

Executive Summary

1. Introduction – Setting the Frame

Main features of the LEADER+ programmes

LEADER is a Community Initiative for rural development, which started in 1991 with LEADER I. It continued with LEADER II (1994 – 1999) and is now in its third phase LEADER+ (2000 – 2006). **LEADER+**¹ has been designed to help rural actors, considering the long-term potential of their local region. Encouraging the implementation of integrated, high quality and original strategies for sustainable development, it has a strong focus on partnership and networks promoting the exchange of experience. A total of € 5,046.5 m for the period 2000-2006 was committed, of which € 2,105.1 m funded by the EAGGF Guidance section and the remainder by public and private contributions. LEADER+ is structured around three actions (1) **Support for integrated territorial development strategies of a pilot nature**, (2) **Support for cooperation between rural territories**, (3) **Networking**.

The LEADER+ method encourages rural actors to realise development strategies characterised by a set of specific principles, which distinguish them from the approach to rural development that is normally followed in mainstream Rural Development programmes funded from the European Agriculture Guarantee and Guidance Fund (EAGGF). These specific LEADER+ features, which are mentioned in the Commission Notice to the Member States regarding LEADER+, consist of the *bottom-up and area based approach, partnership, integrated and sustainable pilot development strategies around specific themes, inter-territorial and transnational co-operation and networking*.

Scope and methodology of the study

Regulation 445/2002, Art. 57(1) requires the European Commission to prepare a Community-level summary upon receipt of the individual mid-term evaluation reports. To this end, this synthesis analyses the relevance, coherence, effectiveness, and efficiency of LEADER+ programmes as reflected in national/regional Mid-Term Evaluation (MTE) reports and other documents during the LEADER+ Midterm Evaluations reference period (2000-2003). The synthesis particularly examines the conditions for a successful application of the LEADER method in rural development activities and the extent to which it offers an added value compared to traditional (top-down) implementation modes of rural development programmes. It identifies examples of good practice in this respect. Furthermore, the synthesis examines the application and appropriateness of the current evaluation system as described by Regulation 1260/99 and the related Guidelines for the evaluation of LEADER+ programmes.

The synthesis was carried out over 8 months starting on November 30th 2005. The Transnational Project Team was organized in two subgroups: a core team², setting the scope of the analysis (i.e. developing the working tools for information collection) and synthesising the results at European level and the geographical experts, gathering and synthesising data at national and regional levels.

¹ LEADER+, as a Community Initiative, is governed by the Structural Funds Regulation 1260/99. Furthermore, the Notice of 14 April 2000 from the Commission to the Member States lays down Guidelines for the Community Initiative for Rural Development (LEADER+) [Official Journal C 139 of 18.05.2000]. It also sets out the technical arrangements for preparing, presenting and selecting programmes under the LEADER+ Initiative and for managing, controlling, monitoring and evaluating them.

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The core team provided a number of tools for quantitative and qualitative investigations:

- **Tool 1:** Assessment grid to collect general information on each of the programmes as provided in the MTE reports and their updates:
- **Tool 2:** Assessment grid to collect detailed information on each of the evaluation questions per programme as provided in the MTE reports and their updates:
- Formats for 23 **Case Studies** on selected programmes, which provided a methodological frame for conducting focus groups and the collection of additional information in order to fill the data gaps.

The national/regional mid-term evaluation reports and the updates of these reports were the primary sources of this European synthesis, complemented by other documents from national and European sources.

2. Main evaluation findings

Based on the identified intervention logic of the programme, the evaluators investigated into the relationship between the 49 evaluation questions, and identified 14 “cardinal” questions, which allowed specific conclusions on key components of the LEADER programme. This permitted to reduce the overall complexity of this meta-evaluation while ensuring a comprehensive analysis of the MTE reports.

All the “common evaluation questions” (i.e. questions included in the Commission guidelines for the mid-term evaluation of LEADER+ and addressed in all MTE) and the “further evaluation questions” (i.e. questions specific to this synthesis evaluation) were answered. The main conclusions for each of the five evaluation themes are presented below.

2.1 Conclusions on Theme 1: Implementation of the LEADER method

Theme 1 provides an overview of mainly three aspects:

- a) The implementation of the programme at administrative level
- b) The implementation of the specific features of LEADER by the managing authorities and by the local action groups
- c) The learning effects from previous LEADER phases

a) The implementation of the programme at administrative level

LEADER+ is a complex programme and requires complex management solutions.

The LEADER+ initiative is implemented in two steps:

- establishing the framework for selecting the local action plans and the LEADER areas;
- implementing the local action plans.

The two steps approach generally entails a **certain delay in programme implementation on the ground compared to mainstream programmes**. This also implies that **the mid term evaluations covered a phase which was mainly used for preparatory and structuring tasks**.

Almost all of the MTE reports pointed out that **previous experience with LEADER implementation** helped the administration of the managing authority to accelerate the start. This could especially be shown in countries where both experienced and new regions are dealing with LEADER+ (e.g. Netherlands).

The application of the specific LEADER features (e.g. bottom-up approach, area-based approach) also slows down the uptake of the programmes. In this respect, case study reports showed that different programmes are working on different maturity levels in some regions (e.g. in Germany and Italy). Countries with a national programme and a stronger concentration of competencies (which must not be mixed up with centralism) tend to have an advantage in this respect (Austria, Finland). Slow take-up of the LEADER programme could also be the result of limited human resources (e.g. for regions dealing with several Community programmes).

Despite the widening of the initiative to all rural areas, there did not seem to be any particular initiative to **attract new areas**. Most administrations put an emphasis on **creating equitable conditions for all eligible areas**. We find broad information campaigns and a second round of LAG selection among these measures.

LEADER is quite visible in the wider context of rural policy.

In most countries and regions where LEADER+ is implemented, **the initiative has a distinctive profile** and is given a specific role in the development of rural areas. LEADER provides many demonstrative examples for genuine rural development projects, specifically where mainstream rural policy is defined from a mainly agricultural point of view.

b) The implementation of the specific features of LEADER by the managing authorities and the local action group

LEADER requires good programme management and a bit more.

Deficiencies in programme management tend to have more detrimental effect on LEADER than other programmes **simply because of its complexity**. The MTE reports repeatedly list these deficiencies: (i) excessive bureaucracy; (ii) difficult relationships between managing and other involved authorities on one side and LAGs and project promoters on the other; (iii) problems with raising co-funding; (iv) delays in financing; and (v) insufficient autonomy of the LAG. The consequence of these deficiencies has been a loss of management efficiency (e.g. too much time spent on bureaucracy rather than mobilising and animating) and in due course disappointment of the local actors. While these conclusions tend to reflect the opinion of the LAGs (as well as shortages in administrative staff, as pointed out in several MTE reports), the need for the European Commission to define clear management rules for the administration of public money is acknowledged.

The LEADER approach

- requires the involvement of local people,
- seeks to use transparent selection procedures for local projects in the framework of a shared perspective of the future of the area,
- targets specific beneficiaries like women, young people or other less favoured groups,
- asks for a strategy formulated around a priority theme, trying at the same time to integrate different sectors and to foster innovation, all being enacted and carried out by a local partnership formed of people, who might never have worked together before.

This list of requirements might explain that **the features cannot be implemented in a mechanical way; moreover they need to be combined to produce the full added value of the initiative**. The MTE reports signify that there is something like the “spirit” or “culture” of LEADER which allows to deal with the inherent complexity in a better way than mainstream rural development programmes could accomplish: **this LEADER “spirit” is shared by key stakeholders, and conveyed by frequent interactions and exchanges between these stakeholders at administrative and local level**. This observation holds true for the majority of programmes and – like in previous LEADER periods – builds the backbone of positive results of LEADER implementation in general. Unfortunately the MTE of the LEADER+ programme can hardly come up with a detailed description of

what this “LEADER-spirit” consists of. This is due to the difficulties to capture something process-oriented and interactive like a “spirit” or perspective through standard evaluation methods.

The LEADER spirit shines through many single statements and facts which are to be found in several case studies (and sometimes even in the MTE reports).³

The selection of LAG was more an examination than a competition.

In many cases, the competition between local action groups was not a real one: **the process was more an “examination” than a “competition”** in the strict sense of the word. This can be explained by the budgets pre-established at programme level and the political will to serve all parts of rural areas and stakeholders.

Besides that, **the methods used to judge the quality of the local programmes submitted for funding** (consultation process, respect of minority point of views, use of participatory approaches, selection mechanisms and criteria for projects...) are often not documented, hence not evaluable.

The bottom-up feature has played a role in the selection of LAGs and programme implementation.

In general, the **bottom-up approach** has been taken into account in the selection of LAGs and in further phases of programme implementation (although to different extent), and this meant a clear improvement vis-à-vis the LEADER II period. Still this approach, which clearly distinguishes LEADER from mainstream rural development programmes, does not seem to have been fully exploited in most regions. In Portugal for instance the selection criteria for LAGs contained requirements concerning territory, partnership and strategy of rural development, but there was no reference to feeling of identity, bottom-up approach, innovation of the strategy, cooperation or networking. Other centrally organised programmes (e.g. Greece) could improve their regional/local stakeholder involvement in all phases of the programme implementation.

Bottom-up has a twofold dimension: (i) the relationships between the local actors and the LAG; (ii) the relationships between the LAG and the managing authority. The way to conduct interactions and participatory processes in one tier is usually similar to the one conducted in the other tier.

Good bottom-up does not need less, but rather another style of top-down: enabling and encouraging instead of command and control. This requires more competence of more actors involved at both (LAG and administrative) levels than is the case in most of the programmes. If the LAG is left without support from top-down, it may be overwhelmed by the weight of new responsibilities (e.g. being obliged to search for national co-funding on its own).

A good example of possible co-existence of “bottom-up” and “top-down” is the English programme, where guidelines issued at the start of the programme by the managing authority are updated and discussed with LAGs on a regular basis. This helps to reduce the “top-down” and “bottom up” tension between the LAGs (who have to operate on the ground) and the administration (who is responsible at European level).

There are examples (e.g. la Rioja – Spain, several programmes in Germany) of **paternalistic implementation**, where the administration is the main actor and the LAGs rather approve projects which are discussed between the individual promoter and the responsible desk officer. This governance style may produce good results in the short term, but fails to contribute anything to the social and organisational capital in the area.

³ “The success of a programme is the “intangible” part, but this is not measured in the evaluation. With the evaluation of “intangible aspects” it would be possible to know if a territory “breathes” the LEADER philosophy. This is the most important point that should be measured, although it is recognised that it is very difficult.” (Director of Rural Development in the Andalusia region of Spain)

The local partnership has opened new perspectives for local governance.

The concept of the **local partnership** has been taken into account in the selection of LAG, although **the balanced representation of interests** was usually not monitored after the initial assessment. The interests represented in the local partnership should reflect the situation of the respective area, based on a sound diagnosis of the needs of different parts of the population, and a balanced representation of interests cannot be achieved in the longer term by a mechanical respect of percentages.

Local action groups, specifically new ones, did not have enough resources (time) to design their pilot strategies according to the needs of local people.

Ideally, the **pilot strategy** has to be based on a thorough assessment of the area, of all parts of the population and their distinctive needs. For many LAGs (especially new ones) the time frame to set up this strategy in a broad consultation process was too tight in addition to their lack of capacities and resources. **Already existing LAGs were clearly advantaged** in this respect, which does not mean that their plans were necessarily better than those of the newcomers.

The heterogeneous picture of the “pilot” dimension of the strategy provided by the MTE reports is partly explained by the problems that actors were facing when dealing with this issue in concrete terms. The term embraced concepts such as “innovation”, “multi-sectoral integration” and the “priority themes”, which might be interpreted in contradiction to each other, depending on the context. **There should have been better guidance and better examples of good practice provided** in order to help rural actors to take these dimensions into account in a comprehensive and effective manner. Article 61 of Council Regulation 1698/2005 is much clearer and more concise in this respect than the Commission Notice on the LEADER+ guidelines (14/4/2000).

Cooperation and networking need time to grow and to bear fruits.

Cooperation and networking can mean three different things, which sometimes made the interpretation of the related documentation in the MTE reports difficult:

- They are operational principles and as such part of the LEADER approach
- They are measures endowed with respective budgets (action 2 and 3)
- They are standard practices of any development activity, regardless of being eligible for funding or not.

The MTE reports and case studies point out that there is certainly more exchange and even cooperation between LAGs and partnerships beyond the LEADER programme than being documented and explicitly formulated in terms of eligible actions or projects.

Although little activity did happen in terms of cooperation and networking as eligible actions within the reference period, the factors facilitating cooperation have been:

- Previous experiences in LEADER
- Commitment of (both local and administrative) actors to cooperation and networking
- Proximity and similarity of culture, mentalities, geographical features etc.
- Overall maturity of the programme

Networking may be both the seedbed for and the outcome of cooperation, but the evidence of the direct link of cooperation as a consequence of networking is not very robust. This is – of course – connected to the reference period, which did not really allow for intensive networking activities. Either the national networks were established rather late (which triggered the emergence of quite successful informal networks), or the time for intensifying external relations was too short.

Lack of time and interest, local actors' fears of getting bootlegged, overly bureaucratic procedures and the absence of technical support are mentioned in the MTE reports as **factors of hindrance for cooperation**.

c) The learning effects from previous LEADER phases

Experience pays.

The MTE reports confirm a **strong relationship between experience in previous LEADER phases and effective programme implementation** without really defining the nature of the experience and where impact can be anticipated. Our impression from various MTE reports and case study statements is that the essence of this experience lies in the value of experienced personnel which produces a dividend specifically in programme design, the design of local action plans, a quicker start-up, etc. Inversely, there is little data to show if inexperience caused difficulties or indeed if new ideas emerged where new people with little previous experience of LEADER+ were involved.

There is no systematic knowledge accumulation and transfer from one LEADER phase to another.

It is difficult to identify and describe common patterns of learning between the LEADER phases, either among the programming authorities or between the LAGs: **the transfer of lessons seems to be mostly left to chance** as very few instruments or tools seem to have been used to promote it on purpose.

The **national networks** have developed case studies and established data bases of good practices. However, these are mainly data banks and little work seems to have been done on conceptual and methodological aspects, e.g. on the nature of pilot strategies, on how to involve women and young people in local development etc.

All in all, the occasional events and meetings facilitated by the networks have fostered personal exchanges which eventually led to mutual learning and the transfer of concepts and approaches.

2.2 Conclusions on Theme 2: Specific Actions

Theme 2 provides an overview of mainly two aspects:

- a) Behavioural changes resulting from LEADER implementation
- b) Dissemination and transfer of successful practices resulting from LEADER implementation

a) Behavioural changes as a result of LEADER+ implementation

LEADER represents a new approach to integrated rural development.

We consider behavioural changes and changes in interaction patterns as the core value added of the LEADER approach. **Behavioural and interactional changes shape the human, social, organisational and economic capital of the area;** and this sequence is not chosen at random. The degree to which this added value has been produced is determined by the extent to which the specific features of the LEADER approach, particularly the area-based, bottom-up and the partnership approach have been implemented.

Assessing behavioural changes requires specific methods of observation, and these methods have not been applied within the MTE. Thus we draw our conclusions mainly from the stakeholders' and evaluators' own impressions. Many questions on the impact of the programme in this early stage are answered referring to the social processes and new forms of cooperation which emerged. This is understandable, because the setting up of a local partnership and the elaboration of a joint strategy have mobilised potentials in the area which otherwise would not have been addressed.

The question is how lasting these behavioural changes are. In any event, the LEADER approach seems to actuate **a new form of local governance through indirect steering**. Some local stakeholders see the initiative **as a new approach to integrated development and as an instrument to support the self-governing forces of rural micro-regions**.

The implementation of the area-based and bottom-up approach have generated positive results, except in rural-urban relationships.

Although the need for accountability and control rules for the management of LEADER programmes is accepted, the practical experience shows that a more process-oriented control regime would better support local governance than rather rigid “management by objectives” in the form of quantitative rules. Another possibility would be the establishment of “contingency rules” (i.e. rules adapted to the different geographical and socio-economic environments).

A specific issue of this kind is the **numerical threshold of 100,000 inhabitants** per LAG. Even if this prescription was well-known in advance, for many LAGs (e.g. in more densely populated German areas), **it hindered the attempt to create coherent LEADER territories by excluding rural towns** which are important market places and social networking hubs. The threshold was criticised in some MTE reports as it hampers the support for building up value added chains and marketing initiatives in more diversified and urbanised rural areas. It is anyway acknowledged that derogations to the 10.000 – 100.000 inhabitants rule were possible within LEADER+ to permit creating coherent LEADER territories including, where relevant, more densely populated areas, and that around 15% of the LAGs have benefited of this derogation (status in 2005 and not in the reference period though).

Rural-urban relationships have rarely been chosen as thematic priorities by programme authorities, except in some Western European regions (Wallonie, England), where the outcomes cannot be assessed yet.

The bottom-up approach seemed to contribute to promote complementarity between actors in rural development. Again, the willingness and capacity of local actors to actively go for complementarity with other local actors depends on the **experience and maturity** of the LEADER community in the area, hence from learning effects over time.

Concerning the pilot strategies, LEADER+ proved to be very flexible.

For implementing the integrated pilot strategies, the scope of measures and eligibility conditions were in general assessed as broad enough. MTE reports show an extremely wide range of possibilities: from a very narrow programme focus (e.g. information technologies in Euskadi and rural tourism in Northern Ireland) up to a wide range of programme orientation (specifically in regions where the administration keeps its strong role in project selection, e.g. Greece or some programmes in Germany). Some strategies were formulated so widely that any eligible project was welcome. This might be a good approach in incipient phases in some areas – in order to support new stakeholders and to foster newly formed partnerships – but this is not sustainable in the long term.

LEADER+ is seen by many stakeholders as filling a gap left by all other programmes, specifically concerning small scale projects, and beneficiaries who would not have benefited from any other support otherwise. Some uttered complaints that the chosen priority theme would have overly restricted the scope of eligible actions, or that agricultural activities were excluded from funding (Ireland, Spain).

Concerning the **European priority themes** (which were in some cases complemented by national or regional priority themes), they were only seen as helpful in a few cases. They were too prescriptive as to instigate creative thinking, and too unspecific as to provide concrete guidance. Although it is still too early for final judgements on the concept of priority themes, **the general idea of articulated priorities for rural development seems, to some extent, to contradict the area-based and bottom-up approach**.

Difficulties, reported in the MTE reports, originate less from the specific LEADER features and rather from generic aspects of programme implementation, such as (i) excessive bureaucratic requirements for application, accounting and reporting that absorb the time of LAG staff; (ii) financing conditions unattractive to potential private investors (e.g. late payment of co-financing, no capital expenditures applicable under LEADER) or less favoured parts of the population – somewhat in contradiction to the principle of innovation; (iii) delays in decision-making leading to the loss of projects. As mentioned above these points reflect the opinion of LAGs, rather than, for instance, managing authorities.

b) Dissemination and transfer of successful practices resulting from LEADER implementation

It is too early to assess the benefits of cooperation and networking in terms of dissemination and transfer.

Cooperation projects should generate retroactive booster effects on the local strategy. It is too early to assess if this is actually the case in LEADER+. Nevertheless we dare to give a prudent “yes” because many local actors appreciate cooperation projects for their potential **to attain a critical mass** (for research, development, marketing and promotion, training and education etc.). By pooling their strengths, rural areas can overcome a number of constraints rooted in distance and smallness, and achieve otherwise inaccessible results, provided that the social and organisational capital of the area is prepared for such an endeavour.

This judgement is underpinned by the **visible preference for short-distance inter-territorial cooperation** specifically in this early phase. Although the cooperation budgets had to be downgraded considerably due to under use (e.g. in France), the attitude towards cooperation is positive and there are strong signs that action 2 will be much better used in the second half of the programming period. The assessment of the benefits of cooperation for rural development strategies can only be made in the ex-post evaluation.

Delays in starting cooperation projects lie in the nature of the activity, but the **delays in establishing the formal National Networks** were home-grown fruits of administrative deficiencies. Their late start reduced their potential effectiveness. In the MTE reports, their role is seen as very diverse, in some countries as passive and remote (working rather as information pool), in others as delivering (working as real pivotal agents, who actively barter information and know how).

Among the network services, the **LAGs appreciate being brought into contact with knowledge providers** (universities, research bodies, other networks such as the ones for local agenda 21, gender issues, territorial cooperation, social inclusion and so on). They also appreciate demand-oriented training (financial management is a hot theme). Finally, they appreciate it if the network provides space for LAGs to co-develop new approaches and instruments (like the “innovative workshops” of the Austrian network). **Not only LAGs, but also the managing authorities benefit from the Networks’ contact possibilities, information and advisory services.**

Dissemination and transfer need continuity.

Dissemination and know-how transfer is seen as a core element of most programmes. This flow of information is conducted in two ways:

- “Formal”: through cooperation and networking as intended under the LEADER Actions 2 and 3.
- “Informal”: through various contacts and exchanges of information by actors at regional and programme level (which accounts at least for 50% of the know how transfer among the LAGs).

In general **stakeholders bestow high value on networking.** It is seen as a positive and important activity which ensures the transfer of information, good practices and know-how. There is some evidence that networking has been very actively followed by the LAGs (Spain – Asturias, Castilla-Leon, Wallonia), and seen as a good tool for partner search (Spain – La Rioja, Germany – Bayern).

MTE reports could hardly reflect the aspects of dissemination and know-how transfer through cooperation and networking due to the limited reference period. Nevertheless in some countries (Ireland, Finland, Austria) there are indications that the LEADER approach is gaining credibility as seedbed for integrated rural development by information transfer to other rural stakeholders. Some questions remain as to what is disseminated or transferred – it may be that there is more a sharing of experiences than an actual transfer of skills. In this context, the temporal nature of LAGs (and personnel working on LEADER+ programmes) comes into question as knowledge transfer is from person to person. This is especially true in the situation where the formal networks were slow in being established.

Dissemination and transfer of successful cooperation projects seem already appearing in more mature environments of local governance. The requirements for good territorial cooperation are high; human resources have to be made available, they have to be capable of adopting a patient and empathic approach with respect to cultural differences, to overcome language barriers, and to negotiate the terms for cooperation agreements and contracts etc.

At a similar pace as it develops within the LEADER community, the willingness and the capacity to cooperate and to spread know-how **across the borders of LEADER and beyond the EU** will have to grow slowly, certainly encouraged by incentives, but more by intrinsic motivation.

2.3 Conclusions on Theme 3: Impact of the programme on the territory as regards the overall objectives of the Structural Funds

Theme 3 provides an overview of mainly two aspects:

- a) Impact on environment
- b) Impact on priority target beneficiaries

a) Impact on environment

The main impact on the environment happens in people's minds

LEADER+ does not have an explicit mission in respect of the environment, but it is deemed to contribute to sustainable development which comprises environmental protection and improvement. There are indications that nature protection and environmental improvement play a role on the implementation and impact of the LEADER programme, as many LEADER areas operate close to protected zones trying to embody win-win situations in their pilot strategies (e.g. through organic food chains). Furthermore, **the notion of innovation in local action plans is often linked to environmental benefits**, e.g. through the sustainable use of endogenous resources. As a consequence, in most programmes a considerable share of projects seem to include an environmental aspect or to put a focus on environmental awareness or qualification. Environmental NGOs or authorities are even represented in the board or in work groups of many LAGs.

Although the collected data do not allow any assessment of the impact of all these elements, we anticipate that the most tangible effects will be produced by the increase in environmental awareness and knowledge and by the emergence of new relationships between stakeholders, working together to realise the integrated pilot strategy – as is already anticipated for those programmes which started relatively early and therefore have provided preliminary indications.

b) Impact on priority target beneficiaries

LEADER+ seems to contribute to gender equity, to a degree which can hardly be assessed at this stage.

Although there is broad formal compliance to take up **priority target beneficiaries, women and young people**, into programmes and local action plans, this does not automatically lead to concrete

activities. This might depend on the characteristics of the respective area (in some countries such as Finland women participate more than men in the development process and as beneficiaries), but it can also be the consequence of negligence.

There are indications that LEADER has the potential to respond to women's needs and to promote women as stakeholders in rural development. The share of female project promoters mostly ranges between 20% and 50%. This may have to do with the focus on small scale activities, with the inclusion and reward of voluntary work, with the bottom-up approach, or with a combination of all of them (and other influence factors). In countries where female participation in LEADER is high (such as Finland), women actively participate in order to promote strategies reflecting their needs.

Women are much better represented among the technical staff than in the decision-making bodies of the LAGs which are still male-dominated in most areas (female share in technical staff is up to 70%; female representation in LAG decision-making bodies about 30% on average).

The strategies of regional programmes and LAGs exhibit two main avenues towards gender equity: firstly that of **positive discrimination**, explicitly addressing women as a priority target group. Secondly, **the gender-sensitive design** of the approach and the development strategies (e.g. through a better design of training and education measures).

Young people are not sufficiently addressed by LEADER (with some exceptions).

Most actions targeted at the young generation were directed towards the creation of jobs and corresponding training. However, investments in the social and cultural environment of the area seem to generate more visible effects on the attractiveness of the area for young people. **Both, investments in the territory, and the factual employment opportunities are indispensable.** The representation of young people or at least young people's associations in the LAG board improved, according to some evaluators, the quality and acceptance of the corresponding actions. However, physical and continuous involvement of young people in decision-making bodies is really rare and there is also some disorientation about how involving them. **Many rural stakeholders feel the connectedness between the issue of youth and the viability and sustainability of their area.** Thus we can expect a stronger uptake of that theme in the future.

In brief, many stakeholders feel that LEADER+ does not respond to the needs and specificities of the priority target groups, particularly young people. At the same time, they are reticent towards new or enforced thematic prescriptions as this is considered **weakening the area-based approach** according to which the local action group should base its pilot strategy on a thorough assessment of the real needs of all parts of the local population. Be that as it may, problems of exclusion, the issue of migration and minority populations, as well as the phenomena accompanying peri-urbanisation (rurbanisation) will gain more and more importance.

A well implemented LEADER approach spares further prescriptions on target beneficiaries

We conclude that **the LEADER approach is in itself a sufficient means to address the needs of specific groups** as it potentially provides the right instruments for territorial diagnosis, animation, participation and project generation. Some LEADER programmes (such as the Finnish, the Dutch and German ones) pointed out that *"LAGs should analyse their own areas still more precisely and select the target groups on that basis"* (Case Study Finland). For that reason, in Austria, Italy and France, not only women and young people, but also other social groups, such as elderly people and minorities have been seen as potential target groups and the respective MTE reports point out that it should be the responsibility of the single programme/LAG to finally select their specific set of target beneficiaries. In addition, LAGs may manage other programmes in their area in a complementary manner.

2.4 Conclusions on Theme 4: Impact of the programme on the territory as regards the specific objectives of LEADER+

Theme 4 provides an overview of mainly two aspects:

- a) Impact on rural territories
- b) Impact on governance

a) Impact on rural territories

LEADER allows local actors to walk before they run

The effects of LEADER+ can be perceived more easily at micro level: the character of projects funded allows a quite realistic picture of the particular strength of LEADER+ to knock on new developments (hitherto unseen in the respective territory) to create jobs in small scale operations and to promote new products and services, hence contributing to the enhancement of the local web of economic and public services. Unfortunately, the success stories at micro level do not provide a sufficient basis for extrapolating them on the effects on the rural areas in general.

However, the **character of these success stories** seems to have an encouraging effect on local actors to do more for local development. The sum of little positive experiences at micro level (i.e. between local people) may **become a measurable effect at regional level** (i.e. the LEADER programme or the region) by a simple aggregation of positive interactions and experiences. This aggregative effect may be too delicate to be captured by traditional ways of measuring impact alone (e.g. through “jobs created”, “change of GDP/capita”) but can be “seen” in the positive image of the area and in the organisational capacity of local groups – which will call for a more qualitative assessment of the effects at regional level.

Thus, the question if LEADER+ is able to generate change and tangible improvements in rural areas can be answered with a prudent “yes”. The particular strength of LEADER is its ability to act as a pathfinder for mainstream programmes, but it can also be used to fill demand niches otherwise neglected by mainstream programmes.

Coming home by taking off

Another question relates to **the ability of LEADER to trigger a more efficient use of endogenous resources**. From the logical point of view, the area-based and bottom-up principles point in that direction, although it is not clear at the outset how these principles can be operationalised in the context of local pilot strategies. Examples at micro-level show that the strategy may contribute to a more efficient use of endogenous (physical, human, environmental) resources in two ways:

- (i) **by backward bonding:** if the focus is lent from the past: historical or traditional features (feasts, culinary recipes, architectural design, craftsmanship...), from landscape and nature etc. In this perspective the resources locally available are perceived in a new light. The community uses these resources to turn them into assets but in a way that neither destroys their unique character nor undermines their value for future use;
- (ii) **by forward bonding:** if the focus is lent from a common vision of the future which aligns local actors for a common purpose. In this perspective, they pool their resources and start to use their available resources more efficiently through cooperative agreements.

Excellent pilot strategies interweave backward and forward bonding. Still – alas – due to the short period of implementation, impacts of this type could not be assessed in MTE at a broader territorial level, nor related employment effects, and therefore this success factor for pilot strategies of combining backward and forward bonding is a prudent assumption by the evaluators.

b) Impact on governance

Both merging and mainstreaming of LEADER with respect to wider rural policy, as well as local customization may produce excellent results.

Rural stakeholders see positive examples for synergies and complementarities between LEADER and mainstream programmes, but they hesitate in bringing them forward as “good practice”. In other words – those cases, which were identified as positive examples for synergies and complementarities between LEADER and mainstream programmes in the MTE reports and case studies (e.g. Ireland, Andalucia – Spain, Finland) were seen as the outcome of the specific administrative/bureaucratic national/regional context rather than something specifically designed for LEADER. Structural changes in those countries indicate that LEADER is producing considerable leverage effects if combined with mainstream programmes in a wise way. There is evidence that LEADER has identified and exploited synergies with other EU policies and programmes, specifically contributing to **improving the quality of life, much less so concerning employment or economic growth.**

Synergies showed up in those cases where the policy competencies and decision-making power were grouped around problem fields (e.g. rural development including all economic sectors) rather than still following the traditional bureaucratic logic of policy fields (economic policy vs. agriculture policy).

The embedding of LEADER into wider rural policy may appear in three forms, and each of them may exhibit excellent results if certain conditions are met (the programmes mentioned in brackets have been identified as good representations of different ways of embedding LEADER in rural development):

- **Strategic merging** (Austria, Vlaanderen, Baden-Württemberg): LEADER can be designed as a pathfinder, incubator or niche specialist for designated areas of intervention. In this role it may exert a leverage effect on rural development if follow-up support from mainstream programmes is ensured. The initiative can develop a distinct profile and image and raise the attention of new project promoters according to its genuine purpose of a laboratory for innovative rural development. The conditions of excellence in the case of strategic merging are: (i) effective communication and interaction among stakeholders and in LEADER areas; (ii) efficient inter-administrative coordination at national and regional level; (iii) good technical assistance for project applicants.
- **Full mainstreaming** (Andalucía, Finland, Ireland): LEADER can be included into rural policy as its paradigmatic core component, shaping other mainstream rural and local development measures according to its pattern. In the study on mainstreaming LEADER, the authors coined the term “strong” or even “full mainstreaming”⁴. The conditions of excellence in the case of full mainstreaming are: (i) a commonly shared and comprehensive rural policy strategy under one umbrella; (ii) coordination at programme level to avoid overlaps between LEADER and LEADER-like mainstream measures.
- **Local customization** (Greece, Northern Ireland, Portugal): Even in the (regrettable) absence of strong coordination at higher levels of decision-making, local action groups may be able to act as local development agencies packaging the flows of funds into their area to the best of the potential beneficiaries. The conditions of excellence in the case of local customization are: (i) High autonomy of LAGs connected with enabling and encouraging top-down support; (ii) A trustful and cooperative climate at local level to make inter-institutional coordination possible and effective; (iii) a well endowed and skilled technical staff incorporating social and economic skills at LAG level.

⁴ ÖIR (2004): “Methods for and Success of Mainstreaming LEADER Innovations and Approach into Rural Development Programmes”, p.18ff

Mainstreaming or “backstreaming”?

Certainly, the positive results of previous LEADER programmes are one of the major factors furthering its embedding into wider rural policies. However, in countries or regions where a “top-down” mentality prevails, the LEADER approach is not recognised to the same extent in rural development policy. In these regions, rural stakeholders see the integration of LEADER into the Rural Development Programmes with mixed feelings: on one hand the stakeholders welcome the better endowment and the prominent place of LEADER in rural development, on the other hand they express fears that the linkage could work as a “**backstreaming**” of LEADER, in the sense that it gets instrumentalised for mono-sectoral measures or projects, with little or no structural impact on the rural area.

2.5 Conclusions on Theme 5: Financing, management and evaluation of the programme

Theme 5 provides an overview of mainly two aspects:

- a) Influence of administrative arrangements on programme impact
- b) Monitoring and evaluation

a) Influence of administrative arrangements on programme impact

Concerning the impact of actual arrangements for managing, financing and administering the programme on its overall effectiveness, it is surely too early for judgements. **The information in the MTE reports and in the case studies has tended to concentrate on issues such as bureaucracy, relationships between managing authorities and LAGs, financing, and insufficient autonomy at LAG level that undermines the “bottom up” approach.**

More fundamental management issues at LAG level, such as structures, management systems, planning and control were not highlighted in the MTE reports nor in the case studies. Responses to the evaluation questions did not refer at all to the role of the board of directors in programme management.

Positive management arrangements normally resulted from decentralisation, granting of autonomy and the appointment of some kind of co-ordinators. Programmes with fewer problems in management terms also seemed to have established good working structures and relationships between LAGs and the managing authorities.

As was said above, many local stakeholders see the degree of autonomy of the LAG in project selection as a crucial factor for smooth and simplified programme implementation. This points to the global grant and “quasi” global grant⁵ systems of programme delivery as a good choice. However, the shift of responsibility has a price:

- **More bottom-up does not mean less top-down;** it may even require more top-down, only a different style: encouraging and enabling instead of command and control. This requires a corresponding understanding and competence at the level of administrations and of local actors.
- **A global grant or “quasi” global grant system of delivery is only fully operational if all the public funds are concentrated in one package.** If just the European co-funding is decentralised and the LAG has to run for the national co-funding for each project, the gain in flexibility is annihilated (there are examples of this kind in the MTE reports – e.g. France). Global grants require well coordinated management of financial flows at national and regional level.

⁵ I.e. those cases of global grants which are not fully decentralized but distributed via an intermediate public body – e.g. like in Austria via the provinces.

b) Monitoring and evaluation

Monitoring and evaluation are cornerstones of LEADER+ and if carried out in a structured way should inform the planning process for future programmes as well as allowing corrective action to be taken where necessary with current programmes.

There is no indication from MTE reports that ex-ante evaluations led to noticeable changes in the programmes.

The initiative of the Commission to pre-establish a set of common evaluation questions with related judgement criteria was seen as a well-meant attempt to improve the knowledge base and the conditions of institutional learning across Europe. However, this attempt was somewhat hampered by (i) the full application of CEQs at mid term stage which does not seem the adequate moment for this exhaustive exercise, specifically concerning the questions relating to impact; (ii) the sheer number and sometimes elusiveness of CEQs; (iii) the lack of a harmonized system of observation.

Concerning (external and self-) evaluations at LAG level, there is growing conscience of the importance and benefits of evaluations and most LAGs had plans for some sort of evaluation exercise. **The analysis finds that (i) the evaluation activities are largely unstructured; (ii) there is surprisingly little co-ordination or co-operation between LAGs in the area of evaluation; (iii) national networks do not play a prominent role, except in assisting self-evaluations in some LAGs.**

An issue calling for further deliberation is how the LAGs could use the results of self-assessment more efficiently and extensively in their work so that they would have genuine guiding effects. **Self-assessment in most cases seems to be a one-off operation,** and systematic analysis of experience and the resulting corrective actions and learning are suffering from lack of time as the focus is on starting new projects.

3. The recommendations based upon these findings

3.1 Recommendations regarding Theme 1: Implementation of the LEADER method

- The managing authorities should ensure fair and equitable conditions for all potential applicants in all types of rural areas through appropriate measures in the pre-selection phase: broad communication, technical assistance, facilitation of partnership building and area delimitation, capacity building of local actors and administrative officials.
- The visibility and distinctiveness of LEADER should be ensured by giving it a clear role in wider rural policy by the Member States (with the necessary coordination at higher level of decision-making) and by giving guidance to the LAGs for communicating the distinctive features of the LEADER initiative.
- The description of the LEADER axis in the RD programme should include the methods to be used for selecting the LAG and the way in which the competition between areas is going to be organised.
- During the pre-selection phase, sufficient resources (in the form of eligible funds) should be reserved by both the Commission and the Member States for qualification, information and communication for LAGs in preparing, setting up and implementing their needs-based local strategy. This is specifically valid for new candidate LAGs in new programming regions and countries.
- After selection, the LAGs should be granted a high level of financial and administrative autonomy provided they ensure (apart from their obligation in terms of balanced representation of interests in their decision-making bodies and work groups and participative approach at local level) the application of clear and transparent criteria for the selection of projects and an explicit

strategy with a corresponding budget line dedicated to the mobilisation and animation of local actors in the local action plan

- The implementation of the “50% non-public partners” rule should be monitored all along the life cycle of the local partnership. Examples of good practice in this respect, such as the tripartite approach as practiced in Finland and Sweden⁶, should be disseminated.
- The budgets dedicated for cooperation projects (according to Art. 65 of Reg. 1695/05) should be exempted from the n+2 rule, and their trans-national component should be supported by the European rural development network. The authors are well aware that this recommendation contradicts existing legal provisions but the issue is an important one all the same.
- Networking should get started as soon as possible – which would mean much earlier than in LEADER+ – at both European and regional/national level. There are good signs that with the help of the European LEADER observatory network and the Rural Development Network the necessary support could be provided for the Member States.
- There is a need to work on the lessons of LEADER+, to develop instruments and tools for the capitalisation on experiences and to codify successful practices at local, regional/national and European level – it might need an initiative by the European Commission to call for such a study.

3.2 Recommendations regarding Theme 2: Specific Actions

- A strict numerical threshold concerning the number of inhabitants per LEADER area should be abolished. The requirement of a relevant, consistent and viable area-based pilot strategy offers sufficient criteria for avoiding the approval of too small or too large areas.
- The scope of eligible projects should be kept as wide as possible in content, but at the same time be referenced with precise and clear quality criteria.
- Small project funds (comparable to the Small Project Funds in INTERREG) for innovative actions should be established at local level, the approval of which should be oriented on criteria such as innovation and potential positive effects, and be based on selection procedures less stringent than the usual ones.
- Priority themes should, if ever, be set at programme level by the Member States.
- Continuous assisted and documented self-evaluation of LAGs and local strategy implementation should become a lived and practiced standard in LEADER⁷, as this is an appropriate way to monitor behavioural changes and changing interaction patterns in the area. The regional networks should be assigned in assisting the LAGs in this respect.
- The support and encouragement for cooperation should be maintained through creating attractive fora for exchange (e.g. trouble shooting platforms, market places for ideas or good practice either virtual (via internet platforms) or real (via fairs and real “market places”), motivational work and enabling measures (by the provision of simplified tools for application, accounting and reporting).
- The networking devices need to be in place at a much earlier stage. In addition to their current role in the “management of flows”, under which we understand ...
 - Generating, channelling and managing information,
 - bringing people and institutions together,
 - collecting and storing case studies and project descriptions on good practice,
 - fostering new cooperation projects,They should play a key role in the “management of stocks” under which we understand ...
 - creating spaces for common reflection on excellent practices in diverse thematic fields, horizontal issues and methodological approaches,

⁶ A tripartite partnership is composed of 1/3 public, 1/3 private and 1/3 civic sector, sometimes with rotating memberships.

⁷ Right now self evaluations are already compulsory under LEADER+, but the practical experience shows that they are still not common procedure in many programmes.

- extract the generic lessons from these practices, codify and disseminate them to the whole LEADER community and beyond,
- systematically link up to other European networking bodies and institutions and embark on common projects (URBACT, INTERACT, ESPON, EURADA, Council of Regions etc.),
- feed the acquired knowledge on good governance for local development into a consistent quality management system which can be used by LAGs and programme administrations for strategic controlling,
- relaunch the innovative side of LEADER by inviting local actors, regional and national stakeholders and other experts in “laboratory groups” in order to elaborate on new themes and approaches and to disseminate their results in European seminars.

3.3 Recommendations regarding Theme 3: Impact of the programme on the territory as regards the overall objectives of the Structural Funds

- Natura 2000 payments as well as the introduction of new forestry environmental payments in the rural development programmes of the next period provide a new opportunity, which should be taken up by LEADER stakeholders. Axis 2 and axis 4 measures could be combined in order to create win-win situations in and around protected areas. Nature parks and biosphere reserves provide excellent opportunities for the realisation of integrative and sustainable LEADER strategies.
- In regions with notorious problems of exclusion (long term unemployed, minorities, immigrants etc.), inclusive strategies or at least measures should be made mandatory for applicant LAGs in order to get selected. But these thematic prescriptions or restrictions should be made at programme level, taking into account the real needs of rural areas.
- The issue of priority target beneficiaries requires a specific effort to identify, to reflect, to codify and to disseminate good practice examples, specifically concerning the involvement of young people.
- The presence or representation of women and young people in decision-making boards should be a selection criterion for LAGs, and this also requires their representation in the jury responsible for this selection.

3.4 Recommendations regarding Theme 4: Impact of the programme on the territory as regards the specific objectives of LEADER+

- Concerning impact assessment, we refer to the ex-post evaluation. The Commission should carry out specific case studies and comparative analysis to get comprehensive outcomes on the issue of efficient use of resources under the LEADER+ programme.
- The potentials of the LEADER approach should be more and better communicated specifically to those countries which will start to implement it in the next programming period. This information is of specific importance now, in the programming phase, when the budgets are allocated and the rules are established. If the different possibilities and forms in which mainstreaming has occurred in the EU15 are better known, the programme makers in the New Member States will have more options to decide in which way they would use the opportunity offered by the LEADER axis.

3.5 Recommendations regarding Theme 5: Financing, management and evaluation of the programme

- The global grant or “quasi” global grant system is an appropriate pattern for LEADER implementation. Both the national/regional government and the local governance system should be prepared for it through adequate capacity and trust building measures, as well as a sound coordination of financial flows, specifically through packaging public co-funding.

- There is a need to come to a harmonized set of common indicators at European level regardless of the additional monitoring and evaluation needs at national and regional level. The first step was made by setting out the CEQ, but there is a second step to be made:
 - Pre-establishing generic indicators relating to each CEQ which can be adapted to the respective conditions without losing the overall comparability and aggregability.
 - Indicating the ways or mechanisms by which these indicators should be monitored.
 - Substantially reducing the number of CEQs: this would probably boost the readiness of national and regional administrations to comply with the framework and to generate additional indicators to satisfy their specific information needs.
 - The framework of CEQ, judgement criteria and indicators should be set up by a consultative work group involving actors from all levels concerned (local actors, regional/national administrations/networks/EC). The CEQs should reflect a shared vision of the intervention logic, which consequently leads to a “harmonization” of these indicators among each other.⁸ Models like the balanced scorecard for local and regional development such as the one created in a LEADER work group under the guidance of the National Network in Austria, could help to generate the internal coherence of the indicator system.
- The use by LAGs of a mix of external evaluation and assisted self-evaluation should be designed and put in the programme. National/regional networks may help the managing authority in operationalising this accompanying device.
- Learning needs to be systematically embedded in the programme implementation itself: Reflexivity⁹ should become a new LEADER feature. Reflexivity means that learning should be embedded at all programme levels by paying attention to the benefits and needs of those acting at that level. Therefore different methods and means of learning should be applied. This would mean that on the programme level and above (EU Commission and Managing Authorities) a result oriented learning should be applied (via standard evaluation and monitoring). The local/regional level would call for self-induced learning methods (such as self evaluation, supervision).

⁸ It is however noted that for the next programming period the European Commission has developed within the "Common Monitoring and Evaluation Framework" a limited number of common indicators to be applied to rural development programmes, including the LEADER axis.

⁹ It is an explicit operational principle of the German Federal pilot initiative Regionen Aktiv (a national LEADER-like measure involving 18 pilot areas).

