structural Funds) and by type of measure as indicated in the Notice. The result of this exercise would have been a consolidation of four types of financial tables, one per LAG, one per region, one per country and one for the whole Initiative. (See tables in annexes XI and XII).
- A database comparing and making average and standard deviation for the delays in the payments. The result would have been a comparison of the delay needed by each stakeholder (LAG, Intermediary Body, EU) between asking and receiving payments. (See model table in annexe XII).

Data collection difficulties

LEADER I started in 1991, a long time ago and consequently some persons in charge of the files have left their job, data have been lost or are difficult to trace back. These problems appeared to some extent at the European level, the national/regional level and at the local level (as LAGs were sometimes broken up) and this could not always be solved by national evaluators. A more serious problem was the incongruency between different sources of information for the local level collected from the LAGs and at national/regional level (see chapter 4). These difficulties have motivated our decision not to exploit this data for the analysis.

Another problem is that in some cases the accounting of expenditure was still in progress when national evaluators began the data collection. As a result, at the European level, many final accounts were still under discussion or not available. For this reason, several updates were needed. In September 98, 4 years after the official end of the implementation period, the final accounts had not been completed for all Member States.

The following table give an outline of the delays necessary to close down the accounts.

Progress report on the final accounts (EAGGF)
(as of the 15/9/98)

Country	Final report sent	Balance made by the EC	date of the closure
Belgium	Yes	Yes	07/08/97 (only EAGGF)
• Hagelan	Yes	Yes	07/08/97 (only EAGGF)
d			
• Wallonie			
Denmark	yes	Yes	17/02/98
Germany	yes (not appropriate)	No	---
Spain	Yes	Yes	02/07/96
France	Yes	No	25/09/96
Ireland	yes (14/06/96)	Yes	11/06/97
Luxembourg	Yes	Yes	1/04/98 (EAGGF)
Netherlands	Yes	Yes	19/12/96
Portugal	Yes	Yes	12/03/96
UK	no (only for the 5B)	No	---
Italy	Yes	Recovery order 08/97	*
Greece	Yes	Yes	12/02/97

Source : DG.VI.

* The recovery order in August 1997 was intended to finally close the 5B and provisionally the Objective 1 areas (because of an extension of time given to one group). However subsequently revised expenditure declarations have been received (and they are likely to be revised again), therefore it cannot yet be said that LEADER I is completely 'closed' in Italy.

The long delays to establish the final accounts are attributable to several factors :

- The subdivision of expenditure by fund and measure was not made by the Intermediary Body at the time when the initial budget was made (e.a. Germany). Even though the 3 structural funds paid two advances on the evidence of the business plan and of a minimum rate of expenditures, the subdivision was required for the final accounts and it is very difficult to calculate *a posteriori*.
- The realisation of final accounts was affected by the complexity of the calculation of the rates of exchange. Different conversion rates were actually used for the first advance, the second advance and the balance. Moreover, these conversion rates were often different for each structural fund.
- For different administrative or casual reasons, some countries or regions took a long time to ask for the balance and to send their final accounts to the Commission (e.a. Luxembourg). The United Kingdom Objective 1 areas and Northern Ireland are still expected.

Three other kind of difficulties appeared in data collection:

- Provisional or detailed figures were not made available. In some countries, national evaluators had difficulties in getting cooperation from the Intermediate Body, due to the unwillingness to provide figures before a final decision on the balance payment; also this was due to the strained relationships

between the national level and the regional level in some cases. This happened in Greece, Germany, Spain, Scotland and Northern Ireland. In other cases, figures have been collected at the Commission services (France).

- The available data did not fit the standardised format. Some information about LAGs expenditures was collected but could not be used because no subdivision per fund and measure had been made.
- It was not possible to obtain the financing tables for the LAGs of the UK Objective 1 areas. This will be missing in the financial analysis (Chap. 4.3.)

1.3. Outputs of the evaluation

The results of this evaluation have been presented in a series of reports:

- The Methodological Report (May 1997)
- Preliminary results from the Intermediate Report (October 1997)
- The intermediate Report (with results on implementation and vertical partnership) (December 1997)
- The national/regional reports on implementation (December 1997);
- The general report, first draft (June 1998)
- The general report, second draft (October 1998);
- The general report, final draft (January 1999)

1.4. Summary of contents

This results of the evaluation will be reported upon in 5 chapters containing:

- Chapter 1: presents a brief reminder of the main characteristics of the LEADER I initiative based on the Notice to Member States, a summary of the methodological approach of the evaluation and its contents.
- Chapter 2: gives the results from the **analysis at local level** and is organised in two different parts:
 - part 1 (2.1 and 2.2) contains the evaluation information available for the universe of LAGs (Q217) regarding the initial situation, the general orientation of the business plans, their changes and adjustments, the composition of the Groups, implementation and a first evaluation of success and failure;
 - part 2 (2.2 and 2.3) contains the evaluation information obtained from the sample of 50 LAGs, mainly about results and impact by type of measure, by theme and key issue, in the last section a first appraisal of the overall impact and value added is presented;
- Chapter 3 presents the results from the **analysis on implementation and vertical partnership at European level and at national/regional level. The first will concern** the initial conception of LEADER, the selection of LAGs, the implementation procedures and transnational networking; the national/regional analysis reports on the influence of national approaches, institutional arrangements and administration; in the last section the evaluation of **vertical partnership and networking** is evaluated and the different country profiles that have emerged is presented;
- Chapter 4 refers specifically to the theme **financing and the implementation of financing procedures**, the characteristics of the financial circuits and structures, the evaluation of the flexibility and simplification contributed by the global allowance;
- Chapter 5 concludes the report with the **main findings of the evaluation**: the conformity with the requirements of the initiative; the results and impact in terms of quantitative indicators and also in terms of the unique aspects of LEADER and their value added; the impact of the implementation by european and national/regional administrations, and the most important lessons that we have learned from the evaluation exercise.

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Chapter 2 - The local level

2.1. Introduction

Chapter 2 gives the results from the **analysis at local level** and is organised in two different parts:

part 1, contains the evaluation information available for the universe of LAGs (Q217) regarding the initial situation and the general orientation of the business plans;

part 2 contains the evaluation information obtained from the sample of 50 LAGs, mainly about results and impact.

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Chapter 2 - The local level

2.2. L'univers des GAL

En réponse à l'appel à projets adressé aux Etats Membres par la Communication 91/C 73/14 ouvert à tous les territoires éligibles aux objectifs 1 et 5b, 217 projets ont été approuvés par les services de la Commission. Ils constituent l'univers de référence de cette partie de l'évaluation ex-post.

L'information rassemblée pour cette analyse provient d'un questionnaire élaboré dans la phase méthodologique autour de la caractérisation des projets des GAL (territoires, partenariats, programmes), des modalités de leur mise en oeuvre et des résultats obtenus.

Les questionnaires (Q217) ont été renseignés sous le contrôle des évaluateurs nationaux. Il avait été prévu à l'origine que la grille serait renseignée à partir des seules données déjà rassemblées au niveau national (Cf Methodological Report, 7 mai 1997)). Dans la pratique, il s'est avéré qu'un assez grand nombre d'informations n'était pas disponible au niveau central. Il a donc fallu compléter les questionnaires avec l'aide des Groupes locaux, dans des conditions variables selon les pays. Ceci a été réalisé soit par un envoi postal (cas de la France) soit par des contacts téléphoniques (dans la majorité des cas), soit par des enquêtes directes (cas de l'Italie), soit de façon mixte (cas de l'Espagne). Dans certains cas il a été fait appel à d'autres bases d'informations (notamment pour les données concernant la situation socio-économique de la zone et de sa région d'insertion). Au total, le temps consacré à cette tâche s'est donc révélé beaucoup plus important que cela avait été initialement prévu. On peut considérer que la quantité et la qualité des informations obtenues sont relativement bonnes dans la plupart des compartiments du questionnaire, les points les plus faibles étant constatés dans les indicateurs d'impact physique.

L'ensemble des informations recueillies a été centralisé par la SEGESA dans une base de données permettant des exploitations informatiques.

2.2.1. Le poids des Groupes LEADER I

Sur les 217 Groupes sélectionnés, trois Groupes n'ont jamais eu de commencement d'exécution de leur programme¹ : le GAL Gortynia (El) par suite de conflits entre les partenaires, et de deux Groupes italiens : Oristano-Sardegna qui n'a pas obtenu les garanties financières nécessaires et Nuovo Salento qui s'est retiré le 30 juin 1995. Le Groupe italien Pantelleria dont l'exécution du programme avait été suspendue dans la phase initiale a finalement démarré ses opérations très tardivement et n'a pu être intégré à l'enquête. Notons que deux GAL se sont scindés en deux parties qui ont mis en oeuvre leurs opérations de façon séparée. Il s'agit du GAL espagnol Tierra de Campos - Camino de Santiago (désignées par A et B dans nos fichiers) et du GAL irlandais Duhallow and West Cork (désignées par Duhallow IR 08 et West Cork IR A).

En définitive **215 projets** ont pu faire l'objet de cette partie de l'évaluation (Cf liste des GAL en annexe I).

Les Groupes sont répartis dans l'ensemble de l'Europe (voir carte). Le territoire effectivement couvert par l'Initiative Leader I est de 362.000 km², il regroupe 11,3 millions d'habitants, situés pour plus de 60% dans des zones relevant de l'objectif 1 des Fonds structurels.

¹ Raisons indiquées par les évaluateurs nationaux.

Tableau 2.1.1. Superficie et population des territoires Leader I

Zones	Nbre de GAL	Surface 000 km ²	%	Population* 000 hab.	%
Objectif 1	125	203,9	56.9	6.601,9	61.5
Objectif 5 b	90	158,6	43.1	4.725,6	38.5
Total	215	361,9	100	11.327,5	100

Source : Leader I - ex-post evaluation, Q217 data base, 1997

* Les chiffres de population correspondent aux années 90/91, donc au point de départ de l'Initiative.

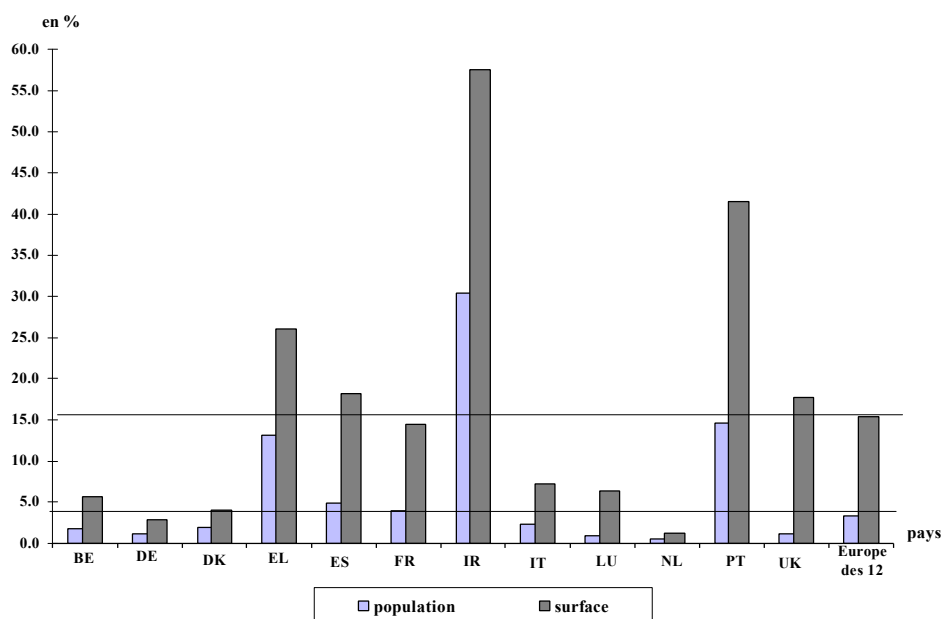
Ces chiffres correspondent respectivement à **15.3% du territoire de l'Union** (Europe des Douze, territoires d'outre-mer compris) et à **3.3% de sa population**. Leader I peut donc être considérée comme une Initiative significative, et non comme une opération pilote.

Tableau 2.1.2. - Nombre de territoires Leader I par Etats Membres et dotations financières

	Objectif 1	Objectif 5b	Nb total	Dotation (Mecu)
Allemagne	0	13	13	23.8
Belgique	0	2	2	2.2
Danemark	0	1	1	2.2
Espagne	41	12	53	120.0
France	5	35	40	65.1
Grèce	25	0	25	52.0
Irlande	17	0	17	27.2
Italie	15	14	29	55.2
Luxembourg	0	1	1	0.5
Pays-Bas	0	1	1	1.4
Portugal	20	0	20	51.2
Royaume-Uni	2	11	13	(15.4)
Total	125	90	215	

La place de Leader I dans chacun des pays se distribue sur un très large éventail, allant de quelques % pour les Pays-Bas à près de 60% pour l'Irlande (Cf graphique page suivante et tableau en annexe II). Dès lors l'impact national de l'Initiative ne peut être le même, et explique pourquoi sa perception est plus forte dans les trois pays où elle a concerné une vaste fraction de l'espace rural (Grèce, Portugal, Irlande).

Graphique 2.1.1. - Importance de la population et de la surface des territoires Leader I en % de la population et de la surface du pays



Source : Leader I - ex-post evaluation, Q217 data base, 1997

Dans l'esprit de la communication, le projet Leader a trois composantes essentielles : le territoire, le programme et le Groupe d'Action Locale. Nous en examinerons successivement les caractéristiques.

2.2.2. Les territoires LEADER I : extrême diversité et difficultés du contexte socio-économique

Le questionnaire utilisé comportait d'assez nombreux indicateurs de base permettant de caractériser la situation et l'évolution socio-économique des territoires (Q217 - partie A). Malgré leur simplicité, il s'est avéré en réalité difficile de les rassembler et de les comparer. Trois séries de raisons peuvent l'expliquer. La première tient au fait que les périmètres des Groupes ne reprenant pas des limites administratives ces données de base ne pouvaient pas être décrites à partir des sources statistiques classiques (Belgique, Danemark, Irlande...) ; la seconde tient aux différences nationales dans la définition des catégories statistiques (chômage, emploi féminin...) ; la troisième enfin vient d'un défaut propre à la mise en oeuvre de l'Initiative, de nombreux business plan n'ont pas fait l'effort d'établir une caractérisation chiffrée de la situation socio-économique initiale.

a) Le périmètre

On ne peut décrire avec précision le processus qui a conduit à la désignation des périmètres par les GAL, mais il est vraisemblable qu'un compromis a dû être trouvé entre divers points de vue, sachant que selon les pays l'échelon national ou régional a pu jouer un rôle dans le choix définitif du périmètre. Pour ce faire, les GAL pouvaient s'appuyer sur divers éléments susceptibles d'apporter une cohérence au territoire retenu : existence préalable d'une pratique d'action collective, pertinence par rapport au projet de développement (business plan), cohérence économique ou politique, entité administrative...

Afin de pouvoir hiérarchiser les éléments de cohérence des territoires, la grille d'enquête comportait une question (Q217 - A18) sur les facteurs de cette identité (avec possibilités de multi-réponses). Sur 210 Groupes ayant répondu à cette question, il ressort que dans 84% des cas les zones retenues s'appuient sur des limites naturelles (identité géographique), puis sur une cohérence économique (46%) ou une identité culturelle reconnue (43%). Les motivations politiques ne sont évoquées qu'en dernière position (10%). Ces considérations, *a posteriori*, ne permettent toutefois pas d'affirmer que ces facteurs ont joué dans le processus de désignation.

La référence à un découpage administratif n'est citée que dans 30% des cas, ce qui traduit sans doute la volonté de proposer des territoires qui s'affranchissent des limites purement administratives. Toutefois cette observation ne doit pas masquer le fait que les territoires d'un Groupe Leader n'appartiennent que très rarement à des entités régionales différentes, même s'il y a contiguïté entre eux. Plusieurs raisons peuvent sans doute l'expliquer : le souhait d'une bonne lisibilité des financements apportés par les Régions, la facilité de gestion pour les diverses autorités administratives.

La moyenne des territoires de GAL s'établit à 52/53.000 habitants, tant pour les zones de l'objectif 5b que pour celles de l'objectif 1, les zones de plus de 40.000 habitants représentant près de 60% des cas. La taille des GAL est sensiblement moins élevée que la moyenne en Italie et en Espagne. En terme de superficie, l'amplitude va de 111 km² (SIVU de l'Ouest en Guyane, Fr) à 7.800 km² (Terras Dentro, Pt), avec 16 cas à plus de 4.000 km². Les plus grands concernent des territoires très faiblement peuplés (plateaux ibériques, Ecosse, Lozère et Landes - Fr), et correspondent parfois à un niveau supra-local de la division administrative (province, département...) ce qui enlève de la pertinence à l'idée qu'ils supportent un projet de développement local.

Notons que dans une vingtaine de cas, le territoire du GAL est composé de plusieurs entités distinctes. Si cela se justifie lorsqu'il s'agit d'un groupe d'îles ayant de nombreux points communs (Danish Islands, Shetland), cette discontinuité ne nous semble pas conforme à l'idée d'un projet territorial cohérent dans certains cas (Adige Colli - It et Corse - Fr) et correspond plutôt à une action thématique.

En définitive, on constate une très forte dispersion des caractéristiques de population/superficie entre GAL (Cf graphique II p. suivante). Aussi il est clair que le projet de développement "rural" ou le partenariat ne peut avoir le même contenu ni la même portée lorsqu'il s'agit d'un très petit ou d'un très grand territoire.

b) Le contexte géographique

La grille des 217 Groupes comportait une question relative au type de milieu naturel principalement représenté dans le territoire. Il ressort que le type prédominant est la montagne (définie conformément aux critères de la Directive EU 75) avec 99 Groupes répartis dans la plupart des pays concernés, aussi bien dans les zones d'objectif 1 que d'objectif 5b. 52 Groupes sont en zones dites "de plaine", mais en réalité il s'agit souvent de zones de collines. 34 Groupes sont en situation littorale, mais il conviendrait de distinguer ici les littoraux des pays nordiques concernés par les activités de la pêche de ceux de la Méditerranée plutôt intéressés par le développement du tourisme (Cf tableau détaillé des populations et superficies par pays en annexe III).

Graphique 2.1.2. - Répartition des GAL par types de milieu naturel

	Objectif 1	Objectif 5b	Total
Plaine ou plateau	30	22	52
Montagne	54	45	99
Littoral et petites îles	26	8	34
Mixtes	15	15	30
Total	125	90	215

Source : Leader I - ex-post evaluation, Q217 data base, 1997

Graphique 2.1.3. - Pop/surfaces

Certains de ces GAL sont dans des contextes véritablement spécifiques, avec en premier lieu ceux qui sont situés outre-mer (9 GAL aux Canaries, à Madère, aux Antilles, à la Réunion et en Guyane), mais également ceux qui sont en situation insulaire (20 GAL) et qui sont parfois constitués de groupes de petites îles ne comptant que quelques milliers d'habitants (Danemark). Par ailleurs, de nombreux Groupes sont en position périphérique, voire même ultra-périphérique, au sein de l'Europe continentale (les îles Shetland, les GAL de l'Ecosse, de la frange atlantique de l'Irlande, des îles de la Mer Egée).

Cette diversité de contexte est représentative de celle des territoires ruraux européens avec une large part de zones souffrant de handicaps géographiques et structurels.

c) Le peuplement

Les territoires Leader sont dans l'ensemble faiblement peuplés par comparaison avec les zones classées dans les deux objectifs concernés, et encore plus avec les moyennes européennes. Dans la moitié des 12 pays, la densité des territoires Leader est inférieure à 35 hab./km², dans 64 Groupes elle est à moins de 20 hab./km², ce qui correspond à des zones rurales à faible potentiel démographique où vont inmanquablement se poser des problèmes d'organisation des services. Toutefois 21 zones dépassent 100 hab./km², et dans certains cas de figure on est pratiquement dans un contexte que l'on peut qualifier de "rural périurbain", la densité dépassant 200 hab./km². Cette remarque vaut surtout pour le Portugal, où des zones Leader ont été dessinées autour de villes relativement importantes, les villes elles-mêmes n'étant cependant pas éligibles aux actions du programme. On peut noter que dans les pays comportant des zones éligibles aux deux objectifs (France, Espagne et Italie), la densité de population des GAL est toujours supérieure dans les zones de l'objectif 1 à celle des zones de l'objectif 5b (Cf tableau en annexe IV).

Les zones éligibles au programme Leader I étant par nature des régions en difficultés, il n'est pas surprenant de constater que dans leur majorité, les territoires retenus connaissent un déclin démographique (préalablement à la mise en oeuvre du programme). Dans certains cas, ce critère avait été intégré aux facteurs nationaux de sélection des Groupes.

Tableau 2.1.3. - Tendances d'évolution de la population dans les zones Leader I (période 80/90)

	Objectif 1**	Objectif 5b	Total
En progression	27	30	57
Stable	38	8	46
En baisse	55	49	104
En forte baisse*	5	3	8
Total	125	90	215

Source : Leader I - ex-post evaluation, Q217 data base, 1997

* > à - 1%/an

** Pour une partie des groupes espagnols, cette information a été calculée au niveau NUTS III

Il faut cependant souligner que dans une cinquantaine de GAL au moins (Cf tableau page précédente) on enregistrait une progression de la population, cet élément étant *a priori* favorable pour une dynamique de projets. Ces zones rurales en progression appartiennent à tous les pays (Cf tableau en annexe IV) mais ne doivent cependant pas masquer le fait que les programmes des GAL doivent d'abord faire face à un phénomène de déclin démographique (notamment en Irlande, au Portugal et dans une large partie de la France et de l'Espagne).

Aux deux difficultés de la faible densité démographique et de la dépopulation, s'ajoute souvent l'absence d'une véritable ville pour animer le développement économique et offrir les services nécessaires aux populations et aux entreprises. Dans 55% des cas (sur 2/3 de réponses) la ville principale a moins de 10.000 habitants, dans 20% moins de 5.000 habitants. Le Portugal fait exception dans cet ensemble, avec une dizaine de villes dont la population dépasse 30.000 habitants, les opérations situées dans ces villes étant d'ailleurs non éligibles aux financements Leader.

d) Les activités économiques

Pour les mêmes raisons que celles évoquées plus haut (zones rurales, difficultés des contextes géographiques...), l'économie des zones Leader est caractérisée par la forte place qu'y tient encore l'agriculture, 28 % des emplois (Cf tableau en annexe V). Ce chiffre est particulièrement élevé comparativement aux régions d'objectif 1 et naturellement par rapport à la moyenne communautaire.

Tableau 2.1.4. - Part des secteurs économiques dans l'emploi total vers 1990 (%)

	Primaire	Secondaire	Tertiaire
Zones Leader (181 GAL)	28.0	28.5	43.5
Régions UE d'objectif 1	21.3	27.5	51.1
Europe des Douze	8.6	32.3	59.1

Source : Leader I - ex-post evaluation, Q217 data base 1997, et Eurostat.

N.B. Ces données ne sont pas connues pour les zones d'objectif 5b

Le taux moyen d'actifs dans l'agriculture est plus élevé pour les zones objectif 1 (36%) que pour les zones objectif 5b (18%). Cependant la physionomie des zones Leader est assez différente entre GAL, en raison du niveau général de développement des régions d'appartenance des Groupes, mais également en fonction des options prises pour le choix du périmètre des zones (l'inclusion ou non de la principale ville peut faire fortement varier ce taux).

Tableau 2.1.5. - Taux d'actifs agricoles (%) dans les GAL

Zones	Obs.	Taux mini observé	Taux maxi observé	Taux moyen
Objectif 1	101	5	81.1	36.0
Objectif 5b	79	1	56.3	17.7
Total	180	1	81.1	28.0

Source : Leader I - ex-post evaluation, Q217 data base, 1997

sur 180 observations

Dans les zones des pays de l'objectif 1, l'agriculture est assez souvent l'activité première, avec cependant d'assez fortes nuances :

- en Grèce à l'exception de quelques îles touristiques (Lesbos et Lemnos), les Groupes ont entre 30% et 80% de leurs emplois dans l'agriculture ;
- en Espagne, où les chiffres connus concernent essentiellement la zone d'objectif 1, l'agriculture tient aussi le premier rôle, mais quelques Groupes sont industrialisés (GAL Montana Palentina, Montana Alicante...) et d'autres très touristiques (Baléares, Ténériffe...);
- en Irlande, l'activité économique est plus diversifiée : le tertiaire arrive presque toujours en tête et l'industrie (24% de l'emploi en moyenne) devance l'agriculture dans 2 cas sur 3 ;
- en Italie, l'opposition entre les zones 5b et 1 est sensible mais, à l'exception du GAL du Valle d'Orba (56% d'agriculteurs), le tertiaire domine presque partout et l'industrie offre le tiers des emplois ;
- au Portugal, la situation est un peu particulière : la présence de villes au coeur de la zone donne aux actifs de l'industrie ou du tertiaire une place prépondérante. L'effet de ces villes étant exclu,

le taux d'emploi dans l'agriculture oscille en réalité autour de 20%, chiffre qu'il convient de pondérer par le fait que de nombreux agriculteurs sont pluriactifs.

Dans les zones éligibles à l'objectif 5b, le taux d'agriculteurs est naturellement plus faible, les difficultés économiques trouvant parfois leur origine dans le déclin des industries traditionnelles ou de la pêche.

- dans les pays du Bénélux, au Danemark et au Royaume Uni, les activités économiques des GAL sont franchement tertiaires ;
- en Allemagne, l'industrie tient une place importante (généralement entre 30 et 60% de l'emploi) ;
- en France, la structure de l'emploi dans les GAL est assez proche de celle de l'Irlande : 21% dans le primaire, 29% dans le secondaire, 50% dans le tertiaire. Notons que les départements d'outre-mer ont l'essentiel de leurs activités dans le tertiaire en raison du développement qu'y a pris le tourisme.

Ces caractéristiques des activités économiques et notamment la prédominance de l'agriculture constituent des contraintes fortes pour le développement et une réalité qu'il faut avoir constamment à l'esprit pour apprécier la pertinence des programmes proposés par les Groupes.

e) Le chômage et l'emploi des femmes

Sur la question du chômage, les données² sont absentes pour un nombre important de Groupes en Grèce et en Espagne. Il ne semble pas que le chômage soit un problème spécifique des zones Leader en général, ce problème relevant plutôt du contexte régional. On constate toutefois que des écarts extrêmement importants existent entre les pays et les Groupes. Il est en général très élevé en Italie (supérieur à 20% dans les ¾ des GAL des zones de l'objectif 1), en Irlande (10 à 33%), en Espagne (6 à 32%) et dans les départements français d'outre-mer ; moyennement élevé en Allemagne (6 à 17%) et au Royaume-Uni (4 à 24%) ; plutôt faible en Belgique et au Danemark (12%), en France métropolitaine (5 à 15%), en Grèce (4 à 12%) ; et en général très faible au Portugal (2 à 12%) et surtout au Luxembourg (2%) (Cf tableau en annexe VI).

Dans les GAL pour lesquels cette information existe, on constate presque toujours que le chômage des jeunes est plus élevé que la moyenne (2 à 3 fois supérieur) quelques exceptions notables pouvant être toutefois signalées dans certains groupes d'Allemagne et en Italie.

Les données concernant l'emploi féminin sont très incomplètes, mais font ressortir que dans une majorité de GAL méditerranéens (Grèce, Italie) et en Irlande il est inférieur à 30% (femmes de + de 15 ans), ce qui constitue en soi un problème spécifique de développement et d'égalité des chances entre hommes et femmes.

Au total, la diversité est la caractéristique la plus marquante des territoires Leader. Elle s'exprime sur tous les plans : milieu naturel, démographie, structure des activités économiques, handicaps de développement, capacité et expérience d'organisation des acteurs, etc. Ce constat n'est pas une découverte, il résulte du fait que l'Europe rurale est par nature extrêmement diverse et du fait que la sélection des GAL a implicitement - et parfois explicitement - conduit à une représentation territoriale (répartition des projets choisis dans chaque Etat, et, pour les Etats, répartition dans les régions...).

Mais l'analyse fait également apparaître que les zones Leader I sont constituées en majorité de territoires ruraux fragiles. Ceci témoigne du fait que, même dans cette situation, les GAL, par une volonté émanant du terrain, ont eu la capacité d'établir leur propre programme de développement. C'est en soi une innovation.

² Notons qu'en raison des modalités de l'enquête il s'agit de la définition du chômage propre à chaque pays, et que la comparaison des taux doit être faite avec précaution.

2.2.3. Le programme d'action et ses modifications

Le programme d'action fait partie du projet local proposé aux instances de la Commission. Il devait en principe découler d'une réflexion partenariale, apporter une réponse adaptée au diagnostic établi sur la situation du territoire et traduire la volonté d'un développement multisectoriel et intégré.

Nous disposons de peu de réponses "fiables" dans le Q217 pour juger des modalités concrètes d'élaboration des différents business plan, notamment de la qualité des diagnostics établis.

Seuls les montants financiers affectés à chacun des axes préconisés par la Commission permettent en réalité de décrire les choix stratégiques des programmes. C'est sur cette base que nous en proposons ci-après une classification, notamment de façon à pouvoir évaluer s'ils traduisent bien la volonté de promouvoir un développement intégré et s'ils apportent une réponse aux spécificités des problèmes locaux, dont nous avons souligné plus haut la grande diversité.

a) Les programmes initiaux

L'analyse des programmes proposés (business plan) s'est appuyée sur une classification établie en fonction du poids financier des différentes mesures pour le développement agricole et rural qui étaient définies dans l'appel à projets de la Commission :

- mesure 1 : assistance technique au développement rural
- mesure 2 : formation professionnelle et assistance au recrutement
- mesure 3 : tourisme rural
- mesure 4 : petites entreprises, artisanat et services de proximité
- mesure 5 : production et commercialisation de produits locaux agricoles, forestiers et de la pêche
- mesure 6 : autres mesures

Dans ce travail, nous nous sommes appuyés sur la base de données constituée par l'AEIDL³ à partir des business plan qui comportaient une ventilation des budgets prévisionnels des GAL.

Notons que le poids de chacun des axes a été évalué à l'exclusion du budget de fonctionnement du GAL. Ce budget de fonctionnement est en moyenne de 5.6% et varie de 0 à 15.3%.

Il ressort de cette analyse une très grande diversité de la place accordée à chacune des mesures. Le tableau suivant illustre l'importance de ces écarts.

Tableau 2.1.6. - Répartition en % du budget hors fonctionnement des GAL

Types de mesures	Moyenne	Mini	Maxi	GAL >
Assistance au développement rural	8.5	0.0	51.0	1
Formation	6.4	0.0	33.7	0
Tourisme rural	44.9	7.3	95.1	71
PME, artisanat	17.0	0.0	53.1	5
Valorisation des produits agricoles	17.3	0.0	51.6	1
Autres mesures	5.9	0.0	43.2	0
Fonctionnement des GAL (% du budget total)	5.6	0.0	15.3	0

Source : Leader I - ex-post evaluation, AEIDL data base, 1997

sur 217 observations

³ Nous tenons à remercier l'AEIDL de nous avoir communiqué cette base de données.

En moyenne, le tourisme rural apparaît largement sollicité dans les projets, avec 45% de l'ensemble du budget programmé, certains groupes étant allés jusqu'à concentrer 95% de leur budget sur ce type d'activité. Dans chaque pays on trouve des GAL qui concentrent leur action sur un axe privilégié. L'agriculture et les PME se partagent pour moitié 34% de l'enveloppe, il semble bien que la possibilité de financer les projets agricoles dans le cadre du programme 5b ait contribué à sa faible place relative dans les projets Leader.

Pour avoir une vision plus globale, nous avons établi une première classification des business plans initiaux basée sur le poids de chaque type de mesures dans le budget total. Les taux retenus pour constituer les types de programmes sont les suivants :

- spécialisation touristique : + de 50% du budget sur la mesure 3
- dominante tourisme : de 33 à 50% du budget sur la mesure 3
- dominante PME/artisanat : + de 35% du budget sur la mesure 4
- dominante valorisation agricole : + de 33% du budget sur la mesure 5
- dominante assistance technique : + de 33% du budget sur la mesure 1
- dominante emploi et formation : + de 33% du budget sur la mesure 2
- dominante autres mesures : + de 30% du budget sur la mesure 6
- programmes diversifiés : aucun type de mesures n'atteint 33% du budget

NB : dans les rares cas où deux conditions étaient satisfaites, nous avons affecté le business plan en fonction du taux le plus élevé, en éliminant l'option dominante touristique.

Tableau 2.1.7. - Classification des business plan initiaux

Types de programmes	Nombre de GAL	%
Spécialisation touristique (> 50%)	71	33
Dominante		
Tourisme rural (33 à 50%)	66	30
Valorisation des produits agricoles et forestiers (> 33%)	13	6
PME, artisanat (> 35%)	13	6
Assistance technique, formation, autres mesures	10	5
Programmes diversifiés (toutes mesures < 33%)	44	20
Total	217	100

Source : Leader I - ex-post evaluation, AEIDL data base, 1997 sur 217 observations

Cette classification montre qu'en réalité très peu de Groupes ont présenté un programme diversifié faisant appel à toutes les mesures proposées par la Commission. Une assez grande concentration des actions se constate au contraire dans le secteur du tourisme : 71 GAL ont mobilisé plus de 50% de leurs ressources sur ce seul axe, 30% y consacrent entre 1/3 et la moitié. Le soutien à des projets venant de l'agriculture et des petites entreprises, possible dans le cadre des programmes classiques 5b, est rarement la cible du projet Leader I. Au total 20% seulement des Groupes ont un programme que l'on peut qualifier de diversifié. Toutefois les différences entre pays sont très fortes, comme le montre le tableau détaillé de la page suivante.

Tableau 2.1.8. - Classification des business plan initiaux par type de programmes hors budget de fonctionnement

Pays - GAL	Spéciali- sation touristi- que	PME, ar- tisanat (>35%)	Assis- tance au déve- loppe-	Valorisa- tion des produits agricoles	Autres mesures (>30%)	Forma- tion (>33%)	Domi- nante touristi- que	Pro- grammes diversi- fiés	Total
Allemagne	6	1	0	1	3	0	1	1	13
Belgique	1	0	1	0	0	0	0	0	2
Danemark	0	0	0	0	0	0	0	1	1
Espagne	30	2	0	4	0	1	12	3	52
France	4	8	3	2	0	0	12	11	40
Grèce	8	0	0	3	0	0	14	1	26
Irlande	6	1	0	0	0	0	9	1	17
Italie	5	0	0	2	0	0	7	17	31
Luxembourg	0	0	0	0	0	0	0	1	1
Pays-Bas	0	0	0	0	1	0	0	0	1
Portugal	9	0	0	0	0	0	9	2	20
Royaume-Uni	2	1	1	1	0	0	2	6	13
Total	71	13	5	13	4	1	66	44	217

Source : Leader I - ex-post evaluation, AEIDL data base, 1997

sur 217 observations

La dominante touristique est particulièrement nette dans les pays concernés par l'objectif 1 comme l'Irlande, l'Espagne, le Portugal et la Grèce (+ de 80% des GAL), en revanche les projets sont plus diversifiés (à l'image de l'économie ?) dans les pays comme la France, le Royaume-Uni et l'Italie.

Compte tenu des énormes différences de situation initiale entre les 217 Groupes, on peut s'interroger sur l'adaptation des programmes établis à la spécificité des problèmes locaux. N'a-t-on pas eu tendance - par défaut de diagnostic - à céder à un modèle implicite (voire à une certaine mode) de développement touristique, qui ne peut de toute évidence soutenir partout un modèle de développement durable ? Nous verrons plus loin que cette dérive a parfois été corrigée lors de la mise en oeuvre des programmes.

b) L'ajustement des programmes dans la phase de mise en oeuvre

Le règlement prévoyait la possibilité d'apporter des modifications au business plan initial en cours de route, dans le cadre du principe de flexibilité.

Deux types de modification du programme étaient possibles : une flexibilité autorisée entre mesures dans une fourchette de 10% qui pouvait être décidée par le GAL, des modifications plus importantes qui supposaient un agrément des instances nationales et, dans certains cas, communautaires. Il a été très largement fait appel au premier cas de figure, et, dans certains pays (Allemagne, Italie, Espagne notamment), les Groupes ont modifié plus substantiellement leur business plan afin de corriger une mauvaise appréciation initiale des besoins ou de la capacité d'entreprendre des opérateurs. Parfois il s'est agi d'adapter certains projets en fonction d'un contexte économique ou politique changeant.

Il est apparu, dans les réponses au Q217, que les dépenses finalement programmées étaient très incomplètement renseignées sans doute en raison du fait que le dispositif de programmation effective et d'engagement des projets était différent d'un pays à l'autre. Il n'est donc pas possible de comparer la structure des dépenses initialement programmées à celle des dépenses finalement programmées (à l'issue des différentes modifications apportées). La seule comparaison fiable possible est donc celle des dépenses effectivement réalisées avec celle des dépenses initialement programmées. Elle se justifie d'ailleurs parfaitement dans la mesure où les modifications apportées en cours de route s'intègrent dans le concept général de flexibilité. Dans beaucoup de pays, cette possibilité offerte aux GAL a permis de reporter les crédits sur des mesures qui marchaient bien, et dans certains cas de redistribuer une partie des fonds entre les Groupes.

Au total, l'évaluation des ajustements réalisés par rapport au programme initial montre l'importance du principe de flexibilité et la nécessité d'une souplesse de la mise en oeuvre des projets de développement local. Il est en effet très difficile de prévoir les changements du contexte extérieur à la zone, le degré de mobilisation des porteurs de projets, le calendrier de mobilisation des contreparties...

c) Structure et typologie des programmes réalisés

Si l'on établit, sur la base des dépenses effectivement réalisées, la même typologie que celle présentée plus haut (Cf tableau page suivante), la situation finale donne une vision un peu paradoxale des modifications définitivement apportées aux programmes d'actions : la mise en oeuvre de la flexibilité et l'inégale réalisation des mesures ont globalement eu pour conséquence d'accroître le nombre des Groupes ayant essentiellement réalisé des actions dans le domaine du tourisme rural, mais également d'accroître les actions en faveur des PME et de l'assistance technique.

Tableau 2.1.9. - Typologie comparée des programmes en situation initiale et des réalisations

Types de programmes	% initial	% réalisé
Tourisme dominant (> 50%)	32	45
Moyennement touristiques (33 à 50%)	31	20
Valorisation des produits agro-alimentaires (> 33%)	6	6
PME, artisanat (> 35%)	6	12
Assistance technique, formation, autres mesures	5	5
Programmes diversifiés (toutes mesures < 33%)	20	12
	100	100

Source : Leader I - Ex-post evaluation, Q217 data base, 1997

sur 206 observations

La typologie ne rend qu'imparfaitement compte de ces changements, c'est pourquoi nous avons établi une série de 6 graphiques comparant systématiquement axe par axe le poids initial et final des types d'actions dans le programme, en séparant les GAL des zones de l'objectif 1 de ceux des zones de l'objectif 5b (Cf graphiques en annexe VII).

Ces graphiques montrent une assez grande turbulence dans les programmes réalisés par rapport aux projets, particulièrement dans les zones d'objectif 1 sans doute en raison d'une moins bonne pratique de la programmation.

On y constate :

- des changements assez importants du poids de l'axe touristique, dans un sens ou dans l'autre, ce qui tendrait à prouver une mauvaise perception du marché, des possibilités d'actions ou des capacités d'initiative dans ce domaine ;
- le renforcement des actions en faveur des PME dans une majorité des GAL aussi bien dans les zones d'objectif 1 que dans les zones d'objectif 5b ;
- le repli fréquent des actions concernant les productions agricoles locales bien que certains GAL aient fortement accru ce type d'action (Sierra Sur de Sevilla et Subbetica en Espagne, Lauterbach en Allemagne et Sud-Charente en France) ;
- d'une façon générale, les dépenses affectées à l'axe "formation", qui étaient déjà faibles, ont encore été réduites dans la plupart des pays et des Groupes. Il semble qu'il y ait eu dans de nombreux cas des difficultés à trouver les contreparties nationales pour mobiliser les financements du FSE ;
- l'assistance technique qui dans les zones d'objectif 1 occupait une faible place dans le budget global a été significativement renforcée dans une vingtaine de groupes qui ont sans doute compris l'importance qu'il fallait y attacher. Cette observation rejoint l'augmentation fréquente dans ces mêmes zones des frais de fonctionnement des Groupes ;
- la catégorie "autres mesures" n'est significative que dans un faible nombre de Groupes. La réalisation effective des projets des GAL montre donc un recul des programmes qualifiés de "diversifiés" et une progression des programmes "spécialisés" dans le tourisme rural. Il est vrai que la qualification touristique des projets permet d'y inclure des opérations qui peuvent en elles-mêmes être très variées (hébergement, loisirs, animation culturelle, rénovation du petit patrimoine, environnement, création de produits identitaires...).

Si on examine pays par pays les adaptations réalisées par les GAL (en terme de comparaison de structures des dépenses), on peut dégager les observations suivantes :

- dans les **pays du Nord** les réalisations sont très proches du programme initial, avec toutefois une emphase du tourisme au Danemark, au Luxembourg et aux Pays-Bas ;
- en **Allemagne** quelques Groupes (DE 12 et DE 08) connaissent des modifications substantielles allant dans des sens très variés. Il semble que des crédits aient été transférés d'un Groupe à l'autre (Cf rapport national sur l'Allemagne) ;
- en **Grèce** on constate un assez net glissement vers le tourisme au détriment des projets agricoles, les actions prévues pour les PME conservant en moyenne leur place ;
- en **Espagne** les groupes qui avaient envisagé des programmes presque exclusivement axés sur le tourisme ont plutôt réduit cette part, mais cette tendance est en partie contrebalancée par le renforcement du tourisme dans des Groupes où il était relativement modeste. Globalement la part du tourisme a été légèrement réduite principalement au profit des PME (mais la dominante touristique subsiste). Il faut également noter que l'appui technique et la formation, qui auraient dû trouver une place importante dans les programmes, ont généralement vu leurs dépenses réduites ;
- en **France** on a réalisé plus d'opérations que prévues au profit du tourisme et des PME, ceci au détriment des projets agricoles qui représentent moins de 5% du budget final dans 30% des cas. La part de l'assistance technique a été accrue dans une majorité de GAL ;
- en **Irlande** on constate un certain rééquilibrage des programmes dans le domaine touristique, surtout dans les Groupes qui en avaient peu programmés au départ. Mais on note surtout le renforcement des actions dans le domaine de la valorisation des produits agricoles et dans celui de l'assistance technique au GAL. La place de la formation par contre est en net repli. Au total une plus grande diversification ;
- en **Italie**, sauf dans quelques cas (Terre del Socio, Iblea, Garfagnana), des modifications souvent à la marge mais qui renforcent le ciblage des programmes. La place du tourisme est globalement accrue, et surtout celle de l'assistance technique qui a été renforcée dans les deux tiers des Groupes ;
- au **Portugal** l'axe touristique a été considérablement renforcé au détriment des actions prévues pour l'agriculture et les PME ;
- au **Royaume-Uni** les principales modifications se réalisent au détriment de l'agriculture, sans que des bouleversements majeurs soient apportés aux programmes (l'information est demeurée incomplète).

La carte de la page suivante montre la répartition géographique des types de programmes. Les GAL à forte dominante touristique sont pour l'essentiel localisés dans l'Europe méditerranéenne, particulièrement dans les secteurs littoraux et de montagne. Mais on les retrouve de manière significative dans des régions rurales à forte dominante d'espaces naturels (Irlande, Ecosse) et à proximité des grandes conurbations urbaines. Les Groupes à orientation artisanat et PME sont généralement situés plus à l'intérieur des terres, et comportent souvent une petite ville à leur tête. Moins nombreux, les Groupes caractérisés par une forte place de la valorisation des produits agricoles sont répartis de manière plus aléatoire, sans logique géographique particulière. Les GAL ayant un programme véritablement diversifié se rencontrent principalement dans la France intérieure du Midi, dans le sud intérieur de l'Italie et au Pays de Galles.

Carte 2.1.1.

2.2.4. Les Groupes et le partenariat

Le partenariat constitue un point fort du dispositif Leader et, on peut le penser, un facteur qui devrait peser sur la plus ou moins grande réussite du programme. L'enquête auprès des Groupes permet une description des structures juridiques utilisées pour organiser ce partenariat et des catégories d'acteurs impliqués, à partir de laquelle nous proposerons une typologie des partenariats.

a) Les Groupes d'Action Locale

La Communication n'apportait pas de contraintes strictes à la forme prise par le partenariat, qui pouvait être public, privé ou mixte, dès lors qu'un accord intervenait entre la Commission et l'Etat Membre. C'est pourquoi les Groupes d'Action Locale ont adopté des structures juridiques variées en fonction du contexte juridique et administratif de chacun des pays, des pratiques nationales dans le domaine du développement local, et de la nature des principaux promoteurs du projet.

Parmi les structures publiques, on trouve le plus souvent des collectivités locales (groupement de communes, provinces, régions...); le statut "privé sans profits" domine, il comprend le plus souvent des associations de droit privé qui recouvrent en fait des partenaires publics ou sous tutelle publique. Dans certains pays, la mise en oeuvre du programme a été confiée à des agences de développement (Royaume-Uni, Irlande et Portugal), dans d'autres ce sont des coopératives qui servent de support aux GAL, quelquefois des associations à objet totalement privé.

D'une façon générale, la souplesse d'organisation laissée aux groupes dans ce domaine a été largement utilisée, mais on peut dire qu'en majorité les projets Leader ont été portés par des acteurs à dominante publique. L'exigence d'une garantie de solvabilité et d'une capacité administrative explique largement cet état de fait.

Tableau 2.1.10. - Principaux types de structure juridique des GAL

Structure	Nombre	%	Principaux pays concernés
Publique	43	20.1	Espagne, Italie
Privé sans profits	70	32.6	France, Irlande, Portugal
Privé (coopératives incluses)	45	20.9	Grèce, Espagne, Italie, Irlande
Mixte	37	17.2	Italie, France, Grèce
Informelle*	15	7.0	Allemagne, UK
Non réponse	5	2.3	

Source : Leader I - ex-post evaluation, Q217 data base, 1997 sur 210 observations

* Par « informelle » il faut entendre les partenariats ne reposant sur aucun statut juridique précis.

Dans plus de 85% des cas, la structure du GAL était responsable de l'administration et des finances. Dans 15% des cas, cette structure a été modifiée durant la mise en oeuvre du programme.

b) Le partenariat

Le partenariat annoncé (composition des GAL) apparaît largement ouvert aux acteurs politiques, économiques et sociaux généralement présents dans des territoires ruraux. La comparabilité des formes de partenariat est cependant difficile, tant les organisations et statuts des acteurs varient d'un pays à l'autre. Une autre difficulté s'est ajoutée dans cette description : celle de la distinction entre "membres" du GAL (officiellement désignés) et "partenaires" du GAL (consultés, invités aux réunions, prenant parfois part aux décisions...) qui n'est pas présente - ou qui n'a pas été comprise - dans tous les pays. C'est pourquoi nous avons été amenés à fusionner les réponses relatives aux membres et aux partenaires du GAL pour décrire "l'ouverture" du partenariat.

Tableau 2.1.11. - Fréquence des représentations (%) dans les GAL (membres ou partenaires)

	Benelux + DK	DE	EL	ES	FR	IR	IT	PT	UK
Local authorities	80	61	84	79	85	65	69	80	100
National or regional administrations	100	46	12	30	35	24	10	5	100
State agencies	-	38	36	8	10	88	0	75	100
Professionnal unions	60	54	36	25	70	12	38	15	50
Co-operative organisations	40	23	80	36	8	82	66	80	50
Local development agencies	60	23	4	21	25	53	14	25	100
Associations, community groups	60	54	80	57	38	82	45	20	50
Beneficiaries	20	23	28	38	15	-	34	45	67
Banks and others	-	-	-	-	3	-	7	-	-

Source : Leader I - ex-post evaluation, Q217 data base, 1997

sur 190 observations

D'après l'enquête, les autorités locales arrivent largement en tête des représentations, suivies des associations et groupes communautaires, des organismes coopératifs, puis des unions professionnelles. Dans certains pays, les administrations nationales et régionales sont très présentes alors qu'elles apparaissent plutôt en retrait dans d'autres. Il est à noter que les partenariats se sont rarement ouverts au secteur bancaire.

Afin d'aller plus loin dans l'analyse de la composition du partenariat, nous avons distingué cinq grandes catégories de GAL selon la présence/absence des trois principaux types de partenaires :

- partenaires publics : autorités locales, régionales, nationales, y compris les agences de développement ;
- partenaires "professionnels" : unions professionnelles, Chambres consulaires, coopératives... ;
- partenaires associatifs : associations, groupes communautaires...

A partir des réponses, cinq types de partenariat peuvent être dégagés :

Tableau 2.1.12.		Caractéristiques	Nbre de GAL
Type A	Seuls les partenaires publics sont présents		29
Type B1	Présence des partenaires professionnels, avec coopératives		87
Type B2	Présence des partenaires professionnels, sans coopératives		23
Type C	Partenaires publics et associatifs, sans les professionnels		22
Type D	Présence des 3 catégories de partenaires		50

Source : Leader I - ex-post evaluation, Q217 data base, 1997 sur 211 observations

La composition de ces structures ne reflète sans doute pas la réalité du partenariat, mais elle traduit néanmoins la volonté d'associer formellement les différentes catégories d'acteurs. Des différences existent selon les pays (Cf tableau ci-dessous). Mais au total le partenariat n'est véritablement ouvert à toutes les composantes de la société que dans un quart des Groupes ; dans 15% des cas, la gestion du programme Leader a été exclusivement le fait d'autorités publiques.

Tableau 2.1.13. - Types de partenariat

Type	Benelux + DK	DE	EL	ES	FR	IR	IT	PT	UK
A	2	1	0	10	5	1	6	3	1
B1	2	3	20	24	4	12	12	8	2
B2	1	34	0	2	15	0	1	0	0
C	0	2	2	12	0	2	2	0	2
D	0	3	3	5	16	2	8	9	4

Source : Leader I - ex-post evaluation, Q217 data base, 1997 sur 211 observations

c) Antériorité et expérience des Groupes

Au-delà des aspects juridiques du partenariat et de son ouverture, l'ancienneté de son existence a semblé être un point important de sa qualification. C'est pourquoi l'enquête comportait des questions concernant son expérience antérieure, soit à travers le fait que le GAL préexistait juridiquement et qu'il avait ou non été amené à gérer un programme de développement local.

D'après l'enquête, la structure de partenariat mobilisée pour la mise en oeuvre de Leader pré-existait dans les deux tiers des cas, mais sans qu'elle soit nécessairement utilisée pour un projet de développement local global. Notons toutefois qu'un certain nombre de Groupes ont associé des structures qui travaillaient auparavant de manière séparée. Il apparaît également que 110 au moins étaient déjà engagés dans une procédure de développement local.

A partir de ces deux éléments, nous avons distingué trois situations du partenariat :

- les GAL que l'on peut intituler de "novices", qui n'avaient aucune expérience en travail partenarial et en développement local : **83 Groupes** ;
- les GAL "débutants" qui avaient une expérience dans un seul de ces deux domaines : **68 Groupes** ;
- les GAL "confirmés" qui avaient déjà fonctionné comme groupe pour concevoir et gérer un programme de développement : **54 Groupes**.

Tableau 2.1.14. - Partenariat et développement local avant Leader I

	Benelux + DK	DE	EL	ES	FR	IR	IT	PT	UK	Total
Le GAL est un nouvel organisme	4	9	17	31	19	13	28	14	7	142
Un programme de développement local était déjà mis en oeuvre	4	4	7	26	29	8	15	8	9	110
Groupes novices	1	5	14	18	9	9	13	11	3	83
Groupes débutants	3	4	7	18	12	4	14	3	3	68
Groupes confirmés	1	1	4	13	19	4	1	5	6	54
Ensemble	5	10	25	49	40	17	28	19	12	205

Source : Leader I - ex-post evaluation, Q217 data base, 1997

sur 205 observations

Dans une grande majorité de cas, le programme Leader s'est donc adressé à des Groupes qui n'avaient pas ou peu d'expérience en matière de développement local. Son rôle d'innovation dans ce domaine est donc plus grand dans certains pays (c'est notamment le cas en Grèce et au Portugal) que dans ceux qui avaient déjà une pratique confirmée de développement local (en France, avec 19 Groupes sur 40 ; au Royaume-Uni ; dans certaines régions d'Espagne).

d) Le fonctionnement des Groupes

Si l'analyse du partenariat formel témoigne d'une réelle ouverture sur des groupes sociaux et professionnels différents, peu d'indices permettent aujourd'hui d'évaluer objectivement la qualité de son fonctionnement. Il apparaît le plus souvent que les membres ou partenaires du GAL ne se sont réunis dans leur ensemble qu'en de rares occasions. C'est généralement un groupe de pilotage plus restreint et plus technique qui a assuré la mise en oeuvre quotidienne du programme et les liaisons avec les acteurs de terrain et les bénéficiaires potentiels.

La part des crédits affectés au suivi et au fonctionnement du GAL (5.6% dans les programmes initiaux) est faible. En fait il est très difficile d'en tirer des conclusions car on ne sait pas dans quelle proportion ces Groupes ont pu développer leurs projets dans le cadre d'une autre structure d'accueil (municipalités, coopératives, associations, administrations...). Globalement, les dépenses consacrées au fonctionnement sont plus élevées à l'arrivée que dans les budgets de départ (Cf graphique annexe VII), surtout dans les GAL des zones objectif 1. Mais le recours à cet axe est extrêmement variable d'un Groupe à l'autre : 17 Groupes n'ont effectué aucune dépense sur ce poste ; 66 y ont consacré plus de 10% de leur budget, un GAL espagnol (Vizardevos) est à 50%. Il semble que la mobilisation de ces crédits soit directement liée au contexte national. L'appel au fonctionnement a été très faible en Allemagne, en Belgique et en France (où il existait sans doute des structures d'accueil pour les équipes Leader) ; modeste (de 5 à 10%) en Grèce et au Portugal ; plus élevé en Irlande, en Espagne et en Italie.

Dans 85% des cas, les Groupes ont disposé d'un secrétariat permanent et de locaux indépendants. Le programme Leader avait donc une lisibilité pour le public, mais rien ne nous permet d'affirmer qu'elle ne s'effaçait pas derrière une autre structure.

2.2.5. La mise en oeuvre du programme

a) L'animation et la communication du Groupe d'Action Locale

Le programme Leader a été l'occasion, dans un très grand nombre de cas, de mettre en place une équipe d'animation de proximité, et indirectement d'accroître la capacité locale d'élaboration et de mise en oeuvre du programme. Cette animation s'est réalisée sous plusieurs formes: par recrutement de personnels sur le budget du programme ; par l'appui permanent ou ponctuel de techniciens appartenant à d'autres structures (Chambre d'Agriculture, Chambre de Commerce, collectivités locales, associations...); par une participation bénévole des membres du GAL ; par l'emploi temporaire ou saisonnier (notamment dans le cadre des animations touristiques) de personnels spécialisés ou de stagiaires, etc.

Tableau 2.1.15. - Structure moyenne de l'équipe d'animation des GAL

Pays	Nbre de personnes		Emplois masculins		Emplois féminins	
	payées par le GAL	mises à dispo- sition	temps complet	temps partiel*	temps com- plet	temps partiel*
Benelux + DK	1,2	1,7	1,8	0,4	0,6	0,4
DE	2,5	1,1	1,0	0,8	0,5	0,3
EL	7,6	3,8	3,2	2,1	2,0	0,8
ES	4,0	1,4	2,3	0,7	2,0	0,5
FR**	3,8	4,7	1,5	0,5	0,9	0,8
IR	4,8	0,5	1,3	0,5	1,7	0,6
IT	7,4	1,3	3,9	2,3	2,1	1,1
PT	4,4	1,3	2,5	1,0	2,4	0,2
UK	3,6	1,7	1,4	0,8	2,2	2,2
Total estimé	4,8	2,1	2,3	1,1	1,7	0,7

Source : Leader I - ex-post evaluation, Q217 data base, 1997 sur 168 observations

* y compris emplois saisonniers - ** non compris départements d'outre-mer

Il ressort de l'enquête qu'en moyenne 4 à 5 animateurs ou techniciens (y compris les tâches administratives ou de secrétariat) ont été spécifiquement rémunérés par le programme, plus 2 mis à

disposition par d'autres structures, soit au total l'équivalent de 6 emplois à temps plein. Le dispositif d'animation est très variable selon les pays et les régions, en particulier en fonction de l'existence d'autres programmes ou d'autres structures disposant d'animateurs (il semble avoir été plus important en Grèce, en Italie et en Irlande). Ces équipes qui ont accompagné la mise en oeuvre de Leader ont incontestablement accru la capacité de développement sur le terrain.

On peut estimer que, dans l'animation proprement dite, environ 1.300 emplois ont été créés dans la durée du programme, et que ces créations ont offert des opportunités assez semblables aux hommes et aux femmes, bien que ce ne soit pas là un objectif spécifique de Leader.

A la différence de la plupart des autres programmes d'Initiative communautaire, la communication externe a été un point fort de Leader et une constante de la cellule d'animation. La plupart des Groupes y avaient consacré une partie de leur budget. Le succès de Leader vu de l'extérieur tient en assez grande partie à cette politique de communication qui a pris des formes différentes pour s'adresser soit à la population locale et aux porteurs potentiels de projets, soit autres Groupes.

Ces pratiques apparaissent cependant très variables d'un Groupe à l'autre. Plus de 60% des Groupes ont édité une brochure de présentation du programme généralement diffusée à quelques milliers d'exemplaires. C'est beaucoup moins le cas pour la présentation du bilan de l'opération (sauf en Irlande où un effort particulier a été fait dans ce sens). Entre ces deux grands événements, 35% des Groupes ont édité un magazine. D'autres actions de communication ont été également mises en oeuvre (Cf tableau 2.1.16.).

Tableau 2.1.16. - Actions de communication des GAL

	% de GAL	Nb d'observations
GAL ayant produit un film	12	189
GAL ayant réalisé une video	40	189
GAL ayant réalisé un CD ROM	8	189
GAL ayant mis en place une base de données	52	192

Source : Leader I - ex-post evaluation, Q217 data base, 1997

b) Le travail en réseau

Le travail en réseau s'est logiquement exercé de manière privilégiée à travers l'AEIDL. D'après l'enquête réalisée, 18% des GAL ont déclaré avoir fait souvent appel à l'AEIDL, 31% parfois, 25% exceptionnellement, 27% jamais (Cf tableau détaillé page suivante). Il apparaît donc, aux dires des Groupes, que les questionnements directs à l'AEIDL ont été moins fréquents qu'on aurait pu le penser, mais beaucoup de Groupes ont résolu leurs problèmes avec l'organisme intermédiaire qui, de fait, établissait un relais avec l'AEIDL. Par ailleurs, à travers *Leader Magazine* reçu par tous les Groupes, les messages du réseau ont pu les atteindre.

Il apparaît également dans les questionnaires que certains pays ont créé un réseau national (notamment la Grèce et l'Italie) et que d'autres réseaux européens à vocation thématique (tourisme) ou supra-régionale (LEDA, Virgile...) ont servi de support aux échanges entre les Groupes.

Tableau 2.1.17. - Demande d'assistance auprès de l'AEIDL

	Benelux + DK	DE	EL	ES	FR	IR	IT	PT	UK	To tal
Jamais	2	5	11	9	4	3	10	6	4	54
Exceptionnellement	0	5	8	15	6	3	5	5	2	49
Parfois (3 à 5 fois)	1	2	5	17	18	4	7	5	2	61
Souvent (plus de 5 fois)	1	1	-	5	8	7	6	4	3	35
Pas de réponse	1	-	1	7	4	-	1	-	2	16

Source : Leader I - ex-post evaluation, Q217 data base, 1997

sur 199 observations

Près de 70 Groupes (principalement en Espagne, Italie et France) ont organisé des séminaires avec l'AEIDL, d'après les réponses au moins 140 GAL y ont participé, mais ce chiffre paraît sous-estimé. Les Etats Membres ou les organismes intermédiaires ont également organisé des séminaires de formation ou d'information pour leurs propres GAL. La moyenne de participation à des séminaires de ce type est de 4,6 sur la durée du programme pour les Groupes ayant répondu à la question. Dans certains pays elle est très élevée : en Grèce, elle est de 16 ; en Irlande de 10.

Les échanges les plus importants ont cependant eu lieu entre Groupes Leader à l'occasion de visites. Sur les 145 réponses exploitables, la moyenne s'établit à 6 Groupes nationaux reçus et 6 Groupes nationaux visités. Ces échanges ont également été pratiqués avec des Groupes d'autres pays : 2,6 Groupes visités, 3,6 Groupes reçus (pour 128 réponses) Il est clair que ces échanges ont considérablement enrichi la pratique des Groupes et contribué à une meilleure prise en compte de la dimension européenne de la question du développement rural. Ces déplacements sont cependant concentrés sur un nombre assez restreint de Groupes ; 10 totalisent chacun plus de 40 réceptions ou visites. On y trouve Alta-Val-Venosta et Arca Umbria (en Italie), Duhallow, Ballyhoura et Metheal (en Irlande), Maestrazgo (Espagne) et Pieriki (Grèce).

c) Les bénéficiaires

Le dénombrement des bénéficiaires n'a pu être effectué que pour 170 GAL, avec une certaine approximation dans la mesure où l'on ne sait pas si un même bénéficiaire ayant souscrit à plusieurs opérations est compté une ou plusieurs fois (sauf pour les GAL eux-mêmes). Compte tenu de ce biais et après avoir extrapolé à la totalité des Groupes les résultats connus, on peut estimer à environ 17.000 les bénéficiaires de l'Initiative Leader.

Tableau 2.1.18. - Nombre estimé des bénéficiaires

Type de bénéficiaires	Nombre estimé	%
Exploitants agricoles	5.030	29.4
Coopératives	620	3.6
Artisans et autres entreprises	4.200	24.5
Collectivités locales	3.300	19.3
Associations	2.220	13.0
Groupe d'Action Locale	215	1.2
Autres bénéficiaires	1.540	9.0
	17.125	100

Source : Leader I - ex-post evaluation, Q217 data base, 1997

Estimations sur la base d'extrapolations raisonnées à partir de 170 observations

Les bénéficiaires se répartissent donc dans un spectre assez large, incluant à la fois des entreprises privées (des agriculteurs et des PME notamment) et des établissements publics (collectivités locales et associations). Les projets de ces derniers sont sans doute plus importants et il est vraisemblable qu'en terme financier les subventions ont été investies en majorité dans la sphère de l'économie publique.

S'agissant des opérations elles-mêmes nous avons pu estimer leur nombre à 22.000 dont 8.500 intéressant des actions touristiques, 3.800 des PME, 3.300 des projets spécifiquement agricoles. Dans l'ensemble ces investissements se sont portés sur des petits projets.

Conformément à l'esprit du programme, il s'agit de projets ne concernant pas des opérations lourdes d'investissements matériels, et il ressort que 20% des dépenses ont été consacrés à des investissements "immatériels" (études, animation, formation, mise en marché...) qui font souvent défaut dans les zones rurales.

d) L'atteinte des objectifs financiers

Les programmes n'avaient pas véritablement fixé d'objectifs en termes physiques. C'est pourquoi il est seulement possible d'évaluer le taux de réalisation des programmes en terme financier. Il est évident que la mesure du résultat d'une action de développement local comme Leader ne peut correctement être appréciée à travers la capacité des Groupes à dépenser les fonds attribués. Toutefois, il s'agit d'un indicateur courant qui peut donner une première idée du succès du programme, et qui est relativement significatif dans la mesure où les Groupes avaient eux-mêmes fixé les objectifs à atteindre lors de l'élaboration du programme et avaient eu la possibilité de le modifier en cours de route.

Le calcul du taux de réalisation financière pose d'ailleurs des problèmes méthodologiques importants pour les raisons suivantes :

- le projet initial a pu être ajusté en cours de route ;
- la variation du cours de l'Ecu, dans un sens favorable ou défavorable selon les pays, rend difficile la comparaison abrupte des montants de dépenses initiaux et finaux ;
- les dépenses payées aux bénéficiaires finaux n'ont pas la même signification dans les différents pays selon qu'un opérateur intermédiaire s'est substitué ou non aux paiements du solde des fonds communautaires.

Sur les 215 Groupes ayant fonctionné, nous avons établi à partir des chiffres que nous ont fournis les Groupes ou les organismes intermédiaires un taux de réalisation financière du programme duquel nous pouvons tirer le tableau et la carte pages suivantes.

Le ratio utilisé ici est le rapport entre les dépenses payées aux opérateurs finaux et les dépenses initialement programmées, ceci à la date du 31 décembre 1995 c'est-à-dire avant paiement du solde. Notons également que dans un certain nombre de pays les GAL situés en zones d'objectif 1 avaient obtenu un délai supplémentaire de trois mois.

Il convient toutefois de commenter avec prudence les résultats. Dans certains pays, aucun relais financier n'a été mis en place pour apporter des fonds aux Groupes dans l'attente du versement du solde de la Commission. Depuis la fin de l'année 95, ces Groupes ont pu recevoir des compléments financiers et donc atteindre un niveau plus élevé de réalisation. Le taux calculé ici doit plutôt être considéré comme un taux de rapidité d'exécution du programme (et donc de conformité) que comme un indicateur de succès. La mobilisation des fonds communautaires, qui serait sans doute un meilleur indicateur de la réussite, n'a pu être évaluée en raison des retards de versements de la dernière tranche.

Tableau 2.1.19. - Taux de réalisation financière des programmes au 31/12/1995

dépenses payées / dépenses programmées

Pays	< 30%	30 à 60%	60 à 95%	95 à 110%	> à 110%	?	Total
Benelux + DK	0	0	2	2	1	0	5
DE	0	1	0	3	9	0	13
EL	0	0	4	10	11	0	25
ES	9	18	20	4	2	0	53
FR	0	0	2	12	26	0	40
IR	0	1	1	4	11	0	17
IT	1	5	20	2	1	0	29
PT	0	0	2	13	5	0	20
UK*	0	0	4	5	2	2	13
Total	10	25	55	55	68	2	215
%	4.7	11.6	25.6	25.6	31.6	0.9	100

Source : Leader I - ex-post evaluation, Q217 data base, 1997

sur 206 observations

* Les données financières manquent pour quelques GAL.

On peut dire :

- que près de 60% des Groupes ont atteint dans les délais leurs objectifs d'investissement (toutes mesures confondues) à hauteur d'au moins 95%. Il s'agit de la plus grande partie des Groupes d'Allemagne, de Grèce, de France, d'Irlande et du Portugal ;
- qu'un quart se situe entre 60 et 95% de cet objectif ;
- que des difficultés sérieuses ont été constatées en Italie et surtout en Espagne ;
- enfin 10 GAL sont en situation de quasi échec avec un taux de réalisation de moins de 30% ; s'y ajoutent d'ailleurs les 4 GAL n'ayant pas eu véritablement de début de réalisation à la date de l'enquête.

Les taux de réalisation des programmes s'étagent donc dans un large éventail entre 30 et 200% selon les Groupes. S'il est difficile d'apporter des explications sûres dans les différences constatées, on peut noter à partir de la carte établie que l'Initiative a eu de meilleurs résultats en Europe du nord que dans l'Europe du sud, dans les zones 5b que dans celles de l'objectif 1 (cf. graphique page suivante), et sans doute dans les pays centralisés où les Groupes ont été moins livrés à eux-mêmes et ont pu bénéficier d'une assistance technique et financière plus solide. Les différences majeures sont marquées par l'appartenance au « Pays », le contexte national ayant joué un rôle déterminant dans la mise en oeuvre de l'Initiative.

Graphique 2.1.4.

Carte 2.1.2.

2.2.6. Indicateurs et facteurs de succès

L'appréciation de la réussite des Groupes ne doit pas être mesurée en fonction de la seule atteinte des objectifs financiers. On peut évidemment songer aux résultats physiques obtenus, mais l'hétérogénéité du contenu des mesures et la grande dispersion des réalisations entre des actions de très petite dimension a rendu aléatoire le recueil des données physiques, en tout cas dans le questionnaire adressé aux 217 GAL., mais ce point sera traité à partir du Q50. Les réponses se sont révélées très incomplètes, et ne permettent pas de réaliser des agrégations. Nous nous sommes donc tournés vers d'autres indicateurs, plus qualitatifs, du succès ou de l'échec des GAL.

a) La durabilité du processus de développement

Un des objectifs de Leader était d'impulser un processus de développement capable de se poursuivre dans le temps. On peut donc penser que le devenir des Groupes après Leader I, des structures mises en place et de leurs projets constitue un indicateur très significatif de la réussite de Leader.

L'enquête montre que dans 90% des cas, les actions se poursuivent dans le cadre d'un nouveau programme, dans 80% des cas la structure partenariale (GAL) continue d'exister, dans 75% des cas l'équipe d'animation a pu être maintenue. De fait la plupart des Groupes (au moins 85%) ont été reconduits en Leader II avec toutefois des modifications fréquentes dans le périmètre retenu, qui est en général plus petit dans certains pays (Espagne, Italie, Royaume-Uni, Allemagne), mais qui a pris une ampleur plus consistante en France et en Grèce.

Tableau 2.1.19. - L'après Leader I

Pays	Nombre de GAL	Poursuite des actions	Poursuite du GAL	Poursuite de l'animation	Poursuite en Leader II
Benelux + DK	5	5	3	4	4
DE	13	11	10	10	8
EL	25	25	23	21	20
ES	53	40	38	33	42
FR	40	35	33	34	39
IR	17	17	15	12	17
IT	29	29	22	22	19*
PT	20	19	19	16	18
UK	13	11	10	6	12
Total	215	192	173	158	179

Source : Leader I - ex-post evaluation, Q217 data base, 1997 sur 208 observations

* Les GAL qui se sont constitués tardivement ne sont pas pris en compte dans ce tableau.

Ce constat de la pérennité des processus engagés ou renforcés à l'occasion de Leader I est un résultat essentiel dans la mesure où le développement de zones rurales en difficulté ne peut se réaliser que dans un temps long. Mais la durabilité des structures n'est cependant pas à elle seule un gage de développement durable. La poursuite du programme Leader I dans un programme Leader II doit cependant être interprétée avec une certaine prudence en raison de l'attractivité que représentent l'appartenance Leader et la dotation financière aux Groupes.

b) Appréciation du succès par les évaluateurs

Le questionnaire aux évaluateurs nationaux avait prévu une appréciation de la réussite des GAL dans différents domaines : pertinence du territoire du GAL, adéquation du business plan aux problèmes locaux, caractère intégré des actions du programme, caractère innovant de ces actions, qualité du partenariat, effet d'entraînement sur l'économie, accroissement de la participation de la population et des acteurs locaux, renforcement de l'identité locale. Pour cette appréciation, l'évaluateur national devait attribuer à chaque GAL une note allant de 1 à 4, en s'appuyant sur ses propres connaissances, sur la consultation de personnes ressources, sur les matériaux envoyés par les GAL. Un très bon taux de réponse a été obtenu sur cette question : 200 réponses pour 4 items, 156 pour les 4 autres, les non-réponses étant toutes localisées en Espagne (Annexe VIII). Malgré des différences dans la « sévérité » des notations selon les évaluateurs nationaux, on peut estimer qu'il s'agit d'une évaluation fiable à partir de laquelle on peut tirer des conclusions fondées.

Plusieurs constats ressortent :

- 1) Les domaines de réussite/échec diffèrent selon les pays. On peut en avoir une appréciation relativement neutre en considérant, dans chacun d'entre eux, le thème ayant la note maximum et celui ayant la note minimum (voir tableau page suivante). Dans la majorité des cas (Grèce, France, Irlande, Italie), les meilleures notes sont attribuées à la pertinence du territoire, c'est-à-dire à sa cohérence et au choix de son périmètre. Puis vient le caractère innovant des actions, plébiscité en Italie et en Espagne, au Danemark et dans les Pays du Benelux. Le renforcement de l'identité locale arrive en tête en Allemagne et au Portugal, la qualité du business plan au Royaume-Uni. Les notes les plus mauvaises apparaissent principalement sur deux thèmes : l'effet d'entraînement sur l'économie (Irlande, Italie, Portugal, Royaume-Uni et Pays du Benelux + Danemark) et l'accroissement de la participation de la population et des acteurs (France, Italie, Allemagne). L'Irlande, pays dans lequel on considère généralement que l'Initiative Leader est un succès, place au dernier rang de ce succès le caractère innovant des actions et l'effet d'entraînement sur l'économie. Notons que parmi les thèmes dont la note est « moyenne », figurent deux des caractéristiques essentielles de Leader : l'intégration des actions et la qualité du partenariat.
- 2) Le taux de réussite varie sur chacun des thèmes (Cf tableau ci-dessous et graphique page suivante). Pour la plus grande partie des Groupes, la note attribuée est « bonne » pour presque tous les thèmes, sauf pour l'« intégration entre actions » et l'« effet d'entraînement sur l'économie ». L'appréciation « mauvais » est la plus fréquente pour la qualité du partenariat et pour tous les thèmes d'impact (effet d'entraînement, participation, renforcement de l'identité locale). Ce dernier thème, pourtant souvent associé aux effets de Leader, a été mis en oeuvre de manière très différenciée selon les Groupes.

Tableau 2.1.20. - Répartition (%) des notes attribuées par thème pour l'ensemble des Pays

	1 (poor)	2 (medium)	3 (good)	4 (excellent)
Pertinence du territoire	5,1	31,4	44,9	18,6
Adéquation du business plan	10,5	36,0	46,5	7,0
Intégration entre actions	6,0	43,5	41,0	9,5
Caractère innovant des actions	7,0	40,5	42,5	10,0
Qualité du partenariat	14,5	36,0	41,0	8,5
Effet d'entraînement sur l'économie	16,0	46,7	33,3	4,0
Accroissement de la participation	16,0	32,1	43,6	8,3
Renforcement de l'identité locale	15,4	29,5	43,6	11,5

Source : Leader I - ex-post evaluation, Q217 data base, 1997 sur 200 observations

Tableau 2.1.21. Répartition des notes par thèmes

Tableau 2.1.22. - Moyenne des notes attribuées par les évaluateurs nationaux

	Benelux + DK	DE	EL	ES*	FR	IR	IT	PT	UK**	Ensemble
Pertinence du territoire	2.4	3.0	3.2	-	2.5	3.0	2.7	2.5	2.7	2.77
Adéquation du business plan	2.8	2.6	2.6	2.5	2.1	2.7	2.4	2.7	2.8	2.50
Intégration entre actions	2.6	3.0	2.7	2.5	2.4	2.4	2.4	2.6	2.5	2.54
Caractère innovant des actions	3.2	3.0	2.6	2.6	2.4	2.1	2.7	2.4	2.3	2.56
Qualité du partenariat	2.6	3.0	2.6	2.5	2.2	2.5	2.2	2.4	2.5	2.43
Effet d'entraînement sur l'économie	2.0	2.8	2.4	-	2.2	2.1	2.1	2.2	1.5	2.25
Accroissement de la participation	2.4	2.4	2.3	-	2.1	2.7	2.1	2.7	2.6	2.44
Renforcement de l'identité locale	2.6	3.2	2.2	-	2.3	2.9	2.3	2.8	2.7	2.51
Nombre de réponses par pays	5	13	25	44	36	17	29	19	12	200

Source : Leader I - ex-post evaluation, Q217 data base, 1997

1 = poor, 2 = medium, 3 = good, 4 = excellent

* ES : 4 questions ont été enlevées (pertinence du territoire, effets d'entraînement sur l'économie, accroissement de la participation et renforcement de l'identité locale) pour insuffisance de réponses.

** UK : la question sur les effets multiplicateurs sur l'économie n'est pas renseignée pour les GAL de l'Ecosse. La moyenne a été calculée sur les 6 GAL de l'Angleterre.

Les chiffres en **gras** correspondent à la meilleure note, ceux en *italiques* à la moins bonne.

3) L'éventail des notes, autour d'une moyenne de 17/32, est très large (Cf graphique page suivante) et exprime qu'à côté d'un ensemble de GAL ayant plutôt bien réussi (les deux-tiers) il existe un groupe significatif dont les résultats sont plutôt médiocres⁴. Dans chaque Pays, on observe simultanément la présence de Groupes aux deux extrémités de l'échelle.

Tableau 2.1.23. - Notes extrêmes attribuées par les évaluateurs nationaux

Pays	Note la plus haute		Note la plus faible	
	GAL	Note	GAL	Note
Belgique			Hageland	16
Danemark	Danish Islands	26		
Luxembourg	Luxembourg	26		
Pays-Bas			Nord West Friesland	17
Allemagne	Euskirchen	28	Emsland	19
Grèce	Kozani	30	Thiva	9
France	Pays Cathare	27	Bocage Accueil	12
Irlande	West Cork	26	Barrow-Nore-Suir	13
Italie	Alta Val Venosta	32	Moligal	11
Portugal	ADSICO	24	Rude	17
UK	Antur Teifi	27	Calthness and Sutherland Rural	13
Espagne	La Palma	13	Valle de Ambles	5

Source : Leader I - ex-post evaluation, Q217 data base, 1997

c) Les facteurs de la réussite : contexte et typologie

La réussite des GAL peut s'exprimer sur tel ou tel thème ou d'une manière globale, mais ne coïncide pas avec l'indicateur de réalisation financière du programme. Autrement dit, un Groupe peut avoir consommé tous ses crédits dans le temps imparti sans pour autant avoir « rempli son contrat » du point de vue des principes, de la qualité de la mise en oeuvre et des effets de Leader. Au contraire, un Groupe qui s'est fixé des objectifs financiers très ambitieux peut ne pas les atteindre tout en ayant une bonne appréciation sur les diverses thématiques de la réussite. Le graphique établi p. 45 montre que s'il y a une légère corrélation entre la note globale de réussite et le taux de réalisation, l'éventail des notes pour un même taux présente une grande amplitude.

Nous avons par ailleurs cherché à mettre en relation les taux de réalisation financière des Groupes avec les caractéristiques d'environnement (difficultés du contexte) et certaines modalités de la mise en oeuvre. Les tests statistiques réalisés pour identifier des facteurs qui pouvaient être corrélés avec ce taux (densité de population, taille du territoire, taux d'actifs dans l'agriculture, tendances d'évolution...) ne donnent pas de résultats probants. Les contraintes du milieu n'ont donc pas été des facteurs déterminants de la réussite ou de l'échec des Groupes.

Pour ce qui concerne la mise en oeuvre des programmes, nous avons également cherché les conditions qui auraient pu permettre une plus ou moins bonne réussite du programme, cette réussite étant mesurée

- par la note globale attribuée par les évaluateurs d'une part
- par le taux de réalisation financière.

Trois des typologies établies pour l'analyse du Q217 ont été utilisées dans cet exercice : la typologie des programmes, celle de l'expérience des Groupes, celle des partenariats (voir plus haut).

⁴ L'Espagne est traitée à part dans ce graphique car les notes n'ont été fournies que pour 4 items.

Tableau 2.1.24. - Distribution des notes attribuées aux GAL par les évaluateurs

Tableau 2.1.25. - Mise en regard du taux de réalisation financière et de la note d'évaluation globale de la réussite

Tableau 2.1.26. - Indicateurs d'appréciation de la réussite

Types de programmes	Taux de réalisation	Note de succès
Spécialisation touristique	92.7	2.5
Dominante tourisme	107.2	2.6
Dominante PME/artisanat	123.6	2.3
Dominante valorisation agricole	79.5	2.5
Dominante assistance technique	105.1	2.2
Dominante emploi, formation (1 seul GAL)	24.8	2.8
Dominante autres mesures	105.8	2.9
Programmes diversifiés	89.0	2.4

Expérience des Groupes	Taux de réalisation	Note de succès
Novices	91.8	2.4
Débutants	93.2	2.5
Confirmés	107.4	2.6

Types de partenariat	Taux de réalisation	Note de succès
Dominante partenariat public	82.4	2.4
Dominante unions prof. avec coop.	96.2	2.6
Dominante unions prof. sans coop.	130.8	2.6
Absence des unions professionnelles	67.8	2.5
Public+professionnels+associatifs	102.0	2.4

Source : Leader I - ex-post evaluation, Q217 data base, 1997

S'agissant des orientations économiques des programmes, il apparaît que ceux ayant donné la priorité au soutien aux PME et à l'artisanat ont un excellent taux de réalisation financière alors même que leur notoriété n'est pas très bonne sur le plan de la réussite, ce qui est presque le contraire des programmes à dominante de valorisation des produits agricoles.

L'expérience antérieure des Groupes semble avoir joué un rôle plus net dans l'atteinte des objectifs fixés et de l'indicateur de succès. C'est à notre avis la combinaison de deux facteurs : un plus grand savoir-faire dans le domaine de la mise en oeuvre, une programmation plus adaptée et plus réaliste.

En dépit d'écart significatifs entre les indicateurs, il est plus difficile de tirer des conclusions pertinentes sur le rôle du partenariat dans la mesure où il est affecté par les systèmes nationaux. La présence trop exclusive des partenaires publics semble toutefois être un facteur de moins bonne réussite.

Le rôle de l'assistance technique peut difficilement être évalué à partir du Q217. Toutefois, les Groupes ayant mobilisé une grosse partie de leur budget dans l'animation n'ont pas toujours obtenu de bons résultats.

Enfin, il était intéressant d'examiner le rôle des dépenses programmées par habitant, qui varient très fortement d'un Groupe à l'autre, allant de 1 à 15/20 sans prendre les cas extrêmes. On peut globalement constater qu'elles ont été plutôt modestes en Allemagne, au Portugal, au Royaume-Uni, très élevées en Italie et en Espagne, et qu'en définitive la réussite semble bien inversement proportionnelle à la dotation initiale/habitant. Comment pouvait-on espérer trouver 500 Ecus de contreparties par habitant, comme cela a été programmé dans une dizaine de Groupes espagnols dont le niveau de prospérité et les capacités locales de financement étaient très faibles !

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2.3 Results and impact of the LEADER initiative

2.3.1. Introduction

2.3.1.1 Method of assessment

The results and impact of the LEADER I initiative have been assessed through a common questionnaire administered to a sample of 50 Local Action Groups, case reports and other individual information when available.

This procedure allowed to obtain, on the basis of an *ex-post* reconstruction, homogenous quantitative and qualitative information about the actions of different groups, which could then be aggregated according to different classificatory variables and typologies.

The core information was related to:

- the actions realised with the six eligible measures indicated in the Notice to Member States;
- the influence of the unique aspects (corresponding to the themes and key issues: actions -including the locally based approach, the bottom up approach, innovations, multisectoriality and linkages-, the local action groups, networking and financing) on the results and impact of the business plans (the value added of LEADER).

The selection of the 50 sample LAGs has been done stratifying the universe of 217 LAG's by sector, objective area and country. It is assumed that the chosen sample is representative of the universe of LAGs. Quantitative estimates, given the extreme variability of situations and the reduced number of valid answers, should be taken as broadly indicative. This warning cannot be overemphasised. The quantitative results obtained with different methods, both on the basis of estimates contained in the Q217 data and from the Q50 have shown a good correspondence.

It is evident that the results obtained could not be significantly improved by insisting or going back to the LAGs for more and better information: the majority of the business plans had generic objectives to start with, the realised actions had very loose or no explicit links with these objectives, actions were often adjusted and changed during the implementation, no monitoring or evaluation exercises were required. If an evaluation has been realised, this was the result of an individual decision of the LAG itself or by initiative of the Intermediate Organisation at national/regional level. Each of these evaluations was designed and implemented with different criteria and does not allow for any aggregation or comparison of results.

In such a situation, the *ex post* reconstruction of LEADER achievements was the only possible solution to homogenize and standardize data at european level: the rationale which guided the analysis was to make the best of what was available, taking the estimates of interviewees and cross-checking them with different sources, when these were available. The mere description of what happened has been sometimes reported because there is no overall account on how LEADER I was implemented, it cannot be taken for granted from the very generic guidelines that were given and the fact that every group made its own decisions about objectives and actions differently from others. Descriptions in the case of bottom up approaches are necessary and should be considered a useful background information for the evaluation of future initiatives with a similar approach.

No attempt was made to evaluate the results and impact of LEADER I from the perspective of final beneficiaries of the LAGs' actions since this task was not foreseen in the detailed methodology and the available financial resources for the evaluation. However, it would be desirable to include this aspect in future evaluations.

A copy of the questionnaire administered to the sample of 50 LAGs is included in the Annexe IX for reference.

2.3.1.2 Contents

The evaluation of the results and impact of LEADER actions will be based in two different yet complementary approaches:

- a) by type of measure, considering the six types of eligible measures, with their specific indicators of physical realisation and impact;
- b) by specific theme and key issue (the locally based approach, the bottom up, the innovative character, the linkage between actions and with other policies), the LAG (horizontal partnership), networking and financing.

The first type of approach gives the best that we could obtain in terms of a conventional evaluation, similar to the one used for all EU programmes using Structural Funds: an estimate of the quantitative achievements and impact, measured with homogeneous indicators across groups and allowing aggregation of results at national/regional and European levels.

The second type of approach, by specific theme and key issue, makes possible the evaluation of LEADER as an innovative initiative, whether it provided a more efficient and effective way of promoting rural development in relation to other rural policies or approaches,

2.3.2. Evaluation by type of measure

The detailed analysis of the results and impact of the actions in the sampled business plans will be realised by considering the six eligible measures and submeasures indicated in the Notice to Member States. The order of presentation will follow the same order of the Notice (from measure a to measure f) and was used by LAGs to report on their actions. This order does not reflect the relative importance of the different measures in terms of funds allocated and spent but rather what LEADER tried to emphasize: the "soft" factors included under the technical assistance and training measures which, if realised according to the spirit of the initiative, influenced the type and realisation of actions included in the other measures. For example, a preliminary territorial diagnosis indicates the resources to be valorised, the potential linkages between sectors, the social groups and institutions which are relevant for their realisation,

Some preliminary remarks about the classification and quality of the data considered are appropriate for a correct interpretation of results:

- The allocation of actions to single measures often "broke up" integrated projects which had a recognisable identity for all those who were involved in the project (for example in accounting for their actions LAGs were asked to allocate each action to a corresponding measure: this was achieved by taking all the training actions of different projects and classifying them under measure B; the same was done for other measures). This procedure ignores the effort of linking actions between themselves realised by some groups and puts them apparently in the same standing, with those which did not.
- Many "mistaken" allocations of actions to measures were found. This can be attributed to the lack of experience of groups in classifying their actions for accounting purposes, the absence of precise guidelines at EU or national/regional level regarding the submeasures to be included in each measure, the need to consolidate or reconcile realised actions with available funding at the end of the programme. It is not clear whether this final allocation and reconciliation was the responsibility of LAGs, or it did not involve, in the necessary adjustments, also the acting intermediate organisation at Member State level.
- The physical and impact indicators used for each measure which have been constructed specifically for this ex-post evaluation, refer to the most probable common denominators that could be assumed to be significant for the actions included in each measure. This

homogenisation of indicators has necessarily simplified and standardised the results of actions and implied a loss of information about unique actions done by few groups, which are the most likely to be innovative. An indication of the range of different actions included under each measure has tried to compensate such simplification.

- In a few cases a discrepancy between actions and funding was found: a measure which was "not implemented" (no actions) had expenditures allocated to it, and viceversa, no funding was allocated to some realised actions (because they were financed with other sources different from LEADER).
- The indicators of result and impact reconstructed ex post cannot be assimilated with planned ex ante indicators. Therefore they do not measure the degree of realisation of initial objectives but the simple result of actions.

The analysis of each measure follows a standard sequence:

- first, the distribution of realised actions by submeasure (in some measures these were extremely heterogeneous and reduce the explanatory value of the measure)
- second, the way in which the measure was implemented;
- third, some indicative examples of the variety of actions which were realised in the measure;
- fourth, the assessment of impact of the measure in terms of physical indicators and impact indicators (employment and enterprises).

To estimate the achievements of the universe of LAGs (215) from the sample of 50 the following method has been used: the quantified results of each type of reply were divided by the total number of valid responses to the question and multiplied by the universe of LAGs; the result was expressed as a percentage or an absolute value. In the last column of the tables dealing with the assessment of impact the number of valid cases in the sample has been indicated as (n=x). A number of valid cases smaller than 15 has been considered as insufficient information (insuff. info.).

We have avoided to give estimates of the cost per job. As may be seen from the financial tables for the local level (annexe XI) the different sources of information available give extremely different and incongruent information on payments per measure for the local level which cannot be consolidated for the sample. In individual LAG exercises in this sense, the cost per job and measure varied very considerably between groups and this further convinced us of the meaninglessness of giving average data for all groups.

2.3.2.1 Results from measure a): Technical assistance for rural development

1) The submeasures included

The actions considered as technical assistance in LEADER were not the "normal" technical assistance which accompanies any programme in its implementation. Two types of actions have been included in this measure:

- a). the mobilisation and sensibilisation activities at local level such as the diagnosis of the strengths and opportunities of the area, the participation of the local population in the decision making ("animation" activities), the collection of alternative projects and the identification of innovative actions;
- b). the standard monitoring and accounting procedures.

In general, the actions included under this measure, particularly those referring to the first type, broadly indicate how the bottom up approach was implemented.

The submeasures indicated in the notice within the technical assistance measure were:

- diagnosis of the area and formulation of the business plan
- monitoring activities
- promotion and communication (animation, sensibilisation of the population)

2) The implementation

There have been some peculiarities in the implementation of this measure. The analysis has indicated that it was utilised by 82% of the sampled LAGs, but this is underestimated because:

- LAGs which did not allocate any funding to this measure, often realised one or more actions funding them through other sources (for example already paid for animators belonging to the local/regional public administrations);
- not all the costs of the technical assistance, even by groups who did use this measure, were funded by LEADER;
- the costs of this measure often overlapped with those covering the operating costs of LAGs (referred to as measure 7 or "g"); this happened because animators also worked as LAG staff, or because LAGs operated within pre-existing structures or agencies with operating costs already covered.

Consequently six different situations were found in the implementation of this measure:

- i) not implemented both in terms of costs and actions;
- ii) not implemented in terms of costs, but technical assistance actions were realised with other sources of funding (this situation was found more frequently in France, Germany, Denmark, and in isolated cases in Spain and Greece);
- iii) implemented in terms of actions but only partially in terms of costs (very frequent in Northern countries),
- iv) implemented in terms of actions while costs were allocated also to the other LEADER measures with which they were linked;
- v) implemented in term of costs and activities and utilised for other programmes and initiatives besides LEADER (for example the animation for 5b programmes)
- vi) implemented in terms of costs and activities exclusively for LEADER.

In principle the only "proper" use of the measure was the sixth one. But the adaptations that occurred reflected the different situations and needs of local institutional contexts related to technical assistance services. The high "flexibility" in its use may be seen as a positive aspect of the initiative even if difficult to assess given the multiplicity of situations.

Such differentiation was not anticipated and resulted in timing, personnel and funding constraints for certain groups on the one hand and a much more structured support already paid for in others. There were LAGs who had already available from the local/regional administration a technical assistance with experience in local development, bottom up practices and monitoring support, and LAGs which had to build these structures and functions *ex novo*. It is obvious that this second group faced much higher difficulties in implementing LEADER, but it is here that its innovative character was more evident.

It is not possible from the collected information to quantify the distribution of LAGs among the six categories. It is clear however that in the future such differences should be considered as basic information both for funding allocations as well as for establishing indicators of the availability of technical assistance structures for local development which could be a very useful information for the national/regional administrations and the EU level.

The peculiarities found in the implementation of the technical assistance measure influenced the type and quantity of actions effectively carried out, and the amount of funds finally allocated to the measure. The results obtained with the indicators that follow should be considered with these limitations in mind.

Table 2.2.1 shows the allocation of actions to the different headings (or sub-measures). The problem of mistaken allocations is very diffused. The most frequently mentioned actions within the measure have been promotion and communication actions, the least frequent have been monitoring activities.

Table 2.2.1. - Percentage of LAGs with presence of projects under measure a): "Technical assistance for rural development", by type of heading

Headings (sub-measures)	presence of actions (%)
A31 Diagnosis of the area and business plan	74
A32 Monitoring activities	52
A33 Promotion and communication (animation, sensibilisation of the population)	82
A99 Other	20

Source: Ex-post Evaluation LEADER I

3) Some examples of actions

The variety of actions carried out under this measure is very significant. The different actions implemented under each heading are listed below:

"Diagnosis of the area and business plan":

- promotion of quality planning,
- formation of regional data basis, elaboration of the data, including specialised sectorial or product info (i.e. quality, environmental protection, soil, etc.)
- identification and elaboration of studies for sectorial, territorial or single product development; feasibility studies (i.e. socio-economic global plans, sectorial studies -the tourist sector-, product studies -medicinal herbs, popular architecture, olive oil, telecenters, computerised pig recording system, etc.),
- creation of structures such as development centres and agencies, technical laboratories,
- market research.

"Promotion and communication" (animation and sensibilisation)

- meetings with the population and/or economic actors, including house to house or producer by producer contacts,
- establishment of interest groups (organisation of producers, of service requirements);
- search of external partners,
- publications (magazines, bulletins, observatories, inventories, leaflets, guides, maps),
- radio and TV announcements, videos and films,
- visits with local actors,
- contests of ideas,
- labels and production charts,
- transfer and experimentation of technology, know how,
- promotion of local products in fairs, events, schools,
- organisation of LEADER offices and staff, co-ordination of activities,
- capacity building, training of animators
- networking, transnational co-operation,
- provision of services for other groups and agencies, including the Public Administration.

Actions classified as "Monitoring activities" are much more homogeneous between themselves: they include self evaluation, external controls, definition of indicators. These activities were often delegated to regional or local public administration offices, without costs for the LAG. Monitoring activities were implemented by only half of the groups and were concentrated in those countries where this was considered as standard practice (Northern member states including France). This is a weakness which further discriminated those areas where the approach was more innovative (Mediterranean countries).

4) The assessment of impact

The implementation of this measure was extremely differentiated by groups and has influenced significantly the impact of actions and the image of LEADER groups in the eyes of the local population.

Given the extreme variety of activities carried out under this measure, the relevant physical and impact indicators should have been differentiated accordingly (lesson for the future). The common indicators established for the ex-post evaluation do not reproduce the extreme variety of actions just mentioned.

Table 2.2.2. - Indicators of physical realisation of the actions included in measure a), technical assistance for rural development.

Physical indicators	Unit of measure	Quantified achievement (reconstructed ex post, sample Q50)	Estimated achievement of all LAGs (Q215)	Number of valid cases
meetings with the population	number	2.208	20.640	(n=23)
full time animators (equivalents of)	number	159	1.036	(n=33)
projected actions/operations	number	insuff. info.	-	-
final beneficiaries	number	insuff. info.	-	-

Source: Ex-post Evaluation LEADER I

The number of responses to the number of projected actions and final beneficiaries was not significant and heterogeneous: some indicated the total population of the area, others very few consisting in the beneficiaries of payments (the local newspaper for example).

With reference to the meetings with the population (understood both as meetings with economic actors, potential carriers of business ideas and/or the population at large), slightly under half of the LAGs had not kept any record of the number of meetings. The average number of meetings ranged between 20 and 60 for each group. The achievements for all LAGs on the basis of available data are probably overestimated, but indicate nevertheless an extremely important action of animation at local level, which in the majority of cases was taking place for the first time and was therefore innovative.

The presence of full time animators was an average 4 to 5 per group (this is coherent with results from the universe of 215 LAGs). Small countries with few LAGs invested much less in technical assistance than larger countries. Countries with less experience with local policies (Greece, Italy, Spain, Portugal, but also Ireland which had more experience) invested more in the creation of local staff for LEADER. This was also justified by the relevance of the number of LAGs in these countries which justified the investment, but there was also a strong political demand for these structures at local level.

The overlap between the functions of animators with those of the regular staff of LAGs explains in part the impression of overstaffing that these indicators suggest, or of lack of specialisation. There is an obvious positive employment impact both in quantitative as well as qualitative terms due to the presence of animators. Qualified employment is not always available at local level; where local development agencies were absent LEADER groups immediately assumed a wider mission than just implementing LEADER, organising consensus, searching other sources of financing, representing local interests at different administrative levels, supporting political positions..., this will be further analysed with the horizontal partnership of LAGs below, but the staff and resources came from the technical assistance measure.

Overall this measure is extremely heterogeneous in its contents and in the implementation procedures. This situation has reduced the possibility of evaluating it coherently as one measure. Its major handicap is that it confuses animation activities with monitoring activities and with LEADER operating staff. Actions are extremely varied and this is good because it reflects the extremely different needs at local level on this matter. The diagnosis of the area should not be confused with the preparation of the business plan. Most plans were done without any diagnosis, or delegated to consultants due to timing constraints. The submeasures therefore need a much more precise articulation in order to become meaningful indicators. The impact of this measure in terms of

employment and diffusion of the LEADER approach have been extremely significant even if not necessarily so in terms of implementation of the bottom up approach (see below).

2.3.2.2 Results from measure b): vocational training and assistance for recruitment

1) The submeasures included

Differently than in measure A, the submeasures included are homogeneous and clearly differentiated. The list is shown in table 2.2.3.

2) The implementation

This measure was implemented by 80% of the groups. As for the previous measure no use does not necessarily mean that no training was realised but rather that it was funded with regular national or regional training programmes (with ESF funds from Community Support Frameworks). In some cases if a project was based on the acquisition of some competence related to another action (for example teleworking or biological farming) the training was often included with the action in the corresponding measure.

Table 2.2.3 - Percentage of LAGs with presence of projects under measure b): "Vocational training and assistance for recruiting", by type of heading

Headings (sub-measures)	Presence of actions (%)
A34 Training for representatives, associations, leaders	33
A35 Training for LAG co-ordinators and animators	33
A36 Training of target groups	70
A 37 Distance, mobile training	18
A38 Ad hoc training for economic projects	22
B99 Other	16
No use of the measure	20

Source: Ex-post Evaluation LEADER I

The actions carried out are quite homogeneous between themselves. Only one selected group implemented actions of assistance for recruiting while in all other cases it was training courses. In the great majority of cases (70%) the activity consisted in specific training for target groups. These were interpreted in two different ways: a generic course in which target groups participated spontaneously; and courses in which only the target group participated (for example apiculture techniques for local farmers). The first (non selective) appears to have been more frequent than the second.

A third of the courses trained representatives, associations and leaders and another third LAG co-ordinators and animators.

3) Some examples of actions

The topics of the courses were extremely diversified within the same business plan and between different business plans. The diversification of the topics is a good indicator that these responded to specific local needs which could not have been satisfied with standard vocational training courses. The demand for courses expressed as a whole by LEADER groups could be considered as a good indicator of the needs in terms of human capital in rural areas, and may be compared and with the current supply of courses in order to evaluate its appropriateness. This would be most relevant at regional level, where decision making on these matters is concentrated. The following are some examples of the courses given:

- start up training for small businesses,
- evaluation of new project ideas,
- biological farming,
- farm pluriactivity,
- agrotourism,
- marketing techniques both for crafts and agricultural typical products,
- training for rural development,
- training in telematics,
- training in innovation and Euro-management for entrepreneurs,

- qualification for specific crafts (religious paintings, building techniques, bee keeping, slate processing, traditional embroidery etc.)
- individual tutoring and support actions for SME's,
- training in advisory services,
- job creation courses,
- teleworking,
- clearing house for the unemployed.

4) The assessment of impact

In the actions selected by LAGs as most representative two situations may be identified:

- the organisation of specific courses closely connected with other actions of the programme (for example training in rural hospitality associated with co-ordinated investments for rural tourism);
- the organisation of generic training courses (for example a language training for tourist guides and hosts and no other actions along the tourist "filière").

The first type had a higher quality and employment impact because the training was directly linked to a subsequent placement or initiation of an activity (including those addressed to the LEADER staff). In the second case the training was an independent action whose impact may be measured in terms of a generic human capacity building.

Training created human policymaking capacities at local level and had an extremely relevant impact at local level. It is clear that these professional figures were not present before in the majority of cases (with the exception of France, UK, the small countries, Ireland). Even considering this exception, the number of LAGs who organised these type of courses appears too low. The impact could then have been much more significant with a higher diffusion. An indirect indicator of the importance of training the personnel of LAGs and local representatives may be found in the continuation of the activity from LEADER I to LEADER II or with other initiatives (i.e. NOW) which shared the same local approach and required similar capacities of animation and management.

Table 2.2.4 - Indicators of physical realisation for the actions included under measure b), vocational training and recruitment.

Physical indicators	Unit of measure	Quantified achievement (reconstructed ex post, sample Q50)	Estimated achievement of all LAGs (Q215)	Number of valid cases
Training courses	number	866	3.920	(n=38)
- of which related to tourism	number	127	559	(n=39)
participants	number	11.552	55.193	(n=36)

Source: Ex-post Evaluation LEADER I

It may be reasonably estimated that about 4.000 courses were realised, an average of 22 courses per GAL, which means that a lot of importance was attributed to human capacity building, in all sectors of the economy and quite specific in each case to the valorisation of local resources and the strengthening of managerial capacities. In some cases the aim was to recuperate and codify local know how in order to transmit it to younger residents, in other cases the aim was to bring outside knowledge to the rural areas. In both cases it fulfilled the task of creating the strategic human resources for implementing innovative actions. The highest frequency of training courses was achieved in Scotland (217 courses, mostly of daily duration on information technology and pluriactive farming).

The training actions were considered successful in making available the human resources for specific local needs in the great majority of LAGs (78%); only a minority indicated a moderate impact (18%) and the remaining 4% indicated they were irrelevant. Weak impacts were relatively more frequent in small countries, Portugal, Greece, Italy and Spain. As with technical assistance, it was found that lack of experience affected the capacity at local level to identify and implement appropriate courses.

The major impact of this measure was the diversification of the qualifications of the labour supply available at local level, especially in new and very specific subjects, its linkage to specific local resources, the formation of a local group of administrators and agents able to make local development plans, manage policies, recognise and serve local needs. The impact of training was assessed as more significant in increasing local technical capacities than in business management, mobilisation of resources or dealing with rural problems, where it was considered low and insufficient.

Only a very small minority of LAGs indicated that training had a direct impact on employment or the creation of new activities. This is a negative aspect since it implies that courses were specific and technical but were not always directly linked with employment opportunities.

2.3.2.3 Results from measure c): rural tourism

1) The submeasures included

For this measure, considered by all stakeholders as the most likely alternative to agricultural activities, or even the best choice in terms of potential complementarity with farming, includes a very well differentiated number of submeasures, in quite homogeneous and well differentiated subcategories.

2) The implementation

All groups interviewed had one or more actions within this measure. The assumption of the attractiveness of the tourist sector for rural areas has been confirmed by its very diffused use regardless of the type of area or the type of business plan. What is variable within this measure is not its use (by 100% of the groups) but its weight and incidence within the business plan in terms of financial allocations and the type of actions which were implemented.

Table 2.2.5. - Percentage of LAGs with presence of projects under measure c): "Rural Tourism", by type of heading

Headings (sub-measures)	Presence of actions (%)
A40 situation diagnosis	46
A41 marketing plan	48
A42 training of operators	42
A43 exploitation of cultural heritage	82
A44 infrastructure and amenities	86
A45 aid for public and private investment	84
A46 organisation of supply (promotion)	74
A47 creation of tourist routes	64
A49 specific products	62
A56 reservation system	28
C99 other	18

Source: Ex-post Evaluation LEADER I

The three most frequently used submeasures are the exploitation of cultural heritage, the construction of infrastructure and amenities and aid for public and private investment. These are measures closely linked with the valorisation of local resources which appears as the most frequent interpretation given by local groups of the meaning of innovative actions for rural areas. A second group of submeasures, in order of importance, is represented by actions related to the promotion of the tourist product (organisation of supply) and the creation of tourist routes. These are coherent and linked with each other. On the other hand the implementation of the other submeasures, which are all "services" (rather than material investments) for rural tourism have had a low utilisation.

The implementation of this measure was therefore not very innovative in the sense that it privileged material investments rather than immaterial investments. On the other hand, the type of actions realised, linked to local resources and to specific segments of the demand, have been quite innovative in relative terms and linked with each other in a logic of the tourism *filière*.

3) Some examples of actions

- cultural heritage tourism based local traditions and leisure activities: museums, manifestations, shows associated with specific activities such as cycling, rowing and sailing, hiking and walking, riding montgolfières, visiting gardens;
- restructuring of old buildings as guest houses (former factories, historic buildings -castles, manors, convents, rural bourgs-);
- tourist infrastructures (leisure facilities, swimming pools, bathing facilities, camping sites, river beaches, mountain shelters and routes, minigolf, meeting points, landscaping, signposts, environmental infrastructure (garbage centres), multifunctional sporting centres,
- restructuring historic infrastructures (town walls, stone
- promotion and marketing of tourist activities (maps, brochures, books, advertising, libraries on agritourism, common guidelines of hospitality, logos and labels, slogans, reservation and information centres, tekebooking, data bases, shows and manifestations,)
- establishing associations or co-operatives of providers of tourist hospitality (farmers and non farmers, for example farmers and local restaurants);
- establishing new activities in existing structures (local gastronomy centres, shows of local products, bars and restoration points along routes, cultural centres on local products or traditions,
- thematically tourism: the sleeping castle: the parody of the "Sleeping Beauty" with audio-visual effects accompanying tourist visitors; tours for descendants of migrants, geological tour, speleology centre, ethnographic museum, health centres, culinary tours, historical events tours,

4) The assessment of impact

The quantified achievements are extremely varied in relation to individual cases, ranging from a very low incidence (two or three tourist beds in one LAG) to a maximum of near 3.000 beds in one Spanish LAG. Costs allocated per unit, even if financial data is quite different according to different sources, is nevertheless extremely variable from one LAG to another. Such big differences are difficult to explain with available data.

The most frequent target group for this measures has been *also* the farming sector (in 50% of the sampled cases), while other target groups (youth, women, SME's) were clearly the less frequent (below 30%); local authorities, agencies, private associations had an intermediate importance (between 30 and 40%). However, in terms of number of beds or of accommodation facilities in relation to the total achieved result it may be estimated that only 20% of the new accommodation facilities have been in farm household while the rest is in guest houses, shelters, restructured buildings which are often public property (of the communes) but are not part of farms. Although there are variations per country the predominance of non farm accommodation is widely diffused. The average ratio of new tourist beds per final beneficiary is almost 5beds, which means that small units have prevailed in most cases. Beneficiaries appear to be mostly of local origin, both private but with a relatively high presence of public initiatives.

Table 2.2.6 - Indicators of physical realisation for the actions included under measure c): "Rural Tourism"

Physical indicators	Unit of measure	Quantified achievement (reconstructed ex post, sample Q50)	Estimated achievement of all LAGs (Q215)	Number of valid cases
new tourist beds	number	6.301	37.630	(n=36)
new accommodation facilities	number	628	3.750	(n=36)
-of which in farm households	number	125	840	(n=32)
projected actions/operations	number	837	5.142	(n=35)
final beneficiaries	number	1.300	8.470	(n=33)

Source: Ex-post Evaluation LEADER I

This confirms the initial assumption that rural tourism was the most likely local response to the push towards the diversification of local activities that was promoted by LEADER. Farmers, independently of initial aims and targets of the individual business plans have not been the main beneficiaries of this measure. This does not mean that the impact on the agricultural sector has been weak. It is evident from the linkage between actions of the tourist filière that rural tourism actions indirectly favoured this sector in quite significant ways: consumption's of their products in restaurants and shops, alternative uses of land, new employment opportunities which favoured pluriactivity, have all generated income advantages for farmers as well as other rural residents.

Given the weakness of the preliminary diagnosis in most areas it is doubtful whether the strong concentration on rural tourism actions was indeed only the result of needs expressed at local level as a result of bottom up approaches. There have been many references made to a general orientation and pressures that filtered down from the top and the intermediate organisations down to the local level to pay great attention to the needs of the farming community. Then of course the actions were designed and implemented at local level, thus allowing for a strong linkage with local resources and meeting also with the interest in this type of actions of the non farming community. This adaptation capacity to local needs has been an important advantage of the LEADER approach.

Many actions were explicitly linked with more important material investments financed through CSF programmes. Historical buildings were very frequently restructured and used as guest houses. These were often the property of the commune and had an employment impact at local level, often of young people and women. There is very little information on the impact in terms of visitors to the area or even the use of the restructured buildings or other facilities after being completed (economic impact).

With this measure, around 6.000 full time jobs in rural areas were created and over half as much part time jobs. The information available on gender distinction of employment referred to an insignificant number of cases, however for the limited cases for which this information was given, it indicates that skilled work and women had a higher share of the available jobs. This measure had therefore a positive impact both in quantitative as well as in qualitative terms since it contributed to balancing a widespread initial situation of local labour markets characterised by part time employment, unskilled work and lack of opportunities for women.

Table 2.2.7. - Employment impact of measure c) : "Rural Tourism"

Type of employment created	Number of new jobs in sampled groups (Q50)	Estimated achievement of all LAGs (Q215)	Number of valid cases
- full time	916	6.154	(n=32)
- part time	438	3.622	(n=26)
- skilled/qualified	309	insuff. info.	-
- unskilled		146	insuff. info.
- men	179	insuff. info.	-
- women	356	insuff. info.	-

Source: Ex-post Evaluation LEADER I

The impact measured in terms of new entrepreneurial initiatives is also quite good since slightly over 2.000 enterprises were created and an even larger number of the existing ones expanded their activities within a logic of diversification. However what is most interesting is that the most relevant

impact indicated has been that these actions contributed to expand the markets of local enterprises (estimated near too 3.000) beyond the local level. This should be considered as very positive impact since it has contributed to the reduction of isolation of rural areas and has helped in the integration between the local and the global markets. Again it is the innovative content of the actions which is weak : only a small minority of enterprises introduced either new processes of production or adopted new products. It is the spatial expansion of the market which proved to be the most frequent advantage for local enterprises.

Table 2.2.8 - Type of impact on enterprises in measure c) : "Rural Tourism"

Type of impact on enterprises	Number of enterprises in sampled groups (Q50)	Estimated achievement of all LAGs (Q215)	Number of valid cases
- new enterprises created, still operating	303	2.170	(n=30)
- existing enterprises expanded their activities (diversification)	385	2.587	(n=32)
- enterprises established new processes of production	64	764	(n=18)
- enterprises adopted new products (not previously produced)	90	968	(n=20)
- enterprises operating in new markets (not local)	294	2.873	(n=22)

Source: Ex-post Evaluation LEADER I

Concluding, rural tourism actions have been the most frequent and diffused actions implemented by all groups. Among them, it is the valorisation of local resources, previously underestimated, that was considered as innovative by most groups. Actions in this measures were well linked between themselves in a logic of filière. The most positive impact of this measure is that it contributed to an increase, at least from the supply side, of the attractiveness of rural areas and expanded their markets. The simulation of outside demand appears to have been relatively weaker than the support of local investments, but it was nevertheless present, which was not always the case in previous local policies. Privileging local investments independently of their market potential is an old problem of development policies in rural areas and LEADER does not appear to have been immune from it. This is especially true for Mediterranean countries and less so for Northern ones.

A second point is that the importance attributed to the exploitation of cultural heritage and the realisation of rural infrastructures within the rationale of what have been recently considered as "rural amenities", indicates that what was most developed is one of the new (growing) functions attributed to rural areas, consisting mainly of cultural, environmental and leisure activities, considered as the main strength and potential opportunity for growth. The demand for rural tourism has almost universally been identified with the non local population, conceived not only as urban, not necessarily located in the nearest centre but most often in a much wider and specialised market of external residents, even non European (in the case of former migrants), considered not as an undifferentiated mass of consumers but very much segmented and specialised, as the numerous thematical tours and specific types of leisure demonstrate. Local identity has been skilfully exploited as a factor of differentiation between rural areas on the side of supply and specialised leisure activities have realised symmetrically the same thing on the side of potential demand.

The challenge of allowing local groups to define their strategies (as well as to change them during the implementation process) has revealed a good balancing of the pressures received by local groups to concentrate actions in rural tourism, to address them farmers to farmers. A more neutral attitude would have been more desirable and more coherent with the bottom up approach. However, this general orientation was well understood, interpreted and often corrected in the actions realised by local groups.

This measure had relevant impacts on employment and entrepreneurship, particularly of women and skilled labour. It has contributed significantly to the increase of the attractiveness of rural areas, the reaffirmation but also the modernisation of local images and identities, their further differentiation from each other; it has certainly contributed to the increase of exchanges between the farm and the non farm population to the benefit of both and has expanded the spatial market of rural products. These positive impacts where somewhat reduced by the persisting strong preference for material investments, not always conceived as integrated actions or benefiting collective interests, and pressures to privilege the farming sector. Were this occurred the value added of LEADER was correspondingly reduced, remaining however as one more measure among others.

2.3.2.4 Results from measure d): Small and medium enterprises, crafts and local services

1) The submeasures included

This measure includes well differentiated submeasures which, however do not cover the extreme variety of actions which have been included under this heading. It would be desirable that enterprises and crafts (related to industry) be clearly distinguished from services.

2) The implementation

Most Groups (96%) used at least one of the submeasures which make it extremely diffused. The most frequent one has been the support for enterprise creation (66%) which is particularly significant in this measure more than the others where expansion of the activities of existing enterprises was much more frequent. New product design, research and development was also used by half of the Groups. Real innovative actions, both in industry, construction techniques and services is mostly concentrated here. Soft, immaterial investments appear to have been privileged more frequently than in rural tourism, where material investments played a more significant role.

Table 2.2.9 - Percentage of LAGs with presence of projects under measure d): "Small and medium enterprises, crafts and local services", by type of heading

Headings (sub-measures)	Presence of actions (%)
A57 Study and revival of sectors	28
A59 New product design, research and dev.	50
A61 Audit and business development plans	38
A62 Development of tele-working	20
A63 Creation of multiservice centres	30
A64 Support for enterprise creation	66
A65 Financial engineering	24
D99 Other	24

Source: Ex-post Evaluation LEADER I

3) Some examples of actions

- actions in favour of crafts and commerce and the transmission of enterprises from one generation to the next,
- infrastructures for SME's and crafts, sites and buildings,
- incubation of new enterprises, tutoring services for SMEs, microenterprises, support for self-employment,
- communication investments, promotion of local telework (telematics), business databanks;
- services to businesses (commercial, legal, experts), high tech promotion,
- teleworking initiatives for decentralising work in rural areas,
- support for Cupertino and association between producers,
- information services and centres on the activities present in the area (to stimulate subcontracting);
- training and technology transfers (also through telematics);
- environmental laboratories for innovative sewage technologies, water treatment;
- renovation of equipment of SME's;
- financial engineering;
- sectorial studies on particular products (stone working and processing, wood, paper, printing, jewellery, book binding, shoes, ecoceramic, cosmetics, icon painting, textile, pottery, glassware, small agricultural machinery, new extruder machines, dog food, telecottages, typical cheese, mill products, honey packaging, local liquors, dry chestnuts, bakeries, butcher, fishing industry, commercialisation and labelling of local wines, pheasants;
- organisation of fairs and shows of local products;
- organisation of personal services (taxis, commerce, gardening, hair dressers);
- quality charts for local products and services, certification of quality centres.

A first comment in looking at this list is that it appears clear that all types of activities have been considered suitable to be developed in rural areas. Therefore there are extremely varied products and forms of diversification which were there in the past and are presently reconsidered.

4) The assessment of impact

The creation of new enterprises has been higher than the creation of new services. The number of final beneficiaries of this measure (27.000) has been much more significant here than for rural tourism (around 8.500) confirming a very wide demand for aid for diversification which includes processing and transformation of agricultural products.

The most obvious target group of this measure were SMEs and crafts (65%), but diversifying farmers also (25%).

Table 2.2.10 - Indicators of physical realisation for the actions included under measure d): "Small and medium enterprises, crafts and local services",

Physical indicators	Unit of measure	Quantified achievement (reconstructed ex post, sample Q50)	Estimated achievement of all LAGs (Q215)	Number of valid cases
new enterprises	number	231	1.552	(n=32)
new services	number	113	934	(n=26)
projected actions/operations	number	489	4.779	(n=22)
final beneficiaries	number	4.312	27.267	(n=34)

Source: Ex-post Evaluation LEADER I

The employment impact of this measure is by far the most important of all sectors (this means that if the problem become the creation of jobs in rural areas it is through entrepreneurship and crafts that we will obtain the best results. Part time jobs would seem less frequent than for rural tourism. Furthermore skilled and qualified jobs had a ratio of over 3 skilled per 1 unskilled. Gender differences are in favour of men (differently than in rural tourism), indicating that risk taking is still a predominantly male characteristic.

Table 2.2.11. - Employment impact of measure c): "Small and medium enterprises, crafts and local services",

Type of employment created	Number of new jobs in sampled groups (Q50)	Estimated achievement of all LAGs (Q215)	Number of valid cases
- full time	1.251	8.965	(n=30)
- part time	275	insuff. info.	-
- skilled/qualified	426	insuff. info.	-
- unskilled	126	insuff. info.	-
- men	380	insuff. info.	-
- women	229	insuff. info.	-

Source: Ex-post Evaluation LEADER I

The expansion of existing enterprises has been the most frequently found impact on the productive structure, The creation of new enterprises, ranks a close second indicating good opportunities for new activities. The expansion of markets as a strategy to increase competitiveness (not necessarily innovative but definitely contributing to the reduction of the isolation of rural businesses) appears to be relatively easier than the establishment of new processes of production or the adoption of new products, which have a higher technological innovation component, which is still difficult to achieve in rural areas.

Table 2.2.12 - Type of impact on enterprises in measure c): "Small and medium enterprises, crafts and local services",

Type of impact on enterprises	Number of enterprises in sampled groups (Q50)	Estimated achievement of all LAGs (Q215)	Number of valid cases
- new enterprises created, still operating	213	1.635	(n=28)
- existing enterprises expanded their activities (diversification)	242	1.858	(n=28)
- enterprises established new processes of production	96	645	(n=32)
- enterprises adopted new products (not previously produced)	63	846	(n=16)
- enterprises operating in new markets (not local)	101	1.142	(n=19)

Source: Ex-post Evaluation LEADER I

Concluding, actions in favour of SME's appear to have been extremely successful even though they were underestimated in the initial programming. Financial data about measures indicates that this measure attracted funds from other measures because the demand was very dynamic in this sector. The most important impact of this measure is to have contributed significantly to the diversification of activities (both through new and existing enterprises) in rural areas, thus realising one of the main objectives of the new rural policy. The role of services, both for industry (database, incubators, commercial services) and the population (transportation, health) appears to have played an important accompanying role to material investments.

The employment impact was extremely significant and positive, showing the indirect route that must be followed (through entrepreneurship) in order to create new jobs. As a result the labour market offers a more varied range of opportunities. The isolation of small businesses has decreased and the possibilities of association between enterprises, or to cooperate in order to increase the efficiency and critical mass on the market has improved.

An often mentioned observation by LAGs was that aid for SMEs and crafts in rural areas was the most innovative measure of LEADER, especially in Northern countries. This is because aid was mostly directed to larger industries and to decentralisation policies (to attract outside business). It appeared surprising that there was such endogenous dynamism on the part of enterprises.

2.3.2.5 Results from measure e): exploitation and marketing of agricultural products

1) The submeasures included

Most submeasures refer to the valorisation and commercialisation of typical products within the agricultural filière. The contents of this measure are different in relation to the others because aid for investments is excluded due to the fact that this form of intervention is either available with other agricultural measures or severely limited in the case of certain products. This is probably the reason for the relatively modest presence of material investments and the lower degree of innovation in this agricultural measure in relation to others, which were more innovative (SMEs, crafts, rural tourism, environment) for rural areas.

In the actions realised it may be observed some overlapping with measure d).

2) The implementation

88% of the LAGs implemented this measure. The promotion and processing of local products was the most frequently used measure. This may hardly be considered innovative. The peculiarity of LEADER is that it favoured typical and quality products instead of those without any link to the territorial identity (mass products).

Table 2.2.13 Percentage of LAGs with presence of projects under measure e): "Exploitation and marketing of agricultural products", by type of heading

Headings (sub-measures)	Presence of actions (%)
A66 Labelling of local products	48
A68 Creation of group of producers	52
A70 Promotion of local products	82
A71 Research and development	52
A72 Processing of local products	68
A74 Market research, product/market identification	58
E99 Other	22

Source: Ex-post Evaluation LEADER I

3) Some examples of actions

The type of action implemented were:

- model farm for integrated farming (low pollution), farm museum on local wine;
- potato seed farms,
- goat cheese, soft cheese,
- bread, honey service centre, fir honey, sesame seeds; whole wheat flour;
- genetic improvement on dairy farm; milk quality centre;
- pedigree selection centre for pheasants;
- lobster hatching; shrimp market study;
- hardwood promotion; development of wood filière;
- charcoal production from lumber;
- farm relief service;
- riding horse production; venison marketing; sheep breeding,
- ecologically produced meat, quality beef;
- mushroom casing;
- dried fruit packaging;
- reorganisation of the cherry filière;
- reorganisation of chestnut production;
- labels for local wines; services for wine producers;
- mineral water marketing;
- conservation equipment for agricultural products; fish products; drying plant for herbs;
- organic fertiliser production;
- biological farming production and commercialisation;
- export marketing, organisation of marketing groups, market for biological products, labels for area products, marketing services for groups of producers, promotion of products for local tourists;
- certification of products; quality charts, product tests;
- centre for technological transfer that links farmers with research institutes in the field of olive oil.

4) The assessment of impact

Many of these actions, differently than those indicated in the previous measure operate in the logic of production chains ("filières"). Innovation takes place through quality upgrading, research, processing, labelling, organisation of producers, new marketing strategies. There is specialisation within the filière rather than a strategy of diversification of production between sectors (as in the case of farm and tourism). The scale is small and has "niche" characteristics, but nevertheless if the strategy is successful the growth implies agreements with other producers of the same or complementary filières. Specialisation has often posed problems of an insufficient "critical mass" of the product considering only the LEADER area. This was evident for the production of cherries in Jerte, Spain when a successful market strategy which expanded production met with the problem of the limitation of product (and producers) available. Something similar happened with the agreements established between producers of chestnuts in different LEADER areas.

The most obvious target group in this measure is farmers and primary production.

The indicators of physical realisation chosen in this case were similar to the impact indicator (number of new enterprises). Actions for productive enterprises by far outnumbered the actions in favour of provision of services. The number of operations and beneficiaries has been very diffused.

Table 2.2.14 - Indicators of physical realisation for the actions included under measure e): "Exploitation and marketing of agricultural products",

Physical indicators	Unit of measure	Quantified achievement (reconstructed ex post, sample Q50)	Estimated achievement of all LAGs (Q215)	Number of valid cases
new enterprises	number	120	1.075	(n=24)
new services	number	57	insuff. info.	-
projected actions/operations	number	437	4.698	(n=20)
final beneficiaries	number	6036	6.405**	(n=24)

Source: Ex-post Evaluation LEADER I

** in one case an exceptionally high number of beneficiaries was considered in the estimate for the universe at the average of the other LAGs in order to correct what would have otherwise been a distortion of the estimate.

The employment impact of these measures is relatively high. This is extremely significant because it indicates that operating within the filière logic (from production to the final consumer) helps to add value to the product, requires services and marketing activities which create more employment than just in the production phase. Full time jobs appear clearly predominant, qualified and predominantly for men.

Table 2.2.15 - Employment impact of measure e): "Exploitation and marketing of agricultural products",

Type of employment created	Number of new jobs in sampled groups (Q50)	Estimated achievement of all LAGs (Q215)	Number of valid cases
- full time	598	5.844	(n=22)
- part time	138	insuff. info.	-
- skilled/qualified	184	insuff. info.	-
- unskilled	42	insuff. info.	-
- men	163	insuff. info.	-
- women	77	insuff. info.	-

Source: Ex-post Evaluation LEADER I

Besides product specialisation within filières, the second rationale which seems to have prevailed is quality upgrading, as if to compensate the lack of volume usually available at a small territorial level with the increase of value per unit of production. This referred to typical products which were recuperated and marketed more efficiently as well as new forms of production like organic farming.

The type of "agricultural solution" that specialisation and qualification of products suggests for rural areas appears to be a sound one, because it tends to reduce competition on the basis of undifferentiated products, it leaves most of the value added inside the areas of production, benefiting the whole area; it is also a strategy which operates in a market logic and reduces the need for subsidies. It is therefore an extremely intelligent and positive solution for rural areas.

It is however dependent, like in the case of rural tourism, in the presence (and affluence) of external consumers, usually in urban areas, that are willing to spend more of their income on quality products. The case of quality beef production in Bavaria, Germany is successful because of the direct sale method adopted with urban consumers. This implies an increasing integration between different areas exchanging products and services, which has both income and socio-cultural advantages for rural producers. It doesn't imply any longer that farmers loose the value added by commercialisation to outsiders.

The important impact of this measure is therefore to increase the economic competitiveness of rural areas, even the marginal ones, with solutions that, if well managed, may be able to be self sufficient on the market. The fact that in this case the use of telematic services was indeed very frequent tells us that communication technology integrates very well with quality markets and therefore may act in favour of rural areas and of reducing the relevance of distance and isolation.

The type of impact on enterprises is quite considerable, in view of the fact that agriculture in rural areas is not considered a very dynamic sector. The greatest impact, as expected, is in the effect on the diversification of existing enterprises, which are in the great majority of cases, farms. This is a different meaning attributed to diversification than the one used above. It refers to one enterprise instead of the area as a whole.

Table 2.2.16 - Type of impact on enterprises in measure e): "Exploitation and marketing of agricultural products",

Type of impact on enterprises	Number of enterprises in sampled groups (Q50)	Estimated achievement of all LAGs (Q215)	Number of valid cases
- new enterprises created, still operating	120	1.173	(n=22)
- existing enterprises expanded their activities (diversification)	695	6.792	(n=22)
- enterprises established new processes of production	123	1.469	(n=18)
- enterprises adopted new products (not previously produced)	120	insuff. info.	-
- enterprises operating in new markets (not local)	211	insuff. info.	-

Source: Ex-post Evaluation LEADER I

On the other hand new entrepreneurship and technology have not developed easily in this sector as the low number of new enterprises, of new products and processes indicate. The strategy followed does not refer to innovation in technological terms but rather in the commercialisation and expansion of markets.

2.3.2.6 Results from measure f): other measures

Only 38% of LAGs used measure f). Since actions are extremely differentiated a summary description of them will be given with an estimate of the added impact in terms of employment and enterprises.

The number of new enterprise and services created with this measure was 226 (estimated achievement of all LAGs).

The number of new full time jobs has been 248 (estimated achievement of all LAGs).

2.3.2.7 Conclusions from the evaluation of results by type of measure

The evaluation of results by type of measure have considered the six eligible measures of the initiative following the conventional method which is used in the evaluation of all EU programmes. The methodology had established specific quantitative physical indicators of realisation (different for each measure) and of impact (similar for each measure) in order to evaluate with homogeneous criteria the achievements for all LAGs.

Through this type of analysis some of the achievements of LEADER I have been quantified and a comparison was made possible between measures and LAGs at any territorial level. Given the constraints already mentioned in the collection and elaboration of data, we consider the results reliable and -at an aggregate european level- representative of the universe of LAGs, except when this has been specifically indicated. Of course for the future, if required information is known in advance, LAGs can collect the information and the completeness of data will greatly increase. In order to aggregate data a common set of indicators must be adopted by all LAGs.

The evaluation has confirmed that the most widely used measure (100% of groups) was rural tourism followed by SMEs, crafts and local services (96%); exploitation and marketing of agricultural products (88%); technical assistance (82%, but in reality it had a higher incidence); vocational training (80%); other measures (38%). Overall the measures and submeasures included in the Notice covered very well the variety of actions that were realised. For analytical purposes a revision and better definition of submeasures would be desirable in order to have a more homogeneous data base, useful for both evaluation purposes and comparisons.

The actions carried out within each measure were in most cases very differentiated within a single plan and from area to area. This indicates that the assumed diversity of needs of rural areas is

confirmed and LEADER responded in a relevant way to such needs, allowing autonomous decision making and orienting actions towards endogenous initiatives and the valorisation of local resources. The mix of actions realised by each group is indeed unique in each case.

The quantification of physical indicators although it has provided relatively satisfactory results on very basic and common indicators which may be aggregated at European level, has not been able to quantify in a sufficiently significant way the number of final beneficiaries which would have allowed more interesting elaborations of results (cost efficiency). A much wider range of indicators would be needed to account for the diversity of actions. The incongruity of financial data has made financial indicators impossible to be used. This is a very serious handicap for a complete evaluation of LEADER, which is due to a lack of systematic monitoring by all stakeholders in the initiative.

The two impact indicators chosen, employment and enterprises proved to be relevant and produced very satisfactory results, probably better than expected for an initiative which emphasized a new approach to rural development and innovation of actions and did not aim at relevant results in terms of employment or new enterprises. About 25.000 equivalents of new full time employment have been created in rural areas: this varies very significantly by type of area but is a very good result. Also in terms of enterprises both new entrepreneurship as well as new activities in already existing enterprises, always of very small scale, have proved to be the real key to the creation of new employment. This type of positive and dynamic response by local actors indicates that local resources are there and are able to elaborate local policies which may contribute significantly to solve the traditional problems of rural areas.

Each measure has shown a different pattern in terms of general strategy implied (diversification or specialisation), different target groups, specific employment impacts and capacity to stimulate endogenous entrepreneurship. These patterns could be used in the future as important "rural development" information for the diffusion of best practices. If these differentiated impacts are known it is possible to foresee much more precisely the expected impact of certain measures in relation to others. For example, if we have a problem of women's unemployment, it is useful to know that rural tourism actions is likely to be able to solve the problem more easily than if we develop SMEs and crafts. LEADER was considered a pilot experience also because it could generate this type of information for other rural areas. It should be said that it has been the evaluation work done systematically and comparatively that has generated this important know-how.

The evaluation by type of measure in the conventional sense has some advantages but also some disadvantages. The advantages consist in the well known consideration of the relevance and conformity of actions (see the evaluation in the main conclusions, chapter 5), their effectiveness and efficiency, the quantification of results. A second advantage is that in principle this type of evaluation allows to compare LEADER achievements with those of other EU programmes with different approaches. In practice for LEADER I this is not really possible because data were not available on common indicators (also for CSFs), but in the future if programmed, this could be quite interesting and useful. The main disadvantage is that this type of evaluation ignores all the unique aspects (key issues, specificities) which were introduced by LEADER and constitute its distinctive character in relation to other policies. If these are not evaluated together with this conventional evaluation, it will not be possible to demonstrate -and the demonstrative effect is one of the objectives of LEADER) the superiority of this approach in relation to others. For this reason in the next section the evaluation of these aspects will be considered.

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2.4. The overall impact and value added at local level

There is no doubt that the LEADER experience, even with its shortcomings, was considered overwhelmingly to have exercised a positive impact at local level. None of the sampled LAGs answered negatively, 6% expressed that only for some of aspects it had been positive and the remaining 94% gave an overall positive evaluation. This means that the initiative was well accepted and could be adapted to extremely diversified situations across Europe. More specifically, the motivations given for such an overall positive evaluation are extremely differentiated, as well as the observed disadvantages and shortcomings.

In the next table a general appraisal of the LEADER unique characteristics was asked to the sample of 50 groups. In the first three columns they were asked to evaluate for each theme and key issue considered whether the introduction of this specific aspect by LEADER had had a positive lasting influence in future policies at area level (positive innovation assumed to have a demonstration effect), had a negative influence (negative innovation) or were not implemented. So the first three columns give the percentage of LAGs which evaluated such influence as positive or negative. In the last three columns the exercise is different: it was asked to the LAGs to rank the relative importance of each specificity in order to have also an idea of the hierarchy established between them. All percentages are based on Q50 information and reported as estimates for the universe of LAGs.

Table 2.2.23. - Summary of the evaluation by LAGs of the relative importance attributed to various specificities of LEADER

THEMES AND INNOVATIVE ASPECTS OF LEADER	<i>Positive innovation</i>	<i>Negative innovation</i>	<i>Not implemented</i>	Ranked among the first three	Ranked fourth to eighth	Ranked ninth or more
ACTIONS						
-the local/rural approach	92.7	2.4	4.9	81.8	12.1	6.1
-the participated formulation of business plans	60.5	2.3	37.2	40.6	21.9	37.5
-the integration, linkage of actions	86.0	0.0	14.0	43.8	37.5	18.7
-the relevance of immaterial investments	73.6	5.3	21.1	12.1	21.2	66.7
-the multisectoral approach	88.1	2.4	9.5	30.3	48.5	21.2
-the recognition of local specificity as an opportunity	95.2	2.4	2.4	45.4	33.3	21.2
-the importance of external markets for local goods	73.2	7.3	19.5	3.3	33.3	63.4
-the creation of jobs	76.9	12.8	10.3	12.5	46.9	40.6
-the creation of enterprises	71.8	5.1	23.1	5.9	35.3	50.0
-the diversification impact on the local economy	82.0	2.6	15.4	6.5	51.6	41.9
PARTNERSHIP						
-the empowerment of local interests	82.5	12.5	5.0	14.7	44.1	41.2
- the local partnerships	82.5	12.5	5.0	20.6	47.1	32.3
FINANCING						
- the financial flexibility in meeting local needs	67.4	11.6	20.9	6.1	42.4	51.5
NETWORKING						
- the networking	81.4	4.7	13.9	0.0	48.5	51.5

Source: Ex-post evaluation LEADER I, Q50 sample

This highly positive response at the local level is not surprising. The local groups were given decision making powers about development actions which, in most cases, they had never experienced before, and funds to administer which, even if modest from a EU perspective they were perceived as quite important at the local level.

One aspect of the overall impact of the initiative which needs to be considered is its demonstration effect or pilot nature: this means that some of the innovations introduced were supposed to have an influence on local policies and be of an exemplary nature for other groups. In the table that follows, the main themes and innovative aspects have been listed and then evaluated in their influence at local level and ranked by order of importance in relation to the others.

The recognition of local specificity as opportunity and the local/rural approach emerged as the most frequently mentioned positive innovations introduced by LEADER. At the other end of the scale, the lowest innovative character was attributed to the participated formulation of the business plans (this was one of the weakest points of the initiative, as mentioned earlier on) and to the financing mechanism of the global allowance which were supposed to give flexibility to the implementation of actions. These results indicate that the success of the rural-local approach did not necessarily imply a participated approach.

Medium-high positive impacts were attributed to the integration, linkage among actions, the multisectorial approach and the diversification effect on the local economy; on the other hand, the creation of jobs and enterprises, the emphasis on immaterial investments and external markets were relatively less frequently mentioned as positive innovations. Partnership and networking were both considered as medium high positive innovations.

Negative innovations show correspondingly a low frequency, never higher than 12.8% of the sample: the creation of jobs, partnerships and financial flexibility scoring the most often mentioned negative influence at local level.

It is quite interesting to take a look at the innovations that were supposed to be introduced by LEADER but that were never implemented and therefore did not have either a positive or negative impact. The participated formulation of business plans is again found as the most frequently mentioned not implemented innovation, followed by the relevance attributed to immaterial investments, financial flexibility and enterprise creation.

Turning now to a ranking exercise which should give a hierarchy between different types of innovations, again the local/rural area approach was by far the item put in one of the first three positions by the great majority of groups (81.8%).

Consensus is more diversified for other types of innovation effects:

- medium high rankings were attributed to the integration, linkage among local actions, the multisectorial approach and the recognition of local specificity as an opportunity; these indicate that a co-ordination effect was achieved and local resources received new attention: this was both innovative and had a positive influence at local level; results on these three innovations introduced with LEADER were well differentiated within each country (no national patterns) implying such effect varied greatly according to individual LAGs;
- the participated formulation of business plans appears polarised between those which attributed a high level score (Spain, Ireland) and those with a medium low level score (Germany, Benelux, Portugal, Italy and Greece; France did not consider this as innovative because it was current practice to participate in local planning before LEADER);
- medium low rankings were given to the empowering of local interests and local partnerships, to financing and networking as innovative effects of LEADER; these therefore would appear as having had a relatively modest impact; more expected than realised (in the eyes of LAGs);
- medium low rankings were also given to job creation and enterprise creation effects;
- the lowest rankings were given to the relevance of immaterial investments (in all countries) and to the importance of external markets for local goods (in all countries) indicate that the effects attributed to these aspects did not find confirmation; these should then be considered the least successful innovative aspects introduced by the initiative, with low significant demonstration effects for the areas.

From an open question on the advantages and disadvantages of the LEADER approach in relation to previous forms of intervention, it is interesting to mention that the multisectorial approach was understood as being able to put resources outside of the farming sector at local level, while tourism

and SME's were the main beneficiaries of this opportunity to diversify. The second advantage mentioned is related to the exemplary, demonstration character of the initiative as whole, as a "package" for approaching rural development which influenced local and regional policy-making.

Concluding:

- the demonstration effect has been quite significant at local level;
- the small local area approach is perceived as the most valuable positive innovation, associated with the possibility of integrating, linking different types of actions at local level and exploiting local specificity's;
- decentralisation of decision-making is perceived on the whole as the greatest advantage over previous forms of intervention; this could be seen as more valuable for decision making in the local area itself, than as a way of repositioning the local in a wider socio-economic global arena; there is a risk of localism (a well co-ordinated localism);
- there is a perceived advantage in having the responsibility, autonomy, low interference from other levels, have a better knowledge of local interests and issues;
- the initial objective of approaching local problems through participated diagnosis elaborated in a business plan and aiming mainly at immaterial investments rather than the traditional material ones has been evaluated more as weaknesses than as a strength of the initiative, with low impacts, rather than as a positive innovation;
- the locally based approach without participatory practices should not be considered only as a partially implemented bottom up, which influences significantly actions, results and impact;
- job creation and enterprise creation have not been perceived as peculiar impacts associated with the LEADER initiative;
- partnership, financing and networking do not appear to have shown the expected positive and lasting influence for future policies;
- there are no national patterns in the responses either to the evaluation of impact as well as in the ranking of innovations.
- no perceived disadvantages of the approach, except increased administrative burden;
- rural development does not necessarily imply a LEADER approach;
- funding is considered too small to achieve any considerable local impact;

These perceptions about LEADER coming from the local level do not necessarily match the opinion of the evaluators. But it is interesting when they do coincide.

From the evaluators point of view:

- the results and impacts of actions at local level have been quite significant even though they have not worked in the same way that was imagined by the initiative: the bottom up practices and networking did not influence dramatically results and impacts; while "appropriation" of the initiative by local public administrations in certain cases reduced the innovative character of LEADER; on the other hand there are excellent individual cases of coherent interpretation and implementation of the initiative, with extremely good results: therefore the idea is good but needs better definition of key concepts, explicit expectations, better procedures, assistance, checks and balances in order to obtain a more widespread positive effect;
- the flexibility allowed to modify programmes and participatory practices initiated with the implementation contributed to an increased effectiveness of the initiative and softened the negative consequences of a poor start;

- each measure has a different pattern in terms of general strategy implied (diversification or specialisation), different target groups, specific employment impacts and capacity to stimulate endogenous entrepreneurship; these patterns could be used in the future as important "rural development" information for the diffusion of best practices; if these differentiated impacts are known it is possible to foresee much more precisely the expected impact of certain measures in relation to others;
- the central role of the Local Action Group as the most characteristic specific innovation introduced by LEADER is shared by the evaluators; areas were not always defined in terms of projects and this reduced the relevance of the locally based approach;
- the bottom up approach, innovative actions, linkages, integration and multisectoriality were only occasionally implemented and this has reduced significantly the overall value added that the initiative could have had; on the other hand if the initiative is considered in terms of individual cases of good practice which could serve as example, then there are plenty of such cases, in most countries;
- external inputs (networking and financing) were not understood and efficiently used by LAGs: this should not be taken as an evaluation of irrelevance but on the contrary of specific aspects which need more time and experience to give the expected results.

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Chapter 3 - Implementation and Vertical Partnership

3.1. Introduction

The evaluation of LEADER I would be incomplete if it would focus exclusively on the mere measurement of direct results of individual projects and actions at the local level. Such an assessment would probably even miss the most important impact the Community Initiative has had. A proper evaluation has to analyse also the patterns and processes of LEADER implementation. The **institutional structures and procedures** of rural development policy design and delivery at European, national and regional level have to be included in an evaluation of LEADER I,

- not only because **they shaped the context** in which the Local Action Groups (LAGs) had to operate;
- but also because **traditional administrative routines** themselves were challenged and sometimes changed;
- and because, at least in some countries, and in the EU-Commission, this led to a **reconsideration of rural policy** agendas and approaches in general.

It can be argued that **the most lasting impacts** of LEADER are actually those that led to changes in the institutional settings of rural development policies, their conceptualisation and implementation.

Although the emphasis of LEADER I was about bottom-up processes encouraging endogenous development at the local level, this process was actually stimulated by an exogenous, top-down impulse provided by the European Union, and translated through various **national and regional transmission channels**. The success and failure of LEADER at the local level depended heavily on this national regional context since it shaped important opportunities and options for rural development at the local level.

The analysis of the LEADER impact at the local level has already given some hints that many of the difficulties local initiatives were confronted with resulted from **bureaucratic hurdles or delays** in financing etc. that were not under their control but were caused at higher levels of administration.

A comparative analysis of national/regional LEADER implementation reveals both:

- differences in **constitutional settings and administrative traditions** of rural policy delivery among EU Member States and regions; and
- differences in implementation patterns and procedures between **LEADER and the mainstream** of rural policies.

A better understanding of these institutional aspects will be essential in future attempts to reshape development policies for rural Europe.

Although, from the beginning, the methodology explicitly developed for this ex-post evaluation had put particular emphasis on these aspects, not enough time and resources could be devoted to studying all the implications of LEADER implementation. Priority has been given to the assessment of local impacts. However, the evaluation teams also assembled material on the national/regional implementation. The following analysis of LEADER I implementation at European, national and regional level, and the assessment of the value added brought about by LEADER I is based on the following information sources:

- a series of interviews with Commission officials, as well as
- key person interviews with national/regional administrators and experts, using standardised questionnaires;
- evaluation reports prepared by the national evaluation teams,
- other evaluation studies and documentation's related to LEADER and national rural policies in general.

The two other institutional stakeholders which intervened in the implementation of LEADER I (besides the local level), the European Union as originator of the initiative and the Intermediate Organisations which operated at Member State level, will be analysed and evaluated in the next three sections of this chapter.

3.2. The Implementation at European Union level

This section is a summarised version of a more detailed analysis which has been included in the Annexes.

The EU Commission launched the Community Initiative LEADER I in 1991 with the aim to **experiment a new approach** to designing and implementing rural policy. Community Initiatives are a specific instrument of EU structural policy, which the Commission proposes to Member States in order to support policy actions to which it attaches particular significance. The up-take of these Initiatives is voluntary. Their aim is to promote measures and approaches that are normally not taken into consideration by national/regional policies. For the implementation of Community Initiatives, Member States have to designate an Intermediate Organisation (IO) in charge of co-ordination and reporting to the Commission.

Three elements characterise all **Community Initiatives**:

- support for transnational and interregional co-operation;
- promotion of bottom-up approaches;
- capacity to make Community action concretely visible.

The analysis at EU level will concentrate on:

- the conception of LEADER;
- the selection of LAGs;
- the implementation procedures;
- the transnational networking.

It is based on a series of **in-depth, qualitative interviews** (taped) with EU officials involved in the conception and implementation of the Initiative, the LEADER co-ordination unit (AEIDL), and on specific documentation provided by DG VI and the AEIDL. Thus, to some extent the information reported represents a sort of "self evaluation" or critical appraisal of the Commission services of their role in the Initiative.

3.2.1. The conception of LEADER

The **sources of inspiration** for the conception of LEADER were quite varied: the village development programmes in Germany, the urban schemes for community development in Ireland and Scotland, France's experience in local partnerships ("syndicates intercommunaux"). All these were successful national or regional experiences with bottom-up, area-specific and participatory development approaches.

Even if conceived at EU level, the Community Initiative did not operate on a conceptual and procedural "*tabula rasa*". Although promoted as an innovative approach, it did in practice **adjust and assimilate various national and regional experiences**. In turn, these influenced the uptake and the implementation of the Initiative, as well as its results and impact. Previous experiences were not systematically analysed or explicitly taken as reference by the Commission when preparing the communication. Yet, their relevance became apparent during the implementation process.

Besides national experiences, also **previous EU programmes**, such as the Elise programme of DG V, and the Integrated Mediterranean Programmes of DG VI, provided insights on approaches to rural/local development policies which had achieved positive responses and impacts with a more efficient use of financial resources than conventional policies. There was also a sort of pilot initiative in 1988-89 in Ireland, which involved an agreement between DG VI and what was then DG XXII for funding twelve rural groups and mainly animation activities (no actions) in order to bring forth participatory diagnoses and strategies for rural development.

The conception of LEADER took place within the services of **the Rural Development division of DG VI**. It was negotiated in the Council with strong support by the Commissioner for agriculture. The

LEADER idea was largely elaborated by EU officials with different previous experiences in their individual careers, also in other DGs. The need for a fresh start in development practices came on the one hand from a growing recognition of the limitations of classical approaches to development (top down, standardised, sectorially segmented, individually granted) which appeared as costly and ineffective and, on the other hand, from contacts with different approaches, experimented not only within the EU but also in less developed countries. These could be characterised as area based, multi-sectorial and integrated actions usually building on participatory involvement of local actors. Such approaches appeared to obtain better results with relatively modest resources. At EU level, there was also a political perception of the need to achieve positive visibility of the Commission at a time when the Reform of the Common Agricultural Policy with its reduction of support prices and limitations on production was being implemented.

During the conception period, **the personnel in DG VI** had a high turnover for quite different reasons: a new director for rural development, a new head of the co-ordination unit, new personnel in the co-ordination unit, several outside experts. There is consensus that this brought expertise and highly motivated and committed officials to DG VI, which achieved the task of transmitting such commitment and participation to geographical *rapporteurs* within the Objective1 and 5b units. Although this turnover had taken place by coincidence, it proved to be a great asset when dealing with procedural problems of selection and negotiation between the EU, the LAGs and Intermediate Organisations at the outset of the initiative.

The communication to Member States explains quite convincingly the idea and the general objectives of LEADER. There was, however, general agreement among the interviewees that the communication remained rather vague, not only in defining concepts such as "the bottom-up approach" or "networking", but also in describing what was expected from their introduction into implementation guidelines and procedures. This confirms the view that in its initial conception, the initiative attributed more importance to the proposition of a new approach to local rural development, rather than to its concrete implementation. This was perceived and referred to as the "LEADER philosophy" stressing the image that it was an integrated package to be considered as a whole rather than in its single components.

The communication to Member States established a three-year period for the realisation of plans and a six-month period for the presentation of projects. This proved to be an unrealistic (and contradictory) **time framework** in relation to the explicit aim of promoting a *new* approach initiating a process at local level which required negotiating consensus, mobilising potential partners, making a participated diagnosis and elaborating a strategy, drafting a business plan with innovative integrated actions, while at the same time setting-up the LAG structure. For this preliminary work, which was supposed to be the basis of the bottom up approach, the six months allowed were clearly insufficient, particularly for areas which did not have previous experience, even without considering the procedural difficulties that later emerged. This implied that areas, which were already defined as project areas at local level and had already a pre-existing strategy, were privileged in the competition for approval of their plans strictly on a quality criterion.

The motivation for the **timing constraints** in the preparation of the proposals was attributed to the fact that the launching of LEADER, for reasons of budget, complementarily with CSFs and probably also of political opportunity, had to take place in a very short period of time. It had to aim at receiving applications without going through a lengthy period of negotiations with Member States. At the time there was also little experience with Community Initiatives and the LEADER idea appeared likely to get consensus because of the interest of potential local groups to manage their own funds with relative autonomy. Therefore, it was decided to go ahead regardless of the timing constraints.

3.2.2. Selection of LAGs

The final selection and negotiation of the **business plans** involved the Commission services in the definition of the LEADER areas, in the evaluation of the applications, the eligibility of actions, the linkages among actions and their innovative character. The Commission services received from the national/regional intermediate organisations in the Member States the applications for LEADER I funding. The anticipation was to finance about 100 projects. The responses received were more numerous than expected and although Member States had done a first pre-selection, they transmitted more plans than was possible to finance. Due to this positive response, the **number of plans** approved was increased, first to 150 and finally to 217. The selection process required a great organisational effort on the part of the Commission services, since the establishment of criteria and having to go through so many requests had not been anticipated even in terms of time and human resources.

3.2.3. Implementation procedures

At the EU level, LEADER implementation was ensured by **three units of DG VI**: those responsible for co-ordination of rural policy, for Objective 1 regions, and for Objective 5b areas. Geographical *rapporteurs* had the responsibility for one country and one type of Objective area. This proved satisfactory and efficient for the provision of assistance and monitoring but made difficult the horizontal co-ordination of activities. Due to the mentioned timing constraints a very great effort was asked from rapporteurs in order to respond to queries from groups and administrations: this support developed in a significant technical assistance provided by them to individual groups and administrations, considered extremely satisfactory especially by groups and administrations. This strong commitment benefited the implementation of the initiative and probably produced a fruitful exchange between the local and the EU level which was relatively new. Each rapporteur developed a very good knowledge about the Member State situation and a particular objective area, which was however weaker for other countries and the initiative as a whole. It should also be mentioned that since the implementation started, DG VI acted as "chef de file" for the Commission, keeping informed the other DGs involved. This arrangement was evaluated as satisfactory and efficient by EU officials.

Implementation problems related on the one hand to the fact that the communication had not defined precisely the institutional role of the national/regional level while at the same time it required their financial participation and approval of expenditure. National and regional authorities had difficulties in recognising the legitimacy of the LAGs as decision-makers with public money while they had had no formal participation in their selection and no authority over their actions. In the Commission, these problems were dealt with on a case by case approach by geographical rapporteurs. The weakness of horizontal co-ordination sometimes created different responses to similar issues.

3.2.4. Transnational networking

The EU communication established a specific measure concerning a transnational network for the local action groups conceived as a measure of technical assistance. This was **a measure sui generis** since it provided funds for the costs of:

- operation of the network;
- assessment of the network; and
- circulation of results achieved by the network.

This measure was to be paid by a levy on each of the global grants, which should not as a general rule exceed 2% of the total of the initiative. The financing and co-ordination of the network operation took place at Community level.

The Commission prepared a call for tender to attribute these services outside the Commission itself. The **AEIDL (Association Européenne d'Information sur le Développement Local)** won the tender and

constituted a section which operated as the LEADER Co-ordinating Unit (Cellule d'Animation LEADER) which initiated its activities on December 1991 and concluded them in March 1995.

The tasks of the Co-ordinating Unit related to the implementation of LEADER were the following:

- a) the technical assistance for all the aspects relating to the operation of the network (modes of animation, definition of information to be circulated, choice of technical supports, etc.)
- b) the collection, treatment, elaboration, translation and diffusion over the network of all relevant information, either coming from the Commission or from the actions carried out by LAGs,
- c) the technical assistance to the demands of LAGs in the matter of utilisation of new communication and information technologies;
- d) the organisation and the financing of seminars, colloquies, round tables, etc., concerning the functioning of LEADER;
- e) the elaboration, upon request of the Commission of working documents and thematic analysis about the LEADER initiative;
- f) the elaboration of regular publications addressed to a wider public than LAG animators, as well as of information and documentation material about the LEADER initiative;
- g) the technical assistance for the elaboration of a methodology for the evaluation of the LEADER initiative and the preparation of synthesis reports on the progress of its implementation;
- h) the management and financing of the exchanges between animators and operators (stages) and field visits to innovative actions.

If compared with **the concrete activities** carried out by AEIDL until 1995, this list of activities indicates that the EU had

- an unrealistic idea about the operation of the network, very much oriented towards the technical setting up of a telematic network; and
- a lack of focus in the scope of visits and exchanges and how the potential transfer of experiences and innovation between LAGs could actually take place.

The most accurately described task in relation to its effective implementation was the programme of publications. On the other hand, other activities, which had not been envisaged initially, were negotiated on a yearly basis as addenda to the original assignment.

3.2.4.1. Initial colloquium

Even though it was not listed among the AEIDL tasks, the Commission asked for the organisation of a colloquium ("**Réussir LEADER**") to launch the network and the services of the animation unit, promoting the meeting of LAGs and facilitating the exchange of experiences. The meeting took place in May 1992 and it was attended by 274 representatives from 193 LAGs. Only 20 LAGs did not register. In the two days of work, the "philosophy" of the initiative was explained in plenary sessions. Smaller size workshops explored in a more participatory way the methodological and thematical aspects of the initiative.

The **emphasis of the colloquium** was placed on participation and establishing relations on the one hand and presenting the tasks and services which could be obtained from the Co-ordinating Unit on the other. A questionnaire was distributed to know more about the needs of information and assistance, which the network could address, and the responses contributed to the definition of activities (and implicitly to a redefinition of tasks).

The participation in this initial event was very high and all parties involved, the Commission, AEIDL and the participants, evaluated it very positively: it succeeded in establishing an **informal, convivial atmosphere** which then characterised all other events and facilitated exchanges, contributing substantially to the solidary image and the feeling of belonging to a wider community. This social aspect was not present in the initial description of the functions of the Co-ordinating Unit. This is curiously present in the different translation of the name of the unit, more technical in the English version ("co-ordinating unit") more social in the French version ("cellule d'animation").

3.2.4.2. Set-up and functioning of the network

The EU initiative guidelines had foreseen that for the implementation of LEADER I the exchange of information and knowledge between LAGs should take place through networking, as well as the establishment of contacts between local enterprises and markets or services located outside rural areas. **Communication technology** was seen as a necessary answer to isolation and low density and thus became an essential and characteristic element of cohesion of the programme. The network was foreseen to include informatic systems for the treatment of texts, accounting, data base access, fax transmission, assumed to be widely available and at low cost, favouring also new labour opportunities in rural areas. New communication technologies were seen as an instrument allowing to:

- contribute to the exchange of information between LAGs;
- develop the activities of rural enterprises.

One of the functions of a central Co-ordinating Unit was therefore the setting-up of a telematic network, and then collecting and treating the information in order to redistribute it between the local groups through such a network. The implementation of this task during LEADER I appears as one of the least successful. During the first year of operation, a feasibility study was made and an **electronic mail system** was made available from December 1992. Its objectives were:

- allow LAGs to experiment with the new communication technology;
- facilitate a quicker communication between the co-ordinating unit and the LAGs;
- facilitate a direct communication between LAGs;
- allow the permanent access to a data base about LEADER groups and actions;
- facilitate the consultation of other European data bases.

The operation of the network was delegated to another enterprise (ENTER) in Brussels, chosen for its low costs and possibility for working in different languages. The objective for the first year was to obtain 60 registrations. The budget could pay for the collective registration and the realisation of 8 workshops. Only 36 groups registered in the first year and 6 workshops were realised. The utilisation was occasional by half of them. The problems were attributed to the novelty of the communication technology although it was found that most groups had already computers and therefore some telematic knowledge. A survey to find out the reasons for the low levels of users and the high levels of non-users was carried out and the service was significantly revised in 1994.

The network allowed for **three types of use**: the electronic mail, the bulletin boards, the data bank. It also provided tutoring services to guide new members in relation to telematic communications. Difficulties were attributed to the extreme difference between different Member States in this matter, but there was also some indication that the contents were not coherent with the needs of LAGs. The collection and treatment of documentation related to the groups proceeded throughout the period of implementation. 592 bibliographical references had been completed by the end of 1994. Furthermore information was continuously accumulated in the "actions" data base which allows a quick search of the actions realised by LEADER groups.

Even with the revision, the interest for this kind of activity on the part of LAGs remained low and further revision was delegated to the design and implementation of LEADER II. In fact the **data base** limited its information to what other LEADER groups were doing and their references, but this was an entirely different thing than what was originally imagined of exchanges with non rural enterprises and markets and data banks. It is true that the change responded to the needs of LEADER groups but then it may be said that exchanges of experience between groups require a different approach to that of the telematic exchange, which is what in reality did take place through visits and exchanges.

3.2.4.3. The publications

The paper publications of the Co-ordinating Unit were numerous, more varied than initially foreseen and reached a wider market than was initially aimed at. Being distributed in different languages, they did not face any of the difficulties found with the telematic network. The publications consisted of:

- **INFO- LEADER:** published in 7 languages, sent by mail to LAGs and other relevant readers, more or less with a monthly frequency: Distributed in approximately 500 copies, it carries general and specific information about the events and exchanges within the network. It acted as bulletin board and stimulated networking activities.

- **LEADER MAGAZINE:** published in 9 languages, it is sent to a much wider audience (9000 copies). The magazine is considered the "showcase" of the LEADER initiative aiming at the promotion of the LEADER image in a wider European community.

- **Thematic LEADER studies :** these consisted in monographic technical dossiers which dealt with special subjects, such as: territorial diagnosis and mounting a development project, participation of the population in local development, launching and managing a development project, exploiting local agricultural resources, tourism and rural development, the support for small and medium rural enterprises, the analysis of impact of a development project, environment, new communications technology; these dossiers were widely distributed and provided the basis for a common understanding of key issues of the initiative.

3.2.4.4. Visits and exchanges

AEIDL acted as promotor and facilitator of exchanges and visits between groups with common problems or looking for new ways of realising activities at local level.

3.3. The implementation at national / regional level

At national/regional level the evaluation of LEADER I implementation mainly relies on two sources: The national reports produced by Group 2, and a set of about 30 key person interviews. The **national evaluation reports** provide valuable background information for understanding LEADER implementation, however, assessing institutional structures and procedures was not the main focus of the reporting.

The results of the **key person interviews** have to be interpreted with care, since the persons interviewed are not independent observers. Due to their position and responsibilities, their judgement can not be considered neutral. National or regional administrators obviously have specific perspectives in judging the success and failure of LEADER I. Due to its local focus, the Community Initiative interfered with the often delicate balance of power between the various administrative levels at national/regional and local level. For sure, this has influenced the perceptions of administrators.

Furthermore, although the questionnaires were highly standardised, interview **results can not (and should not) be aggregated in a statistical manner**. Reflecting the perspective of national/regional implementation analysis, all Member States and regions were reasonably covered. At the same time, this meant that the sample of interviews does not reflect the distribution of local groups and their relative weight. While some countries had only one or two LEADER Action Groups (LAGs), others stand for a much greater number. Consequently, implementation analysis has to rely on proper descriptions and an identification of similarities and differences among countries, or within countries, among regions.

Not only does the perception differ among countries, also within countries positions do not always coincide. Key persons involved in LEADER implementation at the national level tend to have different views than regional representatives, at least on some issues.

3.3.1. Attitudes and approaches

The general attitudes and approaches towards LEADER I implementation can not be described in a straightforward manner. Sometimes they appear even contradictory, at least at first sight. This is in particular due to national differences in the following aspects:

- the **overall relevance** of the Community Initiative for national/regional policies;
- the general **administrative traditions**, be they more centralistic, top-down, or more decentralised, bottom-up; and finally
- the particular relationship between LEADER I and **mainstream rural policies**.

Some generalisation can be made, however. With respect to the overall relevance of LEADER I Member States can be distinguished according to two criteria which tend to coincide with only a few exceptions: Their socio-economic development status (Structural Fund Objectives 1 or 5b) and their total number of LAGs.

In a first step it appears reasonable to distinguish between countries with a significant share of **Objective 1 regions** and those where LEADER groups were primarily located in 5b areas. In many respects those Member States that have significant parts of their national territories covered by Objective 1, like Greece, Portugal, Ireland, Spain and Italy, share certain attitudes and approaches towards LEADER implementation that are distinct from those of **5b countries**, like Denmark, the Netherlands, Belgium, Luxembourg, Germany or the UK. This grouping is basically a distinction by socio-economic development status. In addition, however, this also implies that the absolute number of LAGs per country differs significantly. Given the fact, that schemes like LEADER cause an important amount of fixed administration costs, this further reinforced differences in national/regional implementation strategies.

Objective 1 countries have a far greater **number of LAGs**. Thus, setting-up specific administrative structures and procedures for implementing LEADER was more easily justified than in 5b countries where the number of LAGs was generally below 15. France is the only exception. In 5b-countries with only two or three groups, LEADER clearly did not reach the critical mass that would have justified any significant adjustment in the prevailing systems of rural policy delivery. LEADER was treated here either as a small complement to mainstream 5b policy, or detached as a marginal activity, often operated by a separate entity.

In several Member States the initial national/regional response to the Community Initiative was not particularly sympathetic. There has been some concern that LEADER might undermine the existing policy delivery mechanisms, and that it might **challenge the existing distribution of powers** both between the European and the national level, as well as within Member States, between the national, the regional and the local level. These concerns were shared by countries with such different administrative traditions as Germany and France.

At first sight it may be surprising that **LEADER I faced resistance** particularly in those Member States which normally tend to stress the importance of subsidiarity and the advantages of decentralised policy approaches. This can, however, be explained by the fact that here LEADER was identified as an intervention from the top, rather than as a movement from the bottom up: Brussels interfered into local development. It provided little additional resources, but it required setting-up new, often parallel mechanisms of administration. Some of these new mechanisms -- like the global allowance concept -- were even considered incompatible with national or regional budget rules.

Additional administrative costs at national or regional level were obviously less of a problem in countries with large numbers of LAGs. In turn, for countries with only a few, or even only one or two LAGs these administrative costs were important reasons for a more negative attitude.

Perceptions were not uniform, however, and often differed also between national and regional administrations. This was in particular the case, where LEADER led to a **different allocation of tasks** as compared to the implementation of mainstream rural policies.

3.3.2. Institutional arrangements

In all Member States LEADER led to a reconsideration of **the administrative machinery for policy delivery** to rural areas or less developed regions. It created productive tensions in several national and regional administrations, and led to a review of traditional patterns of horizontal and vertical partnership among them. Reassessment, however, did not always result in actual re-balancing of power structures.

Whereas some national governments and the EU tried to use LEADER to improve their image at local level, the **intermediate regional administrations** often remained rather sceptical. It has to be seen, however, that much of the money devoted to LEADER was actually provided by the regional level. This fact that some layers of government were exempt from the process but had to contribute to the financing, whereas others were responsible without adding significant financial resources, led to an imbalance that proved to be a handicap.

In **Spain and Italy**, for example, regional policies (like Objective 1 schemes) are normally in the responsibility of regional level administration. National administrations perceived LEADER as a welcome opportunity to establish at least some competence and influence in territorial development policy matters. In both countries LEADER I changed little at the regional level but it had a significant impact on national and local administrations.

Also in **Germany**, contrary to mainstream rural policy, LEADER I was primarily handled by the Federal level. Here, however, the background was not an attempt to gain influence, but rather the intention to keep administration costs low. The Länder, usually responsible for rural policy, reacted in very different ways. Whereas some simply neglected the scheme, or treated it as a marginal financial complement to existing 5b programmes, other Länder saw LEADER as a chance for testing innovative concepts of locally based, integrated development.

In **France** where, at the sub-national level rural policy is normally dealt with by the regions, LEADER was also not handled the same way as mainstream programmes. Instead of the regions, the *departments* got actively involved in LEADER I implementation.

Also in the **UK, Belgium and the Netherlands** LEADER strengthened the subnational levels. In the UK LEADER was managed by the respective administrations, or related public agencies, for England, Scotland, Wales, and Northern Ireland. In Belgium LEADER I implementation coincided with the general decentralisation process and was managed independently by the regional authorities for Flanders and Wallonie. In the Netherlands, with only one LAG, administration was delegated entirely to the Province of Friesland.

With LEADER I a new concept of **local development** was introduced to European rural development policy. For several Member States, however, stimulating participatory, area based processes was **not an entirely new experience**. In some countries, in particular in the Netherlands, Denmark, Germany, but also in France local development schemes had been going on already for some time. Not surprisingly, many LAGs in these countries did actually built on previous organisational structures.

In **France** public support to local development initiatives had already been practised in various forms since the early Seventies. The *Plans d'Amenagement Rural* (PAR), the *Contrats de pays*, intercommunal charters, or the charters for the Regional Parks were well established tools for mobilising and structuring participatory local planning processes and partnerships.

In **Germany** local initiatives had already been influential in the planning, design and implementation of village development projects that have a long tradition in German rural policy, and which are often also part of major land consolidation and landscape restoration schemes.

In **Denmark and the Netherlands** local development initiatives had been set up long before LEADER. Denmark has a long tradition of decentralised action, and associations dealing with both leisure time and business activities. A small islands association had already been established and became the co-ordination body for LEADER I in Denmark. What was considered innovative, however, was the emphasis put on cross-sectoral, horizontal partnerships.

In other Member States, however, in particular **in the Objective 1 countries**, LEADER was an entirely new experience. Obviously in some areas important local development processes had been going already in the past. Yet, they had never found systematic policy support. It is interesting to note that meanwhile the LEADER approach has become so popular that, in addition to the Community Initiative, Spain and Italy launched national schemes with the aim of encouraging further local initiatives for rural development, in particular also in those areas not covered by the Community Initiative.

Also with respect to the horizontal scope of measures and partnerships, LEADER implementation challenged traditional administrative boundaries. Through the Community Initiative most agricultural ministries, in particular in Objective 1 countries, got impulses to overcome a purely sectorial, agricultural focus of rural policy and to make **steps towards a broader multi-sectoral approach**. While this was definitely a significant progress with regard to rural policies, changes were modest and affected only the periphery rather than the core of agricultural administrations. In most cases, the units responsible for LEADER and rural development still remain isolated and in a minority position within their sectoral ministries.

The different national efforts to find adequate implementation mechanisms are also reflected by the choices made for assigning **Intermediate Organisations (IOs)** that acted as national counterparts for the EU and local initiatives in LEADER implementation.

In **Spain and France**, the two countries with the greatest number of LAGs, government agencies that had previously been involved in other agricultural policy tasks, became responsible for handling the LEADER dossier. Both the Spanish IRYDA and the French CNASEA had no particular record in dealing with local initiatives for integrated rural development. They were, however, able to rely on a well established administrative infrastructure, experienced in handling public support schemes. LEADER offered them an opportunity to establish a new, future-oriented profile. Both institutions appear to have managed the implementation, administration and monitoring tasks in a rather efficient manner. They

were also involved in providing technical assistance. In general, however, their attitude was characterised as a rather „passive“, "laissez faire". They left it to the local initiatives to act and shape the programme.

Like in France and Spain, in **England** a special government agency, the Rural Development Commission, which reports to the Department for the Environment, became responsible for LEADER I. The evaluation concluded that the Rural Commission was very pro-active and supportive in all phases of the implementation. It provided technical assistance and its active engagement was perceived as extremely helpful.

The positive LEADER I experience is underlined also by the fact that the changes in responsibility under LEADER II were often considered as a major step backward.

3.3.3. Administration

In most Member States, in particular in the 5b countries, national and regional administrations took a rather **passive or even sceptical attitude** towards the promotion of the LEADER Initiative. According to the key person interviews, only about a third of the national/regional administrations were particularly active in LEADER implementation. On the other hand, although LEADER followed a different approach than mainstream rural policy, undertaken in the context of Objective 1 and 5b support frameworks, the Community Initiative was generally considered as **a complementary rather than a separate or conflicting policy**.

As mentioned in the previous section Member States choose very different arrangements concerning IOs and their tasks. Whereas in some countries they were rather pro-active supporting LAGs with **guidelines and technical assistance** or accompanying the process with seminars, monitoring and evaluations. In other countries, IOs were just forwarding messages from and to Brussels.

The fact that national/regional level did not play a major role in the design of the scheme had to do also with the fact that in **the start-up phase** LEADER had to be installed under extreme time pressure. This left little time for conceptual discussion. Taking Italy as an example, the graph on following page indicates that although LEADER I was meant to be flexible and bottom-up, national, regional and European level had to interact constantly and there were many built-in elements that caused conflicts and delays.

Figure 3.1.

The **selection process** was an innovative approach in so far as there was no automatic access to the scheme. Proposals had to compete on a quality basis. This is an important new element in rural policy that could be further developed. In LEADER I the selection process was undertaken by the Commission in consultation with the Member States. In general, it seems that there were no major disagreements on the final selection.

Due to the time pressure, for most LAGs it was not possible to undertake proper participatory processes of evaluating the regional **strength and weaknesses**, opportunities and threats. Many LAGs complained that LEADER I was hampered by bureaucratic procedures. Partly this resulted from the fact that institutional levels that were not involved or even by-passed in the starting phase, had to be consulted or even asked for co-funding at a later stage. They then often delayed to process.

Local administrations were often badly prepared for running a European scheme like LEADER and to deal properly with the required administrative aspects. Although the Community Initiative aimed at a high degree of flexibility, the fact that national co-funding had to be raised and that expenditures had to be accounted for separately for the three EU funds led to major administrative burdens. In addition national/regional budget rules had to be followed, which often were more restrictive than the EU rules.

Also with regard to evaluation differences are significant. **National evaluations** were undertaken only for Ireland and Spain. In most other countries only a final implementation report with the required financial balances was prepared. Even here it was not until this EU wide ex-post evaluation took place that some reporting problems were finally solved. Referring to the subsidiarity principle, some countries and regions even argued if, it was justified to undertake a European evaluation in addition to the usual national and regional audits.

3.4. The evaluation of implementation and vertical partnership

The analyses undertaken in the previous sections confirm that the impact of the Community Initiative LEADER I must not be measured at the level of Local Action Groups alone. In addition, the assessment of the diversity of the institutional patterns and procedures of rural policy implementation must be understood and needs to be undertaken. How did these patterns affect, and how were they affected by LEADER?. In the following section an attempt is made to provide a comparative overview on LEADER implementation profiles in Member countries. As explained in the methodology report the subsequent assessment will concentrate on two related key issues concerning **vertical partnership and networking**.

3.4.1. Leader implementation profiles

In an EU context, any evaluation of policy implementation faces a major difficulty. How can the wide variety of institutional patterns best be described in a condensed manner, allowing for cross-country comparison. In this evaluation an attempt is made to **visualise these institutional differences** in a highly aggregate, schematic manner. This should, however, help to provide an impression of what are the relevant institutional layers involved. At the same time the presentation should reveal if the LEADER implementation patterns coincide or differ from those of mainstream rural policy.

In Figure 3.2. LEADER I implementation profiles for all 12 EU countries are presented. The underlying grid distinguishes 10 institutional perspectives (boxes). Vertically it separates **five institutional levels**, or layers of administration and participation: The EU, the national, the local and two regional layers. Expressed in terms of the EU regional classification scheme NUTS, the first regional level concerns NUTS 1 or 2 regions, thus German Länder, Autonomous Communities in Spain, or Regions in France, Italy and Belgium. The second type of region corresponds to smaller units, such as Kreise in Germany, Departments in France, Provinces in Italy and Spain.

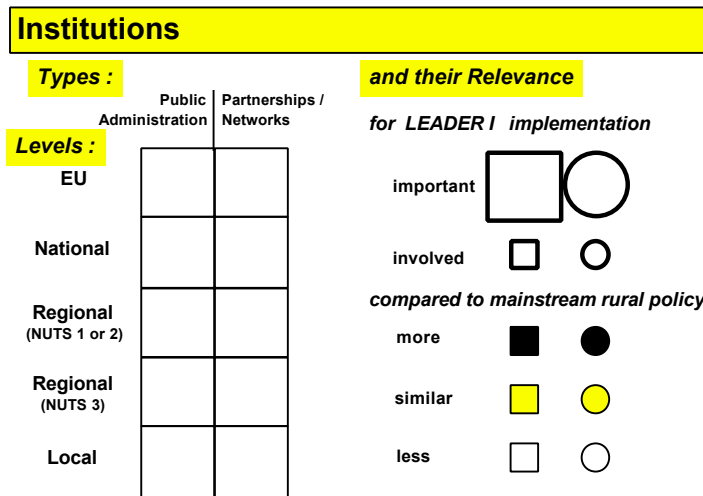
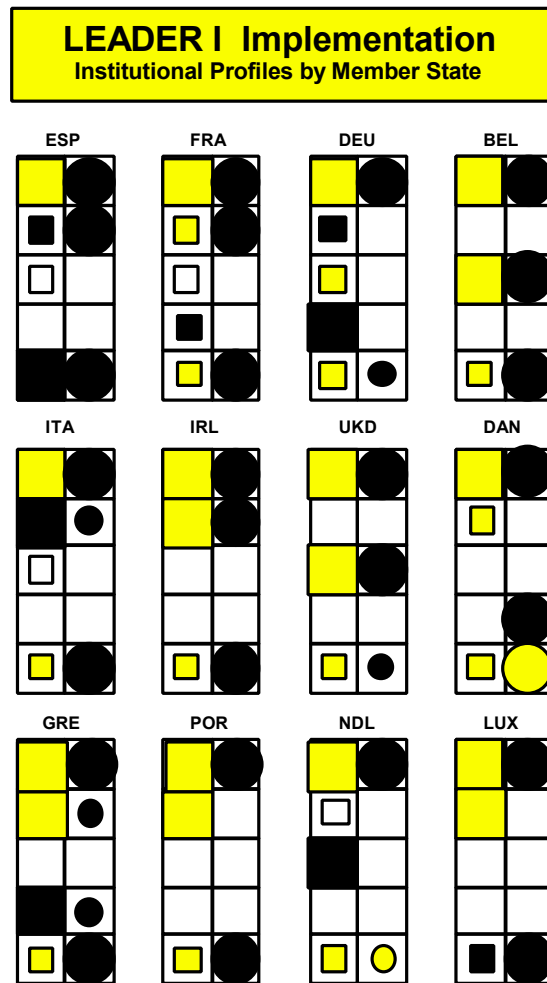
At each level, **two different types of institutions** can be considered. The left box characterises the involvement of the standard bodies of public administration (e.g. ministries etc.). The right box indicates if specific "semi-public" bodies, partnerships or networks are also involved in the implementation.

For the implementation profiles, each of the ten boxes is characterised according to their **relevance for LEADER I implementation**.

- **The size of the sign** indicates if this level and type of institution is **important**, or only marginally involved in the implementation. This enables a quick identification of which layer matters in each Member country.
- **The colour of the sign** indicates if this involvement is **more or less** intensive, compared to the mainstream of rural policy.

Thus, the profiles should enable both, an absolute and a relative assessment of the relevance of institutional involvement.

Figure 3.2.



To take *the Spanish example* of LEADER I implementation: Here, like for all Member States, the relevance of the standard administration at EU level (the EU-Commission) was important (pro-active), whereas the public administrations at national and regional level were only involved, without taking major initiatives. For the EU level, this made no difference compared to the mainstream of Structural Fund policies. Involvement was similar, whereas for the national administration it was comparatively more important, while for the regional administrations in the Autonomous Communities involvement was less important than in the mainstream policy. The greatest innovation was at the local level, where both normal public administrations, as well as partnerships and networks, were not only important but also comparatively more deeply involved in LEADER I implementation than in normal Structural Fund interventions.

The figure shows that in some countries the national level was not at all, or only marginally involved in the implementation of LEADER I (BEL, UKD, DAN, NDL). This is also true for Germany, however, the involvement in implementation was still comparatively more important than in the mainstream. Also in Spain and Italy the national public administrations, that have little mandate to be involved in mainstream rural policy, played a more active role under LEADER I. In Spain, France, Ireland, and to some extent also in Italy, Greece and Portugal, special, semi-public agencies, partnerships and networks were involved in LEADER I. In all countries this was also the case at the local level, since this was at the heart of the LEADER strategy. The degree to which these institutions were involved and became more relevant under LEADER varies, however, from country to country. Only in the Netherlands and in Denmark the involvement of the local administration and partnerships was not exceptional.

The greatest diversity in implementation patterns stems from the different roles regional level institutions played in LEADER I implementation. In some countries, like Spain, Italy, and to some extent also Germany, LEADER meant that NUTS 1 or 2 level regions lost relative weight against the national level. On the other hand, in France but also in Germany the smaller NUTS 3 regions such as Departments and Kreise gained importance.

3.4.2. Vertical partnership

In general terms, LEADER I enjoys a **very positive image** in almost all EU-Member States. This is, in particular, because the Community Initiative is regarded as one of the few European policy programmes that achieved bridging an often perceived gap between European policy considerations and local development concerns. This conclusion is supported both by the key person interviews and the reports produced by the national evaluation teams of Group 2.

LEADER I provided an opportunity for local initiatives to experience concrete **advantages of European integration**. This is particularly relevant in remote rural areas where, rightly or wrongly, other European policies, such as the Common Agricultural Policy (CAP) or the Structural Funds, are often experienced as external forces being imposed from the top, and having negative rather than positive impacts.

Despite some critical remarks, the great majority of persons interviewed during this evaluation agreed that LEADER I has been **"a significant step forward"** and **"an appropriate new approach"** to rural policy. This positive perception stands in contrast to a widespread scepticism, and even opposition, the Community Initiative had to face at its outset.

Initially, several countries were seriously concerned that LEADER might undermine the existing policy delivery mechanisms, and that it might **challenge the existing distribution of powers** both between the European and the national level as well as within Member States between the national, the regional, and the local level. Ex-post, however, the assessment is rather positive, not least because the Community Initiative actually left Member States with much latitude to manage implementation in a flexible manner reflecting both their diverse constitutional contexts and administrative traditions as well as their various national, regional, and local concerns. LEADER was handled not only by agricultural administrations but also by environmental departments and regional development agencies. This reconfirms that LEADER helped to establish a new vision for rural development in Europe.

Community Initiatives as such are viewed with scepticism by some Member States and regions. It is argued they could be conflicting with the **principle of subsidiarity**, which builds on the assumption that higher levels of administration should interfere only if problems can not better be solved at lower levels. In the case of LEADER, however, such a view is difficult to defend since LEADER is an attempt to actually encourage a rural development approach that takes subsidiarity serious.

By **empowering the local level**, and by providing a maximum of flexibility, LEADER tried to fit development support to the wide variety of local settings in rural Europe. It has also been observed that some countries and regions, that in general terms are very eager to promote the subsidiarity principle, had, at least initially, major difficulties to accept that local actors should be allowed to define their development strategies without tight controls from the (regional/national) top.

The analyses have shown, that the perception of the **partnership principle** and its application to rural development policy varies significantly among and even within Member States. In some countries vertical links between different administrative layers have long been established. In many others LEADER has for the first time established institutional mechanisms for co-operative rural policy design and implementation. Where the Community Initiative had initially been confronted with ignorance or opposition, LEADER became, nonetheless a challenge for traditional national/regional models of rural development. Although not always admitted, it triggered many adjustments not only in perspectives and visions but also in practices.

The fact that LEADER I had **an important demonstration effect** on national and regional policy administrations is underlined also by the fact that it led to the creation of new institutional bodies or mechanisms dedicated to stimulating a bottom-up, multi-sectoral approach to rural development. In some countries it provided impetus to a restructuring of national administrative bodies and agencies. They had to respond to new tasks relevant for addressing future challenges. By putting emphasis on local action LEADER actually forced all levels of government and administration to reconsider their role and define their positions on the approach.

In particular for Member States with a more centralistic, top-down policy tradition, it can be argued that LEADER I has in fact been **a significant innovation** in rural policy design and delivery. The emphasis on a local, bottom-up approach was new and results are encouraging. This is reflected not least by the fact that some of these countries have meanwhile started to set-up additional national schemes with very similar approaches that aim at encouraging local development initiatives.

In some countries LEADER also encouraged new forms of policy delivery by **intermediate organisations** established outside the administrative mainstream. The evaluation showed that this can have many benefits. In England, for example, the LEADER I implementation through the Rural Commission was considered a very positive experience. Often such "external" IOs were able to operate more flexible, and tended to act more dynamic than traditional administrations. As a kind of "institutional shock absorber" they acted as interface between local groups and the administration. Yet, in the longer run, a too strong influence of external agencies may not be without risk. They may develop their own agendas without sufficient democratic legitimisation, or they could provide an easy excuse for leaving inefficient mainstream administrations unchanged.

How important institutional arrangements are for determining success or failure of local development initiatives is underlined by the fact that a vast majority of key persons interviewed for this ex-post evaluation consider **the bottom-up approach** as very important for the success of LEADER activities. This is particularly true for the Southern countries that represent by far the greatest number of LAGs. Not only did LEADER lead to a review of traditional institutional structures and procedures of policy delivery, it was also a unique opportunity to gain experience with local development approaches in countries where this was an entirely new approach. LEADER I led to the creation of new institutions and networks, that have meanwhile broadened and deepened their activities. In some countries LEADER I has helped in restructuring national administrative bodies and government agencies

Despite this rather positive balance the LEADER I experience was not convincing enough to fundamentally **change the mainstream** of rural policy implementation through traditional Objective 1 and 5b programmes. Although LEADER II can be interpreted as a first step towards mainstreaming, it remains to be seen if positive LEADER experiences can in the next round of Structural Fund programming (2000-2006) be progressively integrated into the core of EU and national/regional rural policies.

3.4.3. Networking

The EU wide networking of rural development groups was probably the most original contribution LEADER I has made to rural development (policy) in Europe. Through networking the **risks of localism** in rural development can be overcome. Even in Member States that already had a tradition in stimulating local development processes, the networking of groups, both nationally and internationally has been a true innovation.

Before LEADER many rural development initiatives were not only of local origin, but they also remained local in focus and impact. Through the establishment of the European network essential **feedback mechanisms** were introduced that made LEADER more than the sum of individual LAGs. The network allowed dissemination of local development experiences, positive as well as negative, to hundreds of other groups.

LEADER I laid the ground to what is today an impressive **pool of expertise**, a wealth of technical and organisational knowledge. Networking enables local groups to overcome isolation. Even if in most cases LAGs themselves did not take an active role in contributing to seminars or publications, the fact that they were regularly informed about rural development experiences in other parts of Europe, was perceived as an important encouragement of local actors.

The activities of the co-ordinating unit at AEIDL in Brussels were crucial for establishing the network. Similar services could not (and should not) have been provided directly by the Commission. Thus, there was no delegation of tasks which were the competence of the Commission. The **functions of AEIDL** could rather be summarised as promotion of the LEADER idea, management of information support services to LAGs and obtaining a wider demonstration effect.

In practice, it seems that in LEADER I the **information and animation role** through seminars was more effective than the promotion of exchanges and transfers of know how among LAGs. It was further observed that the documentation and the methodologies provided by the co-ordination unit were extremely helpful, both for the LAGs (several reprints of many dossiers) and for the officials involved. They explained in greater detail the aims and the innovative approaches proposed by the initiative. The publications by the co-ordinating unit did in fact fill an important gap in the references available on local development practices.

Bringing together groups which had never before talked or seen each other, even at national level, was considered the **most innovative aspect** of the LEADER experience. Of course, some of these activities could have been done more systematically and effectively. It has to be acknowledged, however, that establishing a European wide network was a difficult pioneering task. Over the year, while the programme was developing, also the work of the co-ordinating unit became more competent and focused.

Networking helped to **overcome the isolation** in which local and rural areas traditionally operated. Even though it cannot be said that networking always enhanced the chances of success of individual groups in their local actions, it certainly contributed to the achievement of one of the general objectives of the initiative: transmitting the idea of a new approach to local rural development. This was often (but not always) innovative compared to previous approaches: not only the top-down ones, but also some practices of local development as well.

The willingness and ability of LAGs to **exchange information via a telematic network** was greatly overestimated by the Commission in its initial conceptualisation of the functions that a telematic network could provide. If rural areas are indeed isolated - not only geographically - and if the scarcity of human capital and formal qualifications is correctly considered to be a fundamental barrier to development, than it appears understandable that the problem of effectively participating in a telematic network is not only one of having a computer, or of learning how to use it. More fundamentally, the issue is to develop a mentality and ability which attributes strategic value to the establishment of external relationships.

Such **external relations** do not necessarily have to deal only with the exchange of experiences and information in general. It might also involve the search for new clients, partners and new marketing channels for products. If LAGs were sophisticated enough to overcome their disadvantages in this way, a big part of the problem of local rural development would have already been easily solved. The economic and "productive" information, which were originally thought to be the object of exchange among the groups, were never implemented in the network. Also language barriers were greatly underestimated as a limiting factor.

During the implementation of the initiative there was a **shift in emphasis**, from networking activities initially defined as establishment of contacts between LAGs and the co-ordinating unit by means of a telematic network, towards more direct and indirect forms of exchange, which included the diffusion of publications, receiving and redistributing information, participating in seminars, and realisation of visits etc.

Through its co-ordinating unit AEIDL, the network was represented in Brussels and at many national/regional occasions. It has also been influential in national and regional debates about the future of rural areas in Europe and ways how to shape it. Even if the existence of the European network was not always essential for the success of local action, it was crucial in translating local experiences into European lessons. Like this, it generated a significant multiplier effect that created **a new vision of rural Europe**.

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Chapter 4 – Financing

4.1. Introduction

In this chapter,

- we define the main characteristics of the Leader I financing system (4.2) and the perceptions and opinions of the national/regional officers about it
- we analyse the planned and actual financial flows of the Initiative (what was financed, by whom, and the allocation of funds) (4.3)
- and, after some observations about methodology and data reliability, we identify the evaluation questions and assess the implementation of the Leader I financing system and its financial realisations (4.4).

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Chapter 4 – Financing

4.2. The Leader I financing system

4.2.1 The guidelines

The initiative established that the aid to the LAGs would “take the form of integrated global grants to competent bodies (“Intermediary Bodies” - IO) nominated by the Member States”. From the EU side, the global allowance is financed by the three Structural Funds (EAGGF, ERDF, ESF). The Intermediary Bodies are responsible for its management and the co-ordination of the use of the allowances by the LAG.

These global allowances are the main financial instrument used in LEADER I, and were considered as a tool for ensuring simplification of accounting procedures and more flexibility in the management of the funds:

- a) *The simplification principle*, aims at providing financial resources to the LAGs in the most efficient and direct way as possible.
- b) *The flexibility principle*, aims at the provision of funds by the IO during the implementation process according to the work-process rather than a pre-fixed timetable. This principle implies also the possibility to transfer funds between different projects according to their progress, thus adjusting to the specific needs of local actors.

For these purposes, compared to the traditional way of financing the Mainstream, global grants had to bring the following advantages :

- the financing plan was adopted by a single decision by each Member State, including all the groups (in some cases, as all the LAGs were not included, there have been two or three global decisions), and the funds were globally transferred to the IO, without making any difference in relation to the Structural Fund they were coming from,
- backed on the business plans, the grants were single and perennial, instead of the Mainstream plans, which have to respect an annual programming, and the procedure to modify the allocation of funds inside the plan was simplified with respect to the Mainstream.

4.2.2. The financing circuits

4.2.2.1. General organisation

After the approval of the business plans proposed by a Member State, the Commission took a decision allowing an *integrated global allowance* to the Intermediary Body (IO) authorised by the Member State. In fact, there were three allowances, each one of them being the result of a commitment taken by one of the three Structural Funds (EAGGF, ERDF and ESF).

As some of the 12 involved Member States entitled several IOs, the EU allocations to the Leader Initiative were managed by 23 Intermediary Bodies. In several countries, the Initiative was managed in a decentralised way, and was therefore given to several IOs (cf table 4.1.) An agreement on the implementation of these global grants was signed between the EC and each IO. Those agreements referred to a note indicating guidelines for the tasks to be fulfilled by the Intermediary Bodies.

Accounting reports on financial progress were given by the Lags to the Monitoring Committees, centralised and verified by the Intermediary Body and finally transmitted to the European Commission.

However, every national/regional circuit (between the Intermediary Body and the LAGs it was responsible for) was specific, due to the particular differences that each country has in terms of administrative structure, territorial legislation and LAGs' juridical nature. Some Intermediary Bodies were also in charge of the management of national/regional financial counterparts. In some other cases, these counterparts were directly transferred to the LAGs or even directly to the beneficiaries.

4.2.2.2. Accounting

All private and public entities involved in the management and implementation of measures co-financed with the Structural Funds - in the case of LEADER this meant also the LAGs - had to maintain either a separate accounting system, or an adequate accounting codification of all transactions concerned, in order to facilitate verification and control.

No exception to this principle was allowed, and the guidelines for the Intermediary Bodies specified that :

- business plans had to specify, already at the time of approval - just as public programming documents within the CSFs - the contribution of each Fund to the global grant,
- to obtain any necessary changes within the financial plans and/or any payment (except the first one, which was an advance), LAGs and IOs had to justify expenditures and impute them to each of the three Structural Funds.
The Commission was not in agreement with the first requirement, as all the approved business plans did not spread their budget into the three Funds.

The second requirement was generally not understood by the IOs and the LAGs, which did not separate their expenses according to the three structural funds, until they had to prepare their last report and claim the last payment from the IO, i.e. at the end of the implementation of the Initiative.

At that stage, it was often too late to make the correct imputations. This explains many of the delays in the closure of balances, and approximations or lacks in the available financial data.

4.2.2.3. Payments

The global allocation coming from the three Structural Funds was transmitted to the LAGs at three different times:

- *The first tranche* : this first advance consisted of 40% of the total allocation. In some countries, it was transferred in several installments, when all the Business Plans were not approved at the same time, according to the respective commitments taken by the Commission.
- *The second tranche*: this second advance had to be calculated in order that the first and second advances did not exceed 80% of the total allocation. To obtain the second advance, each LAG had to submit a first progress report to its IO, justifying its expenditures and that physical implementation of its allowance was progressing as scheduled. In order to obtain from the Commission the transfer of the second advance of the global allowance for the country/region, the Intermediary Bodies had to justify that half of the first advance had been spent. As long as the Intermediary Body did not receive the reports from all the LAGs, it could not obtain the transfer of the second advance. As the decision of payment of the second tranches was taken by each Structural Fund separately, they were paid at different times.
- *The third tranche* and last one was intended to allow the Intermediary Body to pay to each LAG the balance of the EU co-financing (if any). In order to get this payment from the Commission, it had to provide the Commission with the final report of every LAG and a recapitulation of the real expenditures of each LAG, eligible for each Structural Fund spending.

Because of the diversity of the financing sources and of the important number of intermediaries between the Lags and each of their funders, the mechanism was complex, and not managed as a whole. Therefore, the rhythm of the payments was different according to the country/region and even according to the Structural Funds.

It mainly depended on:

- the experience of the Intermediary Body in the Structural Funds financing mechanism,
- the moment at which the slowest LAG gave the last required information to its Intermediary Body.

4.2.2.4. Rates of exchange

The amount of the EC commitment and the payment of the funds were exchanged and defined in ECU, at the value date of the transfer to the IO, while the Business Plans and the expenditures of the LAGs were defined in national currency.

Important variation of the rates of exchange among the European currencies favoured some countries and disadvantaged the others, which benefited of a lesser Community support. The fact that the counterparts were paid in national currency fortunately reduced the impact of these variations.

4.2.2.5. Reallocations

During the implementation process, the applicable rules for asking a modification to a Business Plans were different, according to the importance of the amounts concerned.

The delays to get the approval depended on the Monitoring Committee and varied according to the Member State concerned. Some were short, others were long, depending on the procedures and on the situations.

The reallocations had to be justified Structural Fund by Structural Fund, in order to allow the Commission to modify its commitments.

Several LAGs used the opportunity to proceed to internal reallocation (e.g. in Italy : 9 groups/31).

4.2.2.6. Time limitations for implementation

The Financial Regulation applicable to the general budget of the EU establishes that the "legal commitments entered into for measures extending over more than one financial year must contain a time limit for implementation, which must be specified to the recipient in due form when the aid is granted". As the LEADER initiative was a three year programme which was started in 1990, the limit for the commitments was end 1993, and for the payments end 1995. This time limitation could exceptionnally be respected by the LAGs. In many cases (for example Ireland) the I.O. undertook a negotiation with the Commission to agree on an exceptional longer time framework, of the duration of the initiative for the payment of commitments. In the countries where there had been important starting difficulties as in Italy, the final date for commitments and payments were delayed several times until 1996. Nevertheless 30 % of the payments by the Italian LAGs were made after 1/1/97.

4.2.2.7. Control mechanisms

According to the agreements between the EC and the IOs, no integrated control system was implemented. Each financing authority proceeded to controls according to their own regulations. In some cases, the same LAG was controlled several times by different authorities. Some others were never audited.

4.2.3 Comparison of the national financing structures and their functioning

Tables 4.1. et 4.2. give the details of the specific characteristics of the financing structures and circuits in each country/region responsible for Leader I implementation. The very large scale of variability of the situations found limits the possibility and the interest of generalisations. However, the following elements can be pointed out:

4.2.3.1. Levels of implementation

The level of management of the implementation of Leader was sometimes centralised (one Intermediary Body for the country), sometimes decentralised (several Intermediary Bodies). For more details about this question, see Chapter 3, section 3.3.2 on institutional arrangements.

This diversity of national regional situations was difficult to manage by the Commission, even more so due to the fact that the Communication had not included the regions and other decentralised entities in the selection and approval procedures of the business plans. This created an awkward situation where LEADER groups with plans approved by the Commission, asked for co-financing funds from their regional authorities which knew little or nothing about their existence, questioned the legitimacy of LAGs as subjects able to spend public funds, which often had not been anticipated precisely because they were not included in the partnership.

Eventually solutions were found to bring the regions on board for the implementation procedures. But this remained an issue which was formally resolved only in Leader II, where selection took place at national/regional level.

4.2.3.2. Type of Intermediary Bodies

According to the level of control of the implementation the country / the region wanted to organise, the IO was a Ministry (in general of Agriculture), or a public more or less autonomous body (For more details, see Chapter 3.4.1. Leader implementation profiles). This had consequences on the capacity of the IO to face its tasks : Ministries of Agriculture were more used to deal with the Structural Funds than development agencies, which were never in direct contact with the Commission.

4.2.3.3. Government financing policies

In some countries (in Italy and Greece for example), the Member State required financial guarantees from the LAGs, which was not an obligation according to the Initiative, but a criterion of selection (see Notice to Member States, point 6) . In Italy, the State considered that many groups lacked the necessary technical-administrative skills and proven experiences. The government required therefore a proof of their financial capacities. This requirement lengthened operational time scales for entities with little backing : The last Italian LAG started its operations on the 30.06.1995 !

In some cases, the LAGs had some difficulties to get payments from the Member State.

The misunderstanding and the incomprehension of the three Structural Funds system by the Member State often caused major administrative difficulties and long delays.

Numerous governments accepted to "prefinance" the EC contribution to avoid important financing difficulties for the LAGs and the beneficiaries. Some decided to take in charge non budgeted costs of LAGs, even where the EC refused to support ineligible expenses, or where there have been costs excesses.

More information about these characteristics and their eventual consequences upon the Leader I implementation and results in the concerned countries/regions are available in the National reports.

Table 4.1. Comparison of the national financing structures

Country			Interm. Body			Responsible for the N/R co-financing
Name	Status	Level of mgt	Nr	Name	Type	
Belgium	Federal	Regions	2	IGOLEuven (VL) Office wallon de Développement rural (W)	Syndicate of local public administrations Public body depending from the regional Ministry of Agriculture	Vlaamse Gemeenschap Gouvernement wallon
Denmark	Centralised	State	1	Min of Food, Agriculture and Fisheries	Ministry	Min of Food, Agriculture and Fisheries
France	Centralised	State	1	CNASEA	Public body	Ministry of Finance
Germany	Federal	Laenders	7	One by Land		Laenders
Greece	Centralised	State	1	Ministry of Agriculture	Ministry	Ministry of Agriculture
Ireland	Centralised	State	1	Department of Agriculture, Food and Forestry	Ministry	Department of Agriculture, Food and Forestry
Italy	Decentralised	State	1	Ministry for Agricultural Policies, AND the Treasury Ministry (IGFOR)	Ministry (+ technical assistance)	Treasury Ministry (IGFOR)
Luxemburg	Centralised	State	1	Ministère de l'Agriculture, de la Viticulture et du Développement rural	Ministry	Ministère de l'Agriculture, de la Viticulture et du Développement rural
Netherlands	Centralised	Province	1	Provincie of Friesland	Public body	Province of Friesland
Portugal	Centralised	State	1	Ministry of Agriculture	Ministry (+ technical assistance)	Municipalities
Spain	Decentralised	State	1	Ministry of Agriculture (IRYDA)	Ministry	Ministry of Agriculture (IRYDA)
UK	Decentralised (in progress)	Department of England, Scottish Office, Welsh Office, North Ireland Office	5	- Rural Development Commission (England) - Scottish Office Development Agency - Development Board for Rural Wales - Welsh Development Agency - Rural Development Council (North Ireland)	Public bodies	UK Treasury Scottish Office, Welsh Office, North Ireland Office

Table 4.2. Comparison of the financing implementation of Leader I in the Member States

Country	Condition for delivering the funds	National / regional public contribution	Payment problems	Controls
Belgium	Immediate (IO was the LAG's chef de file)	Difficult to raise for the innovative actions	The final report of the LAG was still expected in June, 1997.	Audit by the Commission
	Immediate (IO was the LAG's chef de file)	Difficulties coming from the competencies transfer	The final balance of the LAG was still expected in June, 1997.	No controls
Denmark			Some lack in the sub-LAG's administration caused delays in issuing the final balance	Public audit
France	The funds were immediately given to the operators, excepted for 4 LAGs (directly transferred to the final beneficiaries)		Cash advances from the local public partners to compensate the delays for the payment of the final EC contribution	Some controls from the EC and from the French Gvnmt
Germany			The speediest LAGs were disadvantaged by the necessity to have the accounting documents from the slowest LAGs. Laender had to prefinance the payment of the balances (As a result of the Global Allowance system, this situation was also present in many other countries)	Different among the Laenders
Greece	Some problems with the guarantees	Important	The Member State prefinanced the EC contribution in the final balance	Random control made by the IO
Ireland	No difficulties	No difficulties	No problems	EC and National Gvnmt audits
Italy	LAGs with private status had to provide a guarantee of restitution. Some LAGs were not paid of the 1 st advance in 96		Rule of " collective solidarity " (all the lags had to have sent 50 % of the first tranche before the second tranche was paid to any LAG)	
Luxemburg	No specific conditions (only one LAG)	Some national contributions were difficult to obtain and lately known	The local public leading partner of the LAG had to make several cash advance in order to pay the final beneficiaries	No
Netherlands	Leader was integrated with other projects already running			
Portugal	Laisser faire from the Gvnmt	Minimum Services	Delays could be managed when for the public LAGs with the support of the municipalities	Yes (Ministry and private cies)
Spain		Very less important than forecasted. Compensation was made by the regional authorities and private	Important delays for the payment of the last tranche to LAGs and beneficiaries. Some groups made prefinancements to their beneficiariesb)	Udits by the Spanish Accounting Court, some local Gvnmts, and the EC
UK		More than the minimum and in cash	Local Agencies accelerated payments using their own funds. In the Highlands and Islands, it was only done after an initial delay whilst this procedure was cleared with Scottish Office. The specialiest LAGs were disadvantaged by the slowest because the whole UK expenditure had to be declared before the 3 rd tranche was paid.	All the bodies involved being public bodies normal auditing procedures apply

4.2.3 Perceptions and opinions about the LEADER I financing system implementation

4.2.3.1. Perception and opinion of the national/regional officers

From the interviews the national consultants made, and according to their analysis of the information they collected, we summarise in the table hereafter the perceptions and opinions of the actors in the different countries concerning the LEADER I financing system implementation.

See table 4.3.

Table 4.3. – Perception and opinion of the national/regional officers

Countries	Simplification principle	Flexibility principle	Lessons Learned
<i>Denmark</i>	No. Simplification had not been increased for the 3 structural funds always arrived separately.	No. Flexibility has not been increased for the LAG did not have the abilities to learn the rules from the 3 funds It experienced major difficulties to manage these aspects.	<ol style="list-style-type: none"> 1. Global allowance stimulated local responsibility and creativeness. 2. Need of strict guidelines of accountability and technical training. 3. Leader financing system was no more efficient than the traditional system (as it had not been administrated strictly at the LAG level) 4. Need of national control
<i>Greece</i>	No. Intermediary Body had to deal with 3 funds. This made its work and its reporting more difficult and complicated.	Yes. In terms of reallocations and the use of extra budget thanks to the local currency devaluation. It increased the flexibility at the local level but not at the IO level ✂ Increased the opportunity to be more flexible.	<ol style="list-style-type: none"> 1. Financing procedures are considered as time consuming and bureaucratic. 2. Global grant was considered (by the OI) as a positive innovation for it provided flexibility and simplification at the LAG level (not at the OI level). 3. Dealing with the 3 structural funds created additional work and made reporting more difficult & complicated It would have been more efficient, if more flexible. 4. It would have been more efficient, if more flexible.
<i>Belgium Wallonie</i>	Yes, as far as the advances are concerned but neither for the balance, nor for the co-ordination among the 3 funds.	No. There were major delays to get the Commission agreement on funds reallocations.	<ol style="list-style-type: none"> 1. Problems appeared if projects are not making progress at the same time. 2. Leader I system was quite complicated 3. The creation of a rural development fund would improve simplification. 4. Sweetness of the funds advances, bitterness of the balance impact.
<i>Belgium Hageland</i>	Yes. Funds arrived when they were needed.	No. Because of the lack of co-ordination among the 3 structural funds.	<ol style="list-style-type: none"> 1. The 3 Structural Funds combining is the best way for implementing a durable integrated development program (OI and LAG opinion) 2. Quite complicated for such a small budget.
<i>Germany</i>	No. The LAGs were not prepared to manage such a complex system → long balance delay	No. The German budget and accounting rules reduced the flexibility intended by the global allowance system	<ol style="list-style-type: none"> 1. LEADER I system was not more efficient than the traditional system. 2. Considered to be quite complicated regarding the budget.
<i>The Netherlands</i>	Yes. But existed previously.	Yes. But existed previously.	<ol style="list-style-type: none"> 1. Quite complicated for such a small budget.
<i>Portugal</i>	Yes. Although there were difficulties because of the funds triple origin.	Yes. Although there were difficulties because of the funds triple origin and the balance delay.	<ol style="list-style-type: none"> 1. Relevance of such a system for little programs. 2. Sweetness of the two advances, bitterness to some extent of the balance.
<i>Ireland</i>	Yes.	Yes.	<ol style="list-style-type: none"> 1. Leader I was considered to be quite complicated for such a small budget. 2. The global allowance was perceived as giving freedom to respond to local needs and feasibility to cater for differing local needs.
<i>Italy</i>	No for those reasons : - guaranties required - requirement of assignation of funding regarding the three Structural Funds	No. The Italian admin. Imposed very strict rules which reduced the flexibility foreseen by the Notice (ex. Rule of “collective solidarity”/participation of IO in the selection of individual projects)	none
<i>Luxembourg</i>	Yes. Although delays appeared for the balance.	Yes. According to the IO, although the approval procedure (project by project) diminished the flexibility at the local level.	<ol style="list-style-type: none"> 1. Simplification makes the beneficiaries aware of the help provided. 2. The global allowance is considered to be quite relevant for little programs. Although according to the IO, the annual tranches of the 5B are not more difficult to manage than an unique tranche. 3. The OI pointed out the necessity to centralise national funds gathering and management.

Countries	Simplification principle	Flexibility principle	Lessons Learned
<i>UK-Scotland & North Ireland</i>	Yes and no. Slowness in declaring from certain LAGs slowed the whole payment process for the last tranche.	No. The need of justifying the percentage for each structural funds was an great obstacle to prestructure projects.	<ol style="list-style-type: none"> 1. Flexibility is a useful tool, for some projects are much able to gather matching funding than others even though they may be equally valuable for local development. 2. It is necessary to deal with the problem of bridging finance when EU funding is provided in retrospect. A prefinancing system ? in place to pays the beneficiaries quickly
<i>UK England & Wales</i>	<p>Yes. Thanks to the local development agencies taking the role of reconciling and balancing the payments from the 3 Structural funds, negotiating with central government departments streamlined administrative procedures and occasionally matching payments from their own funds.</p> <p>No. At the IO level, the simplification was not increased.</p> <p>NB. Some of the LAGs (when the local agencies played a minor role) did experience significant problems because of delays in the final payment tranches.</p>	<p>Yes. At the local level, it had been increased thanks to the local agencies role.</p> <p>No. At the IO level.</p>	<ol style="list-style-type: none"> 1. Relevance of such a system for small programs, although this was quite complicated for such a budget. 2. The 3 funds integration would be the best way to implement a durable integrative development action 3. The co-ordination among the 3 SF should be improved. 4. EU should not promise global grant which it does not deliver. 4. Inadequacy between the structural funds mechanisms and the communication of the EU.
<i>Spain</i>	Yes.	Yes.	<ol style="list-style-type: none"> 1. Need of coherence between competence and financial roles. 2. Need of strict guidelines on accountability and technical training. 3. Sweetness of the funds advances, bitterness of the balance impacts.

4.2.3.2. Analysis of the information collected

1) Organisation of the implementation of the global allowance

Before the implementation of Leader I, only the Netherlands had implemented a similar system of global allowance. According to the national evaluators, some national financing systems could be somewhat compared to global allowance in Italy, France and Spain. During the Leader I implementation, 13 Intermediary Bodies (all of 23 of them except the Italian, Danish and Germans) did experience this system, at least to some extent.

If a third of the national / regional interlocutors that we interviewed were distrustful at the beginning of the implementation of Leader I, it appears that the ones who belong to a centralised country were the most active in the global allowance implementation. One may notice that the Member States which were both centralised and distrustful did chose a national Ministry as Intermediary Organisation. It can be assumed that such a choice was less threatening and induced less distrust.

2) Simplification principle

Out of the 12 groups of national/regional authorities, 5 of them (Denmark, Greece, Germany, Italy and France) consider definitely that the global allowances did not contribute to a simplification. In reference to the Intermediary organisation which had to deal with three funds, it made their work and their reporting more difficult and complicated.

For the other countries, the financing system brought some simplification *at the local level*, thanks to **the two advances** system. They point out that the difficult work of reconciling the payments from the 3 funds, its consecutive administrative burdens and in general the satisfaction of the European Union high requirements was done by the IO or the SM.

The major delays often needed by the IOs to produce their report for **the final balance** are imputable to various sources:

- Some LAGs did present major delays in their projects implementation, and could consequently not introduce their report before they had finished.
- For the reason we pointed out below, it often took a long time for the Member State or the Intermediary Body to prepare the final report to the EU.
- Major difficulties appeared because the final balance had to be split per fund and per measure, which was not asked for the two preceding advances.

3) Flexibility principle

Half of the implementation units consider that the global allowances did contribute to more flexibility. Greece offers a good example of flexibility: reallocation and the use of the extra budget coming from local currencies devaluation were allocated to LAGs which were in advance.

The other half of the countries did not express that this mechanism was more flexible than the mainstream system. In Belgium, this is due to the fact that there were major delays to get the agreement of the Commission on funds reallocations (over two years), whereas in Scotland/North Ireland, the need of justifying the percentage for each structural funds was considered as a major problem for restructuring the project. A few other ones regret a lack of co-ordination among the three structural funds.

As for the simplification principle, a recurrent observation was that the flexibility was often increased at the local level but not at the IO one.

4) Lessons learned

Most of the IO representatives pointed out the relevance of such a system for small programmes and budget. In Ireland, the global allowance was perceived as giving freedom to respond to local needs and feasibility to cater for differing local needs. Denmark and Spain see the necessity of

strict guidelines on accountability and technical training to ensure an effective implementation of such a system.

However, according to Denmark and Germany, the Leader I financing system is no more efficient than the traditional one.

In a general way, dealing with the three structural funds was criticised as creating additional work and making reporting more difficult and complicated. A recurrent appreciation by the IO was made in the terms of the sweetness of the funds advance, the bitterness of the balance impact". In some Member States, the detrimental consequences for the LAGs of the long delays needed to obtain the balance from the Commission were limited thanks to the Member State (ea. Greece), to Intermediary Bodies (ea. UK) or even to the chef de file of the LAG (ea. Luxembourg), matching funds from their own resources. In some desperate cases, innovative solutions were found in collaboration with the European officer (ea. reconstruction of the expenditures table, provisional balance payment,...). In Germany, the different ways of reporting among the Leader beneficiaries created a situation very difficult to clarify.

5) General assessment of the financing system by the interviewees

In general, the Leader I financing system was considered by the national/regional officers or by the IO representatives as quite complicated in respect to the amounts allocated. Being small and often young structures, the LAGs had difficulties responding to onerous reporting requirements which had thus to be entirely taken in charge by the national/regional level.

For the management of the national/regional counterparts, global allowance was only implemented in some country, and in a limited extent, except in Spain and Portugal where it was considered as completely implemented.

In Greece and Portugal, the global allowances had a positive impact on the realisation at the local level thanks to the active role of the Member State. In Greece, for example, the global allowance allowed them to finance the projects that were progressing faster by transferring funds from those that were developing slower. In Belgium, the IOs were quite enthusiastic concerning the global allowance whereas the Regions were not, because the budget was too small and this system was not perceived as more efficient than the traditional procedures. In Ireland, Leader I financial system was summed up to stimulate projects, but at the same time, it was considered as quite a conventional system.

The need of having a single fund or, at least, a better co-ordination between the three funds is suggested, to simplify the administrative burden.

4.2.3.3 Perception and opinion of the national/regional reporters

The following table synthesizes the assessment of the national reporter about the Leader I financing system.

Countries	Assessment
<i>Denmark</i>	<ul style="list-style-type: none"> ▪ The division in 3 funds was an additional administrative burden ▪ The need to have a single fund is suggested ▪ IO considers that the global allowance has not been implemented and the MS attitude is considered as distrustful.
<i>Greece</i>	<ul style="list-style-type: none"> ▪ Positive impact on the realisation at the local level because of the active role of the MS (above all the balance was advanced) ▪ If delays in funding actually occurred, <u>this situation did not affect the realisation at the local level, thanks to the State Member active attitude.</u> ▪ Financing rules (such as guarantee) did create problem at the beginning. Moreover, the rules setting so that the LAGs implemented the financing system properly did induce delays. ▪ A higher degree of co-ordination among the 3 structural funds would have been desirable.
<i>Belgium Wallonie</i>	<ul style="list-style-type: none"> ▪ Funds management was directly delegated to the LAG leader. ▪ Considered to be quite complicated in respect to the amounts allocated. ▪ A better co-ordination between the 3 funds should have been desirable in order to be more efficient.
<i>Belgium Hageland</i>	<p>The IO was quite enthusiastic concerning the Global allowance whereas the Regional was not, because for the latest the budget was too small and this system was not really more efficient than the traditional procedures (which should have been generalised to the LEADER I).</p> <ul style="list-style-type: none"> ▪ According to the IO, the global allowance system did contribute to the better integration of the program actions. ▪ It did simplify the program financial management. ▪ Regional government critiqued the fact that whereas fund management was delegated to the LAG, the EU asked information to the regional authorities when problems appeared.
<i>Germany</i>	<p>The global allowance is not considered to be implemented and the State Member is considered to be distrustful in respect to this matter.</p>
<i>The Netherlands</i>	<p>There was no real change as the global allowance system was implemented previously. The national authorities position remained passive. They considered LEADER as an additional source of money, whereas the regional authorities was <i>laissez faire</i> in the implementation process.</p>
<i>Portugal</i>	<ul style="list-style-type: none"> ▪ The global allowance was implemented and supported by the MS. ▪ The balance delay was rather weak for the private owners were paid first and the Town Halls had to wait a little bit more. The role of the MS was considered as active.
<i>Ireland</i>	<p>Leader I system was summed up to stimulate innovative projects, but in the same time it was considered as quite a conventional system. The Member State played an active role.</p> <ul style="list-style-type: none"> ▪ The global allowance system, which did not exist previously, was perceived as giving freedom to respond to local needs and feasibility to cater for differing local needs. ▪ Leader I system was not considered as leading to a greater flexibility per se.
<i>Italy</i>	<p>The global allowance is considered as not being implemented.</p> <p>The use of public funds was characterised by excessively rigid, time consuming and complex procedure which meant that Global Subvention became a complex and inflexible tool. The national level is considered by rigidity and bureaucracy.</p>
<i>Luxembourg</i>	<p>Projects promoters were not aware of the delays problems for the LAG chef de file pre-financed. But the consequences of the balance delay is that this organisation could not finance other planned projects.</p> <p>The global allowance is considered to be implemented according to the IO and to be implemented partially according to the LAG. This situation is imputable to the fact that every project had to be approved separately by the Monitoring committee. Such a procedure induced time consuming and delay.</p>
<i>UK-Scotland & North Ireland</i>	<ul style="list-style-type: none"> ▪ UK financial arrangements do not permit global grant the way the EU designed. ▪ The global allowance is considered as being implemented partially. The system appears to be quite complicated regarding the budget.
<i>UK England & Wales</i>	<ul style="list-style-type: none"> ▪ The global allowance is considered to be implemented to some extent. The MS was distrustful. ▪ Considered to be quite complicated (for so small a budget) by some of the local central governments. Such an idea was not shared by the local agencies promoting rural development. ▪ LEADER I financial mechanisms are considered to be inappropriate, given that LAG are small organisations which had difficulties in carrying costs and responding to onerous reporting requirements. ▪ The procedures of the EC and of the national authorities were not always so flexible, and sometimes threatened to sabotage the gains from an innovatively conceived and implemented programme, whereas the IO approach facilitated the process ▪ the EU requirements were too high for the LAGs.
<i>Spain</i>	<ul style="list-style-type: none"> ▪ The global allowance system is considered to be implemented. The Member State was active in this matter.

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Chapter 4 – Financing

4.3. Analysis of the financial flows

4.3.1 Data reliability

4.3.1.1. Balances in progress

In some countries, the balances are still currently in process. The figures concerning these countries/regions are still provisional, because they have to be verified by the EC (Germany) or to be confirmed for certain LAGs (Italy) or to be completed (UK Objective 1 areas, Northern Ireland).

An analysis founded on the balance demands introduced by the IOS gives a limited insurance of the accuracy of the data. In some cases, the IO actually asks for more than the European counterpart initially planned, and one cannot make sure that some significant differences will not appear at the closure.

4.3.1.2. Closed balances

Several data in the closed balances are still approximate, or accounted for in a way which prevents comparison with other realisations.

1) Currency variations :

An average conversion rate had to be calculated to facilitate the needed comparisons among tranches. Although, these conversion rates are often different for each structural fund when the payment (of the first advance) and/or the demand (for the second advance and the balance) were not made/submitted at the same time by/to the ESF, EAGGF and ERDF. Consequently, if it would have been possible to establish accurate tables for the 3 Structural Funds (by the calculation of the average conversion rate for each of them), it remained almost impossible to use the accurate conversion rate for the national/regional and private contributions.

2) Comparability of the classifications :

In Spain, the share-out of the private funding is extremely high. This apparent high level of the private contribution in Spain is mainly due to the inclusion by the Spanish Intermediary Body of the funds coming from the public regional and local authorities, which have largely contributed in this country in the financing of Leader I. This confusion in Spain has significant consequences on the evaluation of the total expenditure of the Initiative, the amount of the private contribution in Spain increases the total private expenditure by the Initiative of 19%. For this reason, we had to make the analysis of the co-financing without taking Spain into account.

3) Intermediary Bodies functioning costs :

The costs generated by the IO were almost impossible to collect on the basis of the financing tables. For on the one hand, we did not get these costs amounts separately, and on the other hand, its approximation throughout the difference between the consolidation of all LAGs expenditures and the States Members expenditures remains impossible because as said above, financing tables at the local level are not available in every European country.

4.3.2 Consequences on the study

The aim of the collected data being a financing assessment, the figures have not to be as accurate as for an accounting report. Nevertheless, to be taken into account, every figure has to be verified or, at least, verifiable. When we could not obtain this minimum quality of the financing data, we gave up using them in the assessment. For this reason, we gave up the construction of the databases which had been planned, and looked for an integration of the data collected.

1) Local level

For the already mentioned reasons it was not possible to gather comparable financing information for all the LAGs, and we were consequently not able to assess the financing realisation of the LAGs through the financing tables, neither the functioning of the global allowance through the payment tables. In annexe IX, the information on the Q50 sample is indicated by source, measure, fund and type of expenditure (planned, paid). The qualitative information gathered through the survey over the sample of 50 LAGs has been partly included in chapter 2, section 2.3.3.4.

2) European and national/regional level

The calculation of the balances is still an on-going process. Consequently, according to the degree of advancement, our assessment takes into account the temporary balances whenever these are available (Italy, Germany). As finally the territories without at least a balance represent only a part of the UK (North Ireland – Objective 1), which represents only 1% of the total investment planned, we have decided not to take them into account in our calculations and consolidations.

3) Currency rate

We used the average EAGGF (as *chef de file* for the LEADER I initiative) conversion rate as common basis for the EC payments. For lack of information about the dates of the payment of the counterparts, the EU march 1997 official conversion rate was used for the national and private contributions.

4) Delays of payments

Without information from the IOs about the dates of payment of the tranches, it was not possible to calculate the delays in the payments.

We had therefore to use approximations, reasonably corrected and interpreted, out of which only major trends can be inferred. They do not give a precise picture of the financing realisation of Leader I but are a fair representation of its financing implementation. We have worked on the material we could assemble, taking as many lessons as possible from the major orientations we could detect.

4.3.3 Results of the analysis

4.3.3.1 Importance of the budget allocated by the EU to the Initiative

1) General data

The Initiative concerned 12 countries of the European Union:

- Belgium
- Denmark
- France
- Germany
- Greece
- Ireland
- Italy
- Luxembourg.
- Netherlands
- Portugal
- Spain
- United Kingdom

The total amount spent by the LAGs has reached this amounts to date¹ to 1159 MECUS where:

- . 366 MECUS were supported by the European Union,
- . 343 MECUS were supported by the Member States²,
- . 449 MECUS were supported by the private sector².

The total investment made by the EU for the Objectives 1 and 5B in the same countries was of 46 050 Mecus. For the EU, Leader represents an investment of 0,7 % of the “ main stream ”.

The financing tables for EU and for each country can be found in annex XI.

2) Investment per inhabitant.

Here below are the divisions of the population covered by Leader and by the Mainstream :

- The population covered by the Initiative Leader is of 11 327 200 inhabitants spread over the 12 countries with:
 - . 6 601 600 situated in Objective 1 area (58% of the population),
 - . 4 725 600 situated in Objective 5B area (42% of the population).
- The population covered by the Mainstream for the Objectives 1 and 5b is of 99 553 120 inhabitants, with:
 - . 85 560 000 situated in Objective 1 (86% of the population),
 - . 13 993 120 situated in Objective 5B (14% of the population).

¹ For reason that we explain in paragraph 1.2.5., this amount does not include the realisation of Northern Ireland LAGs, which were not available until now.

² For reasons we explain in paragraph 1.2.5., the national and the private funding are not correctly shared out.

4.3.3.2 Distribution of the EU investment among the countries

This paragraph summarises the complete financial analysis that we have done, and can be found in Annexe XIV.

1) General overview

The EU investment in Leader I was planned for 413 MECU. Its importance is about 1% of the actual expenses of the EU for the financing of Objective 1 and Objective 5b in the same countries, which amounts for the same period up to 46.050 MECU.

2) Distribution among the countries

	Domin. area	Distribution of the EU contribution (MECU)						
		LEADER I (planned)		LEADER I (actual)		OBJ 1 + 5b (actual)		Leader / Obj 1+5b
BE+DK+LU+NL	Obj 5b	6	2%	5,99	2%	90	0%	6,66%
FR	Obj 5b	65	16%	53,03	14%	1.831	4%	2,90%
UK	Obj 5b	12	3%	11,40	3%	925	2%	1,23%
SP	Obj 1	120	29%	102,68	28%	10.436	23%	0,98%
GR	Obj 1	52	13%	52,58	14%	7.528	16%	0,70%
GE	Obj 5b	24	6%	24,26	7%	3.466	8%	0,70%
IR	Obj 1	27	7%	28,88	8%	4.460	10%	0,65%
PO	Obj 1	52	13%	48,59	13%	8.450	18%	0,58%
IT	Obj 1	55	13%	38,61	11%	8.864	19%	0,44%
TOTAL		413	100%	366	100%	46.050	100%	0,79%
Subtotal Obj 1 domin		306	74%	271	74%	39.738	86%	0,68%
Subtotal Obj 5b domin		107	26%	95	26%	6.312	14%	1,50%

Table 4.5.

The countries with a dominance of the Objective 5b areas proportionally received a higher support from Leader I than from the Mainstream.

Spain benefited of about 30% of the Community effort, which is not out of proportion with the Mainstream (Objective 1 and 5b), which provided Spain with 23% of the EU effort.

France received 14%, a much more significant share in proportion of what was allocated by the Mainstream (4%).

Conversely, some countries received a smaller part than the one they get from the Mainstream (Italy, Portugal).

3) Distribution per inhabitants of the areas

	Domin. area	Population (000 hab)		
		Leader	Obj 1 + Obj 5b	Leader / Obj 1+5b
BE+DK+LU+NL	Obj 5b	356	813	44%
FR	Obj 5b	2.273	7.420	31%
IR	Obj 1	1.064	3.520	30%
UK	Obj 5b	685	3.210	21%
PO	Obj 1	1.450	9.890	15%
GR	Obj 1	1.338	10.030	13%
SP	Obj 1	1.913	23.390	8%
IT	Obj 1	1.305	20.930	6%
GE	Obj 5b	945	20.350	5%
TOTAL		11.327	99.553	11%
Subtotal Obj 1 domin		7.069	67.760	10%
Subtotal Obj 5b domin		4.259	31.793	13%

Table 4.6.

The population of the areas selected for Leader I is representing, on average, 11% of the population of the areas eligible for Objective 1 and 5b. This is certainly underestimation, considering that it happened that the LAGs areas were excluded neighbouring towns to avoid passing the maximum limit of 100.000 inhabitants.

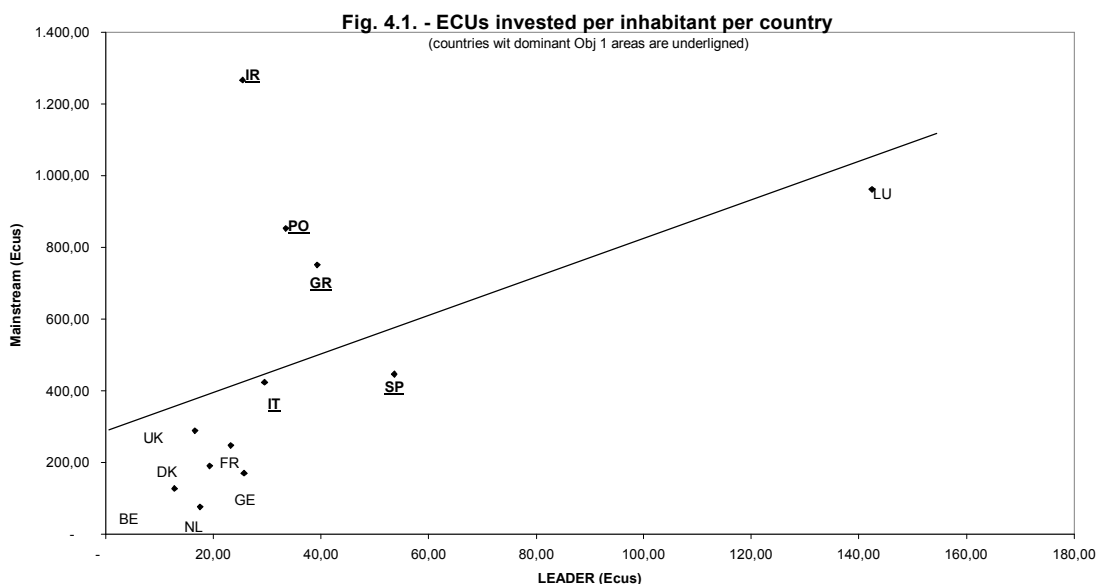
This table shows very clearly that the Leader areas were not selected according to the same rules as Mainstream, and that some countries have a part of their population more represented than for the Objective 1 (and much more for the Objective 5b).

	Investment per capita (ECU)				
	Leader (planned)	Leader (actual)	Obj 1 + Obj 5b	Leader / Obj 1+5b	
GE	25	26	170	15%	
BE+DK+LU+NL	18	17	111	15%	
SP	63	54	446	12%	
FR	29	23	247	9%	
IT	42	30	424	7%	
UK	17	17	288	6%	
GR	39	39	751	5%	
PO	36	34	854	4%	
IR	26	27	1.267	2%	
TOTAL	36	32	463	7%	
Subtotal Obj 1 domin		43	38	586	7%
Subtotal Obj 5b domin		25	22	199	11%

Table 4.7.

Table 4.7. enlightens the consequence of this policy : the Leader I averaged investment per capita is only 7% of the Objective 1 (however 11% of the Objective 5b).

The graphic below compares the repartition of the investment per inhabitant in each country, according to Leader and to the Mainstream. The more the countries are situated along the straight line, the more they received an investment per inhabitant from Leader and from the Mainstream proportionally equal.



General tendency:

- In the Initiative Leader, the European Union invested at least 29.6 Ecus per inhabitant in "Objective 1, countries", which is higher than any investment done in "Objective 5B countries", excepted for Luxembourg.
- The same observation can be done for the EU investment through the Mainstream at a higher level. The minimum investment of the Mainstream in Objective 1 are of 423.5 Ecus per capita in Italy.

Standard deviation:

- In Ireland, the investment of the Mainstream is 299% higher than in Italy. The variation of the investment of the Mainstream between the countries of Objective 1 is important. The standard deviation between those countries is of 345.37. This variation is weaker for Leader. In Spain, the investment is 181% higher than in Italy. The standard deviation is only of 10.95.
- Among the countries located in Objective 1, the Mainstream invested more per inhabitants in Ireland than in the other countries, while in the Initiative Leader, the EU invested more in Spain, although the counter-parts in Spain were important (20% of the expenses came from the Member State and 52% from the private sector).

Luxembourg is an exception as it received a lot more Ecu per inhabitant from Leader and from the Mainstream than any other countries. Leader invested 142 Ecu per inhabitant (388% more than the average) and the Mainstream invested 961.52 Ecu per inhabitant (199% more than the average). In the Initiative Leader, 0.13% of the budget is invested in Luxembourg, while only 0.03% of the total population belongs to Luxembourg. This difference is even stronger in the repartition of the Mainstream. Luxembourg received 0.087% of the global budget but represents only 0.003% of the total population covered.

4.3.3.3. Rates of expenditure

	Planned		Actual		Actual/Planned	
	MECU	%	MECU	%	%	Δ
Obj 1 countries	764,29	70,1	763,29	65,9	99,87	-0,1%
Obj 5b countries	325,41	29,9	395,31	34,1	121,5	17,7%
Total	1089,70	100	1158,60	100	106,3	5,9%

The global rate of expenditure is hiding important differences among the countries :

- On average, Objective 1 countries spent approximately their budget and Objective 5b countries have spent much more than budgeted (122 %).
- Among the twelve countries involved in the implementation of the Initiative³ :
 - five of them spent more than forecasted:
 - . Spain: This can be explained by the non-realistic business plans of the LAGs that brought important modifications and deviations and that required some transfer of funds among different measures. The programmed actions had to be completed and in most cases the final expenditures were higher than the programmed ones.
 - . France: The cost excesses came from the success of the measure, the non-eligible nature for the EU of some actions and from the devaluation of the ECU.
 - . Germany: The financial decision competencies have been taken in charge by the regional level and the priority of the investment was given to public infrastructure. As this concerned mainly public interest, the expenditures were over all supported by the public sector.
 - . Portugal: The excess is the result of the success of the measures in favour of the private sector.
 - . England and Wales: The private contribution has doubled, thanks to the UK government that emphasised the importance of leverage in private funding.
 - two of them spent less than forecasted:
 - . Italy: This decrease is due to the requirement by the Italian State of financial guarantees from the LAGs, which lengthened operational time scales, delayed or denied funding for entities with little backing.
 - . Luxembourg: The decrease is due to the difficulties of the LAG to raise the national and the private contribution.
 - the other five spent what was forecasted (plus or minus 5 %).

³ For a detailed analysis of the co-financing per country, see annexe XIV.

4.3.3.4 Co-financing

1) General data

The following table shows the planned co-financing, compared to the actual co-financing. The figures do not include Spain (see observation in page 124).

	Planned		Actual		Actual/Planned	
	MECU	%	MECU	%	%	Δ
EU investment	293,1	38,9	263,3	33,4	89,8	-11%
Public investment	217,3	28,9	267,3	33,9	123,0	19%
Private investment	242,3	32,2	257,2	32,6	106,2	6%
Total (Spain excl.)	753	100	788	100	104,7	4%

Table 4.8.

The actual contribution of the EU is 11 % less important than the planned one. This results from the application of the EU specific rules for the co-financing (the EU contribution is limited to the original commitments and the non-eligible expenditures may never be financed) in the countries where the initial budget could not be consumed. The devaluation of the ECU played also a – limited – role in that reduction of the EU contribution. Conversely, the non eligible expenditures had to be financed by the public counterparts, which explains their important increasing (19%), mainly in France and in Germany..

2) Differences between ‘Objective 1’ and ‘Objective 5b’ countries

The rate of expenditure and the sharing out of the financing are very different when the countries are grouped among Obj 1 and Obj 5b dominated areas.

Obj 1 countries	Planned		Actual		Actual/Planned	
	MECU	%	MECU	%	%	Δ
EU investment	186	44	169	43	91	-10%
Public inv	92	21	82	21	89	-12%
Private inv	149	35	142	36	95	-5%
Total (Spain excl)	427,3	100	392,5	100	91,9	-9%
Total (Spain incl)	764,3		763,3		99,9	-0,1%

Obj 5b countries	Planned		Actual		Actual/Planned	
	MECU	%	MECU	%	%	Δ
EU investment	107	33	95	24	89	-13%
Public inv	126	39	185	47	148	32%
Private inv	93	29	115	29	124	19%
Total	325,4	100	395,3	100	121,5	18%

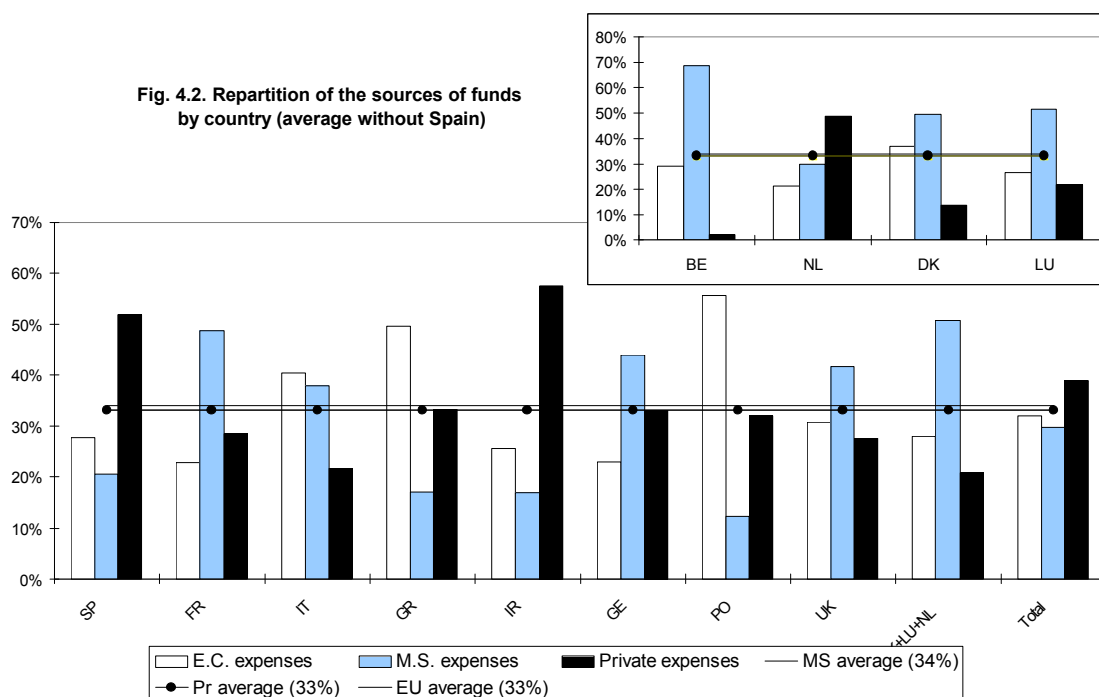
Table 4.9.

- In relative value (according to the rate of expenditure), Objective 1 countries just spent their budget (99,9%).
- The States and Regions invested much more than planned in the Objective 5b countries (148%) but less in the Objective 1 countries (89%, Spain excl.).

3) Actual co-financing by country

Figure 4.2. gives the actual repartition of the co-financing. The calculation of the average does not take Spain into account

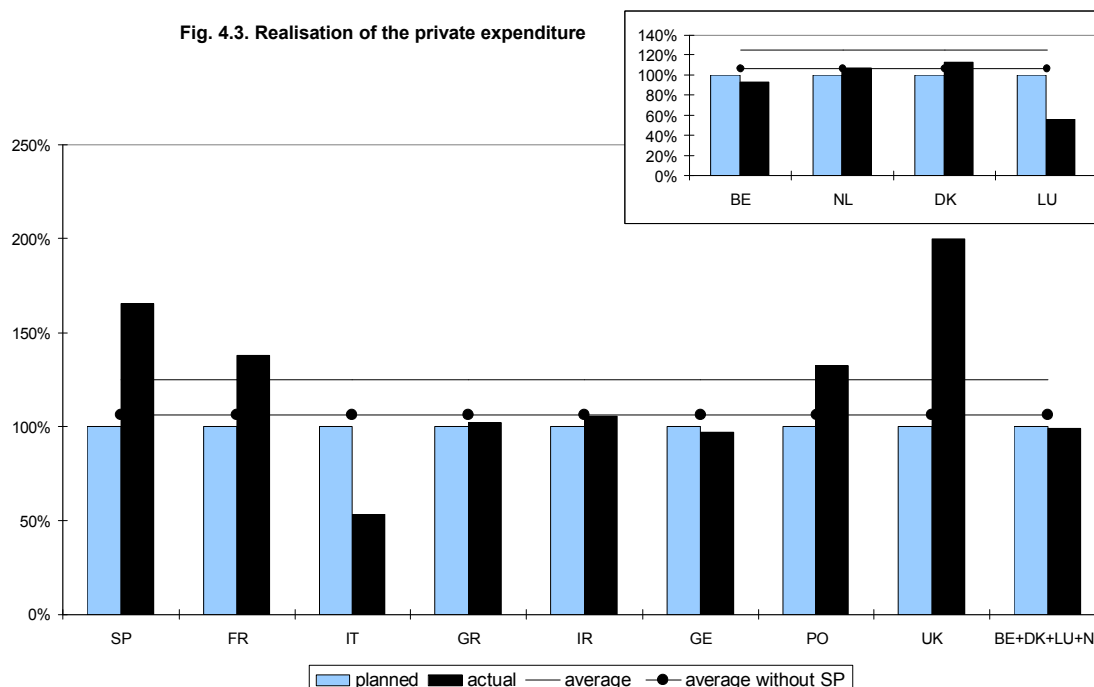
Fig. 4.2. Repartition of the sources of funds by country (average without Spain)



- The highest financial contribution to the Initiative is the coming from the Member States (national and regional authorities), with an average of 34%. The amount invested by the Member States is important in the small countries (BE, DK, LU, and NL) but also in Germany, France, England and Italy. In Portugal, the financing contribution of government was the minimum required and basically provided through services.
- The private contribution in the global expenditure of the LAGs is of 33%. The private contribution is especially high in Ireland. This reflects the high implication of the private sector – voluntary community organisations in 30% of the LAGs and local co-operative in an other 30% – in many groups where the leading partner was the private sector.
- The total contribution of the EU in the Initiative is of 33%. This contribution was the most important in Greece and Portugal, and slightly higher than the average in Italy. The two other countries including large areas situated in Objective 1 - Spain and Ireland - were also largely granted by the EU in the initial budget. But as the private contributions were finally particularly high, the proportional part of the EU contribution decreased.

4) Comparison between planned and actual co-financing per country

1-The private expenditures (Spain excluded) increased in absolute value (from 100 to 106%). This increasing is quasi general (with an important exception in Italy). It is especially important for the measures 4 (SME), 5 (local products) and 2 (training and recruiting).



General comments :

The private contribution was especially high where the Government stimulated the private sector to take part in the Initiative. In Ireland, 55% of the funding was due to the private counterparts), and in England and Wales, it was up to the double of the planned one. But it also unexpectedly increased, as in France and in Portugal (+ about 40%):

Detailed comments :

- In England and Wales, the importance of leverage in private funding came from professional unions, associations and community groups, which were key participants in 50% of the cases.
- In Ireland, the Government stimulated private investment through either the local Chamber of Commerce, a group of local business people or a large co-operative.
- In France, *communes* and *departments* mainly invested in tourism, enterprises in the support of local agriculture, craft enterprises and small firms and non-profit associations in the collective and social services
- In Luxembourg, the involvement of the private sector consisted more in time than in money. It was difficult for the LAG to raise both the national and the private contribution.

2-The contribution of *the national counterpart* is (without Spain) 123% of what was expected, thanks to an important increasing of these counterparts for the measures 3 (rural tourism).



General comment :

The national or regional counterparts were higher in the Northern countries than in the Southern ones. In some countries, the planned budget was exceeded, mainly France (152%) and Germany (175%).

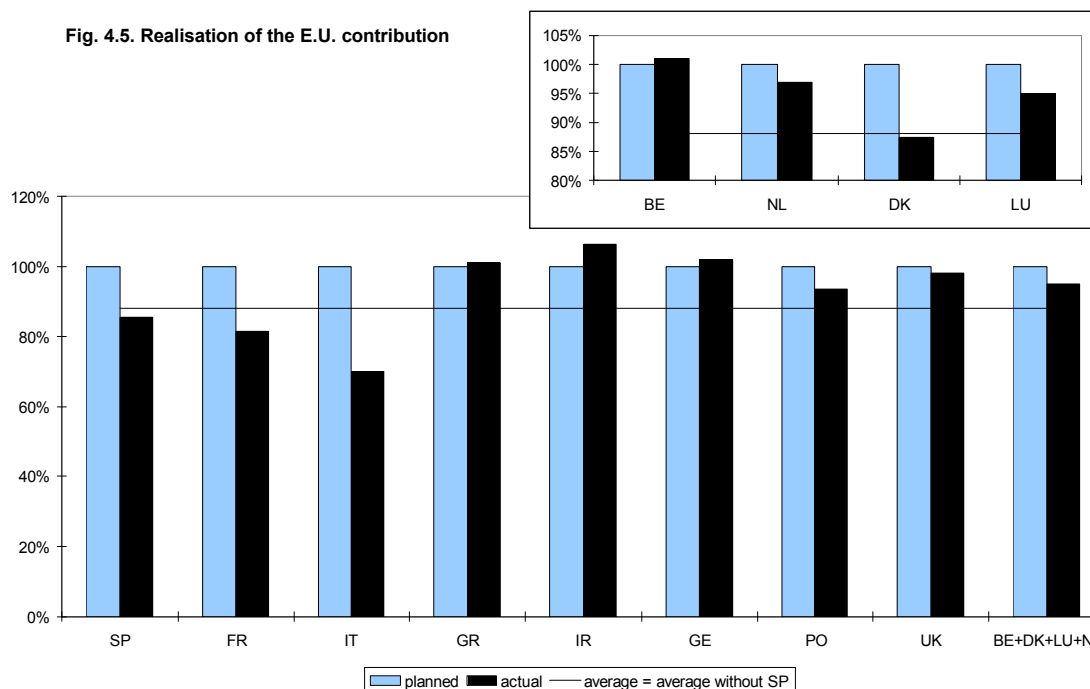
Detailed comments :

- In Germany, the financial decision competencies have been taken on charge by the regional level. This type of co-operation between local actors and local and regional administration levels touched the tension area between private and public interests. Therefore, a very high share of the total cost was dropped upon public infrastructure investment. Their impact on the private investment activity came in principle only with a certain temporary delay.
- The realisation rate of the national contribution in France is about 152% and was coordinated by the CNASEA. As the realisations were higher than the planned in many groups, the cost-overruns had to be taken in charge by the local, regional or national authorities. These overruns came from:
 - *the success of the measure,
 - *the nature non-eligible for the EU of some actions,
 - *from the devaluation of the ECU.

3- The contribution of the EU is less important (89%) than forecast. The reduction concerns especially the measures 2 (training and recruiting), 5 (local products) and 4 (SME). However, measures 3 (rural tourism) and 7 (LAGs) are quasi unchanged (respectively 94% and 102% of the forecasted budget).

The contribution of the ERDF is 93% of the planned one, 86% for the EAGGF and only 74% for the ESF (which is understandable according to the weak rate of expenditure of measures 2 - training and recruitment).

This reduction can be explained by the fact that the contribution of the EU is fixed and any cost excesses have to be taken on charge by the counter-parts. The contribution is also weaker than expected partly due to the devaluation of the ECU and partly because some actions happened to be non-eligible to the EU co-financing.



Four countries show an EU contribution slightly higher than expected. As this is not possible because the EU contribution is a funding ceiling, these small differences are only the result of some variations in the exchange rates.

In Italy, the important reduction of the EU contribution is mainly due to the lack of expenditure of the LAGs.

CHAPITRE 4.4.

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4.4. Assessment

4.4.1. Contents: key issues for assessment

The following “key issues” were indicated in the methodological report among the main objectives of our evaluation and have been used as questions for our evaluation.

1. Global allowance

The evaluation should assess if this mechanism really contributes to a simplification, and if it ensures greater flexibility to the groups than an implementation of a *classical* mechanism of financing. This encompasses the funding schedules and the delays in actual delivery.

2. Accounting and control

Although LEADER I had put emphasis on simplification and flexibility, this did not imply that there should be less transparency concerning the accounting and the control of the spending of funds. The ex-post evaluation will have to analyse, what has been the rules and mechanisms established for accounting and control at the various levels, and how have they been applied in practice to assess whether the sincerity of the accounting and the effectiveness of the controls were satisfactory.

3. Co-financing

The evaluation will examine if the repartition of the EU budget among the different countries and LAGs involved was effective and efficient, i.e. appropriate

- to stimulate the member state to co-finance the initiative
- to give each country a fair chance to experiment the local bottom-up process
- to provide the LAGs (and the other actors : IOs, AEIDL) with the necessary financing resources to implement successful business plans

The evaluation will also analyse if there happened to be difficulties in ensuring public co-financing. It should also be assessed if the availability of matching funds had an influence on the execution of the original plans.

It will also be assessed, since LEADER I has put particular emphasis on mobilising local actors for rural development, to what extent this has led to financial commitments by the private sector.

And the leverage effect of LEADER I will also be appreciated.

4.4.2. Implications for the assessment of the lack of reliability of the financial data

As mentioned in chapter 1 (paragraph 1.2.5.), heterogeneous sources and difficulties in data collection had important implications for the elaboration and assessment of financial information. The evaluators had to work with uncompleted information, contradictory figures. Consequently, we checked several times the figures we decide to use, and discarded the ones which were not reasonably sure.

At the closing date of our financial data collection, September 1998, the accounts of LEADER I were still incomplete. All these facts have had relevant implication for the quality of the analysis that could be undertaken, but are also to be taken into account as a proof of ineffectiveness of the Leader I financing system.

For these reasons, the evaluation of the financing system and the financing realisations of Leader I will be based on

- figures of the business plans and of the balance between the EC and the IO,
- the answers of the interviewees, at the different levels, which are convergent enough to make the assessment possible.

As already said, it has not been possible to collect figures about the delays for the different payments among the three levels of implementation (EU, National/regional, local level).

4.4.3. Assessment of the Leader I financing system

4.4.3.1. Global allowance

1) Relevance of the mechanism of the Global Allowance

The Global allowance system aimed to facilitate the business plan management by the LAGs, thanks to an accounting structure as light as possible, and to a reallocation of funds as easy as possible.

As such, the needs for simplification and flexibility were confirmed by the LAGs. Whenever the system has worked effectively, it fulfilled them well. When it did not work properly, difficulties, sometimes important, appeared.

The choice of the global allowance as financing mechanism for Leader 1 was therefore relevant. The negative assessments of the system from the interviewees were linked to the implementation process (effectiveness).

2) Effectiveness of the mechanisms implemented

As each Structural Fund has separately managed the financing of the initiative, the expected global approach could not be implemented. This had many practical consequences on the functioning of the financing system, which have been managed as best as possible by the EC, national/regional governments and IOs, so that the negative consequences at the local level were limited.

a) Simplification

The simplification aim of the global allowance can be measured through the number of days it took from the LAGs request for funds (or decision notification) to the reception by the LAGs. Although, as most of the IOs and LAGs experienced major difficulties in providing us with these accounting dates, we had to assess it from qualitative data (information collected by the evaluators at national and local levels).

At the local level, for a majority of LAGs, during most of their activities, the global allowance aimed to a large extent its simplification objectives, regularly providing the LAGs with the money they needed when they needed it, without asking them much more than the basic project management tool they needed, i.e. the Business Plan.

Globally, the actual expenditure represents 106% of the planned ones, but the standard deviation among countries is from 68% (Italy) to 123% (France). This good performance reflects a minimum of effectiveness of the budgeting and the financing system of Leader I.

However, we have to point out important restrictions :

- 1) **Guarantees required by the Member State**
Where a Member State required guarantees of restitution of the tranches paid in advances and that it was not concerned with the major problems it caused to the LAGs (Italy), where speed and rate of expenditure were particularly low.
- 2) **Payment of the second tranche**
In general, LAGs which were the speediest to implement their business plans and to justify their expenditures had to wait several months or years for the slowest ones to get their payments.

3) Payment of the third tranche

In nearly all the countries, a “prefinancing” of the payment of the balance from the Commission (third tranche) was needed by the LAGs to allow them to fulfil their commitments to the beneficiaries. This “prefinancing” could be obtained in a majority of cases, frequently times thanks to the national/regional authorities, sometimes thanks to the local authorities and/or the LAGs chef de file. In the few cases where this “prefinancing” could not be organised, the long delays to get the final balance prevented the LAGs fulfilling their commitments to the beneficiaries

At the national / regional level, it appears that several Intermediary Bodies did not understand the three Structural funds system. Consequently, they did not split the amounts accounted per Fund and per measure unless they became aware that it was required, i.e. while asking for the balance. This caused important delays in the closure of the Leader I accounting.

At the European level, in spite of the very innovative character of the global allowance, especially for DG.VI, the design and the management of the financing mechanisms of the Initiative left many potential difficulties unforeseen. The lack of a permanent common interface among the national officers and among the three funds incontestably limited the circulation of information and slowed the capacity of reaction of the Commission, with the negative consequences at local and national / regional levels that we exposed above.

In conclusion, the simplification objective of the global grant was performed where and when Member State and Intermediary Organisms :

- set up an adequate structure, constituting a real interface between the three Funds machinery and the LAGs, and
- matched funding from their own resources to help start the investment and paying the beneficiaries at the end.

b) Flexibility

During the programmatic phase, the time allocated for the preparation of the business plans was extremely short, especially in the case of LAGs in areas where there was no previous experience with the bottom up approach. There was therefore an important need for flexibility in order to allow the Lags to correct the weaknesses of their Business Plans. This need has been generally and fortunately fulfilled.

This was an important contribution to the general success of the Initiative : if a possibility to correct the misjudgements of the design period had not existed, many groups would have been delayed in their action or unable to fulfil their projects.

We can therefore assess that the issue of flexibility was generally successfully implemented.

The Commission adopted therefore a very open and co-operative approach during the approval of the Business Plans -consistent with the pilot nature of the initiative- to help potential candidates to revise and adjust their business plans in order to bring them closer to the LEADER approach and revise their initial budgets. During the implementation, the delays to get the approval of the Commission also varied according to the reaction of the concerned officers. In general, these delays were reasonable (we only received information about one exception, in Wallonia).

In that matter, the role of the Member States was very important during the implementation, because they had to prepare the demands of budget reallocation for their presentation to the Monitoring Committee, The rigidity of the accounting procedures generated a lack of flexibility in several countries.

3) Efficiency

The lack of integration of the accounting rules and of their implementation (see following paragraph, 4.4.3.2) led significantly to reduce the scope of the global allowance as a simple tool which could make accounting easier for LAGs. Furthermore, it made it more complicated because it doubled the inefficiencies of the public administration to those ones attributable to the LAGs, amplifying rather than

reducing the complexity of the procedure. In the cases where both levels were efficient it produced at best double work.

Such a system designed at the European level and implemented to be simple and flexible had actually to be often “rescued” by other levels, or by the EC officers themselves, but working from the administrative usual rules. All these administrative burdens, multiplicity of taking initiative to solve the unforeseen difficulties and the conflicts among the different levels of implementation, generated an important waste of time and energy. To avoid the repetition of this waste was the aim of the national/regional officers and IO representatives who suggested to merging the three funds to simplify the reporting and to accelerate the payments.

This illustrates the **important lack of efficiency** of the global allowance system as it was implemented in the Leader I case.

4) Impact

At the level of the national/regional government and administrations, the frequent and significant support the authorities and their delegate(s) (Intermediary Body) received is a **demonstration of the success of Leader I** at the national/regional level.

Besides these unsolved difficulties, where some of the Member State considered LEADER I as a passer-by, the success of the implementation of the Leader I financing system could paradoxically result from an active involvement of the authorities, leading sometimes to power conflicts between the national and the regional level. In particular, this involvement manifested itself in the “prefinancing” of the EU payment of the third tranche (see above).

By extension, this reveals also the importance of the success of Leader at the local level : without a clear success of the LAGs and satisfaction from the local authorities and population, the national/regional level would not have taken the risk to increase its intervention in Leader I, leaving the failure with the members of the LAGs, and the European Union.

On the other hand, in the few cases where this support was weak or absent, the balance delay indisputably soiled LEADER I enthusiastic memories and consequently also badly influenced the Commission image at the local level (ineffectiveness and bureaucracy).

At the national/regional level, the additional administrative burdens brought by the unclearly announced requirement to share out the final accounts according the three funds eligibility criteria left to many IO and administration officers a still very fresh taste of administrative weight and rigidity, which was exactly what the global allowance intended to avoid. As one of the interviewed officers said "Inadequacy between the communication of the EU and the structural funds mechanisms: “the EU should not promise a global grant which it does not deliver”.

5) Value added

Probably thanks to the implementation difficulties of the global allowance, whose principles were positively welcomed, this system is now often perceived as a bad example of management practice. Furthermore, it is rather rejected by an important part of the civil servants both at European and National levels, for it raised too many questions and generated too many extra work and delays.

The lesson learned by most of the Leader I interlocutors at the European and National/regional level is probably that it is not possible (even harmful) to try to simplify and to improve the flexibility of the administrative rules and behaviours, especially for an EC Initiative, which always mobilises few means, in comparison with the mainstream investments.

However, global allowance for Leader I was certainly very ingenious, because it was an answer to a fundamental need of its beneficiaries, namely the LAGs. It is very probable that, if a purely traditional way of financing had been implemented, it would have generated as many difficulties for the national/regional administrations, but above all at the level of the LAGs, which had rarely enough means and experience to fulfil the requirements of an usual financing and administrative system. Furthermore, the business plan system – and spirit – would not have been possible in a classical

administrative framework : the responsibility, the autonomy, the entrepreneurship of the LAGs would have been deeply affected without the global allowance.

4.4.3.2. Assessment of the accounting and control system

1) Design and implementation of the rules for accounting

The official documents (Notice to Member States, Guidelines for the IOs) give the general principles to be respected for the financial management and control of the Initiative, but do not systematically describe the procedures (what should be done and how), neither do they compare the Leader I organisation with the usual procedures for the management of the Structural Funds.

Our interviews made clear that the interlocutors at every level understood differently the requirements of the Notice and of the guidelines to the IOs.

Besides, IOs were considered by the Commission as bodies of the public administration, having an experience of working with the Structural Funds, and therefore knowing which actions were eligible for funding and which actions were financed by each fund – which was not the case for many of them. Many IOs considered the LAGs as public bodies, having an experience of accounting and of reporting to the EC, which was not the case.

As a result, the accounting was held a recording system of the expenses, but did not allow the imputation of these expenses among the actions eligible for each Fund. Furthermore, due to the temporary character of the Initiative and of its financing system, the track of much information after the end of its implementation was very difficult and sometimes impossible. The mere fact that throughout the work of the ex post evaluation it turned out that it was impossible to consolidate the financial data of the whole initiative indicates that accountability was, especially in some cases, difficult to verify.

The responsibility for this is not entirely attributable to the financial regulations at EU level: the inexperience of LAGs and the sometimes conflictive situation created between LAGs and regional administrations which had not been involved in the initial phases of the initiative (selection of groups, participation in monitoring committees, co-financing decisions) also prevented the actors from creating a co-operative attitude in order to co-ordinate financial and administrative management at the three levels.

2) Evaluation of the regularity of the accounting

As far as we could check it (and this evaluation was not an audit), the Leader I accounting was regularly held at the different levels. However, it was not everywhere in compliance with the specific accounting rules of the Structural Funds, especially the requirement of imputation of the expenditures Fund by Fund. As we have already pointed out, this had many negative consequences on the delays for the payments to the LAGs and sometimes to the beneficiaries.

Evaluation of the transparency of the accounting (effectiveness)

At the European and national/regional levels, the frequent absence of tracks of the accounting complicated the data collection and the incoherence of the imputation limited their possible exploitation for the evaluation. The following lacks of reliable information prevented us consolidating the financing results of the Initiative, and to make some consequent analyses :

- at the last closure date of our data collection (Sept. 98), several groups had neither closed their accounting for given their final balance, and the dates from some countries were still to be checked by the Commission,
- the sharing out of the expenses according to the seven categories of eligible measures was not available for many of the groups,
- the imputation of the actions in the categories of measures defined by the Notice to the Member States have not been applied according to the same criteria,
- the sources of the funds were not classified according to the same criteria (e.g. : in Spain the co-financement of the Region was classified as private sector contribution).

At the local level, as it was shown in the analysis, the fact that the great majority of LAGs had the membership of some body of the public administration and moreover that some Intermediary Bodies

kept the treasury functions for the Initiative within the public administration (for example in France), made the procedure extremely complex and not always transparent.

4) Evaluation of the efficiency of the accounting

As already stated above (§ 3) Efficiency of the global allowance), the complexity of the system, the lack of structure given by the Commission to the financial management of the Initiative at its different levels of implementation generated an important administrative burden, and therefore a waste of energy for many accountants and managers.

This lack of efficiency was probably the worst achievement of Leader I.

5) Evaluation of the effectiveness of the financing control

Controls had to be made by the Member States, according to their specific auditing rules and procedures, They were therefore implemented in very diverse ways among the countries, sometimes by the IOs, sometimes by other public bodies.

The Commission also made some direct controls, when it had some reason to suspect irregularities. Except at the very beginning of the Initiative, we did not collect any information about important irregularities and had no reason to suspect that the absence of a systematic control of the accounting of the groups and the IOs has given arisen to significant frauds. We were not allowed access to the reports of the controls we asked for.

However, the poor reliability and comparability of the data are due to the absence of systematic and integrated controls. If such controls had been made at the beginning of the implementation, they would probably have pointed out the risks of the accounting system.

4.4.4. Assessment of the financing realisations

As we showed above (Chapter 4.3), the importance of the budget and the sharing out of the contribution of the EU among the Member States are very different from the Mainstream to the Initiative Leader. We shall appreciate the relevance, efficiency and effectiveness of the EU investment in comparison with the Mainstream, taking into account the specificity of Leader I.

4.4.4.1. Evaluation of the relevance of the importance of the EU support.

1) Relevance of the importance of the global support

The role of the programmes and the contents of the measures are different. Leader had to explore, experience and disseminate innovative ways of developing the European rural areas. The Mainstream actions aimed a mass effect in terms of development.

It is therefore relevant that the budget of the Mainstream is more than a hundred times higher than the Leader I budget.

2) Relevance of the differentiation of the EU support according to the importance of the divergence of the countries from the Community average

Either in the Mainstream or in Leader, the "Objective 1 countries" proportionally benefited from a EU support proportionally higher than the support allowed to the "Objective 5B countries". This seems relevant, as the "Objective 1 countries" are the most divergent, and therefore their National authorities have less resources to finance their contribution.

4.4.4.2. Evaluation of the efficiency of the investment of the EU

1) Support per country

The Mainstream invested proportionally more in the “Objective 1 countries” than Leader excepted for Spain. In the “Objective 5b countries”, the main difference is the investment in France, which represents 4% of the Mainstream, while it is of 20% of the budget of Leader.

It is relevant, for an Initiative of rural development as Leader I, to give more interest in Objective 5b countries.

2) Support per inhabitant.

- The total contribution of the European Union is for Leader of 364 MECUS. For the Mainstream, it is of 46 050 MECUS. This means that the EU contribution to Leader represents only **0.79%** of the EU global contribution to the Mainstream.
- In average, the EU invested in Leader 36.59 Ecus per inhabitant, while it invested in the Mainstream 483.44 Ecus per inhabitant in the Mainstream. The investment per inhabitant by Leader is then **7%** of the investment per habitant done by the Mainstream.

Proportionally to the EU global budget, Leader invested ten times less per inhabitant than the Mainstream. This was pointed out by several IO or Member States representatives, considering that the efforts done by them and by the LAGs were useless, taking into account the lack of critical mass of the investment. This was contradicted by the facts (see Chapter 2).

We find in this important disproportion an evidence that, for the “software” measures in rural development, the bottom-up approach is really efficient compared to the top-down approach.

3) Financial leverage

The planned averaged rates of contribution of the EU in the Structural Funds Mainstream financing and of the Leader financing are the same (38%), for the whole and for the Objective 1 countries (44%). They are less important for the Objective 5b countries (29% for Leader, 33% for the Mainstream).

As the real contribution of the EU was 90% of what was planned, and that the total expenses were 104,7 % of the planned ones, the actual contribution of the EU in the financing of Leader I is very inferior : 33% for the whole Initiative, and 24% for the Objective 5b countries.

The analysis of the rates of expenditure shows that actually

- the Objective 1 countries just spent their budget (this was influenced by an Italian rate of expenditure of 68,6%), when
- the Objective 5b countries spent 121,5% of their budget (France, Germany and the UK spent more than 120% of their business plans).

The important decreasing of the EU actual support compared to the planned one means that the contribution of the other public and of the private investors increased (respectively of 148 and 124% of the planned shares). For some countries, the leverage effect was particularly important. This is the case for example of Germany and France, where the EU finally only supported 23% of the total expenses.

This shows a better result for Leader in terms of financial leverage of the EU funding, which is to be linked to the success of a high number of LAGs. One can also point out that the Mainstream has to finance important investments in infrastructure, which is not the case for Leader. Usually, the investment in infrastructure are not providing a financial return, and for that reason are not supported by the private sector. This partly explains that the private contributions were a more important financing source in the Initiative Leader than in the Mainstream.

In terms of investment and in terms of leverage effect on the other public funding, we can positively assess the effectiveness of the EU support.

4.4.4.3. Evaluation of the effectiveness of the EU financing support

1) Stimulating the co-financing of the Initiative

The co-financing of the Leader Initiative from the national/regional authorities was easy to obtain, except in Italy and Luxembourg. The distrustful attitude of the governments of these two countries was confirmed by other feed-backs, notably the fact they also were the ones who finally spent the least. This general attitude was more linked to the innovative character of the bottom-up mechanisms introduced by Leader I than to the importance and the distribution of the support of the EU.

This budget was also well balanced among the 12 countries. In general, the rates of expenditure were satisfactory, which demonstrated that the budgets allocated to the groups were sufficient, and when it was not the case, the origins of the poor realisations were linked to the availability of the funds, not to the importance of the budget.

One can therefore assess that the budget planned by the EU was sufficient and well distributed in order to obtain the necessary counterparts to reach the amounts required by the LAGs.

2) Providing the LAGs with the level of resources they needed

The importance and localisation of the eligible areas and the selection of the business plans resulted primarily from the choices of the Member States and secondly of the Commission. This procedure led to a real implication of many national/regional authorities, which partly explains that, when necessary, those authorities often provided the LAGs with a complement of budget and/or with “pre-financing”, in order to allow them to fulfil their obligations, especially towards the beneficiaries.

The “demonstrating effect” of Leader I was linked to the ability of the LAGs to fulfil their objectives, to generate a sustainable dynamic of local development, and so to convince authorities of the interest of a bottom-up approach.

This could not have happened if each LAG had not had its disposal a sufficient capacity for investment. Chapter 2 and 3 establish that, in many cases, the necessary elements for this demonstrating effect were present, which means that the financing resources of the LAGs were sufficient.

It is interesting to point out that, if the European average of the LAGs’ expenses is of about 5,3 MECU, some LAGs could manage with half of it (UK average : 2,85) or less (Luxembourg : 1,82¹), when the results of those LAGs were considered as favourable to more favourable than the European average.

4.4.5 Conclusions and recommendations about the financing of Leader I (system and realisations)

The global allowance, even with the implementation difficulties it caused in the Leader I case, is a financing system which is essential to the success of a local development approach based upon a bottom-up process. It would therefore be useful to implement a global allowances systems in the future, but in a way ensuring a larger effectiveness, a better efficiency and a positive impact for the EU image.

Concerning the financing system, the implementation of the following recommendations could avoid the traps into which this first experience fell.

- Before implementation, an open ex ante evaluation should be conducted. It definitely would implicate the financing managers of the concerned structural funds, the ministries and other administrations which have to be the first users of the system. Such preparation should allow the Commission to take into account from scratch all the administrative mechanisms and practical difficulties it was actually not possible to by-pass in the Leader I case.

¹ In this particular case, the weak rate of expenditure partially explains these low expenses, but also the fact that the business plan was partly managed in close synergy with the Objective 5b.

- At the beginning of the implementation, a “vademecum” containing common standardised procedures and monitoring practices, should be drawn up and widely distributed, to serve as a framework of reference for the financing managers, at least at European and national / regional level.
- During the implementation, some common indicators should be implemented at national / regional level, and consolidated at the European level. These indicators, plus the financing data available at the three funds level, should be integrated in a database, designed and managed to provide regular information to the responsible officers. A co-ordinator of the Initiative financing management should be entitled at the Commission level, to centralise and spread out information on the financing system functioning, to suggest preventive actions for potential difficulties and to propose general solutions.

Concerning the accounting and control system, we recommend

- to make clear the criteria of distributing out to the funds in the countries, to improve the transparency of the financing of the Initiative,
- to require a minimum accounting structure to every IO and LAG, to ensure that the necessary data will be provided and will be comparable among them,
- to require a minimum co-ordination of the controls, to motivate all the participants to respect the rules of the Initiative.

Concerning the distribution of the funds, the major difficulties in the implementation of the Initiative being at the level of financing management at all levels, it can be assumed that the budgets allocated to this management (including the preparation and the leading of the Initiative as a whole) were insufficient. We recommend therefore that in the future, for such innovative, decentralised and complex development programmes, the Commission plans the necessary financial means to allow sufficient investment of all the partners in the design, the organisation and the correct implementation, monitoring and control (the measure 7 allowed the LAGs to hire the necessary resources to the support of their own management).

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Chapter 5 - Main conclusions

5.1. The starting point of the ex post evaluation

The ex-post evaluation of LEADER I has been a quite unique exercise realised under very particular conditions because:

- it referred to a pilot, experimental EU initiative that aimed at having a demonstration effect,
- even if designed at EU level it allowed ample room for decision making to other stakeholders (national/regional administrations and local groups),
- it introduced unique and specific aspects (themes and key issues in our methodology) which became the distinctive characteristics of the initiative and were supposed to modify significantly the previous approach to rural development policy (method) and the nature and interrelationships between actions (measures),
- there were 217 local plans to evaluate, each with its own objectives, strategies and actions which somehow had to be aggregated, compared and evaluated at European level rather than at the individual one,
- the unique aspects introduced by LEADER (the Local Action Groups, the bottom up approach, innovative actions), which were meant to demonstrate the success of the new approach, had not been defined operationally *ex ante* and there was no agreed methodology on how to evaluate their influence on actions and results,
- no evaluation requirements were implemented; therefore, in general, business plans did not contain quantitative indicators to measure achievements; only some countries and groups, on a voluntary basis, carried out evaluations,
- no comparable data was available on achievements and financial expenditure for the different institutional levels; therefore no consolidation between groups and or countries was possible,

The evaluation work under this conditions was complex and became a challenge on several fronts (methods, concepts, development policies, institutional analysis, collection of comparable data) and could get little support from previous experience.

As a result of these rather unique set of conditions (which are likely not to repeat themselves), the *ex-post* evaluation tried:

- to homogenise the quantitative and qualitative information required from all groups with common questions and indicators (the Q217 grid and the Q50 questionnaire) for the local level,
- to analyse the different ways in which Member States had interpreted and implemented the initiative through the chosen Intermediate Organisations (Q N/R and country reports) for the national/regional level and the role that the EU level played in the initiative (interviews to officials and LEADER Co-ordination Unit);
- to realise in practice two parallel evaluations: the first, more quantitative, following the general guidelines and procedures indicated for all Structural Fund Spending (ex post reconstruction of indicators of result and impact); the second considering the influence of the unique aspects introduced by LEADER;

- to aggregate data and results at European level in order to have a coherent overall picture of the initiative.

The reader will not find here a conventional evaluation precisely because of the multiple challenges the evaluators had face simultaneously. The homogenisation of information through a reconstruction of the information *ex post* is not an entirely satisfactory approach, but it was the only feasible one: the incompleteness and inconsistencies found limit the significance of the quantitative evaluation, especially in terms of financial indicators and limit the utilisation of the evaluation within an accountability rationale. The results represent the best that could be obtained with available data, and, in our opinion, they are quite interesting and satisfactory not only for the physical and impact indicators of measures, but also for allowing a European perspective on the initiative, for attempting to include the role of different institutional levels and the innovative and experimental aspects introduced by LEADER.

These require further work both conceptually and methodologically and could certainly improve with a better quality of information, homogeneous, collected periodically during the implementation process, in the same way that it is done for conventional indicators.

The conclusions will consider:

- the evaluation of conformity with the requirements of the initiative (5.2),
- a summary of the results and impact at local level in terms of quantitative indicators by type of measure (5.2.1) and in terms of the unique aspects introduced by LEADER and their value added (5.2.2),
- the implementation of the initiative by the EU and by national/regional administrations (5.3)
- the impact of networking at European level (5.4)
- the achievement of the general aims of the initiative:
- the demonstration effect
- a new approach to rural development
- lessons from the evaluation (5.5)

5.2. The conformity to the requirements of the initiative

The LEADER Notice indicated a certain number of requirements, established at EU level, which had to be implemented by the Intermediate Organisations chosen by Member States and the Local Action Groups. A first task of the evaluation is therefore to verify the compliance with these requirements.

The C.I. mentioned the following requirements :

- a selection of Local Groups on the basis of national proposals;
- a set of procedures for the selection of LEADER areas;
- indications about the elaboration of business plans;
- indications about the role of the Local Groups
- the participation of Groups in the European network supported by the Commission;
- some requirements for the administrative and financial management of the Groups;
- a timing for the realisation of the business plans;
- the financial contribution of Member States.

For each of these requirements the evaluation has arrived at some conclusions which will be summarised below. Only the more formal aspects will be considered in this section (5.2) with the aim of assessing their conformity. In the following section, those issues which have been considered as key and unique aspects of the C.I (and coincide with some of these requirements - the Groups, the areas, networking, financing-) will be evaluated in their results and impact (5.3).

In general terms, the motivation of the Commission for introducing these requirements is not always explicit in the official documentation (why was it important to have a small area? why was it

necessary to have a Local Group?, why should participation in the European network be important?). Furthermore the above mentioned requirements are so open and all-inclusive that in fact they do not discriminate significantly against any situation. It has therefore been relatively easy not to comply with such requirements.

5.2.1. The selection of groups

On the basis of the national evaluators' reports and the sample of interviewed LAGs (Q50), there is evidence that in most cases there was a real competition in the selection process for the designation of Groups. The most frequent procedure was to have an open call for tender, on criteria established at national level. After the Commission's evaluation and the strong pressures coming from the Member States for an enlargement of the eligible groups, 217 Groups were chosen, more than double those originally intended (about a hundred projects).

The process of selection, regardless of some doubtful individual cases, should be considered a positive aspect of the implementation and followed the requirements established in the Notice in its very open criteria. A very wide variety of Groups was selected, ranging from private to public and mixed bodies and giving heterogeneous degrees of guarantee of solvency, administrative ability, local presence and participation of leading local figures.

The fact that there was a two-step selection, first at national and then at EU level made the procedure long and sometimes with divergent criteria. This negative aspect was balanced by the wider opportunities of selection that this method of selection created. Some groups appeared closer to the spirit of the initiative as perceived by the Commission services and others to the understanding that individual Member States (not necessarily similar in each case) had made out of the Notice. The enlargement of selected Groups is probably due -among other things- to this two-step procedure and the heterogeneity of groups which of course influenced results.

The participation of the Commission in the selection process was perceived negatively by Member States. This is justifiable on the basis of the subsidiarity principle. In fact the multiplicity of decision making institutions turned out to be a form of 'check and balance' for insuring a certain homogeneity among groups, a closer conformity to the spirit of the initiative and allowed the participation of groups which did not have any political backing at regional or national level but had produced good plans. This obliged every partner to behave in a more responsible manner knowing that its own decision would be subject to discussion with the other stakeholder.

The selection of Groups and of the LEADER areas were closely interrelated: an enlargement or restriction of the area usually had as consequence the modification of the group's horizontal partnership. Many adjustments of the groups (with consequences for the areas and plans) took place during the negotiation procedures with the Commission's services and the Intermediate Organisation, after the selection. This was an extremely positive experience for all those involved since it became an opportunity for a better understanding of "the rules of the game" and positions held by the vertical partnership.

The selection of Groups was one of the most sensitive and political aspects of the initiative since in most cases it implied the creation of a new local actor with resources, legitimacy and decision making power. This strengthened an already existing, or created an *ex novo*, local level of governance.

Recommendations: the selection of groups and plans should be made at the lowest competent public administration level, however the presence of different stakeholders at some stage in the selection procedures is a positive factor to insure a check against too strong political influence (if LEADER remains as a EU initiative). This does not necessarily have to repeat the two-step process of LEADER I but could consider a joint selection, which would also have the advantage of

shortening the time needed for selection. Furthermore, as shown below, mixed partnerships (public and private) should be clearly privileged in relation to exclusively private or public ones.

5.2.2. The conformity and pertinence of the areas

If we compare the ideal population of the areas indicated by the Notice (between 5.000 and 100.000) with the effective population of the selected LEADER areas, we find only two cases in which the population was smaller (Luxembourg, Lu. and Magnoac, Fr.) and 14 cases in which it was larger (Thessaloniki, Gr. with almost 200.000). This means that the great majority of cases the areas chosen conformed to the required limits.

Most (62%) of the LAGs indicated that the size of the area was adequate. Those who had objections indicated the need for larger areas and/or population in order to be able to generate development with their own resources (intended as human, economic and financial), while only a small minority argued for smaller areas as more adequate for a programme such as LEADER.

It may be argued that the 100.000 threshold was too large, given that LEADER was addressed to low density areas. There are no clear arguments in favour of this position: in fact LAGs needed a minimum critical size in order to justify the presence of an animation staff and a business plan of some significance, which argues in favour of larger areas; on the other hand the need to insure a good participation and interaction between local actors, argues for a smaller threshold. In practice, in the larger areas the participatory approach was more often not implemented (without feeling that this was necessarily a negative result) or had sectorially specialised plans which reduced the effective target population which participated.

But the contradiction between population size and participation of the population is not the only one that has influenced our judgement on the pertinence of areas. The majority of groups complained that their areas were too small, lacked critical mass of economic actors and resources to be able to pursue a competitive development. From this perspective the conclusion would be opposite to the one just mentioned and would suggest the requirement to enlarge the areas in order to achieve the required critical mass.

This means that the optimal size of the area is related to the main problems addressed by the business plan: when the internal social cohesion and identity of the area needs to be strengthened, the smallness of population size is definitely an advantage. Many LEADER areas lacked this coherence when they were initially delimited: certain small towns and urban centres were excluded, many areas resulted from successive aggregations of 'pieces' without any justifiable logic; political pressures to include or exclude parts of the areas were often reported. Many areas did not comply with the requirement of having areas smaller than the NUTS III level, thus generating confusion between different planning levels and blurring the concept of local development (this was the case of LEADER areas coinciding with objective 5b areas).

However if the problem of the area is defined less on social, participatory, cohesion terms (because such cohesion already exists) and the objectives of the plan are defined in terms of achieving economic and social competitiveness, more intense exchanges between the local and the global markets, then the smaller sized areas become a problem and larger areas become more efficient. Again some (a minority) of LEADER areas were in this situation. It was observed that sectorially specialised business plans tended to prefer larger areas while this was not true of well diversified plans.

Recommendations: the main problems addressed by the plan should be considered in order to define the optimal size of areas; some criteria which account for the possibility of attaining a critical mass of resources (financial, human, economic) with the planned actions (such as number of

producers and size of markets) should be incorporated; and practices of cutting out portions of a territory (such as small towns) in order to meet quantitative population requirements should be avoided; if the NUTS III area is small (for example an island) there is no harm in the coincidence between the LEADER area and these areas. Areas which have already been successful as project areas, should be favoured.

5.2.3. The quality of the business plans

The business plans produced by groups should have been elaborated at local level, follow from a preliminary diagnosis made with the participation of social and economic interest groups, reviewing strengths and weaknesses, constraints and opportunities of the area and identifying coherent actions in a multisectorial and integrated approach.

The analysis of the business plans (mostly from the 50 sample and the National Reports) is consistent in attributing to the short time available (6 months) for their elaboration the main reason for their weakness. For the same reason their preparation was often realised on the basis of already existing local plans, with the assistance of the public administration or private consultants, and very generically constructed. Local actors and the population did not participate in most cases during this preparatory phase.

The initial quality of the business plans has been evaluated in general as not of very satisfactory by most respondents, only 40% were based on a participated diagnosis, objectives were generic and not linked with the actions, innovation was a vague concept assimilated with the mere participation in the LEADER initiative. There is plenty of evidence that many plans had to be revised significantly, often with the help of the Commission services. Some of the innovative actions had also to be deleted because they were not eligible. Furthermore, during the implementation phase, an even more significant reorientation of actions and sectors took place, which is evidence of flexibility but also of a weakness in the initial programming.

From an evaluation perspective, the plans did not always meet the multisectorial requirement, understanding this in terms of presence of actions in the different sectors of the economy (agriculture, crafts and SMEs, tourism, services). When this happened it was more often the case that the plans were an assembly of different projects, trying to respond to the demands of different partners rather than having an integrated and global character (a linkage). The tools available to verify the linkages among sectors were poor. Furthermore, the accounting procedures and the lack of effective integration among the three Structural Funds weakened and discouraged multisectorial approaches while at the same time contradicted the logic of the global allowance.

Integration, differently than multisectoriality, refers to a wider and all-inclusive concept, measured in terms of co-ordination between actions, public agencies, partners, beneficiaries and other programmes. This was rarely anticipated or explicitly stated in the plans.

Many programmes were constructed around one main strategic axis. The most frequent was rural tourism. In fact, the "linkage among actions" has been certainly easier to achieve than multisectoriality and integration, particularly in thematical programmes (one main theme or product -for example "le pays Cathare" in France, or the saffron of Kozani in Greece-), around which all the actions of the programme were organised.

The similarity and concentration of actions in rural tourism, in widely different contexts, suggests the lack of effective coherence between the results of the territorial diagnosis and the actions as well as the modesty of the predominant understanding of innovative actions. Many plans had a "residual" character, defined by what could be done with resources allocated to other programmes, and what was possible to do with previously existing policies at local level. This delimited concretely the meaning attributed to innovative actions.

National policy practices became the reference and a determining factor in explaining the quality of the business plans: where there was a previous experience of local development, the business plans were better understood and of a higher quality while this did not happen when LEADER represented a first experience.

Recommendations: The time for the elaboration of business plans should be longer; particularly in case of no previous experience with participatory approaches; the provision of more technical/expert assistance and a two steps approval procedure should be required, one for the elaboration of the business plan and the other for its realisation; the flexibility to adapt actions during implementation should be maintained but requiring also the re-elaboration of the objectives, strategies and indicators of the plan; specialised assistance should be provided for the weakest aspects: such as, innovation, multisectoriality, integration, networking, gathering relevant information, (workshops, expertise, etc....); create libraries of best practices of BP differentiating first experiences from others.

5.2.4. The characteristics of Local Action Groups

The Notice still refers to "Groups", indicating that they should be local and in association, the term Local Action Group appeared later, during the implementation. Local actors who become members should be representative of the local economy and society . Groups are identified in extremely generic terms in their composition, juridical nature, the meaning attributed to the partnership arrangement and representation within Groups.

As mentioned in 5.2.1 above, the evaluation acknowledged the extreme diversity of situations that such an open definition of groups allowed and which was fully utilised by the Groups. Within such situations the participation of local authorities (Communes, Associations of Communes, Districts, Departments, Comarcas, Public Development Agencies, other forms of local zoning) was often predominant in relation to private and voluntary associations, professional organisations, representative bodies of economic actors. The predominance of private interests was less frequent. Well balanced, mixed private/public Groups proved to be the most efficient and effective in their results and impact (see also below).

The flexibility allowed was undoubtedly positive given the pilot nature of the initiative and the need to adapt to very different national/regional legislation's and situations. However more precise requirements and specifications of what was expected from the Groups would have contributed to avoid unnecessary mistakes in their constitution without restricting their flexibility. The confusion about the participation in the Groups of individual rather than collective interests generated problems of transparency among the final recipients of aid (those who were members and those who were not) as well as the precise function of the Groups (distributors or recipients of resources).

The new decision making capacity attributed to the Groups did not express itself at its best in the elaboration of the business plans. However in the animation and management function during implementation the Groups improved significantly, often consolidating their recognition and legitimacy as local counterparts in the perception and decisions of external stakeholders, for matters which bypassed the implementation of LEADER.

The local Groups undoubtedly represented the most innovative aspect introduced by the LEADER initiative, much more so than the participation of local actors or the innovative character of the actions foreseen in the business plans. This happened regardless of the efficiency and effectiveness of the Groups but rather by the plain empowerment effect that their selection and delegation of functions had (the decision making capacity on actions and the allocation of funds) and which is at the origin of its great success. This was a source both of extremely innovative and positive behaviour in relation to previous forms of administering local development programmes but also a source of unaccountable decision making and poor results with weak external checks. Although the Groups have given a voice to local interests which were previously much weaker and isolated, and this has been extremely positive, it should not be considered that they do not need

checks and balances just as any other policy making body. LEADER I did not have such in-built checks and this became a negative aspect. The argument should be that precisely because Groups have demonstrated their strategic role in development, the quality of the partnership and management should be analysed as a specific aspect of the initiative. Systems of monitoring of evaluation of the Groups are still absent as a standard requirement today.

LEADER Groups, in the great majority of cases have overlapped the duration of the initiative either as continuing subjects in LEADER II or becoming the reference for national/regional policies of rural development (in Spain, Ireland). They have almost in all cases influenced rural policymaking procedures. This confirms the achievement of the demonstration effect, which was one of the objectives of the initiative.

Recommendations: allow flexibility of composition and juridical nature but foresee a higher score for mixed Groups; allow for the presence of non local partners if relevant, require explicit co-ordination procedures with stakeholders; define more precisely the functions of groups and make explicit what should be considered bad practices; elaborate monitoring and evaluation of the Groups as standard procedures parallel to those elaborated for actions; foresee the explanation of the functioning of LEADER groups to other local agencies and institutions.

5.2.5. The participation of Groups in the European Network

The requirement that Groups participate in the European Network supported by the Commission, in order to facilitate the exchange and transfer of information, experiences and services between Groups, has been only partially accomplished. The form and contents of this networking activity, initially conceived as a telematic one, never quite took off from the ground, due to a lack of participation and interest by the groups. As initially designed, networking activities were inappropriate to the characteristics and needs of the Groups.

The evaluation has surveyed the existence of a very wide variety of contacts and exchanges, from the bilateral communication to sophisticated network exchanges, only part of which passed through the European network. If we consider only these last form of exchanges, while some form of contact did take place with all the Groups (passive participation as recipients of publications), the effective participation in the activities organised by the LEADER Co-ordination Unit managed by AEIDL, did involve only a minority (less than a third) of Groups. The Groups, which were linked by a telematic network, having two-way exchanges were an even smaller minority.

Networking ranked very low among the priorities of Groups. This was due to the habit of operating within a context of face-to-face, proximity relations, the absence of national networks in most countries (Ireland was an exception) and the unreadyess of Groups to participate straightforwardly in a European network, the language difficulties, the perception of more acute problems in the administrative and management aspects of the programme, rather than in those related to its technical aspects. Part of the inappropriateness is probably due to the fact that local Groups did not understand fully the advantages that could be obtained from this activity beyond its public relation and travel aspects.

Faced with this "demand" the Co-ordinating Unit had to adapt successively their services from the original telematic intentions to more modest exchanges and provision of basic information. There is evidence that the publications were appreciated and considered useful even if they remained a one way flow.

Networking was not adequately defined in its objectives, motivation and benefits for the local stakeholder either in the Notice or in the subsequent adaptations when the telematic aspect was dropped. Networking as means of communication was confused with the role of co-ordinating and aggregating the demand and supply of goods, services and information's, that could be handled by

the Groups *through* networking. This would have been strategically important in areas characterised by low density and absence of a critical mass of resources.

Recommendations: more emphasis on the advantages and contents of exchanges, consider telematic communications just as one of the possible means in which networking can take place, survey more systematically the demand for services demanded by the LAGs and then confront it with the suggestions of the Commission and the Co-ordinating Unit, keep track and classify the questions received from Groups (not just the number of queries); provide reference services on various themes of common interest.

5.2.6. Financial and administrative management

Only in certain Member States there was an efficient financial and administrative management of the initiative by the selected Intermediate Organisation. This was only partially satisfactory in the opinion of Groups and the evaluators. The reasons for this are that the diffusion of the initiative and the selection process was done in many cases half hearted by I.Os, unsure about their effective role in the initiative and the influence of LEADER in the politically sensible issue of the balance of power between the State and Regional and local administrations. During implementation, the I.O's did not always have the knowledge and the practical experience necessary to provide good quality information on its operation (for example on eligible actions, on the allocation of the expenditure to one of the three Funds, on more precise guidelines on issues left vague by the Notice), especially if rural and local development policies were not part of the administration's previous experience. I.Os were too distant from the local level in most countries, and meetings were very far apart. This was considered an advantage by some Groups because it allowed more autonomy; in the end however, it turned out to be a great handicap because problems were solved too late and when the mistakes had already been made. Finally some I.Os considered the initiative too small and irrelevant because of the reduced number of LAGs (and consequently of funds) to be administered (in small countries) or in relation to CSF expenditure (larger countries, mostly objective 1).

The lack of experience and capacity for technical assistance of I.Os, especially where the approach was more innovative (objective 1 countries, with the exception of Ireland), redirected most of the queries and points of clarification to the Commission services; these found themselves with an unexpected demand for information which took time to be satisfied (since some issues were not clear at source) and often determined heterogeneous replies.

The financial administration posed extremely difficult procedural and normative problems in certain Member States, which resulted in delays in the programmes and elaborate negotiations to be solved. The guarantee of solvency required from the Groups was one of them, particularly in those countries in which an official guarantee was not available or other sources of funding did not allow Groups to manage their treasury problems. Unavailability of matching funds had important effects on the realisation of actions by groups. There is no doubt that the financial arrangements established in the Notice did not cover the problems that emerged, for some countries (but also for the EU) there were normative constraints in complying with them which could have been anticipated.

The technical assistance offered by the I.Os was extremely varied from one Member State to another, ranging from great support and involvement to indifference and benign neglect. This also affected the efficiency and effectiveness of Groups. The required capacities to realise the initiative often did not coincide with the available expertise from extension officers or development agents for other programmes. The difficulties encountered by the evaluators to reconstruct a minimum information base on these issues are an indirect indicator of the weak interest and attention given to these matters.

Recommendations: technical assistance should be offered (if necessary) to intermediate organisations in a more systematic and standardised way; the implementation decisions and actions of I.Os should be monitored and evaluated just as those of Local Groups; the responsibility for the

implementation should take place at the nearest administrative level (regional or provincial) to the LAG (this has already happened with LEADER II); the elaboration of standard best practices in the handling of local development should be developed for the I.Os benefit; networking could be extremely useful also between administrations and not only between groups (or workshops and seminars) in order to facilitate the dissemination of alternative solutions to common problems.

5.2.7. Schedule of realisation

The delay foreseen for completing the programmes (three years) was only exceptionally met. This was a clear indication that the three years were clearly insufficient for the realisation of a complex and experimental programme that had to be understood by all the other partners and Groups. The time needed for a territorial diagnosis and elaboration of a participated business plan, needs to be longer than six months.

5.2.8. Conclusions on compliance

In general, the requirements of the Notice were so open and all-inclusive that they didn't act as discriminating criteria, allowing the participation of an extremely wide variety of areas, groups and management arrangements. This should not be taken as a necessarily negative assessment: the fact that the initiative was meant to be applicable to all types of rural areas and that it was intended to be a pilot and experimental policy approach, could justify the absence of truly selective criteria. It certainly allowed all stakeholders involved to see clearly and very concretely the real diversity of rural Europe, thus making more difficult for the future to go back to undifferentiated top down policies, common for all areas. At the same time it allowed also for negative experiences, ambiguities, a "learning by doing" attitude by all main stakeholders which should not be encouraged.

For the future, the LEADER I experience should be also considered as provider of a precious stock of knowledge about rural Europe and utilised for a better targeting of rural policy actions. Requirements should be more clearly and selectively stated, innovative approaches should be defined both operationally and in their objectives, in order to make evaluations possible.

5.3. The main results of actions at local level

In this section the main results and impact of actions realised at local level will be evaluated with two different methodologies:

- in the first place following the general guidelines and procedures indicated for other Structural Fund programmes and applicable also to LEADER;
- in the second place considering the specific aspects, which have characterised the initiative and, in our methodology have been identified as themes (actions, partnership, networking and financing) and key issues (the locally based approach, the bottom up approach, innovation, multisectoriality, linkages and integrated actions).

The reason why we need two different approaches (now a requirement for LEADER II) is that the first one tells us the results and impact in terms of quantified indicators that in our case have been reconstructed ex post (with the 50 sampled LAGs). This method of evaluation allows a comparison between LEADER and other CSF programmes, which may provide similar indicators. The second method of evaluation provides an assessment of the new rural approach that LEADER tried to promote, showing the influence of these specific aspects on the results and in what consisted their value added in relation to conventional programmes.

5.3.1. Results and impacts in terms of impact indicators

The evaluation has confirmed that the most widely used measure (100% of groups) was rural tourism followed by SMEs, crafts and local services (96%); exploitation and marketing of agricultural products (88%); technical assistance (82%, but in reality it had a higher incidence); vocational training (80%); other measures (38%). Overall the measures and sub-measures included in the Notice covered very well the variety of actions that were realised. For analytical purposes a revision and better definition of sub-measures would be desirable in order to have a more homogeneous data base, useful for both evaluation purposes and comparisons.

The actions carried out within each measure were in most cases very differentiated within a single plan and from area to area. This indicates that the assumed diversity of needs of rural areas is confirmed and LEADER responded in a relevant way to such needs, allowing autonomous decision making and orienting actions towards endogenous initiatives and the valorisation of local resources. The mix of actions realised by each group is indeed unique in each case.

Physical indicators of realisation by measure will not be reported here but have been analysed in Chapter 2.3.2. Here we will deal only with indicators of result and impact by measure because they are able to give an overall quantified picture of the achievements of LEADER in this field. Two indicators have been used to measure impact in all measures: employment and enterprises. In the next tables we summarise the estimated results by measure for these two indicators. The figures quoted refer to the number of full time job equivalents estimated for the universe of 215 groups on the basis of the replies obtained in the Q50 sampled LAGs.

Table 5.1. Estimated total employment impact by measure

Type of measure:	Estimated employment impact (Q215)	
	full-time	part-time
a) technical assistance	1.039	insufficient info.
b) vocational training and assistance for recruitment	–	-
c) rural tourism	6.154	3.622
d) small and medium enterprises, crafts and local services	8.965	insufficient info.
e) exploitation and marketing of agricultural products	5.844	insufficient info.
f) other measures	248	-
ALL MEASURES	22.250	insufficient info.

Source: Ex-post Evaluation LEADER I – Q50 sample

The total employment effect of all measures has been of about 25.000 full time job equivalents (including the available information on part time employment). This means slightly over 100 jobs on average per Group. Even without comparable figures for other programmes, the employment impact is quite significant, considering that LEADER I aimed at a new approach to rural development rather than at the creation of jobs.

A second good surprise, even with all the carefulness about the indicative nature of this exercise of quantification, is that the measure that "produced" more jobs was measure d), for small and medium enterprises, crafts and local services, demonstrating the potential strong potential of these sectors for rural areas, more significant than in rural tourism, despite the fact that this was the most frequent and diffused measure implemented by all groups. Rural tourism ranks second in terms of jobs created, but with very positive results in terms of part time jobs, which also responds to a need/demand for pluriactivity as well as part-time jobs.

A third surprise, which should be appreciated mostly by those who doubt that LEADER benefited farmers, is the almost 6.000 jobs were created in the exploitation and marketing of agricultural

products, contributing an added income for the sector and therefore providing an alternative to subsidies.

Value for money in terms of cost per job created (very variable for individual Groups) is more favourable in measure d, (SME's, crafts and services); here is also where immaterial investments appear to have concentrated.

The small amount of information that was possible to collect for skilled/non skilled labour and gender indicates that the employment created privileged skilled labour consistently in all measures. On the other hand, women's jobs predominated only in rural tourism measures (coherent with part-time relevance for this measure) while men were favoured in SME's, crafts and services and in the exploitation of agricultural products. This is quite interesting because it shows a certain association between gender differences in the employment effects of the various measures; in the future these differences could be considered in the planning phase as probable outcomes of alternative actions and matched to the local labour market characteristics.

It is interesting to integrate these results with a similar evaluation exercise done with 125 Groups who replied on the employment effect of their actions in the Q217 survey. Extrapolating their results to the 215 Groups we obtain from this source that LEADER I created 25.866 equivalents of full time employment, of which 70% was made of full-time jobs, to which the 1.300 animators' jobs should be added. As may be seen the two estimates from different sources are quite similar and both indicate that not only the quantity of jobs has been quite significant but also the quality, the gender distribution and their location in rural areas make this result all the more impressive, even more so because it may be said that it was an unintended effect, at least in the intentions of the Notice. In terms of cost per job (calculated on total expenditure by LAG for only 57 cases with data available) 21.5 jobs were created for each Mécu of expenditure.

The second type of impact indicator considered refers to the impact of realised actions on economic activities, in terms both of the creation of new enterprises as well as of the diversification or innovation of activities within existing enterprises (new activities, new processes of production, new products, new markets). The impact of LEADER on local economic activities is in our opinion the best indicator of the achievement of LEADER I objective to promote the effective mobilisation and valorisation of endogenous resources, the diversification of the rural economy, innovative actions which were not already financed by existing policy measures. The most common way of classifying innovations is to distinguish the factor of production on which innovation is applied as is done in the following summary table. As in the previous table the Q50 is the source of information and the indicator measures the number of new enterprises created on the one hand (first column) and the changes occurred in the existing enterprises on the other (four last columns), as a result of LEADER actions in all measures. The sample results have been extrapolated for the universe of 215 LAGs.

All measures in all areas are estimated to have generated over 5.000 new enterprises (about 25 per area on average), about half of them in the rural tourism sector. The number of existing enterprises, which expanded their activities, was almost double the number of newly created enterprises. This result is by far the most frequently found effect of LEADER actions on the existing economic structure of rural areas (there may be overlaps between the categories because an existing enterprise might both introduce a new product and find a new market). It implies that there was indeed a process of diversification, which took place at individual enterprise level, which was more significant than the creation of new enterprises. It is very significant that it was precisely in the agricultural "filière" where this diversification of activities at enterprise level took place (60 % of the enterprises which expanded their activities did so within the agricultural measure). Both the general and the specific objectives of the initiative may be said to have been met.

Table 5.2. Estimated total impact on enterprises by type of impact and type of measure

Type of measure	Estimated impact on enterprises (Q215)				
	new enterprises	expanded activities	new processes of production	new products	new markets
a) technical assistance	-	-	-	-	-
b) vocational training and assistance for recruitment	-	-	-	-	-
c) rural tourism	2.170	2.587	764	968	2.873
d) small and medium enterprises, crafts and local services	1.635	1.858	645	846	1.142
e) exploitation and marketing of agricultural products	1.173	6.792	1.469	insuff. info.	insuff. info.
f) other measures	226	insuff. info.	insuff. info.	insuff. info.	insuff. info.
ALL MEASURES	5.204	11.237	2.878	1.814	4.015

Source: Ex-post Evaluation LEADER I

The understanding of innovation that emerges from these results is that enterprises explored more frequently new markets in order to grow, particularly in rural tourism, while new processes of production or new products were much more difficult strategies to pursue, except in the agricultural sector. This indicates indirectly the relevance of the problem of adaptation of technology for rural areas is a serious one, and that LEADER groups were less able to provide support for this strategic aspect.

A second evaluation result is that small and medium rural enterprises in all sectors were the key economic actors in obtaining this excellent result. The potential of small endogenous human resources in rural areas was probably underestimated in the initial conceptualisation of the initiative and in the guidelines given, which assumed that, in order to counteract agricultural decline, the most feasible alternative would be to promote rural tourism.

What this table shows is that the rationale of growth maybe different for each economic sector, but it is through new and renewed entrepreneurship that employment is created and some market mechanisms may come back to the rural economy, reducing the dependence on assistance and subsidies.

Finally, the significance of new markets indicates a step towards the reduction of the isolation of rural areas' producers with a better integration in not certainly global but at least larger than just local markets for rural products. This, which was ideally the role attributed to the telematic network which would link local Groups, did take place but was realised through other means..

Another important impact that LEADER achieved consists of the better qualification of human resources through training activities. These were an extremely varied range of courses which reached over 55.000 participants, over 250 per Group. This includes training linked with other actions of the programme, as well as for development agents and animators. The major impact of this action was the diversification of the professional qualifications of the labour supply in rural areas and increasing its technical capacities, often linked with specific local resources (for example icons painting in Greece or historical heritage in Germany). The higher skills available appear to be particularly suited to the higher demand for skilled employment, which has already been mentioned in the analysis of the employment effect.

The inconsistency of financial data has made financial indicators impossible to be used at local level. This is a very serious handicap for a complete evaluation of LEADER, and is due to a lack of systematic monitoring by all stakeholders in the initiative.

Overall the quantifiable impacts of LEADER I appear to be extremely positive in terms of employment, diversification of activities and endogenous entrepreneurship, the upgrading of local human resources in terms of missing skills, well adapted to the specific needs of new activities. The relative poor quality of business plans and the procedural difficulties did not influence negatively the positive impact of the realised actions. This happened because there was time to adjust and modify actions during implementation and also because local resources (human, economic, cultural) available at local level were already recognised as such and their potential was well understood by local actors. LEADER gave expression, facilitated and co-ordinated these underestimated opportunities, understanding gradually during the implementation that these were successful ideas and thus reducing in practice the relevance of ambiguities and inefficiencies in the design and implementation of the initiative.

The significance of the results achieved are undoubtedly linked to the LEADER approach and the innovative aspects introduced by LEADER. This is what will be analysed in the next section.

5.3.2. How the unique aspects of LEADER influenced results and impact

The evaluation methodology assumed that what have been called the unique aspects of the initiative have influenced significantly the quality and the quantity of the results and impact of actions. This represents the value added of the LEADER approach and would not have been achieved with another approach. In this way it is possible to establish what difference these unique aspects made at local level.

In general we did not expect that the introduction of innovative aspects would influence the individual physical results of actions (more tourist beds or training courses) but the nature and type of actions, their linkage with local resources and identity, the co-operation and cohesion between actors, enterprises and institutions. Conventional evaluation techniques are well developed for measuring individual achievements but are less prepared to assess these innovative aspects and to aggregate at different territorial levels the individual results in meaningful categories.

The unique aspects that have been considered in the initiative are: the locally based approach, the bottom up approach, innovation, linkages and the multisectoriality of actions; the local action groups, networking and the financing arrangements.

The conclusions that follow refer to the overall influence of these specific aspects on results and impact and the way they interacted with each other.

5.3.2.1. The strong influence of the area based approach for the valorisation of local resources

The locally based approach sets the stage for many other innovative aspects of LEADER: the composition of Groups, participatory practices, the type of local resources on which strategies may be developed and the reference for innovative actions.

The locally based approach was justified:

- by the possibility of the population to participate in the decision making within a territorial unit of a manageable size,
- by the availability of a minimum critical amount of resources considered typical of that context and which could be turned into an opportunity,
- by the belief that a feeling of common identity and social cohesion helps co-operation between local actors (partnership) and helps to mobilise local resources.

The choice of small sized, homogeneous areas influenced very significantly both the type of actions that were chosen as well as the results of these actions, since this type of delimitation affected the resources and actors which could be included or integrated in the actions of the business plans or the Groups; it also defined the institutions and economic sectors that could participate in the horizontal partnership. The extreme variety of contexts and the mix of actors present in each area, the subsequent efforts to adjust the initial delimitation in order to include new subjects and actors (or exclude some of them), even the changes observed in the passage from LEADER I to LEADER II, prove that a satisfactory definition of a project area was difficult to achieve at the outset and often had to change over time with the development process.

The Groups which had a previous experience with local development had an advantage, while those who chose their areas on the basis of administrative boundaries or political alliances often found that the delimitation chosen, even if comfortable for the public administration, did not make sense from a development perspective. For example, if part of the producers of a typical product were outside the LEADER area, they could not be associated in a marketing and promotion action; this fact reduced the "critical mass" of the product that could be handled by the association of producers and also their competitiveness on outside markets. The problem of having a minimum critical mass (the opposite problem was never mentioned) was most often indicated by Groups as the cause of an inadequate (too small) delimitation of their area, which affected negatively the potential results in terms of income, employment, market size and entrepreneurship and made weaker the sustainability of actions over time.

5.3.2.2. The impact on differentiated patterns of development

The locally based approach is considered more efficient because every area is assumed to have a unique combination of resources, which is typical and characteristic of the area. Consequently, development policies should be designed at local level in order that this uniqueness may be understood and fully exploited in the most efficient way. Top down policies, standardised and equal for all areas are less efficient because they don't recognise the relevance of these distinctive aspects as an opportunity for development. Furthermore, not only initial conditions are different, but patterns of development are also divergent rather than convergent.

The evaluation has found that indeed the plans acknowledged the differences in the mix of available resources in the majority of areas (more so in the individual actions than in the objectives and strategies), and which had been often (not always) underestimated with other programmes; in the second place it helped to revise -more or less innovatively- the perception of strengths and weaknesses, constraints and opportunities of the local area. The planning exercise done at local level produced quite different forms of intervention -even when it was done in a haste and by external consultants- than top down undifferentiated approaches. And this was a significant step forwards that helped to bring forth latent ideas and individually held perspectives, sometimes for a long period of time, about actions which could improve the local economy or solve a need. LEADER provided the setting for putting together all these individual ideas, gave a relative autonomy in decision making, provided funding and the prestigious support of the EU.

Both the initially programmed actions and the finally realised ones indicate *de facto strategies* of development, which were indeed different in each context. The majority of areas chose tourism activities as a specific path to diversification, others tried the specialisation and reconstitution of productive filières (these were the ones that found small areas insufficient), others opened up multiple options (crafts, tourism, agricultural products), more or less integrated with each other but nevertheless within a stronger logic of diversification of activities.

The participation of the population and of economic actors, which had a poor implementation, reduced the effective identification of differentiated patterns of development from one area to the next, making them more similar in each case (it was the case of rural tourism). This was partly counterbalanced by the adjustment and specification of actions, which took place during the implementation process.

The locally based approach, which was a precondition for being eligible in the initiative, had to be and was indeed realised by all groups: it influenced the type of actions that were planned and realised (in one area the valorisation of local architectural heritage, in another organic food, in another a typical product like saffron), and the composition of groups because, even when the partnership was not representative of all local actors, it nevertheless had to include some of them, which was not very frequent previously, in matters related to development policies. In terms of impact, it certainly contributed to the diversification of rural areas, gave a generic meaning to innovation (endogenous resources and initiatives), indirectly affecting the creation of small enterprises, self employment and new job opportunities.

5.3.2.3. The impact on the institutional environment and sustainability

The locally based approach also had an impact on the institutional environment. The Groups, as new subjects of decision making and funding, sometimes acted in extremely close and mutually supporting contact with regional administrations, with positive demonstration effects for both. On the other hand in other situations competition and conflict developed and this reduced significantly this effect.

It has been already shown that the bottom up approach (participative decision making about policies) was one of the weakest aspects of the initiative, while it was expected to be one of the strongest ones. This fact did not have all the negative effects that it could have had because the Groups acted efficiently as animators during the implementation, and because many local actors had projects, which were taken on board during the implementation, thus adjusting the initial plans according to the needs of the areas.

However, when the area was defined with an administrative rather than a project logic, when the Group was mainly a reflection of the local public administration (communes and associations of communes), when participatory practices were not implemented either at the beginning or during the realisation of actions, then the probability that innovative actions or linkages could be found became very poor and the LEADER initiative could not be differentiated in its method or in its actions from top down approaches or other programmes. This situation was more frequent in countries without a previous experience in locally based participatory approaches.

The only exception to this finding comes from Groups which acted without the support (and even in conflict) with relevant public institutions at national regional level: they had strong leaders and population support, looked for legitimisation in the EU level and the Co-ordinating Unit (and received it), but faced enormous difficulties of management and financing, although they often realised extremely innovative actions. There were individual cases of this kind in each country. The impact was modest and controversial, but it succeeded in demonstrating the existence of an alternative approach. The opposition was more in terms of power (and political) relations rather than on development issues, and this affected negatively the continuation and sustainability of the initiative.

5.3.2.4. The most relevant innovation introduced by LEADER: Local Action Groups

The horizontal partnership created with the local action group is the most relevant variable for understanding the different performances of the LEADER initiative. Much more than actions -not very innovative in the usual sense- but nevertheless put together in a relatively more autonomous way, without almost any limitation of the sectors of intervention; or the bottom up approach (implemented only after the business plan had been approved) the strategic factor of success was the type of LAG. Simplifying the analytic categories proposed above, we could say that:

- LAGs dominated by the local public administration (almost 40%) represented merely a new level of decision making, which sometimes represented the only innovation of the programme: this is an advantage only for the local level because it empowers new local subjects but the

actions and approach become very similar to the top down one; these LAGs in some cases did spend all their funds efficiently because of the support of the public administration but acquired very little visibility with the local population; the value added of LEADER was indifferent in relation to other programmes;

- LAGs dominated by private interests (a little over 10%): these were definitely the most innovative groups, which looked for the local population's support and promoted new and quite visible actions; the problem with these type of groups was a contrasting (and at times conflictive) attitude towards existing local and or regional institutions. This competing attitude had as result the isolation of the group and the growth of difficulties in having the required co-financing, the lack of an administrative know how about the management of public funds. Most delays and problems of guarantees arose in this type of groups and influenced severely the results and impact of the initiative;
- the well balanced LAG between public and private interests: these LAGs had the advantages of the two previous groups and none of the disadvantages, they obtained the best results in relation to their contexts because they could find a new negotiating arena where different existing policies and interests could be reorganised in the interest of the local area, thus providing more coherence and strategic synergies to actions, increasing significantly their efficiency and effectiveness.

Other variables such as democratic participation of the population, the territorial diagnosis, the individual actions, mattered much less in the success of the initiative at local level, and in fact became adjustable aspects. This finding should not be taken as an indication of irrelevance of these aspects but the contrary: when they were applied the results were indeed impressive. But the constitution of LAGs had a redistribution of decision making capacity built in and this affected national-regional-local institutional relationships and which in practice could be implemented on its own, leaving aside all the other innovative aspects, as indeed quite often happened.

The evaluators suggest that on the one hand the public/private effective balance be explicitly supported, that a better division of labour between the different types of public be negotiated (one thing is the national regional level with their different administrative but also sectorial agencies (education, agriculture, artisan crafts, commerce) another are local municipalities and their associations; local development agencies and organisations. On the other hand, the private side should clearly refer to collective local interests rather than individual ones, checks and balances should be pursued by the representation of more than one interest group, either in terms of economic sector, or type of social actor (a large enterprise, a co-operative, an environmental association, a women's group..).

The evaluators also stress that the fact that the LAG was found as the single specific aspect which "dominated" all the others indicates not only a strength but also the weakness of the initiative. In the future, steps should be taken to ensure that also the other innovative aspects are implemented. However it is also true that LAGs were the real key to the success of the initiative: without the Groups it appears unlikely that the rest of the LEADER package would have been attractive and efficiently implemented.

5.3.2.5. Networking: a modest but long term positive impact

Networking had apparently, and surprisingly for the evaluators, a modest impact on the results and impact of LEADER from the perspective of the local level. Three types of use of external inputs in terms of information and exchanges were found:

- 20% of the groups with a low interest in establishing external contacts, which privileged individual exchanges and national regional informal networks: in these cases even if there was a "supply" of services groups did not "demand" them and the expected impact of reducing the isolation of groups did not take place.

- 55% of the groups had a moderate to high exchange mainly dealing with technical assistance and information about the LEADER initiative. The external “supply” of services is used as a one way flow. The external suppliers were on the one hand, the regional/national administration and other LEADER groups, for procedural matters and exchanges of information; on the other hand, the LEADER Co-ordination Unit, for understanding the approach, as source of inspiration of what could be done and what other groups were doing, for establishing new contacts for further exchanges; in these cases, although the exchanges helped the Group to get out from the local perspective it remained nevertheless a passive receiver which went on with business as usual in its everyday decision making; this of course limited significantly the impact of networking. Many indicated that this was a learning experience which produced its results in LEADER II and in other EU initiatives.
- 25% of the groups had a pro-active approach to networking, establishing visits, exchanges of services, specific projects built around common themes of interest. These were the most successful in integrating external contacts with local actions.

Exchanges privileged other LAGs (55%), individual contacts and the public administration (over half of the groups), while 41% had frequent exchanges with the Co-ordinating Unit. The freedom of choice and the variety of alternative sources of information was greatly valued by groups. The existence of other pre-existing networks, which operated in certain Member States (France, Ireland) was underestimated in the Notice and did contribute to the provision of information and contacts.

The EU Co-ordinating Unit run by AEIDL was the most frequently used network but not the main source of information. 86.4% of the LAGs had frequent or occasional contacts with AEIDL; Spain and France had relatively closer contacts than other Member States. In evaluating the function played by the Co-ordinating Unit it appears the target group for which its services were most appropriate was the second group of passive receivers of information with a learning and cohesion impact which however had a modest effect on local actions, at least in LEADER I. The most used service offered by AEIDL was that of general information (87% of LAGs), rated by many groups as very good (43.4%) and good/sufficient (41.3%); however the relevance of this type of service was ranked most often as the least important. Participation in seminars (73.9% groups attended one or more) was considered good but also does not score very high. The most important service in the ranking of groups was that of providing references on other experiences which appears as the real strategic function played by AEIDL in relation to the Groups. In this service there was the best match between demand and supply of services, well related to the theme of networking. In perspective, the great majority of LAGs thought that networking activities should be intensified.

It is clear from these results that the initial idea of a co-ordination of LAGs through a telematic network was quite inadequate for the needs expressed by the majority of LAGs and it was sensible to revise its role quite early in the realisation of the initiative and emphasising instead general information and contacts between LEADER groups. Of course for those Groups which already had experience and contacts of their own, the services offered by the Co-ordinating Unit appeared poor or irrelevant. Therefore some targeting of services on the basis of different “segments” of demand would have been relevant at the time and will be more so in the future. Groups should not be seen as a homogeneous demand, and all types should be satisfied. It is true that the advantages of networking need a longer time framework to develop, but even modestly the task was initiated in LEADER I and partly contributed to the reduction of isolation of groups, even if not as much as it should have. A partially misplaced initial definition of what was needed certainly did not help, every stakeholder took its time to realise which concrete actions were useful. A much more articulated analysis of the experience to date could considerably help to focus more accurately the functions of networking and the main services needed for different types of groups.

5.3.2.6. Financing: very differentiated situations by Member State

In some Member States the initiative was implemented with very little problems regarding co-financing, with modest delays in timing and with an efficient use of the global allowance mechanism. This happened when the I.O. took charge of the assistance to groups regarding financing and eligibility matters and practically managed the treasury and guarantee aspects on their behalf.

On the other hand, in those cases where the I.O. acted only as general co-ordinator but left the management of financial issues to the Regions or to the Groups themselves, the procedural and financial problems became relevant and affected significantly the results of actions as well as their accountability. This was more problematic in the case of Groups which did not have a good rapport with the Regional/National institutional context.

The global allowance did have the simplification effect it was meant to have because of procedural difficulties created by:

- the financial regulations of the Commission which were not coherent with the arrangements originally indicated in the Notice;
- the misunderstanding and unclear responsibilities about who had to provide the co-financing at national/regional level;
- the inexperience of some LAGs in the financial accounting and eligibility of measures.

The second problem which affected the evaluators and any financial information about the initiative is the lack of coherence and heterogeneity of sources on financial data. This has happened for a variety of reasons which have been considered in chapter 4. The fact that certain LAGs did not have the disaggregation by measure, year and fund of their expenditure indicates that regardless of the initial decision to grant a global allowance this did not automatically mean that Groups developed the financial responsibility for its actions. This lack of information is the most serious handicap for a more complete evaluation of the initiative.

The idea of the global allowance was very much appreciated by the Groups but in fact complicated rather than simplified matters for all stakeholders and contributed to the significant delays in the realisation. However the idea of giving a budget to a group to allocate is a good one, but which should be accompanied by clearer rules of the game and better knowledge of the administrative procedures both of the Commission as well as of the different Member States. The questions of guarantee and control of financial management should not be used to eliminate the financial allocation function of Groups, which has been the basis of their empowerment and part of the success of LEADER.

The impact of financial difficulties on the results has been to change the priority of the actions (some "easier" ones were anticipated and others postponed), to modify the actions themselves (dropping altogether some and expanding others) and even transferring actions realised with other programmes into or out of LEADER in order to make some progress visible and therefore be able to account for the different tranches. The collective management of all Groups by the Intermediate Organisation contributed to the slowing down of the the most efficient groups.

5.3.3. Conclusions on the influence of the unique aspects

Each of the impacts indicated above is the result of the interrelationships of one or more of the unique aspects and contributing to the overall added value of impacts at local level. It is clear that

this system of unique aspects was an innovation acting as an integrated whole. Some areas had experience in participatory practices but not with Local Action Groups, others had experience in multisectorial plans at territorial level but these did not have the requirement of innovation, or linkage among actions. Very few areas had experience in networking. Therefore if we take LEADER as a package of unique aspects this was indeed innovative for all groups, since previous experience regarded only partial aspects of the initiative.

It is extremely difficult to distinguish the influence of each specificity on its own, for example of the locally based approach from that of the Group, however for analytical purposes it is convenient to try to establish the role that each of them had at local level because the evaluation has shown that some were implemented and others were much less so.

The evaluation has found that the strategic factor of the LEADER initiative, which greatly influenced all the other specific aspects as well as the value added on results and impact of the initiative at local level, was the LAG, with its decision making capacity about the actions to be realised and its close relationship with the local actors. It was also the most innovative idea introduced by the initiative when it was effectively an alternative to existing public administration governance. When the LAG worked as an indistinguishable subject from the public administration, LEADER lost its distinctive character and became just another channel of funding.

The LAG composition affected the choice of the area, the extent of the participatory practices, the search for innovative solutions, the integration and linkage of actions, it also managed external contacts through networking and the mobilisation of private funding. The only aspect in which it remained highly vulnerable is in the provision of funding by external stakeholders. In the future the autonomy and mixed nature (public private) of the LAG should be preserved as the key specific aspect of LEADER.

The bottom up approach and networking even though in principle may be considered as key issues, in fact they were not. This happened because LAGs not always understood the relevance of these aspects at the outset and did not fully exploit the opportunities that they could bring in terms of linkages with the other groups, approaches, innovative actions. The multisectorial approach, the linkages between actions and their innovative character remained a vague and highly voluntary decision, which very much depended on the capacity of the LAG.

In the future an effort to fully implement other specific aspects of the initiative would increase the effectiveness of the initiative. During LEADER I only a partial implementation took place, the most politically sensitive one and which contributed in creating a new level of governance at local level. This should not be considered positive *per se*, but only if this contributes to a more effective approach to rural development. There is evidence that this has happened in a very differentiated pattern. However it should be clear that the introduction of the Group alone is an insufficient condition for the success of the initiative.

The package of specific aspects introduced by LEADER had a determining influence on the quantitative and qualitative results of the initiative. There is no doubt that the relatively good impact in terms of employment was due to the emphasis given to small initiatives, the mobilisation of endogenous resources, support for risk taking activities, self-employment. And this is an important lesson on how to promote employment in rural areas for the future. In this sense the unique aspects introduced by LEADER have indeed altered the approach to rural development and are closely related with the quantitative achievements of the initiative.

The concept of value added which has been used by the evaluators provides different degrees of accomplishment which represent in any case a step forwards in approaches to rural development for each Group. No cases of negative value added were found, some in which the difference was slight in relation to previous arrangements, not as many as could be expected realised some important innovations and obtained good and demonstrative effects that showed that the general idea could work very well.

Within such a framework both the quantitative exercise about the evaluation of success and failure carried out at the end of chapter 2.2 using some of the information collected with the Q217 give relatively coherent information with what was found with the ranking of important factors at the end of chapter 2.4 using the Q50 as source. Previous experience as a positive factor, the predominance of public interests as a negative factor, the lack of relevance of the sectorial orientation of actions, could remain as general indicators for future evaluations.

5.4. The influence of implementation practices by national and regional administration on the results and impact of LEADER I

5.4.1. The EU level

There seems to be general agreement at all institutional levels that LEADER I was an excellent idea, which worked quite efficiently and effectively for the promotion of rural development, taking into account the diversity of needs at local level. It was constrained, however, by procedural difficulties of implementation, administration and financing which affected the functioning of both the vertical and, as we have seen, the horizontal partnerships. Yet, the value added of LEADER at European level has been a major change in relation to classical approaches ("we finally dealt with real people") even if this touched on the delicate balance between institutional levels. Often this did not emerge formally but rather through a multiplicity of procedural aspects.

The conception of the initiative and its implementation at EU level has shown the strengths and weaknesses of the Community Initiative. The idea and the approach can be considered as appropriate and successful in achieving the objective of proposing a new approach to development, contributing to a new and more positive linkage between the Commission and the local populations in rural Europe, and vice-versa. In this respect, **the success of LEADER** can also be seen from the fact that the approach served as a reference model in other EU initiatives (e.g. Article 10, and the Territorial Pacts.) and that it was continued as LEADER II even though very modest monitoring and no evaluations had been carried out in due time. The demonstration effect that the initiative aimed at, mainly in terms of method of approach, have been appreciated both by other EU directorates as well as by National administrations.

Whereas the soundness of the idea and the approach are not really questioned and are generally considered the main strengths of the initiative, the difficulties in the definition of key concepts (bottom up, LAG, networking) and of guidelines and procedures for the selection and implementation showed **the main weaknesses** of the initiative. Not having anticipated such difficulties and the work load that the follow up of local programmes would entail, the Commission services reacted pragmatically, dealing with them on a case by case (and country by country) rationale. Learning by having to find responses made it almost impossible to keep an overall co-ordination of the progress of the initiative as a whole during its implementation.

Even though the EU largely discussed with Member States the division of labour between the institutional stakeholders involved, and that this was diffused in explanatory visits in the preliminary phase, in practice it is clear that excluding regions from the vertical partnership was a shortcoming in the design of the initiative, a better knowledge of as well as more intense consultation a more precise criteria but also should be consulted about the most appropriate division of labour within . The vertical partnership should at the time when the initiative is designed (and not just during the implementation).

The learning's of the initiative at EU level are therefore not clear cut. On the one hand the success and popularity of the LEADER method on the ground has pushed for an enlargement and extension of the experience (LEADER II has almost quadrupled the number of LAGs), on the other hand the procedural difficulties have only been partially solved (creating new ones as well). The success multiplied the demand for assistance and exchanges between the EU and the LAGs, thus increasing the workload and the role of this institutional level.

The small scale, modest funding proved that capital investment is not the essential condition for development. Even in countries, which had had similar experiences before, a key innovation brought about by LEADER was the locally based approach promoted through horizontal partnerships. Specific impacts were achieved within an overall territorial strategy, which multiplied the effect of individual actions.

The networking among groups achieved visibility for the Community Initiative and took local development out of the isolation in which it had often found itself. This transnational dimension that was established in particular through the network, promoted and ensured by the Co-ordinating Unit at AEIDL is a major asset of the LEADER Initiative. The publications and seminars contributed to the creation of a transnational structure that is only now, under LEADER II, developing its full potential. Although in LEADER I networking did not have a major influence on the overall results of LAGs' actions, it achieved the building up EU-wide connections, made comparisons possible and even established the ground for transnational co-operation, benefits which only now start to be appreciated and valued (see also networking section above for the local level).

However one that did not reach its full potential due to the lack of preparation of LAGs and the informative orientation of the services provided.

At the local level LEADER has triggered an unusual enthusiasm that now begins to formulate common concerns and to tackle them in a co-operative manner regarding rural (rather than sectorial) issues. The EU-wide network structure was a positive achievement of LEADER I but which probably will manifest its full impact in a longer time framework. It also obtained the visibility for EU actions at local level, which was one of the original "political" aims of the initiative.

5.4.2. National / regional level

Also at the national and regional levels LEADER led to a **reconsideration of traditional delivery systems** for rural development support. This demonstrates that the demonstration effect that was an objective of LEADER did influence rural policy ideas. The initial coldness of many Member States did change significantly towards a more positive acceptance of the idea. Ex-post it is experienced as an innovation and a step forward towards a more integrated, area specific approach. However, the lessons learned for rural policy implementation are not always clear-cut. Assessments are highly dependent on the overall importance of LEADER for the national rural policy. In most northern Member States LEADER I was considered a marginal programme only. It caused considerable administrative efforts without having a major impact on the otherwise fairly elaborate national/regional rural policy. In turn, in the Southern Member States and in Ireland, countries that all have high shares of Objective 1 regions, and where LAGs are significant in number, the Initiative was perceived as a significant step forward towards integrated rural development.

At national and regional level **implementation was very differentiated**. Nevertheless some patterns could be observed. Some countries, in particular those that had only a small number of LAGs, and which often already had a certain tradition in locally based development initiatives, tried to assimilate LEADER to pre-existing structures. Others, in particular those with large numbers of LAGs, and often a lack of previous experiences with local rural development approaches, have set-up separate implementation structures or even delegated administration to external bodies.

In both cases the **links to mainstream policies** remained weak. Often responsibilities for LEADER implementation were different from those of mainstream rural policy under the Community Support Frameworks. This implies that although LEADER as such was an important innovation, it did, not really affect the implementation of mainstream rural policy. Even under LEADER II the links between the two approaches are rather loose.

Recommendations: It seems important that for a next round of Structural Fund interventions, the LEADER lessons are considered also with regard to the opportunities they might offer for future design of mainstream policies.

Another lesson from the LEADER experience is that new approaches, which imply significant adjustments in administrative **processes need time**. They should not be implemented with time pressures, as it was the case under LEADER I. Also continuity is important since a significant part of the actual investment is not in hardware but in software. Here positive returns become visible only

in the long run. It is, for example, now under LEADER II and in the preparatory phase of a new rural Community Initiative, that the importance of having established a European network of LAGs under LEADER I is becoming more and more evident. Today, it allows to exchange information, to transfers knowledge or to promote co-operations to an extent that would otherwise not have been possible.

Finally, the evaluation has found in the horizontal and vertical partnerships the two key issues that influenced the results and impact of LEADER and therefore its value added: the LAG at local level and the vertical partnership in the provision of guidelines, assistance, financing, information and controls to the local level. The more balanced the local partnership and the more efficient the EU and National regional level in providing technical assistance and co-financing, the higher has been the quality of results and impact. The institutional support is therefore of strategic importance for the success of the initiative.

Other unique aspects, such as the participatory approach, innovation or networking proved to be less relevant within the framework of LEADER I and contributed only marginally to its value added. This however should not be taken as an evaluation of the lack of relevance of the idea and expected impact of this specific aspect but on the contrary as a weakness that should be strengthened in order to achieve a much greater potential value added.

5.4.3. Lessons for future evaluation

The evaluation has clearly shown that the success or failure of a Community Initiative is not to be considered only as a matter of project impact, but also as one of institutional and administrative processes and procedures. LEADER impact cannot only be measured in terms of local results. It also affected the entire system of national and regional rural policy delivery within Member States. Sometimes this appears to be even the more important and lasting effect of the initiative.

Another important result of this evaluation is that policies such as LEADER cannot properly be analysed using traditional assessment techniques focusing exclusively on physical indicators of realisation. Apart from local impacts in terms of employment or income, changes in institutional patterns and implementation procedures are equally, if not more important.

Issues of aggregation need more consideration in future evaluation practices. When evaluating at national/regional and, even more, at EU level, the adding up of indicators becomes less meaningful than agreeing on the classificatory variables that allow the most interesting comparisons between experiences. Knowledge in this field is far behind the one available for individual programme evaluation.

It is recommended that less emphasis be put on indicators and more emphasis on questions and issues that different stakeholders may have in terms of information needs. The interest for physical indicators has sometimes obscured the relevance of addressing key substantial issues. Furthermore the aggregation exercise at European level helps to shift the focus of attention from the accountability principle which dominates individual evaluations to the comparability principle which should inform the evaluation of EU programmes, and is the only one who can provide a feedback on what should be the future evolution of policy actions. This shift of emphasis which was necessary when dealing with the results of the evaluation at an aggregate level, contribute to the reduced relevance of success and failure factors, in favour of the results achieved in relation to the initial situation on the one hand, and as part of a long term process on the other.

Questionnaires can be important tools for collecting relevant evaluation data. However, if the focus is on institutional and administrative issues, surveys should not be structured as structured questionnaires. In open interviews, many aspects that matter for national, regional implementation assessment can be grasped much better. Quantitative statistical analyses, however, risk generating seemingly precise pictures that are in fact distorted.

Descriptive reports about policy delivery systems and procedures, about responsibilities and past experience, on the model of the national evaluation reports produced in the framework of this evaluation offer a much richer source of information than structured questionnaires. Future evaluations should put even stronger emphasis on the description of national/regional administrative structures and methods. The task is not to assess their suitability but rather to understand why certain EU measures generate very different outcomes.