

***Ex-post Evaluation of the Community Initiative
LEADER II***

***Final Report
Volume 1: Main Report***

by ÖIR – Managementdienste GmbH

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CONTENTS

CHAPTER 1: INTRODUCTION	9
1.1 The European LEADER II evaluation report	9
1.2 The contents of Volume 1 (main report) by chapter	9
1.3 Indications on quotations	11
CHAPTER 2: EXECUTIVE SUMMARY	13
2.1 English summary	13
2.2 Résumé en Français	35
CHAPTER 3: AIMS AND SCOPE OF THE EVALUATION	59
3.1 History and characteristics of the LEADER II initiative	59
3.1.1 The characteristics of the LEADER initiative	59
3.1.2 The Community Initiative LEADER II	60
3.1.3 Measures eligible in LEADER II	62
3.1.4 LEADER: A programme, a method, a philosophy	64
3.2 Purpose, aims and tasks of the evaluation	65
3.2.1 The LEADER method on the testing stand	65
3.2.2 The specific aims of this evaluation	67
3.2.3 The evaluation questions according to the terms of reference	69
3.3 The team and work organisation	73
CHAPTER 4: APPROACH AND METHODOLOGY	75
4.1 The evaluation approach	75
4.2 Methodological design	77
4.2.1 Evaluation framework	77
4.2.2 The methodological design	78
4.2.3 Tools for data collection and processing	79
4.2.4 Sampling	80
4.2.5 Problems and solutions in the implementation of the methodology	86
CHAPTER 5: THE IMPLEMENTATION OF LEADER II	89
5.1 Operational Programmes	89
5.1.1 Overview of the programmes	89
5.1.2 Funded measures and activities (TOR 1.4)	93
5.2 Local Action Groups and Other Collectives Bodies	98
5.2.1 An overview on their number and distribution among Member States and Objective areas	98

5.2.2	Essential characteristics	100
5.3	Financial achievements	103
5.3.1	Financial contributions	103
5.3.2	Financial achievements	110

CHAPTER 6: THE SPECIFIC FEATURES OF LEADER II AND RESULTING BEHAVIOURAL CHANGES **113**

6.1	The vertical feature: Decentralised management and financing	113
6.1.1	The role of the feature in respect to the LEADER initiative	113
6.1.2	The governance context	114
6.1.3	Administrative set ups and arrangements at local and regional level (TOR 1.5)	116
6.1.4	Funding procedures, speed and delays (TOR 1.8)	124
6.1.5	The selection of local action groups (TOR 1.1 and 1.2)	132
6.1.6	Influence of the selection procedures on the implementation of the LEADER method (TOR 1.2)	135
6.1.7	Complementarity of LEADER II to other measures (TOR 2.1.3)	136
6.1.8	The influence of programme implementation on the introduction of the LEADER method (TOR 2.3.1)	139
6.2	The local specific features of LEADER and resulting behavioural changes	143
6.2.1	Temporal context: The effects of learning from LEADER I (TOR 1.9)	144
6.2.2	The area-based approach	146
6.2.3	The bottom-up approach	154
6.2.4	The partnership approach	159
6.2.5	Innovation	165
6.2.6	Multi-sectoral integration	171
6.3	The trans-local specific features of LEADER and resulting behavioural changes	176
6.3.1	Networking	176
6.3.2	Trans-national cooperation	186
6.4	The influence of decentralised management and financing on the implementation of the other features of the LEADER method (TOR question 2.3.3)	197
6.4.1	Learning and growing	197
6.4.2	Spirits and bonds	198
6.4.3	The influence on the other (local and trans-local) features	198

CHAPTER 7: THE IMPACT OF LEADER II ON HORIZONTAL OBJECTIVES (TOR 2.1.2)	201
7.1 General observations	201
7.2 Adjustment of agriculture and rural areas (TOR 2.1.2.a)	202
7.3 Employment (TOR 2.1.2.b)	204
7.4 Environment (TOR 2.1.2.c)	207
7.5 Income (TOR 2.1.2.d)	208
7.6 Equal opportunities (TOR 2.1.2.e)	209
CHAPTER 8: EVALUATION ACTIVITIES	211
8.1 The role of evaluations in respect to the LEADER II initiative	211
8.2 Monitoring	212
8.3 The evaluations at programme level (TOR 3.2)	212
8.4 The evaluations at local level (TOR 3.1)	215
8.4.1 External evaluations	215
8.4.2 Self-evaluations	215
8.5 The support for evaluation activities by the European Observatory and the national networks	217
8.6 The impact and processing of evaluation activities at national level (TOR 3.3)	218
CHAPTER 9: CONCLUSIONS AND RECOMMENDATIONS	221
9.1 The influence of the LEADER II method on the effectiveness, efficiency and sustainability of rural development processes and measures (TOR 2.1.1)	221
9.2 The role of the local features of the LEADER method	229
9.2.1 Area-based approach	229
9.2.2 Bottom-up approach	229
9.2.3 The local group	230
9.2.4 Innovation	230
9.2.5 Multi-sectoral integration	231
9.3 The role of the trans-local features of the LEADER method	231
9.3.1 Networking	231
9.3.2 Trans-national cooperation	232
9.4 Conclusions on the contribution of the specific financing and management procedures to the added value of LEADER (TOR 2.3.4)	232
9.4.1 The complexity of LEADER II	232
9.4.2 Coherence between the LEADER method and the available resources	233
9.4.3 Cost-effectiveness of LEADER II compared to other Structural Funds or rural development programmes	234
9.4.4 Contribution of decentralised management and financing to the added value of LEADER II	235
9.5 Mainstreaming LEADER	236

9.6	From LEADER II to LEADER+	239
9.7	The value added of the Community Initiative LEADER II	241
9.8	Recommendations	242
9.8.1	The specific features of LEADER	242
9.8.2	LEADER, a self-learning programme	247
9.8.3	Integrating the lessons of LEADER II into future rural development programming	249

CHAPTER 10: GLOSSARY AND ABBREVIATIONS **253**

FIGURES

Figure 1	The eight specificities of the LEADER method	14
Figure 2	The eight LEADER features, divided into three categories	66
Figure 3	The eight specific features of the LEADER method	67
Figure 4	Timeline from LEADER I over LEADER II to LEADER+	68
Figure 5	List of geographical evaluators	74
Figure 6	General evaluation scheme	75
Figure 7	Evaluation framework	78
Figure 8	Tools for data collection	80
Figure 9	Cascade of nested samples	81
Figure 10	Sampling of programmes and LAGs/CBs	84
Figure 11	Distribution of LAGs and CBs selected for the questionnaire-based survey per objective area	87
Figure 12	Types of rural areas according to the European Observatory's typology and distribution of selected groups per type	88
Figure 13	Overview of Operational Programmes for the Community Initiative LEADER II (1994-1999)	90
Figure 14	General development trend (Scoring from 1 = very bad to 10 = very good) as perceived by the local actors	91
Figure 15	Distribution of total initial budgets per size of programme	92
Figure 16	Initial budgets per Member State and Measure in KECU	94
Figure 17	Relative amounts allocated to the different measures in the initial programmes (%)	95
Figure 18	Funding priorities of programmes in selected regions or countries (finally committed budgets)	97
Figure 19	Number of LAGs and CBs	99
Figure 20	The distribution of LEADER areas by nr. of inhabitants (Q202 sample)	101
Figure 21	Distribution of LEADER areas according to population densities	102
Figure 22	Budget comparison between LEADER II and other programmes (initial previsions)	104
Figure 23	EU part-funding per Structural Fund and per Objective area (finally committed budget)	104
Figure 24	Contribution of Structural Funds per Objective area (finally committed budget)	105
Figure 25	The participation of Structural Funds per Operational Programme (finally committed budget)	105
Figure 26	Relative weight of funding in initial and finally committed budgets (%)	106
Figure 27	Initial Measure B budget per LAG/CB	107
Figure 28	Initial Measure B budgets per LAG/CB	108

Figure 29	Financial achievements of the three Structural Funds in LEADER II (in kECU)	111
Figure 30	Delays in programme implementation	125
Figure 31	Piling up delays before starting local action	127
Figure 32	Rhythm of commitments and spending of the EAGGF in LEADER II	128
Figure 33	Rhythm of commitments and spending of the ERDF in LEADER II	129
Figure 34	Rhythm of commitments and spending of the ESF in LEADER II	129
Figure 35	Specific LEADER features operationalised in local action plans	134
Figure 36	The functional space of local partnerships according to the governance context	140
Figure 37	Criteria for the choice of the area	146
Figure 38	The functional shift of local groups in growingly complex rural areas	161
Figure 39	Information and communication services of the LEADER II Observatory	178
Figure 40	National networking units: Years of operation	179
Figure 41	Budget benchmarking of national networking units	180
Figure 42	Applications for preparatory stages of TNC	187
Figure 43	Overview on trans-national cooperation projects and the use of measure C	188
Figure 44	Correlations between perceived effects on horizontal objectives	202
Figure 45	Nr. of full time equivalent (FTE) permanent jobs directly created or safeguarded by LEADER II (bottom-up estimation)	205
Figure 46	Summary overview of the LEADER II evaluations	214
Figure 47	Impact analysis based on the evaluation framework	221

CHAPTER 1: INTRODUCTION

1.1 The European LEADER II evaluation report

This is **Volume 1 of the Final Report** of the European evaluation of the LEADER II Community Initiative. It contains the main report and the executive summary.

Volume 2 of the Final Report contains the bibliographical sources, interview partners and methodological tools used for quantitative data collection and qualitative investigations.

Volume 3 of the Final Report is a compilation of 13 case studies on trans-national cooperation projects and 10 comparative case studies on cost-effectiveness of the LEADER II initiative.

Volume 4 of the Final Report includes the 12 Geographical Reports on all Member States of the EU.

1.2 The contents of Volume 1 (main report) by chapter

Chapter 1 provides an executive summary of the whole report in English and French.

Chapter 2 recapitulates the specificities of the LEADER initiative and gives an overview of the aims, the scope, and the work organisation of the evaluation of LEADER II.

Chapter 3 presents the approach and the methodology chosen by the evaluation team as well as the necessary adaptations of the methodology while carrying out the task.

Chapter 4 to 8 give answers to the evaluation questions, according to the evaluation framework set out in figure 7. The evaluation questions were prescribed in the terms of reference of the evaluation, henceforth abbreviated by TOR. They are presented in full in chapter 2.2.3.

Chapter 4 describes the implementation of the Community Initiative using aggregated data on the number and scope of groups, the range of activities they carried out and the financial volume of funding per operational programme, per measure (A, B, C, D) and per fund (EAGGF, ERDF, ESF), as well as national public and private part-financing.

- TOR questions addressed: 1.4, 1.7, 1.8

Chapter 5 elaborates on the implementation of the LEADER method (the eight specificities) and the resulting behavioural changes. Each feature is addressed with regard to implementation and impact within one section. The chapter starts with the vertical feature, as this determined the context in which the groups unfolded their activities.

■ TOR questions addressed:

1.1, 1.2, 1.3, 1.5, 1.6, 2.1.3, 2.3.1, 2.3.3	Decentralised management and financing
1.9	Learning from LEADER I
2.2.1	Territorial approach
2.2.2	Bottom-up approach
2.2.3	The local group (partnership approach)
2.2.4	Innovation
2.2.5	Multi-sectoral integration
2.2.6	Networking
2.2.7	Trans-national co-operation
2.3.2	Networking bodies

Chapter 6 focuses on the impact of LEADER II on the horizontal objectives: Adjustment of agriculture and diversification, employment, environment, income and equal opportunities. Although not being explicit aims of the LEADER initiative, they represent general concerns which are to be taken into account for all interventions of structural and agricultural funds.

■ TOR question addressed: 2.1.2

Chapter 7 provides an overview of the evaluation activities undertaken at the level of Member States and regions. The chapter also discusses to what extent they proved to be useful for this evaluation.

■ TOR questions addressed: 3.1, 3.2, 3.3

Chapter 8 presents the main conclusions of this evaluation at a general level, followed by recommendations to European and national policy makers and administrators for future programming for rural development, especially after 2006.

■ TOR questions addressed: 2.1.1, 2.3.4

Chapter 9 contains a glossary including explanations of abbreviations.

1.3 Indications on quotations

There are three types of quotations in this report:

- Explicit quotations from external documents and reports: The source is mentioned in brackets after the quotation. If it is relevant for the whole evaluation, it can also be found in the bibliography, otherwise it is presented in full length in the footnote.
- Quotations from oral interviews and written questionnaires: In brackets the local area, region or country, where something has been said or written, is indicated. Local areas and regions are written out in full, countries are abbreviated by country code.
- Quotations from the evaluators' geographical reports: They are mentioned in the footnote. If it is mentioned that the quotation stems from focus groups, there is no footnote because it is obvious that the quotation is taken from the respective Geographical Report.

The regional and national evaluations of Member States served as very rich information sources for this report. Their contents were fully exploited and conveyed via the geographical reports, and through the quantitative data provided by the geographical evaluators for the grids used in this evaluation.

CHAPTER 2: EXECUTIVE SUMMARY

2.1 English summary

LEADER is...

...a Community Initiative for rural development, started in 1991 with LEADER I. It continued with LEADER II (1994 – 1999), which is the subject of this evaluation, and is now in its third phase, LEADER+ (2000 – 2006).

... putting into practice a new, small-scale approach to rural development in lagging areas (Objective 1), in areas facing structural difficulties (Objective 5b) and in Nordic sparsely populated areas (Objective 6) with relatively limited financial resources.

...destined to revitalise these areas and to complement the existing European structural funds and national or regional development programmes.

...based on elaborating and implementing a « local action plan » (LAP) in rural areas between 5.000 and 100.000 inhabitants; this plan (or local programme) defines a limited number of strategic development axes and corresponding measures, which had to be put in action within a period of six years in LEADER II (1994 – 1999)

...based on a partnership between local public and private actors as the final beneficiary of the initiative and the body responsible for implementing the local action plan.

...based on multi-sectorality and systematic interlinking of development actions embedded in an overall vision and strategy.

The LEADER method

LEADER represented an experimental approach for the development of rural areas. The approach was coined “the LEADER method”¹, and this method was described as the combined application of eight² so-called LEADER features or specificities:

Figure 1

The eight specificities of the LEADER method

The local features (These features are represented by the local group and by the local development strategy)	Area-based approach	As opposed to a sectoral approach, development is focused on a specific territory, on a better use of endogenous resources, on horizontal integration of local activities, on common identities and on a shared vision for the area.
	Bottom-up approach	The active participation of all interested people and organisations in planning, decision making and implementation of social and economic development.
	Local group (partnership approach)	Temporary coalition of individual persons or collective bodies, based on a contract binding all partners under the same conditions and for the same purpose.
	Innovation	To give new answers to existing problems of rural development, which provide added value and increased territorial competitiveness.
	Multi-sectoral integration	Both the combination of activities of different economic sectors or public and private activities in one project, and the strategic coherence between different projects in respect to a common vision.
The trans-local features (These features emerge from interactions between local groups and between their respective strategies)	Networking	The capacity and readiness for collective action together with other independent actors for a common purpose.
	Trans-national co-operation	Cooperation of an indefinite number of LEADER groups located in at least two Member States for jointly designing, producing and marketing goods or services.
The vertical feature (This feature is represented and implemented by the programming authority. It provides the governance frame in which the local groups carry out their activities)	Decentralised management and financing	Entrusting the national and regional structures of Member States and local action groups with the implementation of the LEADER initiative, reducing the Commission's role to the participation in a “planning and decision making partnership” at programme level. Apart from Operational Programmes, the Member States were free to choose the intervention mode called “global grant”, which is characterised by the transfer of the budget for the local action plan to the local partnership. The local group is entitled to allocate the funds to project promoters according to rules set by the national or regional programme administration.

Source: Own presentation.

¹ The expression came up when the evaluation team for LEADER I and the European LEADER II Observatory tried to conceptualise the difference of what was going on in LEADER compared to other “mainstream” Structural Funds programmes.

² In LEADER literature, they are mostly referred to as « seven features », because networking » and « trans-national cooperation » are put together.

These eight features determine HOW development actions should be designed and carried out. The evaluation team understood the specific features of LEADER as behavioural objectives. According to the basic assumption of the evaluation, their successful implementation would result in a change of collective behaviour (towards a more bottom-up approach incorporating a greater partnership orientation, multi-sectoral integration etc.). Accordingly, the assessment of the impact of the LEADER method included an assessment of possible behavioural changes.

The purpose of LEADER II

As LEADER I has been widely seen as a success story in many of the 217 areas in which it has been implemented, LEADER II began, for the 1994-1999 programming period, on the basis of the Commission's decision of the 15th June 1994, communicated through the Notice to Member States on July 1st 1994 (94/C 180/12).

The aim of LEADER II was *“to stimulate innovative measures by those, whether public or private, engaged at local level in all sectors of rural activity, to make known the results of these experiments throughout the community and to assist rural operators in different Member States who wish to profit from the lessons learnt elsewhere and to work jointly on some projects.”*

LEADER II was applicable in Objective 1, 5b and 6 regions, but a maximum of 10% of funds could be used in adjoining rural territories that were not Objective areas.

In contrast to LEADER I, the Commission chose an approach that was *“as decentralised as possible”*, in partnership with the Member States. During the programme period, 102 Operational Programmes have been set up, five of which are at national level (Denmark, Greece, Ireland, Luxembourg and Portugal), with the others at the level of regional administrations.

The aim of the ex-post evaluation of LEADER II

The aim of this ex-post evaluation, which was preceded by ex-post evaluations of the national and regional programmes, was

1. To describe the implementation of LEADER II.
This aim concerns information on implementation structures, processes and direct outputs.
2. To assess, from an European point of view, the impact of the LEADER method in rural areas:
 - a) General assessment

- b) Specific assessment of the LEADER method
- c) Evaluation of the arrangements for financing and managing the Initiative.

This aim refers to the possible added value of the LEADER II method compared to other “mainstream” programmes for local and regional development.

3. To carry out an inventory and to validate the evaluations (including self-evaluations) undertaken at local and programme levels.

Work methods

The evaluation was carried out over 10 months starting on November 11th, 2002. The evaluation team was organised in two subgroups: A core team³, synthesising the results at European level, and the geographical evaluators⁴, gathering and synthesising data at national and regional levels. The core team provided a number of tools for quantitative and qualitative investigations:

- Grids for a complete overview of all 102 Operational Programmes (OPs) and 998 local action groups (LAGS) or Other Collective Bodies (CBs);
- A questionnaire for 202 local partnerships (slightly more than 20% of the groups);
- An interview guide for the regional and national interviewees of the 34 programme regions which were to be analysed in more detail (1/3 of all Operational Programmes) and for interviews with EU officials and experts that have been carried out by the core group;
- Formats for 13 case studies on trans-national cooperation and 10 comparative case studies on the cost-effectiveness of LEADER II;
- Guidelines for 30 focus groups in the form of one-day workshops with local action groups in 13 member states.

The national and regional evaluation reports were the primary sources of this European evaluation. Other documents from national and European sources have been used in addition, particularly those from the European LEADER II Observatory.

³ Jean-Claude Bontron (SEGESA/FR), Robert Lukesch (Team leader; ÖIR/AT), Carlo Ricci (Teknica/IT) and Herta Tödtling-Schönhofer (project coordinator; ÖIR/AT).

⁴ Rossella Almanza (Teknica/IT), Sofia Efstratoglou (Univ. of Athina/GR), Javier Esparcia Perez and Joan Noguera Tur (Univ. of Valencia/ES), Ulla Herlitz (SE), Richard Hummelbrunner (AT), Torsti Hyyryläinen (Univ. of Helsinki/FI), Brendan Kearney (IE), Robin McDowell (UK), António Oliveira das Neves (IESE/PT), Denis Paillard (MC2 consultants/FR), Hélène Carrau (SEGESA/FR) Bernhard Schausberger (ÖIR/AT), Manfred Geissendörfer and Otmar Seibert (AR Triesdorf/DE), Margot van Soetendael (BE).

The factual questions were complemented by subjective scorings and the interviewees' own interpretations and opinions upon virtually all evaluation questions.

The sampling of 1/3 of the Operational Programmes was done on the basis of selecting maximum diversity of situations. The sample of local action groups for the survey and all the case studies have been chosen from the sample of OPs.

From a total of more than 200 indicators evaluated in the survey on 202 LAGs and CBs, the evaluation team chose 52 well documented indicators in order to test the influences of different factors on the implementation of the LEADER method, of its impact on rural areas and, in addition, on objectives of general Community concern. The calculated correlations served as empirical reference basis for the conclusions, which were then complemented and confirmed by the results of qualitative interviews and studies.

In a final step, the 52 indicators were reduced to a set of 22 indicators which were used for the multi-criteria analysis. The MCA resulted in the formation of five types of local action groups according to their specific performances.

The LEADER II initiative in a nutshell

LEADER II has been implemented by 906 local action groups and 92 other collective bodies. While local action groups (LAGs) had a clear territorial focus, the other collective bodies (CBs) were centered around a theme and their scope of activity was less determined, except by the boundaries of eligibility as defined by the programme authorities.

Based on an extrapolation of precise data sets from 730 LAGs, around 50 million people lived in LEADER areas, whose average extension was about 1.550 km² with an average population of approximately 55.000 people and a density of 35 inh./km². The average figures were quite similar in Objective 1 and 5b zones, but very different in Nordic Objective 6 areas, where the average population density was 1,3 inh./km², with a far smaller total population of 20.400 people per LEADER area.

For the initial programme budgets, EU, Member States and regions mobilised a total funding of 3.868,34 MECU. The final expenses, indexation and programme reserve included, amounted to an estimated total of approximately 5.373,92 MECU.

As the LEADER II initiative was co-funded from three European Structural Funds, the European part-funding of 1.794,89 MECU came from the ERDF⁵ to 46,5%, from the Guidance Section of

⁵ European Regional Development Fund, administered by the DG REGIO (former DG XVI).

the EAGGF⁶ to 44,7%, and from the ESF⁷ to 8,8%. Objective 1 areas received 59,6%, Objective 5b 37,7%, and Objective 6 areas 0,9% of the EU funds. 1,8% (31,44 MECU) were reserved for European and national networking bodies.

In the initial budgets, the relationship between EU, national public and private funding was 39,9 : 27,3 : 32,8. The finally committed budgets showed a considerably higher share of private funding: the relationship changed to 33,4 : 28,1 : 38,5. In other words, the EU funds had a higher leverage effect on national public and private funds than expected (nearly 200% instead of 150%).

At the end of 2002, $\frac{3}{4}$ of total EU funds have been actually spent, and the spending rate is estimated to reach 100%.

There were large differences concerning the size of local programmes. Objective 1 and 6 areas used to contract larger programmes. 30,4% of the groups in these areas managed local programmes for more than 100 MECU. Only 6,5% of the groups in Objective 5b areas carried out local programmes above this threshold.

LEADER II consisted in four measures:

1. Measure A, called "Acquisition of competences" was made up for preparing local actors to carry out a responsible role in the delivery of the local programme. It covered 3,4% of the funds used for LEADER II implementation.
2. Measure B, called "Rural innovation programmes", constituted in the priorities chosen in the local action plans (LAPs). It covered 92,1% of the total budget.
3. Measure C, called "Trans-national cooperation", was facultative. It meant the cooperation between LEADER areas of at least two Member States for carrying out common projects (see also figure 1). It covered 0,9% of the total budget.
4. Measure D, "Networking". This measure was also used for evaluation.

⁶ European Agricultural Garanty and Guidance Fund, administered by the DG AGRICULTURE. (former DG VI).

⁷ European Social Fund, administered by the DG EMPLOYMENT (Former DG V).

The results of the evaluation

The initiative started late due to the three steps foreseen in the implementation process:

- approval of programme by the Commission;
- approval of LAGs and CBs by the region (some groups were even approved in late 1999 only);
- approval of beneficiaries by the LAG or the managing authority.

The selection of local action groups and collective bodies by the programme authorities was more of a consultative than a competitive process. In some areas there was, due to weak response, no selection at all. In more decentralised systems, the authorities checked the quality and accountability of the partnership, whilst in less decentralised systems it was more the quality of projects and strategic orientations. The specific features of LEADER were not yet explicitly promoted at the time of group selection (except innovation as the guiding principle of LEADER II and trans-national cooperation). Nevertheless, the bottom-up approach, the area-based approach and the local group and innovation (in fewer cases) served as more or less implicit selection criteria,.

The influence of the selection procedures on the implementation of the specific LEADER features is significant, although not very strong. Selection based on competition – occurring more often in decentralised governance contexts – apparently produced local groups that achieve better effects on income and equal opportunities and used trans-national cooperation and networking more effectively for local development purposes.

Measure A (“acquisition of competences”) was not used by all Member States and regions, and quite little in general (most in DK and LU). Concerning **Measure B** (“rural innovation programmes”), the first priority was rural tourism (between 30 and 50% of the LAP budgets), although to a much lesser extent than in LEADER I. Next came, more or less evenly distributed, technical assistance (mostly in IE), the valorisation of local products (particularly strong in AT, ES, IT) and MSME⁸ promotion (mostly in Nordic states) with 5 to 30% of the measure B budgets. Then came training (mostly in IE) and environment (still important in DE, FR). **Measure C** (“trans-national cooperation”) covered 3,6% of the initial budgets, but was in parts reallocated to measure B due to underspending. **Measure D** (“networking”) was endowed with 0,9% of the total budget. The broad range of funded measures seems to indicate that the decentralised approach has brought the programme closer to the needs of the respective areas and their populations.

⁸ Micro-, Small and Medium Enterprise

From the **European Funds**, the EAGGF had its peak in payments in 1999, the ERDF in 1999/2000 and the ESF in 2000. Local actors regarded the ESF as the most difficult fund to handle. The EAGGF was transparent in handling, but tricky because of rigid eligibility rules. ERDF was seen as the most flexible fund, although national authorities did also handle it in complicated ways. Concentration of Funds in one decision making unit proved to be advantageous, and more so, if the national co-funding was already pre-packaged. Searching for national match funds at different levels, from local to national, proved one of the most tedious barriers for beneficiaries in many countries.

Reallocation of funds took place mainly between Measure C (trans-national cooperation) and Measure B (rural innovation programme). Shifts within Measure B have been difficult to trace because of the consecutive increase of the overall budget (due to devaluation of some national currencies, from Community reserves etc.) and the low level of specification in the initial budgets. In decentralised systems reallocations were compiled from bottom-up according to the needs of the LAGs. In operational programmes, the regions reallocated funds from slow-spending LAGs to fast-spending LAGs. In all cases the decisions have been taken jointly in the PMCs.

The administrative structures set up in the Member States varied according to the level of implementation and the governance context which determined the degree to which decentralisation was possible and desirable in respect of the delivery of the LEADER II programme. The global grant intervention was implemented in LEADER-experienced Objective 1 countries or regions such as GR, IE, PT and Scotland/UK. However the Operational Programmes were also run in a very decentralised way in Spanish, Italian and also some German and French regions. The LAGs had little autonomy in regions where the LEADER initiative had been implemented in about the same way as the Objective 5b programme (BE, DK, regions of AT, DE, FR). In fact, the autonomy of the LAGs did not just depend on the intervention system, but also, in how far the administrative context enabled them to play a responsible role. Heavy control and reporting requirements, as well as delays in procedures and payments could undermine formal autonomy. Administrative burdens were, in the successful cases, circumvented by excellent networking between local actors and administrators, and between administrators at different hierarchical levels and in different sectoral institutions and departments. The LEADER II initiative was accompanied by Programme Monitoring Committees (PMC), meeting twice a year, and mostly dealing with LEADER as a post-scriptum to Obj. 5b, although there were some exceptions of strategic discussions between the partners of different levels of implementation. Only in decentralised systems, the LAGs were represented at the PMCs. Administrative support for the local group was rather weak in the early phase of LEADER II, but it grew according to the gain of experience and personal commitment among programme administrators.

Among the local features of LEADER, **the area-based approach, the bottom-up approach and the local partnership were most “popular”** and implemented to a greater extent than innovation, and multi-sectoral integration:

- The local groups' autonomy in deciding upon the delimitation of their area was an important stimulus for local development.
- The bottom-up approach brought new actors and initiatives that had not been reached by the mainstream programmes. It mobilised a considerable amount of voluntary work in the non-profit sector.
- The majority of local groups had been created for LEADER II. There was a preponderance of partnerships dominated by public actors. Mixed tripartite⁹ partnerships comprising actors from the public, private and associative sectors were considered as the most representative ones for their territory.
- Innovation was mostly interpreted in a pragmatic way as “something new to the area”. Innovation was also mixed with the concept of complementarity in a sense that LEADER II should fund experimental activities that otherwise would not be funded.
- Multi-sectoral integration was more an issue for experienced partnerships in more structured and diversified rural areas. Among the objective barriers there were the sectoral structure and logic of most funding authorities and support systems, whilst in terms of inherent barriers individual protagonism and a lack of cooperation culture stood out. A concrete vision of multi-sectoral integration was missing in many cases, but local actors in areas with some tradition in agricultural diversification took this as a blueprint for further integrative steps.
- Although complicated to start with, there was a large number of trans-national cooperations, 252 projects funded by the European Observatory for the preparatory steps, and an estimated 600 projects under the measure C.

Networking was an essential feature. The European LEADER II Observatory was established in 1995 and operated for six years, although at reduced potential in the final phase. There were 12 national networking coordination units (none in BE, DK and LU), but most of them only active between two and four years. Regional networks sprung up (in ES, FR, IT), most at the LAGs' own initiative. The more experienced groups made much more use of the wider networks (specifically the European Observatory) than the other ones, who benefited most from the regional networks and their capacity of knowledge transfer. There were also so-called “informal” LAG associations at national level and even a European association of informal networks called

⁹ Tripartite in the sense of a balanced representation of public, business and non-profit sector.

ELARD¹⁰. The “informal” national networks, some at good terms with the official networking units, provided training and management support for the LAGs. Local networking was a behavioural routine for well performing local partnerships, and the capacity was, in many cases, brought in by partners from the non-profit sector.

There is unanimity that **LEADER I groups had an advantage** in preparing the local action plan, in managing decentralised funds and in implementing the bottom-up approach. Lateral knowledge transfer is reported from LEADER I groups to “newcomers” in the starting phase of LEADER II. More important than the actual implementation of the programme is the pre-existence of the development partnership regardless if it had participated in LEADER I or in other, similar processes aimed at endogenous local development.

The impact of LEADER II

LEADER was an efficient initiative. It proved to be adaptable to every rural socio-economic and governance context. It brought local actors, administrations and support structures closer together and mobilised the potential of voluntary work among local people. It fitted well to small-scale area-based activities and projects in lagging regions and vulnerable rural territories.

The efficiency of the initiative was reduced where the local group started late and did not have enough time to implement the local programme. Another hindering factor was a disempowering administrative environment which means: cumbersome decision making processes, sectoral barriers to the territorial approach and lacking support for the local group particularly in the start-up phase. Internal causes of failure were lack of management skills and false assessment of market opportunities. Where similar initiatives and measures were already established at local level, the LEADER II initiative sometimes had difficulties to find an appropriate functional space.

LEADER was an effective initiative. It closed the gap between a top-down programme and the local people, their needs, aspirations and potential. It conveyed responsibility to local partnerships and contributed by re-linking public and private, profit-making and non-profit activities, as well as infrastructural and entrepreneurial activities. It induced a mentality change among local actors from passive to active attitude. The leverage effect on private funding turned out to be higher than expected almost everywhere, up to +13% (in PT), and between +5 and +10% on average.

The effectiveness of the initiative was reduced if the implementation time was too short to let the local group come into direct contact with the people’s initiatives, and if the local leaders

¹⁰ European LEADER Association for Rural Development.

generally disregarded the bottom-up approach. This was often combined with a weak and unrepresentative local partnership.

The LEADER II initiative contributed to the sustainability of development processes at local level. It opened up new avenues creating added value in rural areas and creating synergies between existing value added chains. It contributed to capacity building at local level in and around the local partnership. Many local programmes integrated environmental concerns into social and economic development at a strategic level. Public and private actors started to act in common, or intensified their cooperation. LEADER II conveyed a European, even global perspective to local development in rural areas. Local and regional agenda 21 processes¹¹ seamlessly connected to LEADER programmes. As an Irish interviewee put it: *“LEADER was the first area based multi-sectoral approach to rural development administered via LAG. It was instilling empowerment to communities in local development policy...The LEADER programme’s biggest legacy was the firm establishment of LAGs with good management structures which have gone on to deliver other programmes according to local needs.”*¹²

The initiative could not contribute to sustainable development, if the local partnership and technical assistance were prematurely disrupted through cutting funds at the end of the programming period, or if projects started under LEADER did not find connecting funding. It had also difficulties to serve this goal, if the continued dominance by a single sector or public actors constituted a barrier to meet the development needs of the area.

LEADER II has contributed to **agricultural adjustment and diversification** specifically in areas, where the agricultural sector was represented at the LAG board. In countries with a living tradition of pluriactivity, agricultural diversification served as a basic pattern for multi-sectoral strategies, often in combination with rural tourism.

The LEADER II initiative had positive effects on employment, although it was not possible to quantify them. Direct employment have been more created in less diversified, less structured rural areas, often Objective 1, than in more diversified and more accessible rural areas. This difference has to do with the different role the programme and the local groups fulfilled in different types of regions. An inductive estimation suggests that in the course of the initiative **up to 100.000 permanent full time jobs have been created or safeguarded** in Europe’s rural areas.

¹¹ A Local or Regional Agenda 21 process means community-based participatory planning for a sustainable future. Processes of this kind have been initiated all over the globe after the UN Conference for Development and Cooperation in Rio de Janeiro (1992).

¹² Source: Q34.

New employment, but also more visitors and more value added from local products have generated more **income** and increased the local entrepreneurs' readiness to invest locally.

Qualification measures, employment and income creation have contributed to **equal opportunities**. The presence of women on LAG boards, and in the management and animation staff, has acted as a lever for addressing the needs of the female rural population in a better way.

Environmental objectives have been mainly integrated into agricultural and tourism projects. A large number of innovations, such as in the use of local renewable resources, aimed at greening the communal infrastructures and the local economy. A strong environmental orientation helped to integrate territorial development strategies under a common purpose.

There was complementarity between LEADER II and other development measures, particularly those financed by Structural Funds. LEADER II supported projects of smaller scale and of a more experimental character, a broader range of beneficiaries, especially from the non-profit sector, and female entrepreneurs.

Specific outcomes concerning the LEADER method

The area-based approach contributed to a more effective use of endogenous resources. The nearness of programme delivery and the creation of new links allowed natural, cultural, technological and human resources to be secured from extinction or oblivion and to turn them into economic value for the area.

The area-based approach contributed to the creation of an overall strategy for the respective area in an indirect way: by fostering strategic thinking and the local actors' ability to adapt and to act in partnership. However, translating the strategic orientation into an effective system of project selection turned out to be a difficult task:

- In decentralised systems, the LAGs/CBs were publishing calls for project proposals based on the long-term strategic orientation laid down in the business plan.
- Most local groups pursued less purposive, but rather emerging¹³ strategies. That means that there were often huge gaps between the written business plan and the real implementation, but this would not be a problem per se: Strategic adaptation happens, if learning occurs. There was a problem in cases, where there was no common vision, no common commitment and no dialogue space where this could have been thematised.

¹³ The term was coined by Henry MINTZBERG e.a. : Strategy Safari : a guided tour through the wilds of strategic management. Simon & Schuster Inc., New York.

The bottom-up approach has brought the programme close to the people. It led to the inclusion of new beneficiaries and weaker members of the population. Local initiatives and voluntary work played an important part in the particular success of this feature. The bottom-up approach depended on a viable, representative partnership, a skilled management and animation team, a favourable political environment and continuity of funding with financial participation of the local authorities.

Although LEADER II was not designed to address the weakest parts of the population, it helped to bring in additional funding using other measures and to raise awareness towards inclusive development strategies.

Although many **partnerships** have ceased their activities after LEADER II, the consciousness of the importance of local partnership as a place for negotiation and concertation of divergent local interests is a tangible heritage of the LEADER initiative. Many new partnerships, local development agencies and cooperation structures have sprung up and contributed to the diversification and dynamism of rural territories. Many partnerships evolved into permanent local development agencies. As local partnerships constitute the focal point for collective learning in respect to local development, the question of continuity and viability is of great concern to local actors. The effect of the local groups in creating links between activities was strongly influenced by the composition of the partnership. Although there were good examples of both exclusively public or exclusively private partnerships, local groups showing a balanced representation of the private, profit-making and non-profit sector most likely achieved the best results.

Innovative actions have to a large extent opened up new avenues for local development in rural areas. One innovation path was to discover and upgrade local resources and potential. The emblematic function of local products, natural beauties and amenities, specific skills and traditions etc. brought forth many good projects which were then promoted as illustrative for the European rural policy. Another innovation path related to the reshaping of local organisations and networks and the methodological support for implementing participatory practices in local development.

Many local actors said that the most important innovation was the introduction of the LEADER method itself. It created trust and confidence and made people believe in change. This shift of perspective can be considered as the main effect of the innovative approach: to replace the belief that innovation is something which has to be parachuted in from above by the awareness of their own creative potential as the main source of innovation.

The initiative awakened the local actor's interest in learning, and this entailed the quest for knowledge transfer. Networking was its main vehicle and trans-national cooperation was extensively used in this regard, although this was not its official mission. LAGs mainly

intervened at two stages of the learning cycle: in the analysis of the needs for know-how, and in the search for external sources of know-how.

As **multi-sectoral integration** was more difficult to achieve than other behavioural objectives, its successful implementation rather depended on a number of preconditions and external influences. Rather than an effect, multi-sectoral integration seems to be an outcome (i) of a favourable administrative context; (ii) of a thriving, diversified local economy; (iii) of a viable, dynamic, representative mixed partnership and (iv) of a strong strategic orientation in the local action plan. LEADER II was very effective in creating new links between public and private actors to improve local governance and to secure and diversify services to the population.

Networking is the feature which the most advanced groups in diversified, dynamic rural areas benefited the most from. Networking served to consolidate the achievements of the area-based approach, the bottom-up approach and the local partnership in the long term, through strengthening the economic links of the local players to the outside world, bringing in expertise at the right level of scale and establishing commercial links at long distance. It enhanced trans-national cooperation and increased the benefits of multi-sectoral integration in the local area. Networking facilitated the dissemination of information, the dissemination and transfer of know-how and good practice and stimulated the creation of informal networks between rural areas, both regional and trans-national.

Trans-national co-operation between rural areas left an ambiguous picture: For most new LAGs it was designed too ambitiously. It would have been easier and more useful for local groups to link-up with neighbouring LAGs. This was eventually done in regional networks, without the support of the Commission. Although measure C was not fully exploited, it was used by 2/3 of the groups which means that the LAGs felt the need for exchange, for learning and transfer of knowledge – much more than to undertake co-operation projects in the strict sense of a common enterprise. However, only the latter was eligible for funding. In order to get funded, the groups generally set over-optimistic and unrealistic targets.

On the other hand, it is possible to say on the basis of a few outstanding examples, that some groups have made excellent use of trans-national cooperation for serving their territorial development purposes.

Summing up, trans-national co-operation has contributed to opening up local areas to wider perspectives. It brought a European dimension to the essentially local dimension of LEADER. It was, for many local groups, the first step to networking across borders. As incipient networking, it facilitated the dissemination of information and the transfer and dissemination of know-how and good practice.

Trans-national cooperation was not by itself relevant for a more effective use of the resources common to the areas involved, unless through the transfer of specific know-how.

Evaluation of the management and financing procedures

Local actors considered **decentralised decision making** as favourable for implementing the local features of the LEADER method, specifically the bottom-up approach, the area-based approach and the local partnership. Local actors feel that the initiative brought them more autonomy, responsibility and room to learn and to grow, regardless of the actual degree of decision power entrusted to them. However, the formal autonomy of LAGs in systems of global or of operational programmes delivered as “quasi” global grants was counteracted by administrative and control requirements and delays caused by higher levels of decision-making. However, networking and collective learning increased the capacity of local actors and administrators to manage the complexity, with growing enthusiasm.

The networking bodies have very much contributed to achieving the LEADER II objectives in terms of efficiency through know how transfer and mediation. It has also contributed to the relevance of the initiative through a division of labour between national and regional networks which strengthened the factor of nearness and the Observatory which ensured the pan-European coordination between the national units. Finally the networking bodies have also contributed to the usefulness of the initiative by forging a common understanding and fostering a common philosophy of rural development, by developing and transferring tools, and by facilitating a wide network of actors, experts, administrators to pursue collaborative ventures beyond LEADER).

Regardless of the macro-political context, **decentralised management and financing constituted a strong influencing factor on the implementation of the LEADER method at local level**, especially on the bottom-up approach. Positive factors were (i) excellent relationships between local actors and administrators, (ii) an on-going funding for the LAG’s basic functions, (iii) an accountable role and the necessary capacities and skills for local groups. Negative factors were (i) disruptions due to funding gaps between programming periods, (ii) inadequate administrative structures and procedures undermining the formal autonomy of the LAG, (iii) too little interaction and too large a distance between key actors in the programme delivery chain.

The quality of programme delivery was influenced by (i) the frequent interaction between different key actors in the LAG and the administration at different levels; (ii) the concentration or dispersion of funding streams, i.e. the three EU funds, and the corresponding national matching funds; (iii) shortcutting the administrative complexity by more or less informal intra-hierarchical networking, with the responsible programme manager as the “spider in the web”.

The decentralised management and financing system has proved to be the main trigger for organisational and institutional learning at all levels. It created the seedbed on which the LEADER method could be implemented in the local development of rural areas. The partnership played the pivotal role in transferring the principle down to the local level, where it revealed to be the bottom-up approach.

Local groups have been in many cases evaluated on the initiative of the programme administration, but in some rare cases the groups themselves dedicated resources to external evaluators, mainly for preparing LEADER II. An estimated 20% of the groups were practising self-evaluation in some form. In the best cases, the administration funded this endeavour, and regional networks provided technical assistance. Self-evaluations are more and more accepted as essential components of local governance and a necessary tool for learning organisations, but there is still a wide field open for experimentation in new instruments and methods.

There were practically no **ex ante evaluations** for LEADER II. The **mid term evaluations** have not been carried out in all the regions. The ex post evaluations have been conducted at programme level between 2001 and 2003, some of them providing an excellent picture of the implementation and the performance of the LEADER II initiative. The Commission's guidelines for the ex post evaluation have been appreciated and widely used, although in diverse ways so that the information could not be aggregated at European level.

The synthesis of programme evaluations at national level was not systematic, but most of the lessons have been transferred to LEADER+ through conferences, meetings and in the ex ante evaluations for LEADER+. The enormous richness of the national and regional evaluations could still be better exploited at European level if there were a common set of core criteria and indicators to which they all refer, apart from the broad diversity of country specific insights they provide – and should continue to provide.

The value added of LEADER II

According to the interviewed local actors and members of administration, LEADER II produced high value added to the rural areas both compared to Structural Funds and to other national funding schemes. It provided useful, tangible and sustainable answers to the specific needs of rural areas. It unleashed hidden and abandoned potential in rural areas. It provided possibilities to meet the challenges of a globalised economy by experimenting new ways on a small scale with relatively small funds, but great visibility and demonstrativeness.

The LEADER initiative can be regarded as a “learning software”, flexible enough to be translated to any rural context; according to the needs, it can be used to dynamise and to structure the area, as it provides tools for each of these functions.

The specific features of LEADER have not been invented by the initiative, but have for the first time been applied to rural development, in an integrated and consistent manner. The good results stimulated their diffusion at an extended scale. In Spain, Finland and Ireland the whole approach was generalised in mainstream rural development programmes by covering the areas outside LEADER+ by LEADER-type local programmes, managed by local partnerships. The LEADER method was also emulated by other initiatives beyond rural development, for example in Objective 1 programmes (GR, IT and UK) or in urban restructuring programmes (IE). In Italy, it has influenced the shaping of the Territorial Employment Pacts.

The ultimate value added of LEADER II might be its capacity to trigger a mind shift regardless of national, cultural or language barriers. The LEADER II initiative has promoted a European-wide school of thinking, connected through a common “ethos” or “spirit” which is based on a set of similar principles and beliefs on how local development should be done in rural areas.

Recommendations concerning the specific features of LEADER

The **area-based approach** thrives best on a flexible definition and handling of the territorial delimitation. The area should be adapted to functional criteria defined by project requirements and identities activated by different types of projects. Rural towns and urbanised parts should be included.

The **bottom-up** principle should be strengthened. Local groups need to be encouraged to specify their own development themes, and this needs time. Time is the most valuable resource for the bottom-up approach. A funding period should not be less than five years, but each local programme should be embedded in a strategic vision reaching over ten years or more. Thus there would be two time frames: One for the operational programme, and one concerning the strategic vision to which the operational programme contributes. Both the strategic vision and the operational plan need to be regularly revised in a rolling process. Planning and implementation should be seen as parallel, not sequential processes. This type of planning is highly communicative. Plans serve as communication tools which need to be understood by the public. Moreover they should not be too deterministic, prescribing a path to be followed, but rather remain flexible in order to offer options or alternatives if conditions change. The local partnerships should therefore put their focus of attention more on “steering” than on “planning”.

Local groups should be supported in capacity building to act as leaders in local development strategies. The evaluation has shown that local action groups have developed substantial capacity in strategy building. Two essential functions of partnerships can be identified:

- a local coordination node and agency for a multitude of area-based, sectoral or other specific initiatives, measures or funding schemes;

- a probe head for innovation and for experimenting new paths of development.

The two functions follow different logics and they might, in more diversified and complex rural areas, be better achieved by different, but well coordinated entities.

The first function requires permanence and independence from specific programmes, initiatives or funding periods. Partnership-based local development agencies should be both co-financed by mainstream programmes and by local contributions. They would take over decentralised administrative functions, e.g. in approving projects and monitoring programme advancement.

The second function might be embedded in or connected with the permanent structure, but not necessarily. It may operate on a lower territorial scale, closer to the people. It should be funded by a new Community Initiative for rural development. It should focus on sensibilisation, animation and technical assistance for project promoters, and not be charged with administrative tasks detracting their attention from the activities on the ground, or with control tasks which could collide with their role at the side of local actors.

An average LAG (30-70.000 inhabitants) integrating the two functions, should include 4 – 6 people for both animation and administration. The group's budget should reserve at least 25% for management, administration, technical assistance, sensibilisation and supervision. The regional networks should be better endowed for continuous peer learning and creative exchange. Support and guidance on the tasks of LAGs should be provided in order to transform them into learning organisations.

The new initiative should become a true laboratory for **rural innovation**. Innovation needs an enabling environment and time. Like mentioned above, the funding period should last at least five years, counted from the starting date of the contract with the local group. Separate budgets should be held for risk funding for very experimental projects. Project promoters should receive advance payments of at least 30% and benefit from simplified application procedures. After funding, innovation has to be capitalised upon by appropriate follow-up and learning mechanisms.

The local partnership should become a seedbed for real **multi-sectoral integration**. The partnership should have a tripartite structure including the public, private and non-profit sector. The supervising board should comprise between 30 and 40 partners, the executive board between 3 and 7 members. Flexible working groups operate at the second level, as a fluid transition zone between the institution and the local population. Multi-sectoral integration is co-created by dynamic entrepreneurs from bottom-up and by flexible, solution-focused administrators from top-down. Networking, training and qualification measures should aim at bringing these people together as often as possible.

Demand-oriented **networking at all levels** should be given more resources. Regional networks should be supported to become the primary address for mutual learning, exchange and cooperation between adjoining territories. National networks should work on specific themes which interest a minimum number of local stakeholders and which may vary over time. They should serve as hinge-joints between local groups and programme administrations, catalysing institutional learning. Before the start of the operational programmes in the Member States, a European Rural Observatory should be established, in the form of a service contract which integrates information and communication, learning and exchange, networking, thematic and methodological reflection and technical assistance to trans-national cooperation. The Observatory would act in a more demand-oriented mode concerning the old Member States and in a more pro-active mode for building up networking structures with and between new Member States.

Management and financing procedures should be simplified along the whole programme delivery chain. A sound simplification strategy involves the whole chain of bureaucratic procedures instead of shifting the burden to the lower level of programme delivery. The EC should provide consistent criteria for programming, evaluation, local partnerships, efficient financial management and eligibility rules for projects. This framework should be uniform, but there should be room for variation in how to meet these standards in different (national, regional, geographical and institutional) contexts and for programmes and local action plans of different volume and content. The Member States should define detailed standards on cost eligibility, financial procedures and control mechanisms which should then be put in place by the LAGs wishing to participate in the initiative, in collaboration with the regional administration and other intermediary agencies. Financial procedures should be decentralised. LAGs meeting the accountability criteria for local partnerships should receive a global grant to be allocated according to their approved business plans. As said above, the funding period should reach over five years, embedded in a strategic orientation looking beyond a 10+ years time horizon. The Member States control and supervise the process. The regions should provide training and support for the local groups to prepare them for financial management and administrative tasks as mentioned above.

Recommendations concerning monitoring, evaluation and institutional learning

Learning should be separated from impact evaluation. Learning should be organised in focus groups meeting regularly at LAG and programme level from the mid term review on. At LAG level these groups contribute to continuous self-evaluation and adaptive learning. They should be consistently supported by qualified facilitators via the regional networks and be paid from the programme budget. In the final phase of the funding period, external evaluators would join the focus groups to lead a strategic reflection whose outcomes feed directly into the programme

level, where a similar focus group is set up. The focus group at regional level should play a central role in the on-going evaluation which might focus on specific themes, such as the sustainability of projects. We could call the described structure a two-storey focus group architecture. Their observations and recommendations should be synthesised at national level and eventually lead to structural changes, to be immediately introduced into the follow up programme.

There is a strong demand for more methodological guidance for **self-evaluation**, which the Commission should provide like it did with the MEANS handbooks for good evaluation practices.

Impact assessment should be carried out between two and three years after the end of the programme. This evaluation would serve for assessing the implementation and the results and for estimating the impact of the initiative. The assessment would be based on a few relevant process and result indicators. The records of the focus groups and the learning process, which happened two years before, should be taken into account, as well as the monitoring data collected at programme level, accounted for each group. Surveys on LAGs should not comprise more than a number of 40 questions regarding indicators. The regional impact evaluations should then be synthesised at European level. In addition, the European impact assessment could be complemented by comparative case studies, for which programme administrations and LAGs could be approached. The European evaluation should not address the LAGs with questionnaires for representative surveys.

The results of the impact analyses at programme and EU level would feed into the next but one programme. Ideally, the impact assessment can be combined with the mid-term review of the immediately following period. If this were possible due to timely coincidence, it should certainly be done.

There should be a **consistent framework of monitoring, learning, assessment and control**. At the outset, the European Commission should, after consultation with Member States, set up a restricted core set of, say, 12 to 16 qualitative and quantitative indicators and give guidance to Member States for monitoring as an integral part of programme implementation.

The Member States enrich the list with indicators which they find indispensable for their own purposes, and put them down in the ex ante evaluation. Finally, the LAG may add its own indicators that the local partnership finds useful and significant. Each business plan will then operate on a threefold, onion-type set of not more than 40 European, national and local indicators, the monitoring of which is shared by national, regional and local partners.

Indicators systems have to be examined and revised for each programme period. The networking bodies should play a role in explaining and instructing all stakeholders to obtain satisfactory use of evaluation tools and results from both learning and assessment cycles.

Recommendations concerning future rural development programmes and initiatives

The question is not whether the Community Initiative should be continued or be built into the Rural Development Programmes. Both should be done.

A Community Initiative for Rural Development should be maintained. It provides funds for experimenting new ways of development, according to the respective situation in the rural area; new solutions to existing (and future!) problems should be enhanced by a deepened implementation of the LEADER method. In order to ensure that the more advanced, diversified and mature groups can serve as models for others, a European networking body should be established, which, together with its national counterparts provides the nodes and channels for intensive exchange, knowledge transfer and learning. With regard to the double function of local partnership-based development agencies – action and administration –, it should be ensured that the local action groups are not stifled by administrative tasks linked to the new responsibilities.

The LAGs should continue to function as meeting points where visions are inspired and strategic thinking prevails, where projects are conceived and supervised, and where local people are welcome and get attention whenever they come up with more or less unconventional ideas. This requires sufficient management and animation staff, capable to synthesise the local society, to unearth new ideas that can be turned into development projects, to capitalize on the innovations made, and to provide space for a continuous strategic dialogue between local stakeholders and a growing part of the population willing to participate in local development.

The new Rural Development Programmes should at least comprise two measures which would make the new Community Initiative more effective:

- (i) Co-funding projects whose experimental and start-up phases have been tested out under the new Community Initiative, provided they have been proven feasible and useful to be enlarged, continued or replicated at a wider scale;
- (ii) Co-funding permanent partnership-based local development structures in rural areas achieving the above mentioned tasks linked to decentralised management and financing, such as project monitoring, accounting, information management, as well as on-going training for programme administrators and local stakeholders, communicating rural development issues and achievements to the public.

The Rural Development Programme should include a LEADER prime, which means, that the budgetary endowment is increased according to the extent to which the country or region builds the LEADER method into the mainstream programme, specifically the bottom-up, the multi-sectoral approach, networking and accompanying qualification instruments.

The **new Member States** will need a space for experimenting new and authentic ways of development. Instead of trying to imitate the “successful models” of old Member States, a LEADER-type initiative would be an excellent, and maybe the only effective instrument to create this space of experimentation in their rural areas.

Rural development should transcend the rural. The future of rural areas is determined by evolutions in the metropolises. Therefore it is necessary to extend the dialogue, partnerships, the transfer of innovative practices, multi-sectoral integration, networking and inter-territorial cooperation to cities and semi-urban agglomerations. Rural initiatives should try to forge new alliances with consumer initiatives relating to food, land and resource use, transport and energy issues, migration and other challenges which require new solutions beyond the rural. This movement should be supported by appropriate means of funding.

2.2 Résumé en Français

LEADER c'est...

...une Initiative communautaire pour le développement rural, qui a débuté en 1991 avec LEADER I. Elle s'est poursuivie avec LEADER II (1994 – 1999), qui est le sujet de cette évaluation, et se trouve à présent dans sa troisième phase avec LEADER+ (2000 – 2006).

... la mise en oeuvre d'une nouvelle approche à l'échelle locale du développement rural dans des régions en retard de développement (Objectif 1), dans des régions confrontées à des difficultés structurelles (Objectif 5b) et dans des régions des pays nordiques à densité de population extrêmement faible (Objectif 6) jouissant de ressources financières relativement limitées.

...la revitalisation de ces zones et le complément aux programmes des fonds structurels européens et de développement national ou régional déjà existants.

...élaborer et mettre en oeuvre un "plan d'action locale" dans des zones rurales comprenant de 5.000 à 100.000 habitants. Ce plan (ou programme local) définit un nombre limité d'axes de développement stratégique et de mesures correspondantes qui ont été appliquées pendant une période de six ans dans le cadre de LEADER II (1994 – 1999).

...un partenariat entre les acteurs locaux publics et privés comme bénéficiaire final de l'initiative et organe responsable de la mise en oeuvre du plan d'action locale.

...la multisectorialité et la mise en relation systématique d'actions de développement dans une vision et une stratégie globales.

La méthode LEADER

LEADER représentait une approche expérimentale de développement des zones rurales. L'approche a été baptisée "la méthode LEADER"¹⁴, et on a décrit cette méthode comme étant l'application combinée des huit¹⁵ caractéristiques ou spécificités LEADER:

Figure 1

Les huit spécificités de la méthode LEADER

Les caractéristiques locales (Le groupe local et la stratégie de développement local représentent ces caractéristiques)	L'approche territoriale	Contrairement à l'approche sectorielle, le développement est focalisé sur un territoire spécifique, sur une meilleure utilisation des ressources endogènes, sur l'intégration horizontale des activités locales, sur des identités communes et sur une vision partagée du territoire.
	L'approche ascendante	Une participation active de toutes les personnes intéressées et des organisations qui planifient, prennent des décisions et mettent en œuvre le développement économique et social.
	Le groupe local (l'approche partenariale)	Un regroupement temporaire d'individus ou d'acteurs collectifs, basée sur un contrat liant tous les partenaires dans les mêmes conditions et pour le même objet.
	L'innovation	Pour apporter de nouvelles réponses aux problèmes du développement rural, accroître la valeur ajoutée et la compétitivité territoriale existante.
	L'intégration multisectorielle	C'est une combinaison d'activités de différents secteurs économiques ou d'acteurs publics et privés dans un seul projet, en vue d'apporter une cohérence stratégique et une vision commune entre les différents projets.
Les caractéristiques trans-locales (Ces caractéristiques proviennent des interactions entre les groupes locaux et entre leurs stratégies respectives)	La mise en réseau	La capacité et disponibilité pour une action collective avec d'autres acteurs indépendants pour un objectif commun.
	La coopération transnationale	La coopération d'un nombre indéfini de groupes LEADER, situés dans au moins deux Etats Membres, dans le but de concevoir, de produire et de mettre sur le marché des marchandises et services de manière conjointe.
La caractéristique verticale (C'est l'autorité de programmation qui représente et met en œuvre cette caractéristique. Elle donne le cadre de gouvernance dans	La gestion décentralisée et le financement	Confier aux structures nationales et régionales des Etats Membres et aux groupes d'action locale la mise en œuvre de l'initiative LEADER, réduisant ainsi la participation de la Commission au processus « de planification et de décision débouchant sur un partenariat » au niveau du programme. Outre les programmes opérationnels « classiques », les Etats Membres avaient la liberté de choisir leur mode d'intervention appelé « dotation globale », qui

¹⁴ L'expression est apparue quand l'équipe d'évaluation pour LEADER I et l'Observatoire européen LEADER II ont essayé de conceptualiser la différence entre les pratiques de LEADER et les autres programmes de Fonds Structurels « mainstream ».

¹⁵ Dans la littérature sur LEADER, elles sont souvent mentionnées comme les « sept caractéristiques », parce que la mise en réseau et la coopération trans-nationale sont regroupées.

lequel les groupes locaux mènent leurs activités)

se caractérise par le transfert du budget d'un plan d'action locale en un partenariat local. Le groupe local a le droit d'allouer des fonds à des promoteurs de projets selon des règles établies par l'administration nationale ou régionale du programme.

Source: Présentation par l'évaluateur.

Ces huit spécificités déterminent COMMENT les actions de développement devraient être conçues et menées. L'équipe d'évaluation a interprété les spécificités de LEADER comme des objectifs comportementaux. Selon l'hypothèse de base de l'évaluation, la réussite de leur mise en œuvre engendrerait un changement de comportement collectif (vers une approche plus ascendante incluant une meilleure orientation du partenariat, une intégration multisectorielle, etc.). De la même manière, l'évaluation de l'impact de la méthode LEADER comprenait une évaluation des changements comportementaux potentiels.

L'objectif de LEADER II

LEADER I ayant largement été considéré comme un succès dans la plupart des 217 zones dans lesquelles il avait été mis en œuvre, LEADER II a débuté, pour la période de programmation 1994-1999, sur base de la décision de la Commission du 15 juin 1994, rendue publique dans une Communication aux Etats Membres le 1^{er} juillet 1994 (94/C 180/12).

L'objectif de LEADER II était « *de stimuler des mesures innovantes pour des acteurs, qu'ils soient publics ou privés, engagés au niveau local dans tous les secteurs de l'activité rurale, de communiquer les résultats de ces expériences à la communauté et d'assister les acteurs ruraux dans les différents Etats Membres qui désirent bénéficier des enseignements acquis ailleurs et travailler conjointement sur certains projets.* »

Les régions des Objectifs 1, 5b et 6 étaient éligibles pour LEADER II, mais un maximum de 10% des fonds pouvait être utilisé dans des zones rurales voisines qui ne faisaient pas partie des zones de l'Objectif.

Contrairement à LEADER I, la Commission a choisi une approche « *aussi décentralisée que possible* », en partenariat avec les Etats Membres. Pendant la période du programme, 102 Programmes Opérationnels ont été mis sur pied, dont cinq à l'échelon national (le Danemark, la Grèce, l'Irlande, le Luxembourg et le Portugal), les autres à l'échelon des administrations régionales.

L'objectif de l'évaluation ex post de LEADER II

L'objectif de cette évaluation ex post, précédée par les évaluations ex post des programmes nationaux et régionaux, était

1. De décrire la mise en œuvre de LEADER II.
Cet objectif concerne l'information sur les structures de mise en œuvre, les processus et les réalisations directes.
2. D'évaluer, d'un point de vue européen, l'impact de la méthode LEADER dans les zones rurales:
 - a) Evaluation générale
 - b) Evaluation spécifique de la méthode LEADER
 - c) Evaluation des modalités de financement et de gestion de l'Initiative.Cet objectif renvoie à la valeur ajoutée potentielle de la méthode LEADER en comparaison avec les autres programmes du mainstream de développement local et régional.
3. De dresser un inventaire et de valider les évaluations (y compris les autoévaluations) effectuées au niveau local et au niveau du programme.

Méthodes de travail

L'évaluation a été effectuée sur une période de 10 mois et a débuté le 11 novembre 2002. L'équipe d'évaluation était organisée en deux sous-groupes : Une équipe principale (core team¹⁶), synthétisant les résultats au niveau européen et des évaluateurs géographiques¹⁷, récoltant et synthétisant les données au niveau national et régional. L'équipe principale a fourni un certain nombre d'outils méthodologiques permettant des investigations quantitatives et qualitatives :

- Des grilles pour obtenir une vision complète des 102 Programmes Opérationnels (PO) et 998 Groupes d'Action Locale (GAL) ou autres Acteurs Collectifs (AC);
- Un questionnaire à 202 partenariats locaux (un peu plus de 20% des groupes);

¹⁶ Jean-Claude Bontron (SEGESA/FR), Robert Lukesch (Team leader; ÖIR/AT), Carlo Ricci (Teknica/IT) and Herta Tödtling-Schönhofer (coordinatrice du projet; ÖIR/AT).

¹⁷ Rossella Almanza (Teknica/IT), Sofia Efstratoglou (Univ. d' Athina/GR), Javier Esparcia Perez et Joan Noguera Tur (Univ. de Valencia/ES), Ulla Herlitz (SE), Richard Hummelbrunner (AT), Torsti Hyyryläinen (Univ. d'Helsinki/FI), Brendan Kearney (IE), Robin McDowell (UK), António Oliveira das Neves (IESE/PT), Denis Paillard (MC2 consultants /FR), Hélène Carrau (SEGESA/FR) Bernhard Schausberger (ÖIR/AT), Manfred Geissendörfer et Otmar Seibert (AR Triesdorf/DE), Margot van Soetendaal (BE).

- Un manuel d'interview, pour les interlocuteurs régionaux et nationaux des 34 régions-programmes qui devaient être analysées plus en détail (1/3 de tous les Programmes opérationnels), et pour les interviews avec des représentants de l'UE et des experts, qui ont été menées par l'équipe principale ;
- Des guides pour 13 études de cas sur la coopération trans-nationale et 10 études comparatives sur le coût efficacité de LEADER II;
- Des lignes directrices pour 30 groupes cibles (focus groups) sous la forme de séminaires d'un jour avec les groupes d'action locale dans 13 Etats membres.

Les rapports d'évaluation nationaux et régionaux ont constitué la première source d'information. D'autres documents, émanant de sources nationales ou européennes, ont aussi été utilisés, particulièrement ceux qui provenaient de l'Observatoire Européen LEADER II.

Un système de notation subjective, interprétations personnelles et opinion des interlocuteurs, a été établi sur pratiquement toutes les questions relatives à l'évaluation. Elles sont venues étayer les questions factuelles.

L'échantillonnage d'1/3 des Programmes Opérationnels a été effectué de façon à permettre la représentation d'un maximum de diversité de situations. L'échantillonnage des groupes d'action locale et des études de cas provient de cet échantillon des PO.

Parmi plus de 200 indicateurs évalués dans l'enquête sur 202 GAL et AC, l'équipe d'évaluation a choisi 52 indicateurs particulièrement bien renseignés dans le but de tester l'influence des différents facteurs sur la mise en œuvre de la méthode LEADER, sur son impact sur les zones rurales et sur les objectifs généraux au niveau de l'Union. Les indices de corrélation calculés ont servi de référence empirique pour les conclusions, qui ont ensuite été complétées et confirmées par les résultats des interviews et études qualitatives.

Finalement, on a réduit les 52 indicateurs à un jeu de 22 indicateurs qui ont été utilisés dans une analyse multicritères (AMC). Cette analyse a eu pour résultat l'identification de cinq types de groupes d'action locale en fonction de leurs performances spécifiques.

L'initiative LEADER II en bref

LEADER II a été mis en œuvre par 906 Groupes d'Action Locale (GAL) et 92 Autres Acteurs Collectifs (AC). Alors que les groupes d'action locale (GAL) intervenaient sur un territoire bien circonscrit, les autres acteurs collectifs (AC) étaient focalisés sur un thème et leur champ territorial d'activité était moins déterminé, sauf par les frontières relatives à l'éligibilité définies par les autorités de programmation.

Sur base d'une extrapolation de séries de données précises provenant de 730 GAL, environ 50 millions d'individus vivaient dans des zones LEADER, dont l'extension moyenne était d'environ 1.550 km² avec une population moyenne d'approximativement 55.000 habitants et une densité de 35 hab./km². Les chiffres, en moyenne, étaient quasi identiques dans les zones des Objectifs 1 et 5b, mais très différents de ceux des zones nordiques de l'Objectif 6 où la densité moyenne de population était de 1,3 hab./km², avec une population totale bien moins importante, de 20.400 individus par zone LEADER.

Pour les budgets initiaux des programmes, un financement total de 3.868,34 MECU a été mobilisé par l'UE, les Etats membres et les régions. Les dépenses finales, l'indexation et la réserve du programme incluses, arrivent à un total estimé à environ 5.373,92 MECU.

Comme l'initiative LEADER II était co-financée par trois Fonds Structurels Européens, la participation financière européenne de 1.794,89 MECU est venue du FEDER¹⁸ pour 46,5%, de la Section Orientation du FEOGA¹⁹ pour 44,7% et du FSE²⁰ pour 8,8%. Les zones de l'Objectif 1 ont reçu 59,6% des fonds de l'UE, celles de l'Objectif 5b 37,7%, et les zones Objectif 6 0,9%. 1,8 % des fonds (31,44 MECU) étaient réservés pour des organismes de mise en réseau aux niveaux nationaux et européen.

Dans les budgets initiaux, le rapport entre les contributions respectives de l'UE, des fonds publics nationaux et des fonds privés étaient de 39,9%, 27,3% et 32,8%. Les budgets finalement engagés montrent une part de financement privé nettement plus élevée : les proportions ont été de 33,4%, 28,1%, 38,5%. Autrement dit, les fonds de l'UE ont eu un effet levier sur les fonds nationaux publics et privés plus important que prévu au départ (près de 200 % au lieu de 150 %).

Au terme de 2002, les ¾ des fonds européens totaux ont été effectivement dépensés et on estime que le taux de dépense atteint les 100%.

On enregistre de grandes différences en ce qui concerne la taille des programmes locaux. Les zones des Objectifs 1 et 6 ont généralement contracté des programmes de plus grande ampleur. 30,4 % des groupes de ces régions ont géré des programmes locaux de plus de 100 MECU. Seulement 6,5 % des groupes dans les régions de l'Objectif 5b ont mené des programmes locaux dépassant ce seuil.

Quatre mesures ont été mises en œuvre dans LEADER II:

¹⁸ Fonds européen de développement régional, administré par la DG Politique Régionale (anciennement DG XVI).

¹⁹ Fonds européen d'orientation et de garantie agricole, administré par la DG Agriculture (anciennement DG VI).

²⁰ Fond social européen, administré par la DG Emploi (anciennement DG V).

1. La Mesure A, intitulée « Acquisition des compétences » avait pour objet de préparer les acteurs locaux à s'impliquer dans la réalisation du programme local. Elle couvrait 3,4% des fonds utilisés pour la mise en œuvre de LEADER II.
2. La Mesure B, intitulée « Programmes d'innovation rurale », couvrait les priorités choisies dans les plans d'action locale (PAL). Elle a mobilisé 92,1% du budget total.
3. La Mesure C, intitulée « Coopération transnationale » était facultative. Elle recouvrait la coopération entre des zones LEADER d'au moins deux Etats Membres pour mener à bien des projets communs (voir aussi la figure 1). Elle couvrait 0,9% du budget total.
4. La Mesure D, « Mise en réseau ». Cette mesure a aussi été utilisée pour l'évaluation.

Les résultats de l'évaluation

L'initiative a commencé tard sur le terrain en raison des trois étapes prévues dans le processus de mise en œuvre :

- approbation du programme par la Commission;
- approbation des GAL et AC par région (certains groupes ont seulement été approuvés fin 1999);
- approbation des bénéficiaires par les GAL ou l'autorité de gestion.

La sélection des groupes d'action locale et acteurs collectifs par les autorités de programmation émanait plus d'un processus consultatif que d'une compétition. Dans certaines régions, en raison du faible taux de candidature, il n'y a eu aucune sélection. Dans les systèmes plus décentralisés, les autorités ont vérifié la qualité et la responsabilité financière du partenariat, alors que dans des systèmes moins décentralisés, la qualité des projets et les orientations stratégiques ont compté davantage. Les spécificités de LEADER n'ont pas été explicitement mises en avant au moment de la sélection des groupes (à l'exception de l'innovation qui représentait le principe directeur de LEADER II et de la coopération transnationale). Néanmoins l'approche ascendante, l'approche territoriale, le groupe local et l'innovation (dans quelques cas) ont servi de critères plus ou moins implicites de sélection.

L'influence des procédures de sélection sur la mise en œuvre des spécificités de LEADER est significative bien que très peu marquée. Une sélection basée sur la compétition – se déroulant le plus souvent dans des contextes de gouvernance décentralisée – a engendré apparemment l'émergence de groupes locaux qui ont produit de meilleurs effets sur les revenus et l'égalité des chances et qui se sont servis de la coopération transnationale et de la mise en réseau de manière plus efficace pour le développement local.

La Mesure A (« Acquisition des compétences ») n'a pas été utilisée par tous les Etats Membres et les régions, et assez peu de manière générale (sauf au DK et au LU). En ce qui concerne **la Mesure B** (« Programmes d'innovation rurale »), la priorité première fut le tourisme rural (entre 30 et 50% des budgets des PAL), mais de manière moins marquée que dans LEADER I. Ensuite, répartie de manière plus ou moins égale, il y avait l'assistance technique (principalement en IE), la valorisation des produits locaux (particulièrement forte en AT, ES et IT) et la promotion de l'artisanat et des MPME²¹ (notamment dans les pays nordiques) avec une proportion de 5 à 30% des budgets octroyés pour la mesure B. Plus faiblement, il y a eu la formation (principalement en IE) et l'environnement (assez importante en DE, FR). **La Mesure C** (« Coopération transnationale ») a couvert en moyenne 3,6% des budgets initiaux mais a été en partie réallouée à la mesure B parce que son budget n'avait souvent pas été entièrement dépensé. **La Mesure D** (« Mise en réseau ») s'est vu octroyer 0,9% du budget total. La large diversité de l'importance accordée aux mesures semble indiquer que l'approche décentralisée a rapproché le programme des besoins respectifs des zones et de leurs populations.

En ce qui concerne les **Fonds Européens**, le FEOGA a octroyé le maximum de ses paiements en 1999, le FEDER en 1999/2000 et le FSE en 2000. Les acteurs locaux ont jugé le FSE comme étant le fonds le plus difficile à gérer. Le FEOGA avait une gestion transparente mais complexe en raison de règles d'éligibilité strictes. Les fonds du FEDER ont été perçus comme les plus souples, bien que les autorités nationales aient parfois aussi introduit une gestion assez compliquée. La concentration des Fonds en une seule unité de décision dans certains Pays s'est avérée avantageuse et d'autant plus lorsque le co-financement national était déjà prévu. La recherche de contreparties financières, du local au national, s'est avérée une des barrières les plus astreignantes pour les bénéficiaires dans beaucoup de pays.

La réallocation des fonds s'est surtout produite entre la Mesure C (coopération transnationale) et la Mesure B (programmes d'innovation rurale). Les transferts au sein de la Mesure B ont été difficiles à retracer en raison de l'augmentation du budget total (due à la dévaluation de certaines devises nationales, à l'octroi de la réserve communautaire, etc.) et du faible niveau de précision dans les budgets initiaux. Dans les systèmes décentralisés, les réattributions étaient compilées de manière ascendante selon les besoins des GAL. Dans les programmes opérationnels, les régions ont réattribué des fonds de GAL dépensant lentement à des GAL dépensant plus rapidement. Dans tous les cas, les décisions ont été prises conjointement dans les Comités de suivi.

Les structures administratives mises sur pied dans les Etats Membres ont différé selon l'échelon de mise en œuvre et le contexte de gouvernance, ceci a déterminé le degré selon lequel une décentralisation était possible et souhaitée quand à la réalisation du programme

²¹ Micro-entreprises, Petites et Moyennes Entreprises

LEADER II. Le système de la « dotation globale » a été mis en œuvre dans des pays ou régions de l'Objectif 1 ayant une expérience avec LEADER tels que GR, IE, PT et Ecosse/UK. Cependant, les Programmes opérationnels étaient également pilotés de façon très décentralisée en Espagne, en Italie, ainsi que dans certaines régions d'Allemagne et de France. Les GAL avaient très peu d'autonomie dans des régions où l'initiative LEADER avait été mise en œuvre de manière assez similaire au programme de l'Objectif 5b (BE, DK, certaines régions d'AT, DE, FR). En réalité, l'autonomie des GAL ne dépendait pas uniquement du système d'intervention, mais aussi de la mesure dans laquelle le contexte administratif leur permettait de prendre des responsabilités. Un dispositif de contrôle minutieux, et des exigences fortes en matière de rapports de suivi, ainsi que des retards de procédure et de paiement ont pu saper l'autonomie formelle. Les lourdeurs administratives ont été contournées, dans certains cas favorables, grâce à une excellente mise en réseau entre les acteurs locaux et les gestionnaires et entre les gestionnaires de différents niveaux hiérarchiques et de différentes institutions et départements sectoriels. L'initiative LEADER II était accompagnée par des Comités de Suivi du Programme (CS) qui se rencontraient deux fois par an, et discutaient principalement de LEADER comme un « post-scriptum » à l'Objectif 5b, même s'il y a eu quelques exceptions lors de discussions stratégiques entre les partenaires des différents niveaux de la mise en œuvre. Dans les systèmes décentralisés uniquement, les GAL étaient représentées aux CS. Le soutien administratif accordé au groupe local a été assez faible dans la première phase de LEADER II mais a augmenté avec le gain d'expérience et l'engagement personnel des administrateurs du programme.

Parmi les spécificités locales de LEADER, **l'approche territoriale, l'approche ascendante et le partenariat local ont été les plus « populaires »** et mises en œuvre à une plus grande échelle que l'innovation et l'intégration multisectorielle :

- L'autonomie des groupes locaux à décider de la délimitation de leur zone a représenté un encouragement substantiel pour le développement local.
- L'approche ascendante a créé de nouveaux acteurs et engendré de nouvelles initiatives qui n'avaient pas été menées à bien dans les programmes du mainstream. Elle a mobilisé une somme de travail bénévole considérable dans le secteur associatif (sans but lucratif).
- La majorité des groupes locaux a été créée pour LEADER II. Une large majorité des partenariats était dominée par des acteurs publics. Les partenariats mixtes tripartites²² composés d'acteurs émanant des secteurs publics, privés et du monde associatif étaient perçus comme les plus représentatifs pour leur territoire.

²² Tripartite dans le sens d'une représentation des secteurs public, privé et associatif (sans but lucratif).

- L'innovation a été principalement interprétée de façon pragmatique comme « une nouveauté pour la zone ». Elle était également mélangée au concept de complémentarité en ce sens que LEADER II devait financer des activités expérimentales qui n'auraient pas été financées autrement.
- L'intégration multisectorielle a été davantage le fait des partenariats jouissant de plus d'expérience, dans des zones rurales plus structurées et diversifiées. Parmi les barrières objectives, on trouve la structure et la logique sectorielles de la plupart des autorités de financement et des dispositifs de soutien, alors qu'en terme de barrières endogènes on voit apparaître l'individualisme des acteurs et un manque de culture de coopération. Une vision concrète de l'intégration multisectorielle était absente dans beaucoup de cas mais les acteurs locaux dans des zones ayant une expérience en diversification agricole l'ont considérée comme un premier pas vers de futures étapes visant l'intégration.
- Même si les débuts furent compliqués, il y a eu un grand nombre de projets de coopération transnationale, 252 projets ont été financés par l'Observatoire Européen pour les étapes préparatoires, et on estime que 600 projets ont été financés dans le cadre de la mesure C.

La mise en réseau représentait une spécificité essentielle. L'Observatoire européen LEADER II a été créé en 1995 et a fonctionné pendant six ans, même si dans la dernière phase, il a fonctionné avec un potentiel réduit. Il y avait 12 unités nationales coordonnant la mise en réseau (aucune en BE, au DK et au LU), mais la plupart d'entre elles ont seulement été actives entre deux et quatre ans. Des réseaux régionaux sont apparus (en ES, FR, IT) principalement à l'initiative des GAL eux-mêmes. Les groupes les plus expérimentés ont davantage utilisé des réseaux plus grands (spécialement l'Observatoire Européen) que les autres, qui ont davantage tiré profit des réseaux régionaux et de leur capacité à transmettre la connaissance. Il y avait aussi – comme on les appelait – des associations informelles de GAL au niveau national et même une association européenne de réseaux informels appelée ELARD²³. Les réseaux nationaux « informels », certains en bons termes avec les unités officielles de mise en réseau, dispensaient des formations et un soutien à la gestion pour les GAL. La constitution de réseaux locaux a concerné des partenariats locaux qui fonctionnaient bien, et dans de nombreux cas, ce sont les acteurs du secteur associatif qui ont développé cette capacité.

Tout le monde est unanime pour dire que **les groupes LEADER I avaient des acquis** dans la préparation du plan d'action locale, dans la gestion des fonds décentralisés et dans la mise en œuvre de l'approche ascendante. On a observé un transfert latéral de connaissance des groupes de LEADER I vers « les nouveaux venus » dans la phase initiale de LEADER II. La

²³ Association LEADER européenne pour le développement rural

préexistence du partenariat de développement s'est révélée plus importante que la mise en oeuvre réelle du programme LEADER I, en dépit de la participation dans LEADER I ou dans d'autres programmes similaires ayant pour objectif le développement local endogène.

L'impact de LEADER II

LEADER a été une initiative efficace. Elle s'est avérée adaptable à tous les contextes socio-économiques ruraux et à toutes les gouvernances. Elle a rapproché les acteurs locaux, les administrations et les structures de soutien et a mobilisé le potentiel du bénévolat parmi la population locale. Elle a apporté la possibilité de conduire des activités et des projets territoriaux à petite échelle dans des régions en retard de développement et dans des territoires ruraux vulnérables.

L'efficacité de l'initiative a été réduite quand le groupe local a commencé tardivement et n'a pas eu suffisamment de temps pour mettre en oeuvre le programme local. Un autre facteur gênant a été un environnement administratif défavorable, c'est-à-dire : des processus de décision lourds, des barrières sectorielles à l'approche territoriale et un manque de soutien pour le groupe local particulièrement dans la phase initiale. Le manque de compétences de gestion et une mauvaise perception des possibilités offertes par les marchés ont souvent constitué les causes internes des échecs. Lorsque des initiatives et mesures similaires étaient déjà présentes au niveau local, l'initiative LEADER II a parfois éprouvé des difficultés à trouver son espace fonctionnel propre.

L'initiative LEADER a eu des effets positifs. Elle a comblé le fossé entre un programme « descendant » et la population locale, ses besoins, aspirations et potentiels. Elle a transféré la responsabilité aux partenariats locaux et a contribué au développement en renouant des liens entre les activités publiques et privées, les activités marchandes et celles sans but lucratif, ainsi que les activités relatives à l'infrastructure et aux entreprises. Elle a produit un changement de mentalité parmi les acteurs locaux qui sont passés d'une attitude passive à une attitude active. L'effet de levier sur le financement privé s'est avéré plus élevé que prévu pratiquement partout, jusqu'à +13% (au PT) et entre +5 et +10% en moyenne.

L'efficacité de l'initiative a été réduite lorsque la période de mise en oeuvre était trop courte pour permettre au groupe local d'entrer en contact direct avec les initiatives des personnes impliquées, et si les dirigeants locaux négligeaient l'approche ascendante. Ceci était souvent combiné à une faiblesse ou un manque de représentativité du partenariat local.

L'initiative LEADER II a contribué à la durabilité des processus de développement au niveau local. Elle a ouvert de nouvelles voies en créant de la valeur ajoutée dans les zones rurales et en créant des synergies entre des chaînes de valeur ajoutée qui existaient déjà. Elle a contribué à développer la capacité d'action au niveau local au sein même et autour du

partenariat local. Beaucoup de programmes locaux ont inclus les préoccupations environnementales dans le développement social et économique à un niveau stratégique. Les acteurs publics et privés ont appris à travailler ensemble ou ont intensifié leur coopération. LEADER II a transmis une perspective européenne voire mondiale au développement local dans les zones rurales. Les processus²⁴ Agenda 21 local et régional se sont reliés aux programmes LEADER sans aucun problème. Un interlocuteur irlandais a d'ailleurs déclaré : « *LEADER a été la première approche territoriale multisectorielle pour le développement local administrée par l'intermédiaire d'un GAL. Il inculquait la notion de responsabilité (« empowerment ») aux communautés dans la politique de développement local... Le plus grand héritage du programme LEADER a été la création solide de GAL avec de bonnes structures de gestion qui ont continué à développer d'autres programmes conformément aux besoins locaux.* »²⁵

L'initiative n'a pas pu contribuer au développement durable si le partenariat local et l'assistance technique étaient prématurément interrompus par des réductions financières à la fin de la période de programmation, ou si les projets démarrés sous LEADER n'ont pas pu obtenir un financement ultérieur. L'initiative a aussi rencontré des difficultés à atteindre son objectif si un seul secteur ou si les acteurs publics exerçaient une domination continue ce qui constituait un frein pour répondre aux besoins de développement de la zone.

LEADER II a contribué à **l'ajustement et à la diversification agricoles** particulièrement dans des zones où le secteur agricole était représenté au conseil d'administration du GAL. Dans les pays ayant une tradition vivante de pluriactivité, la diversification agricole a servi de modèle de base pour des stratégies multisectorielles, souvent combinées au tourisme rural.

L'initiative LEADER a eu des effets positifs sur l'emploi bien qu'il ne soit pas possible de les quantifier. Des emplois directs ont été davantage créés dans des zones rurales moins diversifiées et moins structurées, souvent des zones Objectif 1, que dans des zones rurales plus diversifiées et plus accessibles. Cette différence provient du rôle différent que le programme et les groupes locaux ont joué dans les divers types de régions. Une estimation inductive suppose, durant l'initiative, **que jusqu'à 100.000 emplois temps plein à durée indéterminée ont été créés ou maintenus par LEADER** dans les zones rurales en Europe.

De nouveaux emplois, mais aussi plus de visiteurs et une valeur ajoutée aux produits locaux ont engendré plus de **revenus** et augmenté la propension à investir localement de la part des entrepreneurs locaux.

²⁴ Un processus Agenda 21 local ou régional signifie une planification participative communautaire pour un avenir durable. Des processus de ce type ont été initiés dans le monde entier après la Conférence des Nations Unies pour le Développement et la Coopération à Rio de Janeiro (1992).

²⁵ Source: Q34.

Les mesures de qualification, la création d'emploi et de revenus, ont contribué à **l'égalité des chances**. La présence des femmes dans les conseils d'administration des GAL et dans le personnel de gestion et d'animation a agi comme un levier pour aborder les besoins de la population féminine rurale d'une meilleure façon.

Les objectifs environnementaux ont été principalement intégrés dans des projets agricoles et touristiques. Un grand nombre d'innovations, par exemple dans l'utilisation des ressources locales renouvelables, avait pour objectif de sensibiliser les infrastructures communales et l'économie locale à l'environnement. Une orientation environnementale affirmée a permis une intégration des stratégies de développement territorial avec un objectif partagé.

LEADER II et d'autres mesures de développement étaient **complémentaires**, particulièrement celles qui étaient financées par les Fonds Structurels. LEADER II a soutenu des projets à une plus petite échelle et avec un caractère plus expérimental, une palette plus large de bénéficiaires, issus en particulier du secteur associatif et de l'entrepreneuriat féminin.

Les retombées spécifiques concernant la méthode LEADER

L'approche territoriale a contribué à une utilisation plus efficace des ressources endogènes. La proximité de fin du programme et la création de nouveaux liens ont évité aux ressources naturelles, culturelles, technologiques et humaines de s'éteindre ou de tomber dans l'oubli et ont permis de les transformer en valeur économique pour la zone.

L'approche territoriale a contribué indirectement à la création d'une stratégie générale pour la zone concernée en encourageant la démarche stratégique et la capacité pour les acteurs locaux de s'adapter et d'agir en partenariat. Cependant, traduire l'orientation stratégique en un système efficace de sélection des projets s'est avéré être une tâche difficile :

- Dans des systèmes décentralisés, les GAL/AC lançaient des appels d'offres basés sur une orientation stratégique à long terme prévue dans le plan de développement.
- La plupart des groupes locaux ont suivi des stratégies non pas orientées vers des objectifs précis, mais plutôt émergentes²⁶. Cela veut dire qu'il y avait souvent de grandes disparités entre le plan de développement écrit et sa mise en œuvre réelle, mais cela ne présentait pas un problème en soi car l'adaptation stratégique apparaît lorsqu'il y a apprentissage. Les problèmes sont apparus dans les cas où il n'y avait pas de vision commune, ni engagement commun et aucune place pour le dialogue.

²⁶ Le terme a été utilisé par Henry MINTZBERG e.a. : Strategy Safari : a guided tour through the wilds of strategic management. Simon & Schuster Inc., New York.

L'approche ascendante a rapproché le programme de la population. Elle a contribué à l'intégration de nouveaux bénéficiaires et de membres plus faibles de la population. Les initiatives locales et le bénévolat ont joué un rôle important dans le succès particulier de cette spécificité. L'approche ascendante dépendait d'un partenariat représentatif viable, d'une gestion compétente et d'une équipe d'animation, d'un environnement politique favorable et de la poursuite des financements avec une participation financière des autorités locales.

Bien que l'initiative LEADER II ne soit pas dirigée vers les catégories les plus faibles de la population, elle a permis de récolter des fonds supplémentaires en utilisant d'autres mesures et en faisant prendre conscience des stratégies inclusives de développement.

Bien que beaucoup de **partenariats** aient cessé leurs activités après LEADER II, la prise de conscience quant à l'importance du partenariat local comme espace de négociation et de concertation d'intérêts locaux divergents est un héritage tangible de l'initiative LEADER. Beaucoup de nouveaux partenariats, d'agences de développement local et de structures de coopération ont vu le jour et ont contribué à la diversification et au dynamisme des territoires ruraux. Beaucoup de partenariats ont évolué vers des structures permanentes du développement local. Comme les partenariats locaux constituent un point central pour l'apprentissage collectif en rapport au développement local, la question de la continuité et de la viabilité représente une préoccupation majeure pour les acteurs locaux. L'effet des groupes locaux sur la création de liens entre certaines activités a été fortement influencé par la composition du partenariat. Bien qu'il y ait eu de bons exemples de partenariats exclusivement publics ou exclusivement privés, les groupes locaux qui jouissaient d'une représentation équilibrée du secteur privé, public et associatif ont, selon toute vraisemblance, obtenu les meilleurs résultats.

Les actions innovantes ont largement ouvert de nouvelles voies pour le développement local dans les zones rurales. Une voie d'innovation a été de découvrir et de valoriser ou revaloriser les ressources locales et le potentiel local. La fonction emblématique des produits locaux, les atouts du patrimoine naturel, les aptitudes et traditions spécifiques, etc., a suscité beaucoup de bons projets qui ont ensuite été promus comme étant des illustrations de la politique rurale européenne. Une autre voie d'innovation avait pour but le remodelage des organisations et réseaux locaux et le soutien méthodologique pour mettre en œuvre les pratiques participatives de développement local.

Beaucoup d'acteurs locaux ont déclaré que l'innovation la plus importante était l'introduction de la méthode LEADER elle-même. Elle a engendré un sentiment mutuel de confiance et a permis aux individus de croire au changement. Ce changement de perspective peut être considéré comme l'effet principal de l'approche innovante : remplacer l'idée que l'innovation soit une chose parachutée du dessus par la prise de conscience par les acteurs de leur propre potentiel de création comme principale source d'innovation.

L'initiative a donné envie d'apprendre aux acteurs locaux et a entraîné la recherche de transferts de connaissance. La mise en réseau en a été le principal vecteur et la coopération transnationale a largement été utilisée à cet effet quand bien même il ne s'agissait pas de sa mission officielle. Les GAL sont intervenus à deux étapes du cycle d'apprentissage : dans l'analyse des besoins en savoir-faire, et dans la recherche de sources extérieures de savoir-faire.

Etant donné que **l'intégration multisectorielle** a été plus difficile à réaliser que les autres objectifs comportementaux, la réussite de sa mise en œuvre relevait davantage d'un nombre de conditions préalables et d'influences externes. Plus qu'un effet, l'intégration multisectorielle semble être le résultat (i) d'un contexte administratif favorable ; (ii) d'une économie locale prospère et diversifiée ; (iii) d'un partenariat mixte viable, dynamique et représentatif et (iv) d'une orientation stratégique forte dans le plan d'action locale. L'initiative LEADER II a été efficace dans la création de nouveaux liens entre les acteurs publics et privés afin de leur permettre d'améliorer la gouvernance locale et d'assurer et de diversifier les services à la population.

La mise en réseau représente la spécificité dont les groupes les plus avancés ont le plus tiré profit, dans des zones rurales diversifiées et dynamiques. La mise en réseau a servi à consolider les réalisations de l'approche territoriale, de l'approche ascendante et du partenariat local à long terme en renforçant les liens économiques des acteurs locaux vers le monde extérieur, en amenant l'expertise au niveau approprié et en établissant des relations commerciales à distance. Elle a amélioré la coopération transnationale et a augmenté les avantages de l'intégration multisectorielle dans la zone locale. La mise en réseau a facilité la dissémination de l'information, la dissémination et le transfert du savoir-faire et de bonnes pratiques et a stimulé la création de réseaux informels entre les zones rurales, à la fois régionaux et transnationaux.

La coopération transnationale entre les zones rurales a laissé une image ambiguë : pour la plupart des nouveaux GAL, elle a été conçue de manière trop ambitieuse. Il aurait été plus facile et plus utile pour les groupes locaux d'entrer en relation avec les GAL voisins. Les réseaux régionaux l'ont finalement fait sans le soutien de la Commission. Même si la mesure C n'a pas été entièrement exploitée, elle a été utilisée par 2/3 des groupes ce qui signifie que les GAL ont ressenti le besoin d'échange pour apprendre et pour le transfert des connaissances – bien plus que pour entreprendre des projets de coopération au sens strict du terme d'une entreprise commune. Cependant, seul ce dernier cas était éligible en terme de financement. Afin de pouvoir être financé, les groupes ont généralement fixé des objectifs trop optimistes et irréalistes.

D'autre part, on peut dire sur base de quelques exemples frappants que certains groupes ont utilisé de manière excellente la coopération transnationale pour servir les objectifs de développement de leur territoire.

En bref, la coopération transnationale a contribué à l'ouverture des zones locales vers des perspectives plus larges. Elle a amené une dimension européenne à la dimension essentiellement locale de LEADER. Pour beaucoup de groupes locaux, il s'agissait de la première étape vers une mise en réseau transfrontalière. En tant que mise en réseau naissante, elle a facilité la dissémination de l'information et le transfert et la dissémination de savoir-faire et de bonnes pratiques.

La coopération transnationale ne se justifiait pas pour une utilisation plus efficace des ressources communes aux zones impliquées, sauf à travers le transfert d'un savoir-faire spécifique.

Evaluation des procédures de gestion et de financement

Les acteurs locaux ont considéré **la prise de décision décentralisée** comme favorable pour la mise en œuvre des spécificités locales de la méthode LEADER, et spécialement de l'approche ascendante, l'approche territoriale et du partenariat local. Les acteurs locaux ont le sentiment que cette initiative leur a donné plus d'autonomie, de responsabilités et davantage d'espace pour apprendre et croître, indépendamment du degré exact du pouvoir de décision dont ils ont bénéficié. Cependant l'autonomie formelle des GAL dans les systèmes de programmes globaux ou opérationnels, attribués comme des dotations 'quasi' globales a été contrecarrée par des exigences administratives et de contrôle et par des retards causés par les niveaux supérieurs de prise de décision. Toutefois la mise en réseau et l'apprentissage collectif ont augmenté la capacité des acteurs locaux et des administrateurs à gérer la complexité, avec un enthousiasme croissant.

Les organes de mise en réseau ont beaucoup contribué à la réalisation des objectifs de LEADER II en terme d'efficacité grâce au transfert du savoir-faire et à la médiation. Cela a contribué également à la pertinence de l'initiative grâce à un partage du travail entre les réseaux nationaux et régionaux qui ont renforcé le facteur de proximité et l'Observatoire qui a garanti la coordination pan-européenne entre les unités nationales. Finalement, les organes de mise en réseau ont également contribué à l'utilité de l'initiative par la mise en place d'une compréhension commune, par l'encouragement d'une philosophie commune de développement rural, par le développement et le transfert d'outils, et par la possibilité d'un vaste réseau d'acteurs, d'experts, d'administrateurs dans la poursuite de collaboration au-delà de LEADER.

Indépendamment du contexte macro-politique, **la décentralisation de la gestion et des finances a été un facteur de forte influence sur la mise en oeuvre de la méthode LEADER au niveau local**, particulièrement pour l'approche ascendante. Les facteurs positifs furent (i) d'excellentes relations entre les acteurs locaux et les administrateurs, (ii) un financement permanent des fonctions de base du GAL, (iii) un rôle appréciable et les capacités et compétences nécessaires pour les groupes locaux. Les facteurs négatifs furent (i) les interruptions dues au manque de financement entre les périodes de programmation, (ii) des structures et procédures administratives inadéquates qui ont sapé l'autonomie formelle du GAL, (iii) trop peu d'interaction et une trop grande distance entre les acteurs clés dans la chaîne de mise en oeuvre du programme.

La qualité de la mise en oeuvre du programme a été influencée par (i) l'interaction fréquente entre les différents acteurs clés du GAL et l'administration à différents niveaux, (ii) par la concentration ou la dispersion des canaux de financement, par exemple, les 3 fonds de l'UE, et les fonds nationaux correspondant de contrepartie, (iii) par la réduction de la complexité administrative par une mise en réseau intra-hiérarchique plus ou moins informelle, avec le gestionnaire du programme considéré comme "l'araignée dans la toile".

Le système décentralisé de gestion et de financement s'est révélé être le déclencheur principal pour l'apprentissage organisationnel et institutionnel à tous les niveaux. Il a créé le terreau sur lequel on a pu mettre en oeuvre la méthode LEADER dans le développement local des zones rurales. Le partenariat a joué un rôle central dans le transfert du principe jusqu'au niveau local, où il s'est révélé être l'approche ascendante.

Les groupes locaux ont été évalués dans de nombreux cas sur l'initiative de l'administration du programme, mais dans de rares cas, les groupes eux-mêmes ont dédié les ressources à des évaluateurs externes, principalement dans la préparation de LEADER II. On estime à 20% les groupes qui se sont auto-évalués sous une forme ou une autre. Dans les meilleurs cas, l'administration a financé ces efforts et les réseaux régionaux ont fourni une assistance technique. Les auto-évaluations sont de plus en plus acceptées comme des composants essentiels d'une gouvernance locale et comme un outil nécessaire pour les organisations d'apprentissage. Mais cela laisse un vaste chantier pour l'expérimentation de nouveaux instruments et méthodes.

Il n'y a pratiquement eu aucune **évaluation ex ante** de LEADER II. **Les évaluations intermédiaires** n'ont pas été faites dans toutes les régions. **Les évaluations ex post** ont été menées au niveau du programme entre 2001 et 2003, certaines d'entre elles ont donné une excellente image de la mise en oeuvre et du rendement de l'initiative LEADER II. Les directives de la Commission pour l'évaluation ex post ont été appréciées et largement utilisées, bien que de manières diverses, à tel point que l'information n'a pu être incorporée au niveau européen.

La synthèse des évaluations de programmes au niveau national n'a pas été systématique, mais la plupart des leçons à tirer ont été transférées à LEADER+ au moyen de conférences, de réunions et lors des évaluations ex ante de LEADER +. L'immense richesse des évaluations nationales et régionales pourrait être mieux exploitée au niveau européen s'il existait un ensemble commun de critères centraux et d'indicateurs auxquels chacune puisse se référer, indépendamment de la grande diversité des vues spécifiques des pays qu'elle fournissent – et devraient continuer de livrer.

La valeur ajoutée de LEADER II

Selon les acteurs locaux et les membres de l'administration interviewés, LEADER II a donné une grande valeur ajoutée aux zones rurales comparée à la fois aux Fonds Structuraux et à d'autres schémas de financements nationaux. Il a donné des réponses utiles, concrètes et durables aux besoins spécifiques des zones rurales. Il a libéré un potentiel caché et oublié dans les zones rurales. Il a donné des possibilités pour relever les défis d'une économie globalisée grâce à l'expérimentation des nouvelles voies sur une petite échelle avec des financements relativement petits mais avec une grande visibilité et des résultats démontrables.

L'initiative LEADER peut être considérée comme un 'logiciel d'apprentissage', suffisamment souple pour être traduit dans n'importe quel contexte rural. En fonction des besoins, il peut être utilisé pour dynamiser et pour structurer la zone, étant donné qu'il donne des outils pour chacune de ces fonctions.

Les caractéristiques spécifiques de LEADER n'ont pas été inventées par l'initiative, mais elles ont été appliquées pour la première fois au développement rural, d'une manière intégrée et cohérente. Les bons résultats ont stimulé leur diffusion sur une vaste échelle. En Espagne, Finlande et en Irlande, l'approche globale a été généralisée dans des programmes du mainstream de développement rural en touchant des zones en dehors de LEADER + au moyen de programmes locaux de type LEADER, gérés par des partenariats locaux. La méthode LEADER a également fait des émules dans le cadre d'autres initiatives au-delà du développement rural, par exemple dans les programmes de l'Objectif 1 (GR, IT et UK), ou dans des programmes de restructuration urbaine (IE). En Italie, il a influencé la mise en forme des Pactes Territoriaux pour l'Emploi.

La dernière valeur ajoutée de LEADER II pourrait être sa capacité à déclencher un changement de mentalité indépendamment des barrières nationales, culturelles ou linguistiques. L'initiative LEADER II a promu une école de pensée à dimension européenne, reliée par un 'caractère' ou 'esprit' commun basé sur un ensemble de principes et de croyances semblables sur la manière de réaliser le développement local dans les zones rurales.

Recommandations concernant les spécificités de LEADER

L'approche territoriale fonctionne au mieux avec une définition souple et une gestion de la délimitation territoriale. La zone devrait être adaptée aux critères fonctionnels définis par les exigences relatives au projet et les identités activées par les différents types de projets. Des villes à la campagne et des quartiers urbains devraient être inclus.

Le principe **ascendant** devrait être renforcé. Les groupes locaux devraient être encouragés afin qu'ils définissent leurs propres thèmes de développement, et ceci demande du temps. Le temps est la ressource qui a le plus de valeur pour l'approche ascendante. Une période de financement ne devrait pas être inférieure à 5 ans, mais chaque programme local devrait être situé dans une vision stratégique s'étendant sur 10 années ou davantage. Par conséquent il faudrait 2 cadres 'temps': le premier pour le programme opérationnel et l'autre pour la vision stratégique auquel le programme opérationnel contribue. La vision stratégique et le plan opérationnel doivent tous deux faire l'objet d'une révision régulière dans le cadre d'un processus permanent. La planification et la mise en œuvre devraient être vues comme des processus parallèles et non séquentiels. Ce type de planification est largement communicatif. Les plans servent d'outils de communication qui doivent être compris du public. En outre, ils ne devraient pas être trop déterministes, décrivant le chemin à suivre, mais plutôt rester souples, pour permettre d'offrir des options et des solutions alternatives si les conditions viennent à changer. Les partenariats locaux devraient par conséquent concentrer davantage leur attention sur la manière de les 'piloter' plutôt que sur la 'planification' proprement dite.

Les groupes locaux devraient bénéficier d'une aide pour aider à renforcer leur capacité pour agir comme des meneurs dans les stratégies de développement local. L'évaluation a démontré que les groupes d'action locale ont développés une capacité considérable en matière de mise en place d'une stratégie. On peut identifier 2 fonctions essentielles des partenariats :

- Un centre local de coordination et une agence pour une multitude d'initiatives territoriales, sectorielles ou spécifiques, de mesures ou de schémas financiers
- Un centre d'évaluation pour les innovations et pour l'expérimentation de nouvelles voies de développement.

Les deux fonctions suivent des logiques différentes et devraient, dans des zones rurales plus diversifiées et complexes, être mieux réalisées par des entités différentes, mais bien coordonnées.

La première fonction exige de la permanence et de l'indépendance par rapport aux programmes spécifiques, aux initiatives ou aux périodes de financement. Les agences locales de développement basées sur le partenariat devraient être cofinancées à la fois par des programmes du mainstream et par des contributions locales. Elles prendraient la succession

des fonctions administratives décentralisées par exemple pour l'approbation des projets et pour le suivi de l'avancement du programme.

La seconde fonction devrait être à l'intérieur ou rattachée à la structure permanente, mais pas impérativement. Elle peut agir sur une échelle territoriale inférieure, plus proche des gens. Elle devrait être financée par une Nouvelle Initiative Communautaire pour le développement rural. Elle devrait mettre l'accent sur la sensibilisation, l'animation et l'assistance technique pour les promoteurs de projets, et ne pas être chargée de tâches administratives qui détournent son attention des activités sur le terrain, ni de tâches de contrôle qui pourraient entrer en collision avec son rôle au côté des acteurs locaux.

Un GAL moyen (30-70.000 habitants), qui intègre les deux fonctions, devraient compter de 4 à 6 personnes à la fois pour l'animation et l'administration. Le budget du groupe devrait réserver au moins 25% pour la gestion, l'administration, l'assistance technique, la sensibilisation et le suivi. Les réseaux régionaux devraient être mieux dotés pour un apprentissage réciproque continu et des échanges créatifs. Un soutien et une ligne de conduite pour les tâches à accomplir pour les GAL devraient être donnés afin de les transformer en organisations d'apprentissage.

La nouvelle initiative devrait devenir un véritable laboratoire de **l'innovation rurale**. L'innovation demande un environnement favorable et du temps. Comme signalé ci-dessus, la période de financement devrait être de 5 ans au moins, à compter de la date de démarrage du contrat avec le groupe local. Des budgets séparés devraient être maintenus pour des financements à risque pour des projets très expérimentaux. Les promoteurs des projets devraient recevoir une avance financière de 30% minimum et bénéficier de procédures de candidature simplifiées. Après le financement, les bénéfices de l'innovation doivent pouvoir être 'capitalisés' par des mécanismes d'apprentissage et de suivi adéquats.

Le partenariat local devrait devenir le terreau d'une réelle **intégration multisectorielle** réelle. Le partenariat devrait avoir une structure tripartite comprenant le secteur public, le secteur privé et le secteur associatif. Le conseil de surveillance devrait compter entre 30 et 40 partenaires, le pouvoir exécutif entre 3 et 7 membres. Des groupes de travail souples opèrent au second niveau, comme zone de transition fluide entre l'institution et la population locale. L'intégration multisectorielle est créée conjointement par des entrepreneurs dynamiques avec une approche ascendante et par des administrateurs souples branchés sur les solutions descendantes. La mise en réseau, la formation et les mesures de qualification devraient tendre à rassembler ces personnes aussi souvent que possible.

On devrait accorder plus de ressources à **la mise en réseau** orientée vers la demande à **tous les niveaux**. Les réseaux régionaux devraient être aidés afin de devenir la première adresse pour un apprentissage mutuel, l'échange et la coopération entre des territoires voisins. Les

réseaux nationaux devraient travailler sur des thèmes spécifiques qui intéressent un minimum de partenaires locaux et qui puissent varier dans le temps. Ils devraient servir de charnières entre les groupes locaux et les administrations responsables du programme en catalysant l'apprentissage institutionnel. Avant le démarrage des programmes opérationnels dans les Etats Membres, un Observatoire Rural européen devrait être mis en place, sous la forme d'un contrat de service qui intègre l'information et la communication, l'apprentissage et l'échange, la mise en réseau, la réflexion thématique et méthodologique, ainsi que l'assistance technique en vue de créer une coopération transnationale. L'Observatoire devrait agir sur un mode davantage orienté vers la demande pour ce qui concerne les anciens Etats Membres et sur un mode davantage pro-actif, tourné vers la construction de structures de mise en réseau avec et entre les nouveaux Etats Membres.

Les procédures de gestion et de financement devraient être simplifiées tout au long de la chaîne de mise en œuvre du programme. Une stratégie saine de simplification comprend l'ensemble de la chaîne des procédures bureaucratiques au lieu de déplacer le fardeau au niveau inférieur de mise en œuvre du programme. La CE devrait donner des critères cohérents pour la programmation, l'évaluation, les partenariats locaux, une gestion financière efficace et pour les règles d'éligibilité des projets. Ce cadre devrait être uniforme, mais il devrait y avoir de la place quant à la manière de se conformer à ces normes dans des contextes différents (nationaux, régionaux, géographiques et institutionnels) ainsi que pour les programmes et les plans d'action locale aux volumes et aux contenus différents. Les Etats Membres devraient établir des normes détaillées sur les coûts éligibles, les procédures financières et les mécanismes de contrôle, qui devraient ensuite être mis en place par les GAL qui souhaitent participer à l'initiative, en collaboration avec l'administration régionale et d'autres agences intermédiaires. Les procédures financières devraient être décentralisées. Les GAL qui satisfont aux critères de responsabilité pour des partenariats locaux devraient recevoir une dotation globale en fonction de leurs plans de développement approuvés. Comme signalé plus haut, la période de financement devrait couvrir 5 années et se situer à l'intérieur d'une orientation stratégique dépassant une période de 10 années. Les Etats Membres contrôlent et surveillent le processus. Les régions devraient dispenser la formation et le soutien aux groupes locaux afin de les préparer à la gestion financière et aux tâches administratives, comme il a été dit plus haut.

Recommandations concernant le pilotage, l'évaluation et l'apprentissage institutionnel

L'apprentissage devrait être séparé de l'évaluation de l'impact. L'apprentissage devrait être organisé au sein de groupes cibles (focus groups) qui se réunissent régulièrement au niveau du GAL et du programme à partir de la révision à mi-parcours. Au niveau du GAL, ces groupes participent à une auto-évaluation continue et à un apprentissage adaptable. Ils devraient être

aidés de manière cohérente par des facilitateurs qualifiés par le biais des réseaux régionaux et être payés sur le budget du programme. Dans la phase finale de la période de financement, les évaluateurs externes rejoindraient les groupes cibles pour mener une réflexion stratégique dont les résultats sont intégrés directement au niveau du programme, où un groupe cible semblable a été mis en place. Les groupes cibles au niveau régional devraient jouer un rôle central dans l'évaluation permanente qui pourrait porter sur des thèmes spécifiques, tels que la durabilité des projets. On pourrait appeler la structure décrite une architecture de groupes cibles (focus groups) à 2 étages. Leurs observations et leurs recommandations devraient être synthétisées au niveau national et déboucher finalement sur des changements structureaux, qui seraient immédiatement introduits dans le programme suivant.

La demande est forte pour une plus grande assistance méthodologique en matière **d'auto-évaluation**, que la Commission devrait donner comme elle l'a fait avec les manuels MEANS pour les bonnes pratiques d'évaluation.

L'analyse d'impact devrait être conduite 2 ou 3 ans après la fin du programme. Cette analyse devrait servir à évaluer la mise en oeuvre et les résultats et estimer l'impact de l'initiative. L'analyse serait basée sur quelques processus pertinents et des indicateurs de résultat. Les comptes rendus des groupes cibles (focus groups) et du processus d'apprentissage, qui ont eu lieu 2 années auparavant, devraient être prises en considération, ainsi que les données de pilotage rassemblées au niveau du programme et qui rendent compte pour chaque groupe. Les enquêtes sur les GAL ne devraient pas dépasser les 40 questions concernant les indicateurs. Les analyses d'impact régionales devraient ensuite être synthétisées au niveau européen. En plus, l'analyse d'impact européenne pourrait être complétée par des études de cas comparatives pour lesquels les administrations du programme et les GAL pourraient être sollicités. L'évaluation européenne ne devrait pas demander aux GAL de compléter des questionnaires pour des enquêtes représentatives.

Les résultats des analyses d'impact au niveau du programme et au niveau de l'UE devraient alimenter le programme après-prochain. Idéalement, l'analyse d'impact peut être combinée avec la révision à mi-parcours de la période qui suit immédiatement. Si la chose est réalisable en fonction du temps, elle devrait certainement être faite.

Il devrait exister **un cadre cohérent pour le pilotage, l'apprentissage, l'évaluation et le contrôle.** Au départ, la Commission Européenne devrait, après avoir consulté les Etats Membres, mettre en place un ensemble restreint central de, disons, 12 à 16 indicateurs qualitatifs et quantitatifs et donner une aide aux Etats Membres pour le suivi en tant que partie intégrante de la mise en oeuvre du programme.

Les Etats Membres enrichissent la liste des indicateurs qu'ils estiment indispensables pour leurs objectifs propres et les incluent dans l'évaluation ex ante. Enfin, le GAL peut ajouter ses

propres indicateurs jugés utiles et significatifs par les partenaires locaux. Chaque plan de développement opérera alors sur un modèle de type oignon à trois couches successives ne comprenant pas plus de 40 indicateurs européens, nationaux et locaux, et dont le suivi serait partagé par les partenaires nationaux, régionaux et locaux.

Les systèmes d'indicateurs doivent être examinés et revus pour chacune des périodes de programmation. Les organes de mise en réseau devraient jouer un rôle afin d'expliquer et d'informer les partenaires en vue d'obtenir une utilisation satisfaisante des outils d'évaluation et des résultats issus à la fois des cycles d'apprentissage et d'évaluation.

Recommandations concernant les futurs programmes et initiatives de développement rural

La question n'est pas de savoir si l'Initiative Communautaire doit être poursuivie ou être incorporée dans les Programmes de Développement Rural. Les deux doivent être réalisés.

Une Initiative Communautaires pour le Développement Rural doit être maintenue. Elle donne les fonds afin d'expérimenter des nouvelles voies de développement, en fonction de la situation respective dans la zone rurale ; des nouvelles solutions aux problèmes existants (et futurs!) devraient être trouvées grâce à une mise en oeuvre approfondie de la méthode LEADER. Afin de garantir que les groupes plus avancés, diversifiés et plus matures servent de modèles pour les autres, il faudrait mettre en place un organe européen de mise en réseau, qui fournirait, en même temps que ses équivalents nationaux, les points de contact et les canaux pour des échanges intensifs, des transferts de connaissance et des outils d'apprentissage. En ce qui concerne la double fonction des agences locales de développement basées sur le partenariat – action et administration – il faudrait s'assurer que les groupes d'action locale ne sont pas étouffés par les tâches administratives liées à leurs nouvelles responsabilités.

Les GAL devraient continuer à fonctionner en tant que lieux de rencontre d'inspiration et où prévaut la pensée stratégique, où les projets sont conçus et suivis, et où les personnes locales sont les bienvenues et prises en considération chaque fois qu'elles viennent avec des idées plus ou moins non conventionnelles. Ceci demande un personnel de gestion et d'animation suffisant, capable de faire la synthèse de la société locale, de découvrir de nouvelles idées qui puissent être transformées en projets de développement, de capitaliser les innovations faites et de fournir l'espace pour un dialogue stratégique continu entre les partenaires locaux et une partie grandissante de la population désireuse de participer au développement local.

Les nouveaux Programmes de Développement Rural devraient au moins contenir deux mesures qui rendraient la nouvelle Initiative Communautaire plus efficace :

- (i) Le cofinancement de projets dont les phases expérimentales et de démarrage ont été testées dans le cadre de la nouvelle Initiative Communautaire, à la condition qu'il ait été prouvé qu'ils sont réalisables et utiles afin d'être étendus, poursuivis ou reproduits sur une plus large échelle ;
- (ii) Le cofinancement des structures permanentes de développement local basées sur le partenariat dans les zones rurales qui accomplissent les tâches mentionnées ci-dessus liées à la gestion décentralisée et au financement, tels que le suivi des projets, la comptabilité, la gestion de l'information ainsi que la formation continue des administrateurs des programmes et des partenaires locaux, la communication au public des problèmes liés au développement rural et les réalisations.

Le Programme pour le Développement Rural devrait contenir une "prime LEADER", c'est-à-dire une meilleure dotation budgétaire dans la mesure où l'État Membre ou la région intègre la méthode LEADER dans le programme du mainstream, particulièrement l'approche ascendante et multisectorielle, la mise en réseau et les instruments de qualification et d'accompagnement.

Les nouveaux Etats Membres ont besoin d'un espace d'expérimentation de voies de développement nouvelles et authentiques. Au lieu d'essayer d'imiter les 'modèles réussis' des anciens Etats Membres, une initiative du type LEADER serait un excellent et peut-être le seul instrument efficace afin de créer cet espace d'expérimentation dans leurs zones rurales.

Le développement rural devrait transcender le rural. L'avenir des zones rurales est déterminé par les évolutions dans les métropoles. Par conséquent, il est nécessaire d'étendre le dialogue, les partenariats, le transfert des pratiques innovantes, l'intégration multi-sectorielle, la mise en réseau et la coopération inter-territoriale aux villes et aux agglomérations semi-urbaines. Les initiatives rurales doivent tenter de forger de nouvelles alliances avec les initiatives des consommateurs en matière de ressources alimentaires, d'utilisation du sol et des ressources, des problèmes de transport et d'énergie, de migration et d'autres défis qui demandent des solutions nouvelles au-delà du rural. Ce mouvement devrait être soutenu par des moyens de financement appropriés.

CHAPTER 3: AIMS AND SCOPE OF THE EVALUATION

3.1 History and characteristics of the LEADER II initiative

3.1.1 The characteristics of the LEADER initiative

Started in 1991, the Community Initiative LEADER pursued a new, small-scale approach to rural development in lagging areas (Objective 1), in areas facing structural difficulties (Objective 5b) and, since 1994, in Nordic sparsely populated areas (Objective 6) with relatively limited financial resources. LEADER was designed to revitalise these areas and to complement the existing European structural funds and national or regional development programmes.

The experimental approach proposed by the European Commission rests on three elementary principles:

- Elaborating and implementing a « local action plan » (LAP) in rural areas between 5,000 and 100,000 inhabitants. This plan defines a limited number of strategic development axes and corresponding measures, which have to be put in action within a period of three years (1991 – 1993) in LEADER I, of six years in LEADER II (1994 – 1999) and of seven years in LEADER+ (2000-2006);
- The local action plan is designed and implemented by a local partnership as the final beneficiary of the initiative;
- Multi-sectorality and systematic interlinking of development actions embedded in an overall vision and strategy²⁷;

The initiative LEADER II was started for the programming period 1994 – 1999 on the basis of the Commission's decision of the 15th June 1994, communicated through the Notice to Member States on July 7th 1994 (94/C 180/12). LEADER II has to be understood as a continuation of LEADER I, marked by an effort to decentralise and adapt it to the programming structures of the Member States.

²⁷ Hence the acronym : LEADER = Liaison Entre Actions du Développement de l'Économie Rural

3.1.2 The Community Initiative LEADER II

In LEADER II, the “*implementation of innovative actions by rural actors, public or private*”, which has already been a characteristic of LEADER I, became an explicit aim:

“The aim of LEADER II will therefore be to stimulate innovative measures by those, whether public or private, engaged at local level in all sectors of rural activity, to make known the results of these experiments throughout the Community and to assist rural operators in different Member States who wish to profit from the lessons learnt elsewhere and to work jointly on some projects” (Notice to Member States, point 6).

The Commission understood innovation in a broad sense:

“The innovative nature of the project must not be confined to the method (on the model of LEADER I), but must also be apparent in the technical content of the project, whether in the product, the production process, the market or some other aspect. These innovations may concern the purely economic aspects, but may also be, for example, cultural, environmental or related to social integration if these aspects are closely linked to rural development” (Notice to MS point 11).

The “final beneficiary” would be a local partnership implementing a local action plan²⁸.

“LEADER II can assist two categories of final beneficiaries:

- *principally, local action groups as defined by LEADER I, i.e. a combination of public and private partners jointly devising a strategy and innovative measures for the development (or one aspect of the development) of a rural area on the scale of a local community (less than 100.000 inhabitants as a rough guide). These partners are allocated an administrative and financial lead agency with the capacity to manage grants from public funds. The lead agency will ensure full participation by all the local partners concerned (leading figures in the economic and social life of the various sectors and associations concerned with the environment, culture and social integration);*
- *secondarily, other rural collective bodies²⁹, public or private (for example, chambers of agriculture, industry, commerce, or crafts, cooperatives, business groups, groups of local authorities, non profit-making organizations), provided that their more*

²⁸ Note: usually the term “final beneficiary” defines the project promoter. The authors of this report will use this term carefully in order not to create confusion between the project promoter as the final beneficiary of project funding, and the local group as the final beneficiary of a local action plan budget. It also occurred, though, that the local group was “final beneficiary” in the usual meaning: if it carried out a project on its own.

²⁹ Introduced with LEADER II and no longer maintained in LEADER+

specific activities relate to a plan for the rural development of the local area” (Notice to Member States point 8).

LEADER II was applicable in Objective 1, 5b and 6 regions, but a maximum of 10% of funds could be used in adjoining rural areas.

In contrast to LEADER I, the Commission chose a decentralised approach:

“In keeping with the principle of subsidiarity, the implementation of LEADER II will be as decentralised as possible, respecting the competences of each local collective body. The Commission will negotiate, in partnership with the Member State, the content of regional or national programmes and will no longer intervene directly in the selection of projects and beneficiaries (action groups and other local collective bodies) except where the partners responsible fail to act” (Notice to MS, point 15).

Therefore the following system was set up for programme implementation:

“At the regional....or at the national level a ‘planning and decision making partnership’ will be established, whose scope will be at least as wide as that of the operational programmes under the Community support frameworks, and which will include, at a minimum, all those who will provide part-finance at national level (State, region, other local collective bodies). These partners will draw up a regional LEADER programme which will be a synthesis of specific operations already submitted by potential local beneficiaries (local groups and other collective bodies)....

....After submission, these programmes are considered by the Commission and negotiated in partnership with the Member State, taking account of the priorities given to innovation, capacity to serve as a model and transferability, on the one hand, and on the rural character of the projects and their involvement of the rural population on the other. The regional level partners are then allocated a budget by a Commission Decision. The form of the budget is to be decided in partnership (operational programme³⁰, integrated global grant³¹ committed in the form of annual instalments in order to assure greater flexibility between the different Funds over the life of the initiative, or multi-annual contracts within a national programme or subsidy)” (Notice to MS, point 16).

³⁰ According to article 3 of Regulation 2083/93 of the European Council (July 20th 1993)

³¹ According to article 6 of the same Regulation. *“Some development measures can form part of a programme implemented by an intermediate body (a local authority, regional development agency, NGO etc.). The body in question is designated by the Member State or regional authority in agreement with the European Commission” (EUROPEAN COMMISSION / DG REGIO).* In LEADER II the bodies entrusted with global grants (local action groups) had to be located in the respective area and accountable for implementing public tasks. Moreover, they had to ensure participation of the social and economic actors concerned by the envisaged measures.

The last sentence set the frame for the vertical feature of LEADER, the decentralised management and financing, which had to be negotiated with the Member State administrations. The main instrument for this customized approach was the vertical partnership represented by the monitoring committee:

“The programmes are implemented by a decision-making partnership at regional level (or at national level when this proves impossible at regional level), in which at least all the national contributors of part-finance (State, region, other local collective bodies) are represented.

The individual selection of the projects and beneficiaries and the financial and administrative management of the regional LEADER programme falls within the exclusive competence of these partners, who must, however, act in compliance with Community policies, criteria for the eligibility of measures under the Structural Funds and permissible rates of assistance. In accordance with the administrative rules of the Member States, reasons shall be given for any refusal of assistance. The selection shall be carried out having regard to the opinion of the other rural operators concerned, whether these are professional bodies, associations or local authorities, where they do not form part of the decision-making partnership” (Notice to MS, point 16).

3.1.3 Measures eligible in LEADER II

The eligible measures in the framework of LEADER II belonged to four categories:

- A. *Acquisition of competences*: this measure allowed funding actions for accumulating knowledge, for improving the information flows and for motivating and training local people for analysing their area's needs and drawing up strategies.

“This measure should be strongly represented at the beginning of the programming period and ceilings will be established in partnership with each Member State” (Notice to MS, point 9).

- B. *Rural innovation programmes*: this measure allowed funding innovative development strategies, jointly elaborated by the local actors in order to bundle their forces for developing their territories:

“...Priority should be given to programmes for local action and investment which...should have three key features: They should be innovative in the local context..., they should be capable of serving as models, and they should be transferable....

...Local groups' projects and those of other collective operators will thus have to demonstrate their

- *difference and novelty in relation to what is being done under the operational programme under the Community Support Framework (or Single Programming Document) covering the same area...*
- *expected impact (in terms of at least temporary comparative advantage for the area or the sector) in relation to a reference situation (which will involve an analysis that clearly shows the obstacle to development which the innovation is intended to overcome)" (Notice to MS, point 11).*

- C. *Trans-national cooperation: this measure supported common projects initiated and carried out by several LAGs or CBs operating in at least two different Member States, in order to meet similar challenges or to enforce their capacities by complementing each other's strengths:*

"The LEADER II initiative will assist with the joint design, production and marketing of goods or services in any area of rural development. This category depends very much on the existence of the network, which will facilitate the emergence of trans-national co-operation" (Notice to MS, point 13).

This measure was not a condition for eligibility under the LEADER programme, as it required a certain degree of *"innovative experience"*.

- D. *Networking: "The development of active solidarity between rural areas and the exchange of achievements, experience and know-how between all parties concerned in the Community is a priority of LEADER II....The present network must also expand its activities, in particular by establishing a methodological instrument....the European Observatory...whose role will be to identify, specify, validate and facilitate the transfer of innovations implemented in rural environments....*

...Active participation in the network is mandatory for all direct beneficiaries of LEADER II (local groups and other local operators), which will have a number of obligations (feeding the Observatory's data base, publicizing results, making acquired expertise available) which will, in turn, enable them to benefit from the network" (Notice to MS, point 14).

The contract for the Observatory was allocated to the European non-profit association A.E.I.D.L.³², based in Brussels, which had already facilitated the "cellule d'animation" for LEADER I. The Observatory started to operate on April 1, 1995.

³² Association Européenne pour l'Information sur le Développement local

3.1.4 LEADER: A programme, a method, a philosophy

The evaluation of LEADER I was carried out during the implementation phase of LEADER II (from 1996 to 1998). Coordinated by CEMAC (Belgium) and partners, the team worked in close collaboration with the experts working for the LEADER II Observatory. In the course of this evaluation, the so-called “LEADER method” was formulated distinguishing this Community Initiative from other structural funds measures and initiatives.

The LEADER method is embodied in its “specific features”, a set of behavioural principles and practices. The LEADER I evaluation team and the Observatory experts developed methodological guides for assessing the implementation and effects of the specific features, which are difficult to capture with quantitative output and outcome indicators. Subsequently, the Commission published “Guidelines for the ex post evaluation of the LEADER II Community Initiative” on July 5th 1999, proposing to the Member States a comprehensive evaluation framework which takes into account the specific requirements of the LEADER initiative.

The third phase of the initiative, LEADER+, was set up following the Notice of the Commission to the Member States on April 14th 2000. Its applicability was then extended to all rural areas. The concept of territorial innovation has been incorporated into so-called “area based, integrated and sustainable pilot strategies” for rural development, based on the “bottom-up concept and horizontal partnerships”. Soon after, the Commission published the guidelines for the evaluation of LEADER+ programmes (Document VI/43503/02-Rev.1 from January 2002). These guidelines set standards similar to the terms of reference for this ex post evaluation, pursuant to the Commission’s endeavour to improve the evaluability and comparability of the Community Initiative’s effects:

“For an Initiative such as LEADER+, evaluation should go beyond approaches to evaluation mainly centred on results and impacts, by extending the scope also to the implementing process and its contribution to the overall effects of the Initiative. The basic assumption lies basically on the application of a specific method (‘specificities’) for rural development, which aims at encouraging endogenous development.”³³

³³ European Commission: Guidelines for the Evaluation of LEADER+ Programmes, Document VI/43503/02-Rev.1, January 2002.

3.2 Purpose, aims and tasks of the evaluation

3.2.1 The LEADER method on the testing stand

The terms of reference for this evaluation (point 1.4) state:

“With the general aim of drawing lessons to improve the implementation and impact of measures financed by the EAGGF, and more particularly the new phase of the LEADER+ Initiative, this evaluation should provide a detailed view of the added value of LEADER II compared to other rural development operations. In particular, it will have to verify the extent to which implementing the specific features of the LEADER II approach has contributed to attaining its objectives, namely encouraging innovation and the involvement of local communities with a view to launching sustainable local development in rural areas.”

These “specific features of the LEADER II approach” are, according to point 1.2 of the TOR:

- *“Area-based approach*
- *Bottom-up approach*
- *Local groups*
- *Innovation*
- *Multi-sectoral approach*
- *Networking and trans-national cooperation*
- *Management and financing procedures.”*

The underlying assumption is that capitalising on the experiences of LEADER II would provide useful lessons for further rural development programmes in an enlarged European Union and for future Structural Funds programme implementation in general.

It is appropriate to distinguish networking and trans-national cooperation from each other. Therefore the report will, from now on, refer to **eight specific features** of the LEADER method – instead of seven (see fig. 2 and 3).

The specific LEADER features can be divided into three categories:

Figure 2

The eight LEADER features, divided into three categories

The local features:	Area-based approach Bottom-up approach ³⁴ Local group (partnership approach) Innovation Multi-sectoral approach	These features are represented by the local group and by the local development strategy
The trans-local features:	Networking Trans-national co-operation	These features emerge from interactions between local groups and their respective strategies
The vertical feature:	Decentralised management and financing	This feature is represented and implemented by the programming authority. It provides the governance frame in which the local groups carry out their activities. However, the local partnership represents an important element of this feature, its “terminal” at local level.

Source: Own presentation

³⁴ In order to avoid misunderstandings: The bottom-up approach as a principle of a top-down policy might appear as an *interdictio in se*. However, it is not the bottom-up which is put in action by policy makers and administrators like winding up a clock. It means to create an institutional environment, which enables and supports spontaneous or organised expressions of local needs and creative ideas to meet them.

Figure 3

The eight specific features of the LEADER method



The “LEADER method” or the “LEADER approach” can be defined as the combined and synergetic application of the eight specific features. The extent to which these features have been implemented and how their impact can be assessed is the main concern of this evaluation.

3.2.2 The specific aims of this evaluation

According to point 5 of the terms of reference, the specific aims of this evaluation are

1. To describe the implementation of LEADER II.
This aim concerns information on implementation structures, processes and direct outputs.
2. To assess, from an European point of view, the impact of the LEADER method in rural areas:
 - a) General assessment
 - b) Specific assessment of the LEADER method
 - c) Evaluation of the arrangements for financing and managing the Initiative.This aim refers to the possible added value of the LEADER II method compared to other “mainstream” programmes for local and regional development.

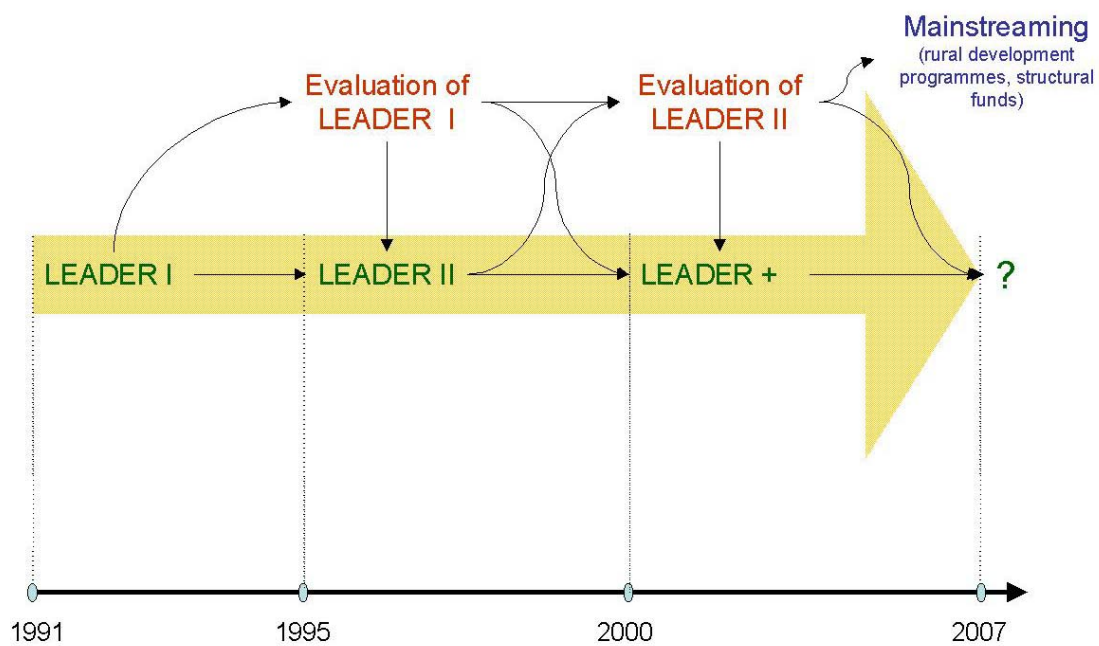
3. To carry out an inventory and to validate the evaluations (including self-evaluations) undertaken at local and programme levels.

This aim focuses on a description and validation of the evaluations undertaken, including self-evaluations of local groups. Obviously, the evaluation reports serve as primary sources of information on the implementation and impact of the LEADER method (first and second specific aim).

The evaluation of LEADER II is part of a greater learning process covering (at least) three programming periods (see figure 4) and four territorial (local, regional, national, European) levels.

Figure 4

Timeline from LEADER I over LEADER II to LEADER+



Source: Own presentation

3.2.3 The evaluation questions according to the terms of reference

This section provides the complete list of evaluation questions, to which the following chapters will give answers.

1 QUESTIONS ON THE IMPLEMENTATION OF LEADER II

- 1.1 *How were the specific features of the Leader II method taken into account for selecting the local action groups and other collective bodies?*
- 1.2 *What influence did the procedure for selecting the local action groups and other collective bodies have on how the method was implemented?*
- 1.3 *How were the specific features of the Leader II method taken into account in carrying out the operations of the local action groups and other collective bodies (from preparation to implementation)?*
- 1.4 *Which activities were financed under Leader II (broken down by type of measure at the level of the local action groups and other collective bodies)?*
- 1.5 *What administrative structures/activities were set up under Leader II at local and regional level?*
- 1.6 *What networking structures were developed under LEADER II at Community, national, regional and local level?*
- 1.7 *How were funds reallocated inside each measure during implementation of Leader II?*
- 1.8 *At what speed were the measures, programmed by the groups, implemented? Is there any connection between types of measure and pace of implementation?*
- 1.9 *How did the local action groups, which participated in Leader I benefit from the lessons learned under that Initiative, particularly in improving how they capitalise on the specific features of the Initiative?*

2 EVALUATION QUESTIONS

2.1 GENERAL QUESTIONS

- 2.1.1 *To what extent were the (a) effectiveness, (b) efficiency and (c) sustainability of rural development processes and measures influenced at all levels by the Leader II method as defined by its specific features?*
- 2.1.2 *How far did the effects of Leader II contribute to attaining rural development and Structural Fund objectives, in particular as regards:*
- *the adjustment of agriculture and rural areas, notably through diversification of activities*
 - *employment³⁵,*
 - *the environment,*
 - *income,*
 - *equal opportunities?*
- 2.1.3 *To what extent have Leader II actions been complementary with other rural development measures?*

2.2 SPECIFIC QUESTIONS ON THE LEADER II METHOD

The evaluation team, in collaboration with the steering group, will have to verify how well the specific questions below help to answer the general questions, and should supplement them if necessary:

2.2.1 The area-based approach

- *To what extent did the area-based approach encourage more effective use of endogenous resources in the beneficiary areas?*
- *To what extent did the area-based approach contribute to developing an appropriate overall strategy for the area?*

2.2.2 Bottom-up approach

- *To what extent did the bottom-up approach improve the identification of development needs at local and regional level and facilitate the provision of adequate responses to those needs?*
- *To what extent did the bottom-up approach take account of initiatives by the potential local actors in favour of local development?*

³⁵ This must include an estimate of overall net jobs (full-time equivalent) created or safeguarded at Community level.

2.2.3 The local groups:

- *To what extent did the local action groups ensure mechanisms for concertation between rural development actors?*
- *To what extent did the operation of the groups contribute to defining rural development approaches that create links between the activities undertaken?*

2.2.4 The innovative element of measures:

- *To what extent did the innovative element of measures help to identify new ways of achieving development in rural areas?*
- *To what extent did the innovative measures prove transferable?*

2.2.5 The integrated multi-sectoral approach:

- *To what extent did the multi-sectoral approach contribute to launching integrated rural development strategies?*
- *To what extent did the multi-sectoral approach contribute to enhancing the sustainability of measures and diversification of activities?*

2.2.6 Networking: *To what extent did networking facilitate:*

- *dissemination of information?*
- *transfer and dissemination of know-how and good practice?*
- *the creation of informal cooperation networks between rural areas (national and trans-national)?*

2.2.7 Trans-national cooperation: *To what extent did trans-national cooperation facilitate:*

- *dissemination of information?*
- *transfer and dissemination of know-how and good practice?*
- *the implementation of measures and projects?*
- *more effective use of the resources common to the areas involved in cooperation and/or networking?*

2.3 QUESTIONS ON MANAGEMENT AND FINANCING PROCEDURES

- 2.3.1 *To what extent did the specific procedures followed by the authorities, Monitoring Committees and local partners in implementing Leader II facilitate introduction of the Leader II method? To what extent did they hinder the introduction of this method?*
- 2.3.2 *To what extent did networking bodies at European level (the Leader II Observatory) national level (national networks) and regional level (regional networks) contribute to achieving the Leader II objectives in terms of efficiency, relevance and usefulness? To what extent did synergies emerge between these networks? To what extent were duplication and competition avoided?*
- 2.3.3 *To what extent did the specific procedures for financing and managing Leader II at the level of the local action groups (seventh specific feature of the Leader II method), at programme level and at Community level facilitate implementation of the other specific features?*
- 2.3.4 *To what extent did the specific financing and management procedures contribute to the added value of Leader II? (The answer to this question must include a selected number of comparable projects from among the activities most financed under Leader II (see question 1.4) and a cost-effectiveness analysis of those projects in relation to comparable mainstream activities).*

3 QUESTIONS ON THE EVALUATION OF LEADER II AT NATIONAL, REGIONAL AND LOCAL LEVEL

- 3.1 *What evaluation activities were undertaken at the level of the local action groups? (Permanent or one-off self-evaluation, questionnaires, specific studies, data collection, etc.). In which groups and in what way?*
- 3.2 *What evaluation was done at programme level (national or regional)? (Statutory evaluation reports, specific studies, data collection, taking account of the specific features, etc.). What problems and constraints, if any, were encountered?*
- 3.3 *How were evaluations processed at national level? (Summaries, transmission to the Commission, etc.)*

3.3 The team and work organisation

The contracting party of the evaluation is the ÖIR – Managementdienste GmbH, an enterprise of the association ÖIR³⁶ that operates on programming, technical and evaluations in regional development and the management of large-scale projects. The director of ÖIR – Managementdienste GmbH, Herta Tödting-Schönhofer, is the administrative coordinator of the project.

The evaluation team is composed of direct subcontractors of ÖIR and of experts of subcontracted enterprises.

The team is organised in two concentric circles:

1. European core team;
2. Geographical teams.

The European core team (also called: coordination team) consisted of four people:

- Herta Tödting-Schönhofer, administrative coordinator of the project (ÖIR, AT)
- Robert Lukesch, technical coordinator of the project (ÖIR, AT)
- Jean-Claude Bontron, deputy coordinator for evaluation (SEGESA, FR)
- Carlo Ricci, deputy coordinator for rural development (TEKNICA, IT)

There was a coordination office located in Brussels and run by Valérie Dumont, project assistant.

The geographical teams were in charge of the evaluation work in the 15 EU member states and in the regions. The French and Italian core team members were also responsible for the evaluation work in their respective countries; therefore they figure in the following list of geographical team leaders.

³⁶ ÖIR = Österreichisches Institut für Raumplanung – Austrian Institute for Regional Studies and Spatial Planning

Figure 5

List of geographical evaluators

Countries	Geographical team leader and deputy leaders
AT	Richard Hummelbrunner, Bernhard Schausberger
DE	Manfred Geissendörfer, Otmar Seibert
ES	Javier Esparcia, Joan Noguera
FI	Torsti Hyrylainen
FR, BE/Wallonie, LU	Jean-Claude Bontron, H�el�ene Carrau, Denis Paillard
GR	Sophia Efstratoglou
IR	Brendan Kearney
IT	Carlo Ricci, Rossella Almanza
NL, BE/Flanders	Margot van Soetendael
PT	Ant�nio Oliveira das Neves
SU, DK	Ulla Herlitz
UK	Robin McDowell

Source: Own presentation

The contract for the evaluation was delivered on November 11th 2002 and the work was completed in a ten months period. At Commission level, a steering group was set up composed of different services of the DG Agriculture, the DG EMPLOYMENT, the DG BUDGET and the DG REGIO. The steering group held six sessions, according to the milestones of the project³⁷.

The coordination team met 11 times. The complete team of evaluators met twice, once for the start-up (on January 17th 2003) and once for the finalisation (June 27th and 28th 2003).

³⁷ Signing of contract, inception report, interim report, preliminary draft final, draft final report and final report.

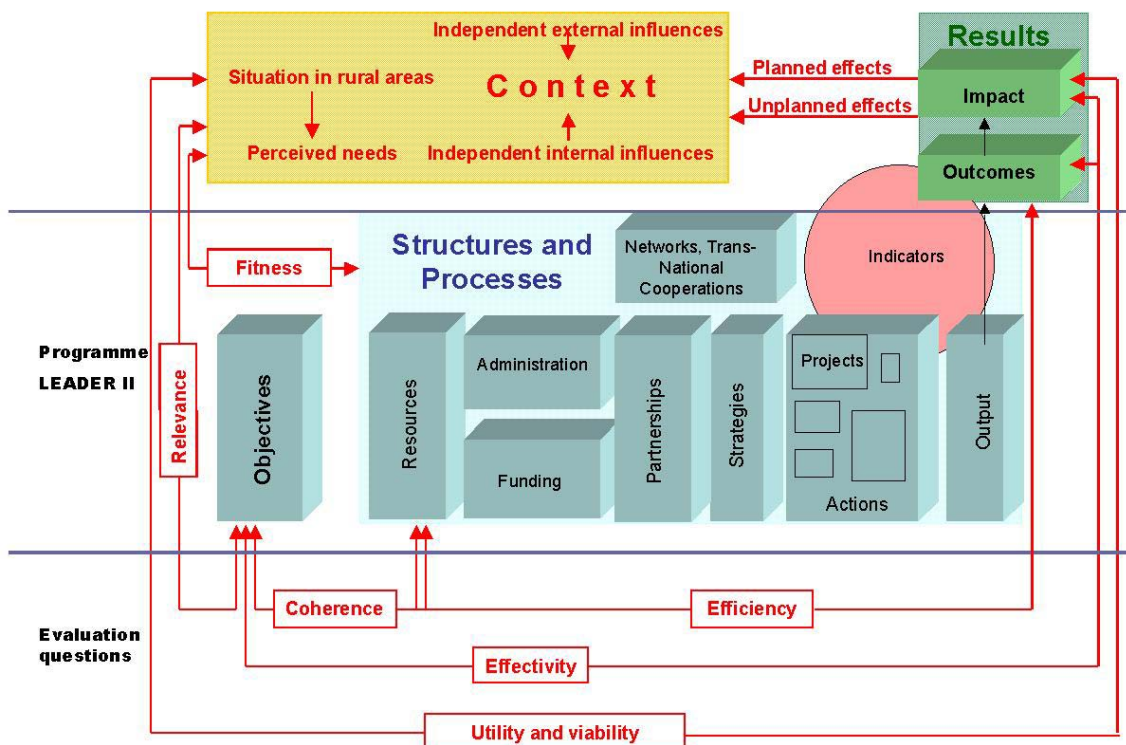
CHAPTER 4: APPROACH AND METHODOLOGY

4.1 The evaluation approach

On the one hand this evaluation follows the scheme of a “classical” evaluation of Structural Funds programmes. This statement concerns the descriptive parts of input and output assessments and the estimation of effects on general Community objectives. Figure 6 shows the corresponding evaluation scheme.

Figure 6

General evaluation scheme



Source: ÖIR

On the other hand, this evaluation explores the LEADER method and its specific features, which are generalisations of

- desirable activities (inter-territorial co-operation, networking),
- desirable ways to act (area-based, bottom-up, partnership-oriented, innovative, sector-integrating)

They represent normative principles or values and provide orientations on HOW to act, rather than a vision of WHAT to achieve. They refer to the quality of processes much more than the quality of outcomes.

In this evaluation the team assessed the specific features of the LEADER method as **behavioural objectives**. It is not easy to distinguish between implementation and outcomes of behavioural objectives, because they are self-recursive. The outcome of participation (as a behaviour) is participation (as a habit). The outcome of multi-sectoral integration (as an attempt) is multi-sectoral integration (as an established set of transversal interlinkages). In other words, successful implementation can, at the same time, be regarded as a positive outcome.

In order to cope with this methodological challenge, the team placed the behavioural objectives in the “objectives” box of the general evaluation scheme shown in figure 6. Immediately the following analytical questions emerge:

- What is the **relevance** of the LEADER method with regard to the needs of rural areas?
- Is there **coherence** between the method and the available resources, such as time, human resources, funding procedures etc.?
- In what respect does the method prove to be **effective** in producing the intended outcomes?
- Does the method contribute to make development programmes more **efficient** with regard to the relationship between resources (costs) and results?
- Are the structures and processes put into place **adequate** with regard to the specific context conditions?
- Is the LEADER method **useful** and **viable** in the sense of providing tangible and sustainable answers to the needs of Europe's rural areas?

The team will give answers to these questions in the conclusions and recommendations chapter 8.

4.2 Methodological design

4.2.1 Evaluation framework

The evaluation framework (figure 7) distinguishes four blocks in the programme cycle:

- Context
- Implementation and output
- Impact (results and outcomes)
- Effects on the context

Furthermore, three main categories of context can be distinguished:

- Socio-economic context
- Governance context
- Temporal context

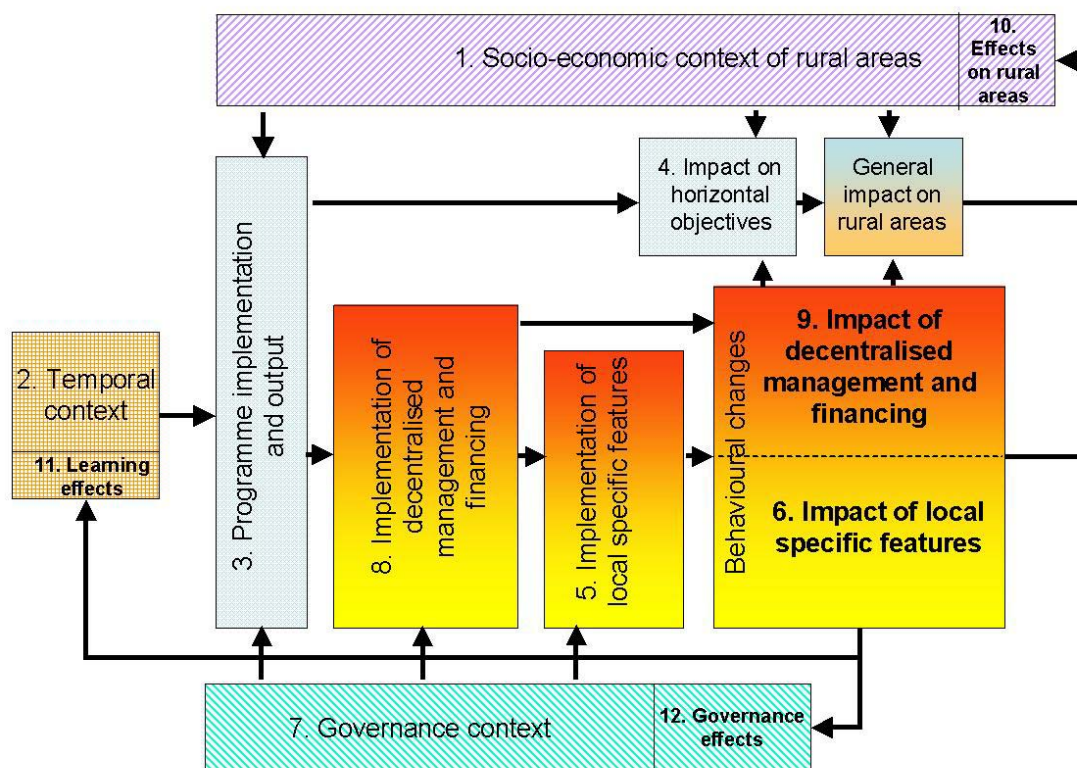
Effects are influencing all categories of context. Therefore we examined three kinds of effects:

- What are the effects of the initiative on the sustainable development of rural areas?
- What are the effects on governance?
- What learning took place at individual, group, organisational and institutional levels?

Based on these distinctions the team constructed the following evaluation framework. It is composed of 12 components or “boxes”, to which the indicators were attributed.

Figure 7

Evaluation framework



Source: Own presentation

4.2.2 The methodological design

Quantitative are combined with qualitative tools, analytical with inductive investigations. The main pillars of the design were:

- Sourcing of original data and information, as well as exploiting the national and regional evaluation reports.
- Taking into account the views of local actors and programme administrators, as well as external experts.
- Gathering information at five levels: EU, national and regional administrations, LEADER areas and projects.
- Using a mix of methods, such as
 - documentary analysis,
 - semi-structured interviews with administrators of 34 programmes and with 13 interviewees at EU levels (eight from the EC and five other experts),

- a questionnaire-based survey of 202 local action groups/LAGs and other collective bodies/CBs,
 - one-day sessions structured dialogue³⁸ in focus groups with 30 local action groups (LAGs) in 12 member states, and
 - 13 case studies on trans-national co-operation projects (TNC) and 10 cost-effectiveness analyses (CEA) of projects funded under LEADER II compared to those funded under other structural funds or national funding schemes.
- Separate processing of factual questions from rating scores and explanations or opinions of respondents: The factual questions were used for building correlations between individual indicators and between the components of the evaluation framework, and finally for creating five types of “similar” groups according to their performance. The qualitative answers, interpretations and explanations, served to build hypotheses for the influences between different factors.

4.2.3 Tools for data collection and processing

The core team designed a set of standardised tools and formats, which were discussed and revised in the start-up seminar together with the geographical experts. They are documented in Volume 2.

³⁸ The “structured dialogue” is inspired by P. SENGE e.a. 1994: Fieldbook of the Fifth Discipline. Doubleday-Currency, New York. We enriched the method by a systemic approach utilising different observation positions.

Figure 8

Tools for data collection

	EU	national	regional	local	project
Documentary analysis		a) Presentation grid for an overview on all operational programmes (OP102)		Presentation grid for an overview on all local action groups (L1000)	
		b) Grid for additional information on 1/3 of programmes (OP34)			
		c) Overview on all evaluations undertaken (geographical report)			
Survey				Questionnaire for 20% of all local action groups and other collective bodies (Q202)	
Interviews	Interview guide for interlocutors at European level (QEU)	Interview guide for national and regional interlocutors (Q34)			
Focus groups				Manual for focus groups with LAGs in 12 member states (F30)	
Case studies					a) Standard format for 13 trans-national projects (QTNC) b) Standard format for 10 comparative cost-effectiveness analyses (C10)

Source: Own presentation

4.2.4 Sampling

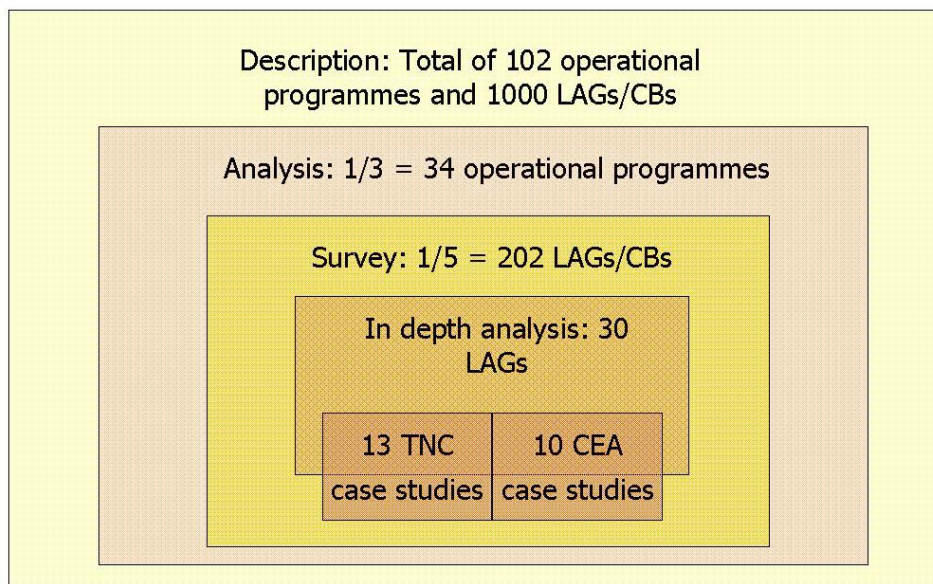
The sampling process covered five stages of nested sampling.

- **The first stage** encompassed the complete set of operational programmes (OPs), programme evaluations and local groups (Sample = 100%). At this level the team aggregated all the geographical and financial data which are relevant for getting a broad overview of the range of activities and the volumes of funding.

For all the consecutive stages the team used a process of nested sampling.

Figure 9

Cascade of nested samples



Source: Own presentation

- **For the second stage**, the team mainly focused on the diversity of systems of programme delivery and questions related to governance, such as the vertical feature of LEADER.

As there was no complete statistical description of the programme areas, the team used a set of criteria to select the regions:

- Operational Programmes (OPs) from all 15 Member States and all objective areas (1, 5b, 6);
- All five programmes which were delivered at national level (DK, GR, IE, LU, PT);
- OPs from the main geographical contexts (coasts, islands, plains, mountains, mixed);
- A balanced distribution within the eligible areas of the programme regions;
- All relevant types of rural areas according to the typology of economic contexts proposed by the European LEADER II Observatory³⁹. The nine types refer to the characteristic features of agriculture, the different models of economic diversification and the demographic trends. Figure 12 (see chapter 4.2.5.3) provides an overview of these nine types, without precluding mixed or transitory forms.

³⁹ Chapter 1 of the economic file « Economic competition », AEIDL 2000, Brussels. © European Commission, DG AGRI.

- **For the third stage**, the questionnaire-based survey on local groups and other collective bodies, the team carried out a random sampling process. This survey was the backbone for the quantitative assessment of the implementation and impact of LEADER II, but it also delivered a lot of “soft information”, i.e. opinions and explanations from local actors.

From the 513 local groups and collective bodies represented in the selected Operational Programmes, the evaluation team drew 202 according to a weighted distribution of groups between the selected programme areas. CBs were drawn separately. They could only be chosen from five regions in which CBs operated (Burgenland/AT, Bayern/DE, Sardegna/IT, GR and IE) and their number should amount to ten at least. The result of random drawing was, in some cases, discarded due to two reasons:

- Overrepresentation of marginal parts of the programme area (in terms of geographical context and of the nine types of economic context). Therefore the drawing was repeated for all seven Irish groups and for two groups from the UK.
- Overrepresentation of small, atypical LAGs or CBs. Therefore three Bavarian groups were re-drawn from a restricted sample proposed by the geographical evaluators.
- LAGs or CBs for which no available resource person and no valuable documentary records could be found. Therefore the team had to re-draw six Italian groups, two Austrian groups, one Dutch group and one group from UK.

Some of the groups failed to deliver the filled questionnaires, but by this stage it was already too late to replace them with others. In these cases the geographical evaluators answered the factual questions as far as they could from the documentary database and from regional sources.

- **For the fourth stage**, the geographical evaluators proposed focus groups to the core team regarding

- the expected lessons in terms of success and failure, or of specific issues (e.g. self-evaluation practices, political conflicts etc.);
- the will and availability of group representatives to organise a focus group.

This level of observation helped the local actors to reflect their past experiences in a group setting and provided feedback to programme managers and administrators.

The core team decided on the restricted sample according to the criterion of diversity of cases and situations. It commissioned 30 focus groups in 13 Member States (all except DK and LU).

- **For the fifth stage**, the geographical evaluators proposed
 - case studies on trans-national cooperation (TNC),
 - case studies on the comparison of cost-effectiveness (CEA) of LEADER-funded projects compared to those funded under a different programme in the same or adjoining area,from which the core team chose 13⁴⁰ TNC and 10 CEA in respect to the diversity of member states, regions, objective areas and thematic priorities. 9 of 13 TNC and 4 of 10 CEA projects were located in focus group areas.

Figure 10 shows the sampling structure down to the fourth stage.

40 One more than contracted.

Figure 10

Sampling of programmes and LAGs/CBs

Country	Total number of programmes (1 st stage)	Number of programmes in the sample (2 nd stage)	Regions	Number of LAGs and CBs		Number of LAGs/CBs per objective area			Nr. of groups in sample (3 rd stage; CBs in brackets)	Nr. of LAGs for focus groups (4 th stage)	Density inhab./km ²
				LAG	CB	Obj. 1	Obj. 6	Obj. 5b			
AT	8	3	Burgenland	6	9	15			5		68
			Niederösterreich	6				6	3	1	77
			Tirol	3				3	1	1	50
			Total	15	9	15		9	9 (3)	2	
BE	4	1	West-Vlaanderen	1				1	1	425	
			Total	1				1	1 (0)	1	
DE	14	4	Bayern	56	8			64	20	1	171
			Hessen	6				6	3	1	285
			Mecklenburg-VP	12		12			5	1	78
			Sachsen	8		8			4	1	246
			Total	82	8	20		70	32 (5)	4	
DK	1	1	Total	12			12	2 (0)	0	78	
EL	1	1	Total	49	7	56		11 (2)	2	121	
ES	17	4	Aragón	13				13	7	1	25
			Canarias	7		7			2	1	201
			Galícia	13		13			6	1	92
			Andalucía	22		22			12	1	79
			Total	55		42		13	27 (0)	4	
FI	2	2	Ob.5b	12				12	2		12
			Ob.6	10			10		2	1	4
			Total	22			10	12	4 (0)	1	

Country	Total number of programmes (1 st stage)	Number of programmes in the sample (2 nd stage)	Regions	Number of LAGs and CBs		Number of LAGs/CBs per objective area			Nr. of groups in sample (3 rd stage; CBs in brackets)	Nr. of LAGs for focus groups (4 th stage)	Density inhab./km ²
				LAG	CB	Obj. 1	Obj. 6	Obj. 5b			
FR	20	5	Centre	10				10	7	1	62
			Champagne-Ardenne	8				8	5		53
			Rhône-Alpes	13				13	10	1	127
			Aquitaine	14				14	9	1	68
			Bretagne	10				10	7	1	105
			Total	55	55	38 (0)	4				
IR	1	1	Total	34	3	37		7 (1)	2	53	
IT	21	5	Emilia-Romagna	4				4	3	1	309
			Piemonte	13				13	8	1	239
			Toscana	10				10	7	1	154
			Sardegna	17	2	19			13	1	68
			Calabria	16		16			10	1	137
			Total	60	2	35		27	41(2)	5	
LU	1	1	Total	2			2	1 (0)	0	164	
NL	4	1	Flevoland	1		1		1	1	191	
			Total	1		1		1 (0)	1		
PT	1	1	Total	48	6	48		10 (0)	1	108	
SE	2	2	Ob.5b	9				9	1		13
			Ob.6	3			3		1	1	2
			Total	12		3	9	2 (0)	1		
UK	5	2	Highlands and Islands	9		9			6	1	10
			England	21				21	10	1	378
			Total	30		9	21	16 (0)	2		
TOTAL	102	34		478	35	263	13	231	202 (13)	30	

Source: Own presentation

4.2.5 Problems and solutions in the implementation of the methodology

4.2.5.1 Difficulties in data availability and reliability

Designing a homogeneous approach which allowed the compilation and comparison of the information collected at European scale turned out to be unexpectedly difficult due to

- extreme diversity in the implementation of the initiative and, as a consequence, in the monitoring and data collection systems;
- variation in the scope and methodologies used for the national and regional programme evaluations;
- payment balances not yet closed in a number of countries and regions;
- loss of institutional memory, fluctuation of programme administrators and reduced availability of local actors, specifically for groups dissolved after LEADER II;
- different sources give different answers to the same questions.

4.2.5.2 Processing of data

The quantitative data (from the grids OP102 and L1000, from the factual and rating questions of the questionnaire Q202, and the interview guides Q34 and QEU) had to be verified one by one before putting them into the database. From the totality of indicators (more than 200) the evaluation team selected 52 core indicators that were well documented and based on a representative number of answers.

The core indicators were attributed to the 12 components or “boxes” of the evaluation framework (see figure 7). They were cross-tabulated and processed in order to explore the correlations between context, implementation and impact factors. These correlations then served as a valuable basis for the qualitative interpretation of the impact of the initiative.

The construction of correlations and cause-effect relationships was based on the results provided by the statistical analysis and of the interviews. The quantitative results are mainly based on the aggregated valuations of local actors, cross-checked with a large amount of empirical information based on heuristic exploration (interviews, focus groups, written comments by respondents from all levels).

The answers given to the questionnaires (Q202) and interview guides (Q34, QEU), as well as the conclusions and narratives of the focus groups (F30) and case studies (QTNC, C10) served to contextualise the quantitative information and to get a richer understanding of the dynamic relationships which influence the trajectories of success or failure in local development in rural areas.

Then, the 52 indicators used for the impact analysis were narrowed down to 22 indicators, which were completely covered by the answers of 171 local action groups. On their basis a multi-criteria analysis was carried out resulting in five types of local groups in respect to their performance.

Finally, factors of influence and possible leverage points for steering interventions were identified, from which the team derived recommendations for policy and programme makers at European, national, regional and local levels.

4.2.5.3 The representativeness of the samples

Figure 11

Distribution of LAGs and CBs selected for the questionnaire-based survey per objective area

	LAG	CB	Total	in % of total
Obj. 1	87	9	96	47,52%
Obj. 5b	99	4	103	50,99%
Obj. 6	3	0	3	1,49%
Total	189	13	202	100,0%
in % of total	93,56	6,44	100,00%	

Source: Own presentation

While processing the raw data from the grids (OP102, L1000) and from the survey (Q202), the evaluation team realised that the socio-economic typology did not result in a clear grouping of the chosen sample. In many cases the groups refused to classify their area, in others the answer was equivocal. In a later stage, it turned out that the available material did not allow to construct a link between the type of socio-economic context and the way how LEADER II was implemented or what effects it caused. The inadequacy of the typology let the team conclude that LEADER II was applicable in any geographical or socio-economic context, which was then confirmed by other sources of evidence (mainly qualitative interviews and scoring). Contrary to the geographical and socio-economic context, the type of Objective area showed a certain influence on the effectiveness of LEADER II, but more by virtue of governance (e.g. the amount of funding) than by virtue of the socio-economic situation.

Figure 12

Types of rural areas according to the European Observatory's typology and distribution of selected groups per type

Types	Description	Example
Type 1	A territory in which agriculture keeps a large part of the active population busy and remains the basis of the economy.	Intensive vegetable or fruit production, intensive or extensive livestock production. This category gathers a very important diversity of territories: Mountain zones in Greece, Spanish coastal zones where agriculture is very intensive, often under greenhouses; very modern agricultural zones, such as in Bretagne/FR, or in NL; territories with extensive breeding such as in Auvergne or Limousin/Fr.
Type 2	A territory with rich agriculture and with little use of labour force.	Cereal-growing lowlands in the Île de France; rice-growing lowlands in Northern Italy; extensive breeding zones in UK.
Type 3	A territory of large landowning, either traditional latifundias or collectivised land.	Some territories in Scotland/UK, in the southern part of the Iberian Peninsula (Andalucía/ES, Alentejo/PT), in Sicilia/IT, in the new German Länder.
Type 4	A territory dominated by natural or protected spaces.	Northern territories in Scandinavia, territories with national parks (upper mountain areas, river deltas) or other more recent pluri-functional resorts such as nature parks.
Type 5	A territory focused on tourist accommodation with small dimension structures.	Alpine valleys in AT and IT.
Type 6	A territory with a high rate of second homes and/or accommodation structures such as senior citizens, disabled people, etc.	Some rural territories in Wales, Scotland/UK; some territories in the south of France (Haute Provence), of the Mediterranean coast in Southern Spain, in Toscana/IT.
Type 7	A territory with a large number of small companies.	There are at least three possible scenarios. Type 7a: A historical heritage of enterprises having few links with each other such as areas in southern Scotland/UK or in IT. Type 7b: Industrial districts, such as in northern Italy (Venezia, Lombardia, Friuli) and in some French areas (Tarn, Jura). Type 7c: Areas structured around small-scale food-processing industry, such as in Bregenzerwald (Vorarlberg/AT) and other cheese-producing areas, as well as wine producing areas of Italy (Chianti/Toscana), Portugal (Dão/Beira Litoral).
Type 8	Periurban rural territories	Most rural areas located in the vicinity of big cities.
Type 9	A territory with a widespread elderly population and/or with a high dependency rate.	A large number of territories located in the mountains (except specialised touristy or industrial areas), some inland territories in ES, GR, PT, the Italian Mezzogiorno, some French territories such as the plateaux in Limousin, Aude.

CHAPTER 5: THE IMPLEMENTATION OF LEADER II

The structural and financial data presented in this part, come from the internal balance sheets of the DG AGRI concerning the Structural Funds; from the national and regional evaluation reports and additional investigations in the archives of the programme administrations concerning the total expenses. The data were conveyed from the geographical evaluators to the core team through the grids OP102 and L1000. More data have been collected through the survey of 20% of the local groups (Q202).

None of these sources delivered definitive and secure data in a scientific sense, because not all the money flows have come to an end. It was also not possible for the evaluation team to aggregate data which were structured in a different logic, for example if the programme authorities did not file the expenses per groups, but only per measure and priority for the whole programme region (AT).

Thus the following data rather represent well documented approximations.

5.1 Operational Programmes

The implementation of LEADER II involved different institutional levels and actors, operating on different time scales according to Member State. LEADER II was only eligible within Objectives 1, 5b and 6 areas. The Operational Programmes have been put up per region and per Objective area for reasons of eligibility and allocation of Funds budgets.

The Notice to Member States concerning the Community Initiative LEADER II left a large room for setting up the implementation structures and modalities. The method was already known from LEADER I. Due to its apparent success 102 Operational Programmes have been drafted in all eligible areas of the European Union.

5.1.1 Overview of the programmes

5.1.1.1 The administrative level of programme implementation

In contrast to LEADER I during which the Commission had contracted the LEADER groups directly, the Commission contracted Operational Programmes with national and regional administrations. It delegated their management and implementation to the national and regional partners. The number of LEADER areas increased considerably compared to LEADER I. The

new initiative brought in new partners, not only in the new Member States, but also in regions which had not been familiar with the initiative.

Countries entirely belonging to Objective 1 (GR, IE, PT) and small countries (DK, LU) have decided to carry out national programmes. FI and SE were managing the initiative at national level, but they distinguished between Objective 5b and 6 zones. The other countries have chosen the regional level, which became the focal points for implementation. This approach led to a fragmentation of the programmes on one side, but on the other side it brought the administrators closer to the local actors. It was expected that the regional programmes would better reflect the needs and potentials of the rural areas and their populations.

The strategy was also in harmony with the subsidiarity principle. The price of decentralisation was the adaptation or assimilation of the programme to the internal logic of the respective national administrations, regardless of the diversity of rural areas and local development needs.

There were 36 operational programmes in Objective 1 and 6, and 66 OPs in Objective 5b areas.

Figure 13

Overview of Operational Programmes for the Community Initiative LEADER II (1994-1999)

Objective 1	National level		Regional level		
	Objective 5b	Objective 6	Objective 1 (nr. of OP)	Objective 5b (nr. of OP)	
Greece	Denmark		Austria	1	7
Ireland	Luxemburg		Belgium	1	3
Portugal	Finland	Finland	France *	2	18
	Sweden	Sweden	Germany	6	8
			Italy	8	13
			Spain	10	7
			UK	2	3
			Netherlands	1	3
3	4	2	TOTAL	31	62

Source: Own presentation

* 4 Leader programmes of the French overseas departments, financed under the REGIS Initiative, are excluded from the evaluation.

5.1.1.2 Size of areas and programmes

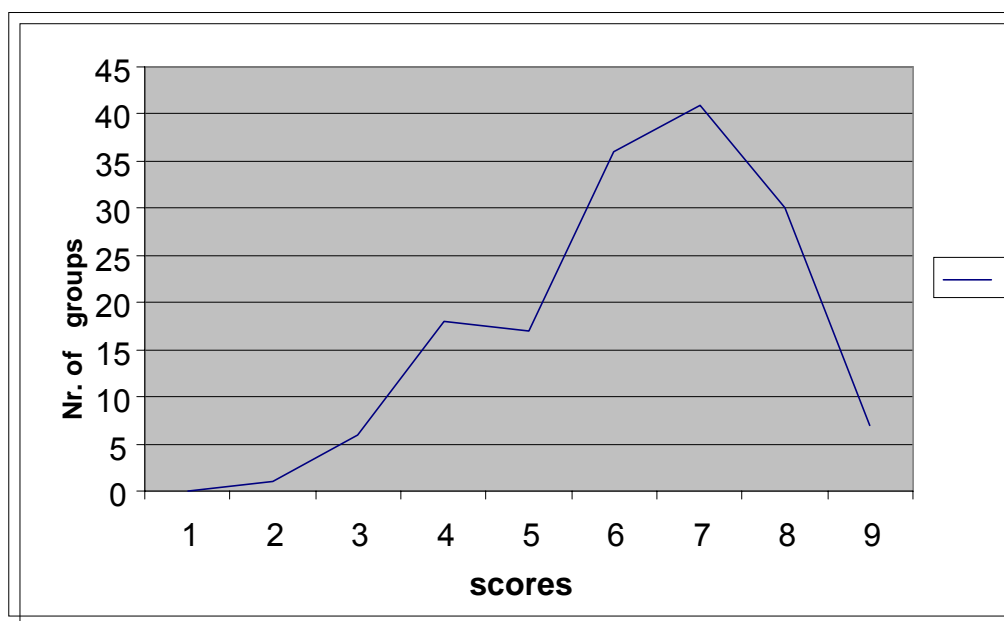
5.1.1.2.1 The territories

In principle, the Initiative LEADER II was eligible in all rural zones of the Objectives areas 1, 5b and 6, without further definition of what has to be understood as “rural”. *Per definitionem* Objective 5b areas are rural, but Objective 1 zones cover whole NUTS II regions, including urban zones whose exclusion or not was not precisely defined. Therefore we are facing an extreme heterogeneity of eligible areas, both concerning their size and population.

In the whole, LEADER territories are of low population density compared to the EU average. Some of the sparsely populated areas are not agriculturally used (Nordic Objective 6 areas), and some of them are exclusively used with agriculture (central ES). There are densely populated and industrialised rural areas in BE and DE, and other diversified areas with tourism and recreational vocation in AT, FR and UK. Objective 1 areas show a higher unemployment rate of 17,1%, against 9,3% in Objective 5b areas. The perception of the general economic trend is not homogeneous, either: the major part of the interviewees, especially those coming from Objective 1 areas, confirmed a positive trend of the economic situation in their areas. Local actors from Objective 6 areas showed less optimism.

Figure 14

General development trend (Scoring from 1 = very bad to 10 = very good) as perceived by the local actors



Source : Q202

Virtually all types of rural areas were participating in LEADER II, including periurban areas. This representativeness enabled the initiative to claim a role of rural laboratory⁴¹ for the whole universe of rural areas in Europe. At the same time it was evident, that agriculture was, in most rural areas, no longer the dominant economic activity, and that the local action plans should contribute to the viability of rural areas by exploring the most appropriate paths of economic diversification.

5.1.1.2.2 Financial volume of Operational Programmes

The amounts allocated to the Operational Programmes are extremely variable. The total budget for programmes according to the initial contracts, regardless of financing modalities, amounted to 3.868 MECU⁴², which represented an average budget per operational programme of 37,9 MECU. But there were wide variations: The rural zone of Berlin/DE with 385.000 ECU may have been exceptional, but there is still a wide range between 1 MECU for Vorarlberg/AT and 200 MECU for Andalucía/ES (larger than the Portuguese OP) and IE. 10% of the programmes (the 9 largest ones) make up for 37% of the total financial volume, the 16 smallest for 1,8% only. Objective 1 programmes were generally larger than Objective 5b programmes, most of which operating at regional level.

This picture reflects the diversity of Member States and of regions within the same Member State. It also reveals the possible difficulties and risks resulting from the wide dispersion of implementation structures, where the national level has been not involved in programming.

Figure 15

Distribution of total initial budgets per size of programme

Programme budgets	Objective 5b		Objective 1and 6	
	Nr. OPs	% of the total	Nr. OP	% of total
< 10 MECU	14,0	1,7	5,0	0,6
10 to 20 M ECU	18,0	6,4	4,0	1,6
20 to 50 MECU	21,0	15,5	13,0	10,2
50 to 100 MECU	10,0	15,4	8,0	11,6
> 100.000 MECU	2,0	6,5	7,0	30,5
Total	65,0	45,5	37,0	54,5

Source: European Observatory data base

⁴¹ The term was used by Commissioner FISCHLER F. in his address to the LEADER II Colloquium in Bruxelles, 10/11/1997.

⁴² Source: European Observatory data base

The provisional total expenses per inhabitant were, according to the initial contracts, very variable. For the Objective 5b regions, they ranged from 5 ECU per inhabitant in Champagne/FR up to 300 ECU per inhabitant for the Pais Vasco/Euskadi/ES. These figures appeared lower in Objective 1 regions, but it would be necessary to deduct the number of urban inhabitants to get a comparable number. The amount allocated to the initiative must be taken into consideration if evaluating the effectiveness of LEADER II to transform the rural context.

5.1.2 Funded measures and activities (TOR 1.4)

The Operational Programmes were put up according to the Notice to Member States, which stipulated four eligible measures:

- Measure A: Acquisition of skills
- Measure B: Rural Innovation Programmes
- Measure C: Trans-national cooperation
- Measure D : Networking, Evaluation

The tabulation of funds per measure has been made on the basis of the amounts initially contracted with the member states and regions for the operational programmes (in ECU of 1995). The amounts shown in figure 16 do not relate to the amounts mobilised until the end of the programming period.

The main focus of the programme was put on measure B, that means on innovative, model-like and transferable development actions. Measure B made up between 71% and 98% of the programme budget.

The picture concerning the importance dedicated to measure A is more diverse. It stipulates that it *“should be provided on request with a view to initiating an integrated development process in areas where this practice is new”* (Notice to MS, point 9, p.3). It was not at all used (BE, GR, PT, SE), or just little in Objective 1 countries (ES, IE), and soared above 5% only in AT, DK, FR, LU and UK.. In many regions the budget for measure A was kept at programme level. Only 38% of the responding groups⁴³ used measure A means.

There is no relationship between the use of measure A and the level of experience. It can be conjectured that there was a certain confusion between measure A and the sub-measure *« technical support for rural development »* of measure B, proposed in annex 1 of the Notice to MS (p.9). Measure A was essentially used for funding the preparation of business plans, hiring

⁴³ Source: Q202

animation staff and rather little for building capacity among local people. In countries which estimated the value of material investments higher, measure A was seen as an extravagance.

Considerably more responding groups (65,5%)⁴⁴ have used measure C – trans-national cooperation, although it was less endowed than measure A..

Figure 16

Initial budgets⁴⁵ per Member State and Measure in KECU⁴⁶

Member state	Measure A	Measure B	Measure C	Measure D	Total
AT	4.509	65.930	1.234	503	72.176
BE	0	27.055	282	1.199	28.536
DE	18.053	356.649	21.250	3.057	399.009
DK	6.594	18.877	1.082	163	26.716
GR	623	256.200	4.927	1.850	263.600
ES	10.438	1.131.277	16.305	4.120	1.162.140
FI	2.169	69.037	4.702	561	76.469
FR	58.209	375.338	32.967	10.570	477.084
IE	1.440	159.124	3.133	1.880	165.577
IT	16.941	701.228	29.741	6.086	753.996
LU	697	4.072	55	25	4.849
NL	701	33.154	488	822	35.165
SE	0	75.732	9.569	569	85.870
PT	334	152.881	2.334	1.236	156.785
UK	10.683	135.113	10.551	4.018	160.365
EU total	131.391	3.561.667	138.620	36.659	3.868.337

Source: European Observatory data base; Belgian National Evaluation Report.

Divided through the presumed number of people reached by the LEADER II initiative (50 mio.), the per capita budget amounted to 77 ECU, or almost 13 ECU per inhabitant per year. According to an approximate calculation, the total amount mobilised for the LEADER initiative⁴⁷, including indexation and programme reserves, reached 5.374 MECU (2002), which means 107,5 ECU per capita investment, or almost 18 ECU per inhabitant per year.

⁴⁴ Source: Q202

⁴⁵ The EU means for the European LEADER II Observatory and for co-financing the national networking units are not included in this table.

⁴⁶ The initial contracts did not fully exploit the provisions of 1795 MECU. The EU part-funding of the contracts according to figure 16 amounted to 1.543,47 MECU (Source: Obsevatory database; National Evaluations; Q34).

⁴⁷ Finally committed funds (source: EUROPEAN COMMISSION 2003; National Evaluation Reports; Q34. Missing figures were extrapolated by weighted means.

Figure 17

Relative amounts allocated to the different measures in the initial programmes (%)

Member State	Measure A	Measure B	Measure C	Measure D
AT	6,2	91,3	1,7	0,7
BE	0,0	94,0	1,0	5,0
DE	4,5	89,4	5,3	0,8
DK	24,7	70,7	4,1	0,6
GR	0,2	97,2	1,9	0,7
ES	0,9	97,3	1,4	0,4
FI	2,8	90,3	6,1	0,7
FR	12,2	78,7	6,9	2,2
IE	0,9	96,1	1,9	1,1
IT	2,2	93,0	3,9	0,8
LU	14,4	84,0	1,1	0,5
NL	2,0	94,3	1,4	2,3
PT	0,2	97,5	1,5	0,8
SE	0,0	88,2	11,1	0,7
UK	6,7	84,3	6,6	2,5
Total EU	3,4	92,1	3,6	0,9

Source : European Observatory data base

The diversity of programmes, rooted in the decentralised approach, makes it difficult to tabulate the programme priorities and the assessment of their responsiveness to the problems and needs of the territories. Like in LEADER I, there was a prescribed classification of actions according to priorities under Measure B (Notice to MS, annex 1, p.9f.):

- Technical support for rural development
- Training and recruitment assistance
- Rural tourism
- Small firms, craft enterprises and local services
- Local exploitation and marketing of agricultural, forestry and fishery products
- Preservation and improvement of the environment and living conditions

But in contrast to LEADER I, the categories were not systematically used in programming and financial monitoring in LEADER II: that makes it impossible to compile the actions foreseen and implemented in the programmes. But it is possible to give an idea upon the main direction of investments made during LEADER II.

The regional expressions of the initiative are to be understood as responses to the local problems, the possibilities to find matching funds, and the content of other programmes already carried out in the area.

Figure 18 shows exemplary figures based on approximately 40% of all LAGs and CBs. First priority was rural tourism (between 30 and 50% of the LAP budgets), although to a much lesser extent than in LEADER I (44,9%)⁴⁸. Next came, more or less evenly distributed, technical assistance (mostly in IE), the development and exploitation of local, mostly agricultural products (particularly strong in AT, ES, IT) and MSME⁴⁹ promotion (mostly in UK and Nordic states) with 5 to 30% of the measure B budgets. Then came training (mostly in IE) and environment (still important in DE, FR).

Compared to Objective 5b programmes,⁵⁰ the higher amount of funds allocated to technical assistance, an essential component of the Community Initiative, protrudes as the main difference. There was also more emphasis on rural tourism, whereas the allocation to enterprise promotion was much less endowed.

48 Source: LEADER I evaluation. There was no environmental action, and much less technical assistance in LEADER I.

49 Micro-, Small and Medium Enterprise

50 Source: ADE 2003: Évaluation ex post des programmes de l'Objective 5b pour la période 1994-1999. Rapport final, volume 1,2. Financée par la Commission Européenne, Louvain-la-Neuve.

Figure 18

Funding priorities of programmes in selected regions or countries (finally committed budgets)

(The two highest-ranking priorities in each line are written in bold letters)

	AT	Sachsen/ DE	Andalucia/ ES	Canarias/ ES	FR	IE	Calabria/ IT	Piemonte/ IT	Sardegna/ IT	Toscana/ IT	Obj.5b/SE	Obj.6/SE	England/ UK	Highlands & Islands/UK
Technical assistance	8,1	3,9	7,1	10,4	11,0	22,2	27,0	7,6	18,2	9,7	15,2	16,0	14,8	22,0
Training	14,2	2,2	2,7	5,0	4,0	14,3	8,0	1,9	6,7	7,7	9,1	8,0	13,0	13,0
Rural tourism	34,3	27,7	33,2	50,1	20,0	25,6	24,1	2,5	34,2	43,3	28,2	30,0	23,3	23,8
SME, crafts	6,0	14,4	23,1	12,4	10,0	16,1	15,2	23,4	15,2	18,7	26,2	29,0	22,1	15,8
Local products	20,3	11,7	24,7	8,9	19,0	9,0	16,5	27,3	19,4	5,2	13,2	11,0	8,5	7,7
Environment and living conditions	6,0	38,1	9,2	13,2	24,0	12,8	9,2	13,3	6,3	15,4	8,1	6,0	18,3	17,8
Others	11,1*	2,0			12,0*									
Total	100,0	100,0	100,0	100,0	100,0	100,0	100,0	100,0	100,0	100,0	100,0	100,0	100,0	100,0

*“Events and conferences“ (AT) and „IT projects“ (AT, FR) have been categorized separately.

Sources: OP102, national evaluations, national monitoring data (FR).

Summary answer to TOR question 1.4:

What activities were financed under LEADER II (broken down by type of measure at the level of local action groups and other collective bodies)?

Although the Member States followed the proposed list of priorities under Measure B (rural innovation programmes) as an orientation, it was not possible to aggregate the data consistently.

A broad range of activities was funded under LEADER II, with rural tourism ranking first, ranging between 30 to 50% of the programme budgets. This was considerably lower than in LEADER I.

Another significant priority was the technical assistance, much more used than in LEADER I and in contemporary Objective 5b programmes.

Development and exploitation of local (mainly agricultural) products and MSME promotion were also relevant priorities, the latter specifically in Northern countries. Funding for environment and living conditions was important in certain regions of DE and FR.

Measure A (acquisition of competences) was not used in BE, GR, PT and SE, or just little in Objective 1 countries (ES, IE), and soared above 5% only in AT, DK, FR, LU and UK. It has been mostly spent at programme level, only 1/3 of the groups had direct access to it. Measure C, trans-national cooperation, was used by 2/3 of the groups, although the budget remained below 1% of the total.

All in all, the picture is balanced and diverse. Apparently the decentralised system has allowed the tailoring of programmes to the requirements and resources of rural areas.

5.2 Local Action Groups and Other Collectives Bodies

5.2.1 An overview on their number and distribution among Member States and Objective areas

The number of local beneficiaries has increased throughout the whole funding period, for reasons of new formations and divisions of existing groups. In the end 998 organisms, from which 906 Local Action Groups⁵¹, became LEADER II beneficiaries. 92 beneficiaries chose the formula of Other Collective Bodies⁵². They were more numerous in AT (Burgenland), DE (Bayern, Schleswig-Holstein), IT (Basilicata, Sardegna), PT and UK (Northern Ireland).

⁵¹ Groups formed according to a territorial logic.

⁵² Groups formed according to a thematic, sometimes sectoral logic.

There was an increase in number of local groups of more than 400% compared to LEADER I. This does not have anything to do with the EU enlargement, because from the 782 new groups 635 came from the old Member States having participated in the previous Community Initiative. IT passed from 30 to 203 groups. GR, IE and PT which were already actively participating in LEADER I, doubled the number of groups.

The coverage of rural areas with LAGs was quite extensive. It was practically complete in IE, PT, Mecklenburg-Vorpommern/DE, Wales and Scotland/UK, and predominant in Objective 5b zones of FR and UK. There was, in some countries, a political orientation to complement the LEADER budget with other funds in order to guarantee a full-fledged territorial coverage (e.g. ES with the PRODER programme). The widespread implementation of LEADER II was seen as an outcome of the positive reception of LEADER I, and as a success in itself. However, the expansion, which some interviewees at EU level called a sort of “mainstreaming”, undoubtedly diluted the experimental character of the initiative.

Figure 19

Number of LAGs and CBs

Member State	LAGs LEADER I	LAGs LEADER II	CBs LEADER II	TOTAL LEADER II	AREA COVERAGE/TOTAL COUNTRY
AT	—	31	9	40	21,7%
BE	2	18	0	18	15,4%
DE	13	119	46	165	37,4%
DK	1	12	0	12	19,7%
GR	26	49	7	56	70,4%
ES	52	132	1	133	44,4%
FI	—	22	0	22	36,8%
FR	40	173	1	171	44,8%
IE	17	34	3	37	97,0%
IT	31	192	11	203	46,9%
LU	1	2	0	2	38,2%
NE	1	4	0	4	7,7%
SE	—	12	0	12	31,8%
PT	20	48	6	54	83,1%
UK	13	61	8	69	51,2%
EU Total	217	906	92	998	43,6%

Source: Evaluation LEADER I; L1000

5.2.2 Essential characteristics

5.2.2.1 The territories

With the exception of the Collective Bodies which are centred around a thematic focus or a sectoral activity, LEADER II pursued an area-based approach, taking into account the « *local dimension* ». The Notice to MS set an « *indicative* » upper limit of 100.000 inhabitants per LEADER area. There was no explicit minimum threshold, but various other sources put an emphasis on the necessity of a critical mass which would make a local development strategy credible. The questions of area size and population density must be seen in connection with the local partnership, whose cohesion and dynamism depends from intensive interaction and interpersonal bonds which can thrive better under conditions of nearness.

In the whole, nearly 50 millions people in Europe's rural areas have been concerned by the LEADER II initiative. An extrapolation from precise data from 730 LAGs results in an average of 55.012 inhabitants, 1.557 km² and 35,3 inhabitants/km² for a "typical LEADER area"^{53;54} The population density was very similar in Objective 1 and 5b areas, in contrast to the vast Nordic territories (Objective 6) with 1,3 inhabitants/km².⁵⁵

LEADER territories varied a lot in respect to population densities (between 1 and 200 inhabitants/km²), allocated budgets and the inclusion or exclusion of towns. In DE, the average number of inhabitants was beyond 90.000 and above 70.000 in PT, whereas in AT and FI it remained below 30.000. One could see a cluster of "very rural" groups which operated in sparsely populated or more remote areas with plus/minus 25.000 inhabitants, and another cluster of groups situated in more densely populated areas, including small or medium-sized towns (see fig. 20). Around 10% of the groups operated in areas with more than 100.000 inhabitants, and the same % under 10.000 inhabitants.

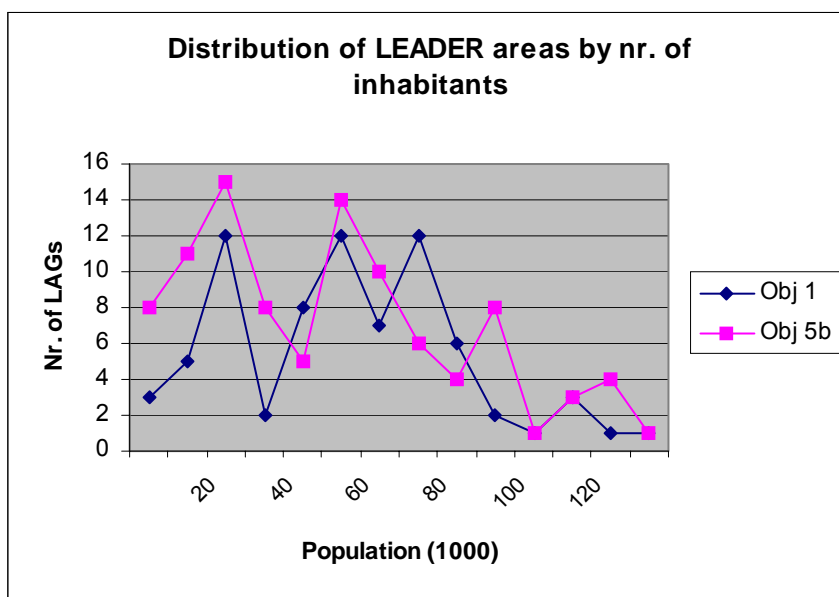
53 Taking the Q202 sample as a reference, the average population of a local action group amounted to 53.073 inhabitants on 1.666 km²

54 In LEADER I the corresponding figures were 52.000 average population, 1486 km² and 35 inhabitants per km².

55 It is not possible to achieve 100% exact data, because the precise number of population and size of area was not contractualised.

Figure 20

The distribution of LEADER areas by nr. of inhabitants (Q202 sample)



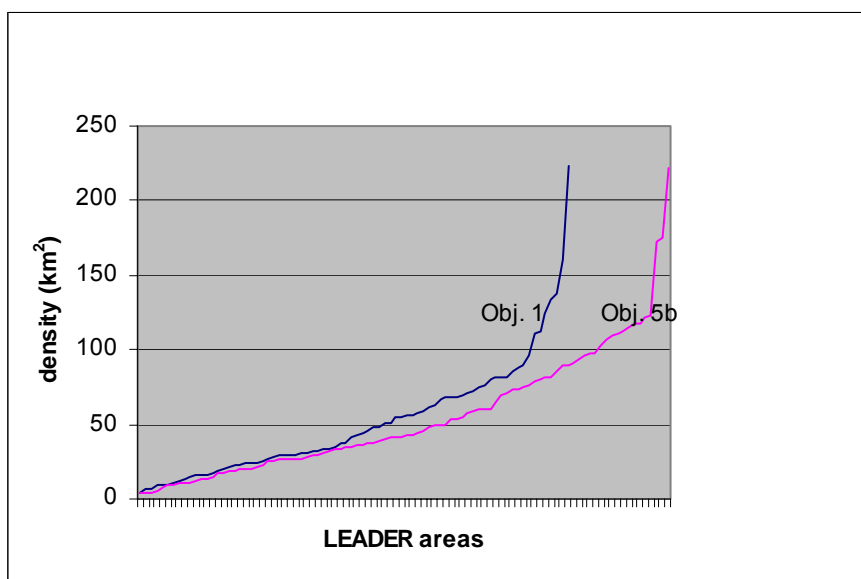
Source: Q202, L1000

In general the territories were quite homogeneous, at least in respect to socio-economic determinants. Homogeneity was easier to achieve in Objective 1 areas, whereas zoning for Objective 5b sometimes cut through territories with a distinctive identity. The possibility of allocating 10% of the funds for projects outside the LEADER area mitigated the rigidity of delimitation, but in practice many local stakeholders were unfamiliar with this clause and did not make use of it.

There were some periurban zones lying beyond the threshold of 150 inhabitants/km². The specific challenges of these rapidly growing areas have not been sufficiently reflected in rural development strategies so far.

Figure 21

Distribution of LEADER areas according to population densities*



*LEADER areas are classified by increasing density.

Source: Q202, L1000

5.2.2.2 The local groups

The local partnership was supposed to reflect the diversity of rural actors and facilitate the creation of an integrated and multi-sectoral development strategy. In reality the public actors (mayors) played a predominant role.

The various juridical forms of the partnerships drew on the juridical tradition of each country: Cooperatives with limited responsibility in IE, non-profit consortia in IT (90%), intermunicipal associations and nature parks in FR, but also cooperatives, associations and joint-stock companies.

The 92 Other Collective Bodies were mainly centred around themes related to agricultural value added chains (wine, grains, wood) and on social criteria (mutual help, rural women); their intervention space was mostly not just local, but regional or even national. Their number of individual members was usually higher than that of LAGs.

5.3 Financial achievements

The aggregation of data on programme achievements was severely hampered by the lack of coherence and homogeneity in the available financial information. There were a number of reasons:

- the transition from ECU to Euro, with exchange rates to national currencies varying over time. This was particularly tricky in countries having devalued their currencies. Their budgets increased depending on their rhythm of spending;
- the existence of more than one (national and regional) authority responsible for financial management;
- different payment modalities according to Member State (single grants, annual instalments, direct project funding and mixed systems);
- the great number of modifications of programme and business plan budgets over time.

5.3.1 Financial contributions

5.3.1.1 The relative weight of LEADER II

For the programming period between 1994 and 1999, the European Union has budgeted 1.795 mio. ECUs⁵⁶ for the LEADER II initiative. This amount was composed of the initially contracted budget and additional 230 kECU taken from the "Community Initiatives Reserve", allocated on October 4th 1995.

The total sum was much higher than in LEADER I, but the period of implementation stretched over six years instead of three, and the number of groups multiplied. Thus the average European Structural Funds contribution for each group, which had been 0,6 MECU per year in LEADER I, slumped to 0,30 MECU in LEADER II (total funding: 0,70 MECU per year and group). Compared with mainstream Structural Funds budgets, LEADER II represented only a tiny share (see figure 22).

⁵⁶ Based on the exchange rates in 1995

Figure 22

Budget comparison between LEADER II and other programmes (initial previsions)

	MECU	Ratio
LEADER II	1.795	1
Total Community Initiatives 1994-1999	14.276	8
Objective 5b	6.891	3,8
Objective 1	93.976	52,4
Objective 6	712	0,4

Source: EUROPEAN COMMISSION 1996: *Structural Funds and Cohesion Fund 1994-1999*

5.3.1.2 The participation of the Structural Funds

The three Structural Funds have participated in the initiative, the ERDF and the EAGGF-Guidance at almost even shares (46,5% resp. 44,7%), the ESF with 8,8%. Around 60% of the European budget went to Objective 1 regions, 38% to 5b, and less than 1% to Objective 6 areas. 1,8% were earmarked for networking activities at the service of all. As the comparison between figures 22 and 23 shows, the achievement rate of European Funds was at nearly 100% in the end of the Initiative.

Figure 23

EU part-funding per Structural Fund and per Objective area (finally committed budget)

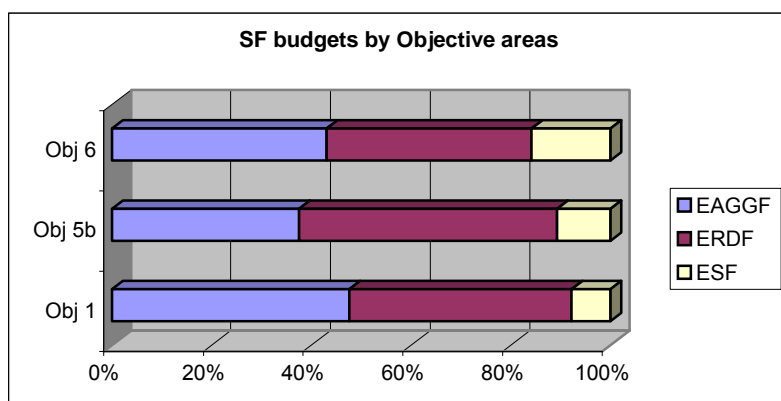
	EAGGF	EFRE	ESF	TOTAL	%
Objective 1	509.529	477.081	83.597	1.070.208	59,6
Objective 5b	253.967	350.153	72.600	676.720	37,7
Objective 6	7.112	6.791	2.612	16.515	0,9
Networks	31.444	0	0	31.444	1,8
Total	802.053	834.025	158.809	1.794.887	100,0
	44,7 %	46,5 %	8,8 %	100	

Source : EUROPEAN COMMISSION, DG AGRI 2003

The intervention intensity of the Funds varied from an Objective to another. The EAGGF prevailed in Objective 1 regions, the EFRE in Objective 5b areas and the EFS invested more in the Objective 6 areas (around 16%).

Figure 24

Contribution of Structural Funds per Objective area (finally committed budget)

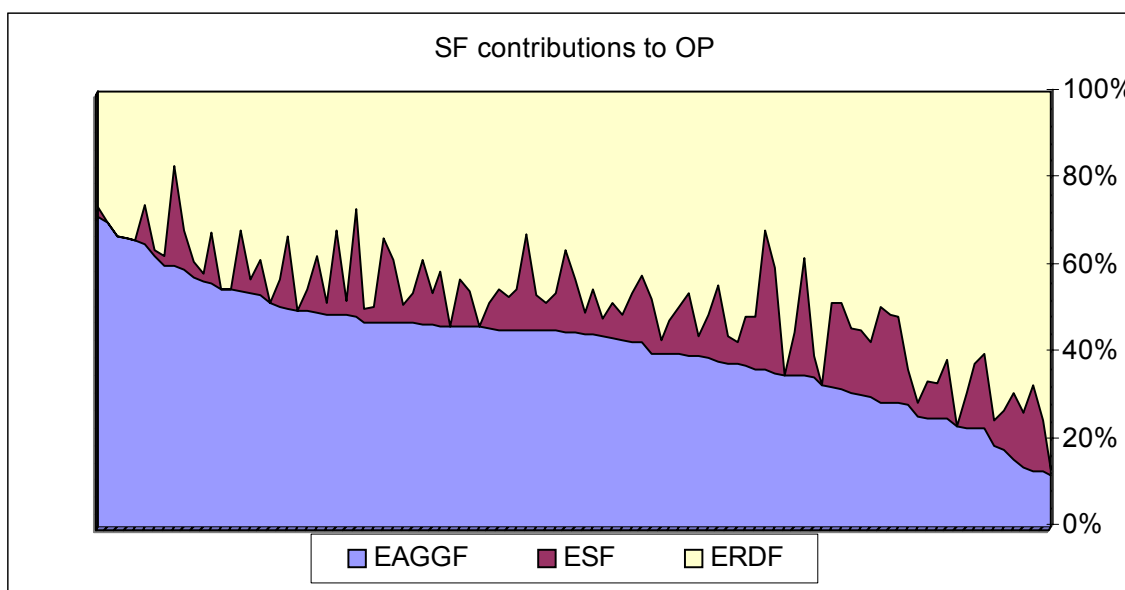


Source: EUROPEAN COMMISSION, DG AGRI 2003

The variety increases if we look at the weight of funds in different Operational Programmes. The EAGGF was predominant in about 20 programmes, specifically in the German Länder under Objective 1 (Berlin, Mecklenburg-Vorpommern, Sachsen) and in AT (Burgenland, Vorarlberg). The ERDF prevailed in 37 programmes, particularly in North-Western countries (Wallonie/BE, IE, England/UK). The ESF, whose share was rather modest in general, climbed above 20% in Saarland/DE, DK, Bretagne and Pays de Loire/FR. The differences reveal different local development strategies.

Figure 25

The participation of Structural Funds per Operational Programme (finally committed budget)



Source: EUROPEAN COMMISSION, DG AGRI 2003

NB the programmes are arranged from highest to lowest EAGGF contribution.

5.3.1.3 National public and private co-financing

Member States chose different strategies according to the availability of rural development funds and the type of projects which may more or less allow to recur on private part-funding.

The leverage effect of LEADER II was higher than expected: The match funding rates were beyond the provisions, specifically in respect to private funds. With few examples (LU), they exceeded the expected values up to 13,4% (PT), with an average value of +5,6%. The leverage effect of 100 ECUs from European funds rose from 150 ECUs, as expected at the outset, to nearly 200 ECUs.

The data furnished by the geographical evaluators did not allow an aggregation to get exact figure on the final expenses at European level. The percentage of co-funding has been calculated either in the national currency, or in Euros. The European total is calculated according to the relative weight of funds in the initial budgets. On the basis of the relative weight of the European funding, the total amount of funding (5.374 MECU) can be estimated, because the amount of committed European funds is known from the EC database (EUROPEAN COMMISSION 2003).

Figure 26

Relative weight of funding in initial and finally committed budgets (%)

Member State	EU		National public		Private		Diff. in private co-funding
	initial	final	initial	final	initial	final	
AT	31,5	26,9	32,1	26,2	36,4	46,9	+10,3
BE	25,5	22,6	21,1	18,2	53,4	59,2	+5,8
DE	44,0	36,7*	31,0	38,4*	25,0	24,9*	-0,1*
DK	30,6	23,2	30,2	31,8	39,2	45,0	+5,8
GR	56,0	46,7	14,0	14,5	30,0	38,8	+8,8
ES	37,4	27,8	19,2	16,7	43,4	55,5	+12,1
FI	36,8	34,6	36,5	34,4	26,7	31,0	+4,3
FR	40,0	32,0	40,0	47,0	20,0	21,0	+1,0
IE	41,0	41,0**	17,0	17,6**	41,0	41,4**	+0,4**
IT	38,0	38,0	31,0	32,0	31,0	30,0	-1,0
LU	20,9	22,7	53,7	66,2	25,4	11,1	-14,3
NL	25,4	17,0	38,7	43,8	35,9	39,1	+3,2
PT	75,0	58,0	12,6	16,2	12,4	25,8	+13,4
SE	22,5	18,7	39,8	35,0	37,7	46,3	+8,6
UK	39,2	30,4	40,2	37,8	20,0	31,8	+11,8
Total EU	39,9	33,4	27,3	28,1	32,8	38,5	5,7

* For DE, the amount is extrapolated from the results of 10 Länder. There has been no national aggregation of financial achievements in the German Länder.

** Finally paid (IE)

Source: Observatory database; National evaluations, Q34

5.3.1.4 Funding of local groups

The budgets allocated to the groups showed a wide variation, according to the political orientation for “total coverage” or for a restricted number of group and national match funding. For example, budgets of Spanish and Dutch groups used to be four times higher than those of Austrian, French, German or British groups. Based on a total budget of 3.868 MECUs, the average endowment per group was 3,9 MECUs.

The measure B budget per group for the rural innovation programme, was 3.568,8 kECU on average, with ES and NL on the leading edge with more than 8.000 kECU per LAG/CB, and AT, BE and DK at the lower end of the scale.

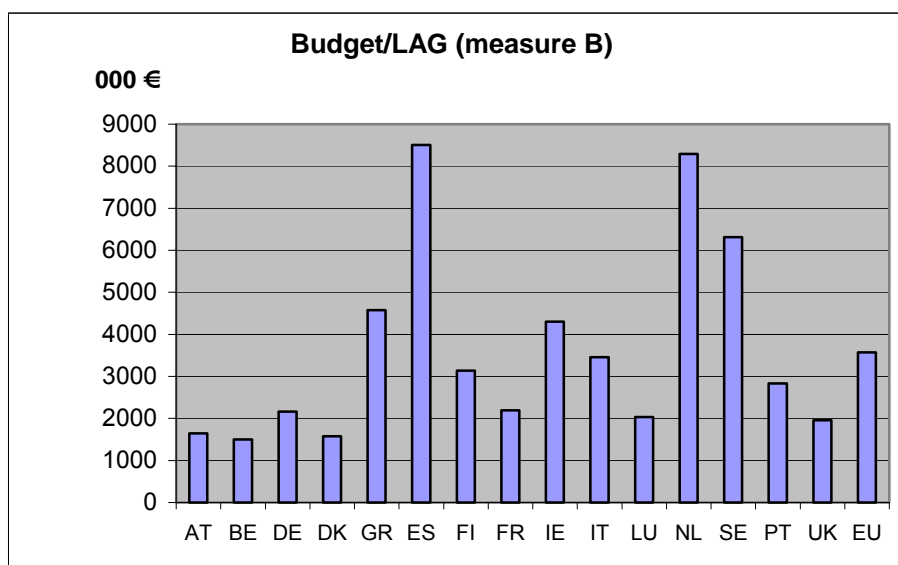
Figure 27

Initial Measure B budget per LAG/CB

Country	LAGs	Measure B budget per LAG/CB in kECUs
AT	40	1.648,3
BE	18	1.503,1
DE	165	2.161,5
DK	12	1.573,1
ES	133	8.505,8
GR	56	4.575,0
FI	22	3.138,0
FR	171	2.195,0
IE	37	4.300,6
IT	203	3.454,3
LU	2	2.036,0
NL	4	8.288,5
PT	54	2.831,1
SE	12	6.311,0
UK	69	1.958,2
EU	998	3.568,8

Figure 28

Initial Measure B budgets per LAG/CB



Source: EUROPEAN COMMISSION, DG AGRI 2003, OP102, L1000

There are some interesting examples concerning alternative ways of local co-financing⁵⁷, although this was not an explicit aim of LEADER II:

- for example the “GALCOB initiative” in Bretagne/FR, which set up an inter-institutional regional fund for rural development as a flexible tool to respond to specific needs. It provided interest-free loans to project promoters;
- another initiative of this type was LEADERFIDI, an initiative in Sardegna/IT⁵⁸, which also provided interest-free loans to project applicants.

Tightening banking rules and gaps between funding periods will continue to pose this challenge to local groups in their quest for continuity.

5.3.1.5 Reallocation of funds (TOR 1.7)

The relative weight of measures and priorities has been discussed in chapter 5.1.2. However, the funds were not specifically earmarked for specific priorities within measure B, except in global grant systems.

Reallocations of funds were decided by the Monitoring Committees at programme level according to the advancement of spending and strategic re-orientations. Only in decentralised

⁵⁷ AEIDL 2000: Local financing in rural areas. Dossier Nr. 9 of the European Observatory, Bruxelles.

⁵⁸ See also the Italian Geographical Report (Focus Group Monte Acuto/Sardegna).

systems reallocations were initiated by the LAGs and aggregated at programme level (IE, Emilia-Romagna, Calabria/IT, NL, Highlands & Islands/UK), in systems running usual operational programmes, the authorities used to shift funds from groups with a slow rate of spending to groups spending their budgets more quickly.

Reallocations were also carried out as a consequence of budgetary changes due to indexation and programme reserve.

Funds were reallocated between the LAGs, from the slow-spending to the fast-spending ones (FR, SE, UK).

Summary answer to TOR question 1.7

How were funds reallocated inside each measure during the implementation of LEADER II?

The most frequent pattern was a reallocation from measure C to B due to late start of trans-national cooperation and underspending.

Reallocations within measure B are difficult to trace. Programming authorities wanted to keep the range of eligible activities as wide as possible. Only the share between Structural Funds was pre-established.

In decentralised systems (global grant or quasi global grant) the LAGs/CBs asked for reallocation according to the advancement of spending. Their requests were then aggregated at programme level and decided by the Programme Monitoring Committee.

In systems running habitual operational programmes, reallocations were decided by the Monitoring Committee according to the advancement of programmes. The authorities shifted funds from slow spending LAGs/CBs to swift spenders.

With few exceptions (LU), the share of private funding has been higher than expected in the initial plans: Up to +13% in PT, and +5 to +10% on average. The leverage effect of European funds on national public and private money was nearly 200%, against 150% in the initial previsions.

5.3.2 Financial achievements

The idea of using the spending rate as an output indicator proved appropriate in LEADER I, which had been implemented in a homogeneous way. However, in LEADER II the financial achievements do not allow judgments on success or failure due to several reasons:

- The initial budget has almost everywhere been modified at mid-way in order to integrate complementary means of the Operational Programmes or to redistribute the funds between the local groups.
- The “final” budgets have in many cases been once more adjusted in the final phase of the formal programming period.
- In some programmes (like in AT and Bayern/DE) there were no separate budgets for the local business plans; the monitoring systems aggregated the data according to projects and not to groups.
- The means for measure C were sometimes defined at the outset, sometimes at mid-term. There were frequent reallocations from measure C to B.
- In some countries the private part-funding was considerably underestimated in the beginning.
- The devaluation of some currencies led to remarkable increases of some national budgets, compared to the initial plans.

With regard to the cited incidences, the ratio between planned expenses and real expenses loses significance and does not permit a meaningful comparison between countries. Only the spending rates of the European Funds could be reliably calculated, and, on their basis, an estimation could be made concerning the total expenses (see chapter 5.3.1.3).

The situation of financial commitments on December 31st 2002 suggests a 100% spending rate for the three Structural Funds. Before programme closure, the rate poised between 75 and 80%.

Figure 29

Financial achievements of the three Structural Funds in LEADER II (in kECU)

	Finally committed Funds (100%)	Spent Funds (31/12/2002)	Ratio
Objective 1	1.070.208	811.824	75,86%
Objective 5b	676.720	487.740	72,07%
Objective 6	16.515	13.101	79,33%
Networks*	31.440	26.550	84,44%
Total	1.794.887	1.339.216	74,61%
Total without networks	1.763.444	1.312.665	74,44%

* European Observatory and co-funding of national networking units.

Source: EUROPEAN COMMISSION, DG AGRI 2003

CHAPTER 6: THE SPECIFIC FEATURES OF LEADER II AND RESULTING BEHAVIOURAL CHANGES

6.1 The vertical feature: Decentralised management and financing

The results presented hereafter are extracted from the interviews with European Commission officials and other experts (QEU), from the grids OP102 and L1000 and from the survey on local groups (Q202). However, the national evaluations, complemented by the documents available to the respective interviewees were the primary source. The evaluation team visualised the variety of governance contexts and administrative set ups in organigraphs, which are integrated in the geographical reports (Volume 4). Quotations and examples are taken from the interviews with European (QEU), national/regional (Q34) and local (Q202) actors, from the cost-effectiveness studies (Volume 3) and from the focus group sessions documented in the geographical reports (Volume 4). Direct quotations are put if they represent a prevailing opinion or a relevant minority and not an isolated view.

6.1.1 The role of the feature in respect to the LEADER initiative

The Commission placed the initiative at the leading edge of a decentralised approach:

“In keeping with the principle of subsidiarity, the implementation of LEADER II will be as decentralised as possible...” (Notice to MS, p.6).

Key elements of this approach were

- The establishment of a *“planning and decision making partnership”* at the regional or national level of each Member State.
- The exclusive competence for *“the individual selection of the projects and beneficiaries and the financial and administrative management of the regional LEADER programme”* is given to *“a decision-making partnership at regional level (or at national level when this proves impossible at regional level).”*
- The designation of *“local action groups”* or *“other rural collective bodies”* as *“final beneficiaries.”*
- The joint decision on the *“form of the budget (operational programme, integrated global grant...)”* together with the Member State’s administration.

In practice, this approach resulted in a variety of implementation modes and administrative set ups. As the vertical feature shaped the governance context in which the local actors operated, it is discussed first.

6.1.2 The governance context

When LEADER II started in 1994, it was not a new initiative. In 12 Member States, it had been implemented as LEADER I and proved to be quite successful taking into account the relatively small allocation involved. Member States became interested in integrating the programme features of LEADER I into their governance structures.

From LEADER I to LEADER II the relationship between the Commission and the Member States changed considerably. In LEADER I the EC has had much more direct contacts with the groups. In LEADER II the relation from the EC to the beneficiaries and the Member States including the regions was *“much more formal and administrative. LEADER became a ‘normal’ programme with some distinctive features, e.g. that it did not fund projects but groups. But the way the EC was dealing with it was quite the same as for other programmes”*, said an EC official.

6.1.2.1 The attitude of stakeholders at programme level

Administrators perceived the processes as *“more structured and less chaotic”* (EC official) than in LEADER I. On the other hand, the LAGs already active in LEADER I claimed that there was less room for genuine innovation and flexibility in its implementation. However the new provisions, such as the national and European networking bodies, were considered to be enriching.

Familiarity with LEADER I was seen as an advantage, but such experience was scarce among administrators, as the regions had no active role in the implementation of LEADER I. In many cases the staff and board members of LAGs were more familiar with the programme specificities than the administrators, e.g. in the coordinated management of three funds.

Two new member states (AT and SE) had operated similar schemes at least in parts of their territories. The concept was not new to them.

There was scepticism towards the LEADER initiative and approach:

- Among officials of regions with no or little LEADER I experience (DE, DK, Aquitaine/FR);

- Among new member states states which had to implement all the Structural Funds structures and processes in a very short time (FI, SE).

In general, scepticism ceded with time. Many officials at regional and national level eventually became fervent supporters of the initiative. But even in favourable governance contexts, administrative stakeholders “*outside the core ring*” sometimes remained reluctant (Vlaanderen/BE, Sardegna/IT).

Most favourable in all phases of the initiative were administrators in regions and countries which adopted the LEADER approach as a general concept for their rural areas (Mecklenburg-Vorpommern/DE, IE, PT, Scotland/UK,).

At national and regional levels, the perceived complexity of the programme was mitigated by devoted officials. These “*fire spirits*”, as the Swedish called them, mastered horizontal coordination with Structural Funds and national co-funding authorities, vertical coordination with the EC in the programme monitoring committee and with the LAG managers (if there were any), through intra- and inter-hierarchical networking.

6.1.2.2 The attitude of officials of the European Commission

At the DG AGRI, three hierarchical levels were directly involved in the strategic and operative management of the initiative: Firstly the Director, secondly, the Head of Unit, and thirdly, the programme coordinator, assisted by geographical desk officers, who were, before 1999, organised by objective areas, and then, by Member States. This was perceived as an improvement: “*Services cannot be played off against one another by witty national administrations*”, one EC official said. “*In the long term it will be better and more effective than the previous model. It is better for integration and complementarity.*”

The core group in the European Commission was devoted to the initiative, even if the responsible staff changed in the final period of LEADER I. With the advent of the new director (1994-1999), leadership was stable until the end of the programming period. However, there was a lack of continuity in the lower ranks, whose personnel was in charge of the operational management of the initiative. The director saw four Heads of Units and six programme coordinators passing by during his service time. The high turnover of personnel had, as all interviewees at this level confirmed, consequences in the visibility of the role of the Commission (which eventually got confused with the European Observatory by local actors), and in its institutional learning capacity with respect to the second pillar of the CAP.

However, EC officials had the opportunity to a close contact with local actors and this was highly appreciated on both sides. Some interviewees from remote rural areas expressed their belief that the European officials attended them better than some national administrators (Obj. 6/SE).

6.1.2.3 The attitude of local stakeholders

Most local stakeholders were enthusiastic about getting the opportunity for small scale and low threshold funding for local projects. They were anxious to achieve quick, demonstrable results and often urged the technical staff not to undertake lengthy studies and to focus on tangible and visible activities (AT). Some were politically motivated, and were only interested to the extent that they could expect to increase their reputation or control. Backing of elected political leaders turned out to be crucial (DE), but their dominant presence could be a hindrance to openness, inclusiveness and a real bottom-up approach (ES, Bretagne/FR, PT).

There was scepticism among farming communities, specifically in objective 1 areas, where agricultural diversification was scarcely developed and CAP payments the primary source of income (ES, IE). In some of these regions farmers got increasingly involved as projects emerged which linked product development and marketing to landscape preservation (FI). In the majority of regions, the agricultural sector was fully involved from the very beginning, and sometimes dominant (AT, GR).

6.1.3 Administrative set ups and arrangements at local and regional level (TOR 1.5)

6.1.3.1 The diversity of programme set ups

There has been a wide range of different programme set ups, varying not only between, but also within Member States. In all this diversity, the following structural elements were invariant:

- There was a **managing authority**, at the level of the national and/or the regional government.
- For programme implementation, a separate **intermediary body** has been designated in many cases by the managing authority, which kept a supervising and coordinating role. The intermediary body was either another government agency at the same or a lower territorial level, but sometimes, specifically in global grant systems, another institution or the local partnership (LAG) itself.
- If not integrated in the managing authority or in another intermediary body, there were one or more **payment agencies**, integrated into other institutions operating at different hierarchical and territorial levels, or a cashier body set up for this purpose.
- There was a **local partnership**, which could be, in global grant systems, identical with the intermediary body, or, in most operational programmes, acting as a more or less influential consultative or technical implementation body.

- There was a **national unit for network coordination** (except in BE, DK and LU), which was either a public body attached to the managing authority, or a private contractor, or something in between.

The diversity of programme expressions over all 15 member states can be explained, at least partly, by the following influence factors:

- The available “*space for insertion*” for the new initiative in the local governance context;
- The degree of decision-making power entrusted to the LAG or CB;
- The degree of concentration of funding streams and horizontal coordination between administrations;
- The intensity and multiplicity of vertical interaction between local, regional and national players.

a) The available space for insertion for the new initiative

The term was used by ECOTEC (2002)⁵⁹ in its final evaluation of the Territorial Employment Pacts. ECOTEC assumes that the “*space for insertion*” of a new type of programme or measure must be large enough to produce tangible effects. Without going into detail, the team used this concept in order to put up a scale of rural contexts which range from “*crowded governance spaces*” to “*free governance spaces*”⁶⁰:

- In “*crowded governance spaces*” there are already manifold structures and processes dealing with policy fields similar to the new initiative. This context is linked to a certain level of population density and structural diversity, but not necessarily to a high living standard. Such areas have a living tradition of autonomous decision making at municipal or at least regional level, experience in the management of local development projects, and many institutions and agencies involved in such activities. Referring to the European Observatory’s typology of rural areas (see chapter 3.2.5.2, figure 12), “*crowded spaces*” can be found among the types nr. 4 (large uninhabited protected spaces), 5, 6, 7 and 8.
- “*Free governance spaces*” are less diverse, less structured and more dependent on single economic sectors or social transfers. Traditional self-organisation may still be important, and there can be some powerful economic players, but public and private actors do not cooperate for local development purposes, and neither do different authorities from each other. Using the European Observatory’s typology of rural areas

⁵⁹ ECOTEC Research and Consulting Ltd. 2002: Ex-post evaluation of the 89 Territorial Employment Pacts. Responsible evaluator: Peter Lloyd, Bruxelles.

⁶⁰ ECOTEC uses other terms: “*crowded space for insertion*” and “*relatively free operational space*”. They also stipulate a third category, that of “*receptive spaces*” in between the two extremes.

(see chapter 3.2.5.2 figure 12), “free spaces” can be found among the types nr. 1, 2, 3, 4 (nature parks) and 9.

In “free spaces” (ES, GR, IE and PT), local action groups need less time to take off. Local action groups in “crowded spaces” need more time for insertion, and they use to act more like fora of concertation, negotiation platforms or networking nodes (AT, DK, FR, SE, Scotland/UK). Groups belonging to the former types tend to control or manage local development, groups belonging to the latter types tend to induce or facilitate it.

b) The degree of decision-making power entrusted to the LAG or CB

In each programme it is possible to identify a “centre of gravity”, where the main operations for implementing LEADER II have been carried out. In some countries this centre of gravity was located at a relatively high level of decision making. This can be called a centralised governance context. In some countries, this centre of gravity was located at the bottom end, the local partnership (LAG or CB). This can be called a decentralised governance context. Once the distinction has been drawn, three implementation types can be identified:

- Global grant systems: this type existed rather in “free governance spaces”, particularly where there was no strong intermediary level of decision-making (e.g. Land, Région, Junta). The global grant was either held by the LAG itself (GR, IE, PT) or managed by a partner agency, which was either embedded in the LAG (Highlands & Islands Enterprise or Scottish Enterprise in Scotland/UK), or acting independently from the local group, like the “cashier body” in Toscana/IT.
- “Quasi global grant” systems: operational programmes with global budgets or partial budgets managed by LAGs (Hessen/DE, ES, Aquitaine/FR, Emilia-Romagna/IT, England/UK).
- “Classical” Operational Programmes (AT, BE, DE, DK, the majority of regions in FR, NL, SE): LEADER II was embedded in national implementation schemes like the other Structural Funds programmes (AT, DE). In some centralised systems there was no local business plan required, and the monitoring system took no record of groups, just of projects (AT). Schleswig-Holstein/DE is the only region in which not a single LAG, but exclusively CBs were operating. In DK and SE, the decision making structures were the same as those set up for Objective 5b or 6.

c) The degree of concentration of funding streams and horizontal coordination between administrations

There were four possibilities:

- All funds (EU and national public co-funding) were concentrated in or mediated by one institution. This was the case in global grant and quasi global grant systems, such as in Toscana/IT.
- The three EU funds were concentrated in one institution, with national co-funding negotiated from different sources (DE, ES, IT, NL).
- The EU funds were managed by different institutions, with the national co-funding already allocated (AT, DE, FI).
- All EU and national public funds were managed by different institutions and had to be negotiated separately (Vlaanderen/BE, FR, SE, England/UK).

The more dispersed the funding streams, the more important was the influence of intensive interaction and good networking capacity between relevant stakeholders according to point d):

d) The intensity, multiplicity and quality of vertical interaction between local, regional and national players

The type of implementation system (global grant or operational programme) is not directly related to the factual or felt autonomy of the LAGs. The *de facto* autonomy of LAGs depended on:

- the regulatory framework set up by national and regional authorities in which the LAGs were supposed to operate: in some countries (e.g. SE) the LAG appeared to be highly autonomous according to its formal status, but delays in co-funding decisions and the difficulty to find matching funds at municipal and county level, undermined the effectiveness and credibility of the LAG's decision. The financial management posed a considerable challenge on LAGs whose primary purpose and design was that of a developer and social entrepreneur (Emilia-Romagna/IT);
- the architecture of the local partnership: in Vlaanderen/BE, DE, NL and most German Länder, the LAG was partly merged with the district authority (Mecklenburg-Vorpommern/DE) or even identical with the regional objective 5b committee (DK). It was coordinated by district officials (Bayern, Sachsen/DE), or directly managed by province officials (Vlaanderen/BE, NL), However in most countries, LAGs or CBs were independent, but this independence was less accentuated where they had no proper management structures (e.g. about half of the LAGs in AT);

- the co-operation culture: the presence of LAG representatives at the permanent steering group of Mecklenburg-Vorpommern/DE which decided upon project funding, was felt as very empowering, even without formal independence. Similar observations have been made where there were intensive consultations going on between the LAGs and the programme administration (AT, BE);
- the informal influence of players at local and regional level. For example in some Swedish Counties, the LAGs had a difficult stand, because the LEADER II initiative replaced a functioning national scheme: counties and municipalities felt disempowered by the new structures, but the local groups needed them for co-financing. In some Spanish and French regions, there was reportedly strong influence from municipal leaders and local politicians, which led to a loss of independence and less citizens' participation;
- the effective functioning of the administrative environment: payment delays caused by problems at higher administrative levels could have extremely discouraging if not pernicious effects on the promoters' willingness to invest and on the credibility of the local partnership (Vlaanderen/BE, Hessen/DE, ES⁶¹, PT, SE).

6.1.3.2 Administrative human resources

The human resources mobilised for programme delivery in the managing authority were organised in many different ways: From lean coordination nodes with a very small number of staff members (AT) to a unit for guidance and support endowed with a considerable staff (IE: 14; PT: 15). They were either commissioned with purely administrative or controlling tasks (IE), or offered support via handbook, help desk or hotline (AT/Tirol, DE SE, England/UK), or acting as mentors and capacity builders for LAGs (Rhône-Alpes/FR; Emilia-Romagna, Sardegna/IT).

Most decisions were taken after an interdepartmental consultation process between the relevant institutions. In Hessen/DE and GR, the managing authority disposed of decentralised boards, in some countries (Bayern/DE, FI, FR, England/UK) the programme desks were dispersed in various services.

6.1.3.3 The vertical partnership

The organisational backbone of the vertical partnership was the "programme monitoring committee" (PMC), a "*planning and decision making partnership*" as stipulated under point 16 of the Notice to Member States (p. 6). The PMC was composed of the involved authorities at national and regional level, and, in more decentralised systems, with representatives of local

⁶¹ For example in ES, the last 20% of EU funds were still unpaid in June 2003.

action groups. The EC was represented by the geographical desk officer. The PMC was coordinated by the regional or national managing authority. The average frequency of meetings was twice a year.

The PMCs for LEADER II were in most cases identical to those of the mainstream Structural Funds programmes. LEADER was generally treated as an appendix to the Structural Funds objectives 1, 5b and 6 towards the end of the all-inclusive monitoring committee sessions. As a counter-example, there was a separate monitoring committee for LEADER II in Bayern/DE. They held their meetings in LEADER areas and not in the regional or national capitals, as it used to be the case in most other countries. In SE, local actors criticized the fact that the PMC meetings have always been organised in Stockholm, even for the Objective 6 area.

The PMCs mainly discussed formal issues, related to programme management (AT), financial management (PT), and the advancement of spending and possible reallocations (NL). In ES, the PMC discussions were seen as wearisome: *“The MC is a very interesting body because it allows for a minimum coordination, but it seems to me that the level of debate is low and that central administrations impose their criteria”*, said a local interviewee from Galicia/ES.

Some committed regional and EC officials tried to draw more attention to the initiative, by introducing strategic reflections into the PMC meetings (Piemonte, Toscana/IT, SE), by organising field visits, project presentations, or involving LAGs (GR, IE, UK). In AT and FI, the PMC showed growing interest in the practical outcomes, and the LAGs had the opportunity to present their activities during PMC meetings. In IE, LEADER II was widely discussed in the PMC. Irish farming organisations sought greater influence on the programme through the PMC, but *“the Commission did not let them”* (EC official). In England/UK, there were six regional subcommittees of the PMC, interactively working and broadly discussing programme issues.

Some local and regional actors uttered criticism upon the *“dominant role”* of the EC in the PMC.

6.1.3.4 Administrative support for local groups

Support to LAGs was mostly given by the managing authority itself. Somewhat against the real needs, there was less support in the beginning than in the full implementation phase. This indicates a learning process on both sides, the local actors and the administration. There were, against the general tendency, examples for intensive support and capacity building in the start-up phase, in combination with the selection of LAGs (FR, Emilia-Romagna/IT). Although endowed with very limited human resources (2 persons), the administration in Emilia-

Romagna/IT went on to test out a system of self-evaluation (SAP⁶²) for the four LAGs operating in their region in collaboration with the European Observatory and Portuguese partners.

There were manifold forms of support provided by the managing authorities:

- Help desk, hotline (Vlaanderen/BE, PT, ES, Rhône-Alpes/FR, in DK identical to the 5b support unit)
- Externalised technical assistance (Niederösterreich, Burgenland/AT)
- Manuals, handbooks, circulars (ES, GR, IE, SE, UK)
- Dialogue, field and exchange visits, meetings (AT, DE, ES, FI, IE, IT, NL, UK)
- Training, capacity building (GR, Midi-Pyrénées/FR, Emilia-Romagna/IT, UK)
- Soft ware for LAG management (IT⁶³)

Lack of administrative support was in some cases compensated by the regional network of LAGs, if there were any (ES, FR, NL), or by national networks (ES, GR, IE). There were cases of regional (FR) and national (SE) networks providing support to the managing authorities, mostly on an informal and ad hoc basis (SE), but also as a contracted task (ES, FR).

In contrast to the intention transmitted in the Notice to Member States, Measure A was not consistently used for building capacity for the local partnership and management of the programme at local level: It was used for that purpose in Italian regions (Piemonte, Sardegna), in PT, and in FI. In Burgenland/AT it was used to finance an external coordinating agency, for providing technical assistance to the six LAGs and nine CBs operating in the area.

A comprehensive support system was provided by Highlands & Islands Enterprise (HIE) in Scotland/UK: There was a central support unit, a help desk, the possibility to refer to partner agencies within the HIE and LEC⁶⁴ network and the extensive use of cutting edge consultancy support. The HIE and LECs promoted interactive working styles, introduced the use of intranet and video conferencing, helped to set up the Scottish LEADER network and organised training workshops to deal with administrative problems. Nested LECs managed the programme in all the local areas and provided additional administrative and financial management support to the LAG staff.

⁶² "Systématisation de l'auto-évaluation participative." The methodology was presented by INDE, host of the Portuguese national network, at the seminar of the European Observatory: "Renforcer la qualité des évaluations ex-post de LEADER II", held in Brussels, 23-24 november 2000 (www.inde.pt).

⁶³ Provided by the informal national network (AASSOLEADER) and distributed by the formal network coordination unit at the INEA. This constitutes an excellent example of transfer of experience from LEADER I to LEADER II via networking.

⁶⁴ Local Enterprise Companies, local branches of the HIE.

Summary answer to TOR question 1.5:

What administrative structures/activities were set up under LEADER II at local and regional level?

The intention of the Commission to implement the Community Initiative “as decentralised as possible” was achieved in various ways, only a part of which can be considered as a decentralised approach.

Most local stakeholders welcomed the initiative as an opportunity to get access to funds for local small-scale projects which did not meet the funding criteria of mainstream Structural Funds. The regional officials, particularly in areas where they did not have any experience with LEADER I, showed some scepticism in the initial phase. However, their commitment increased as they became more involved with the programme’s implementation.

In countries with strong CAP support (Objective 1), farmers were more reserved as they found it easier to get funded through the mainstream funding. In more diversified rural areas, agricultural stakeholders were also central players in the LEADER initiative.

The great diversity of administrative set ups depended, inter alia, on

- the available “*insertion space*” for the new initiative;
- the degree of decision-making power entrusted to the LAG or CB;
- the degree of concentration of funding and coordination between administrations;
- the multiplicity of vertical interactions between local, regional and national actors.

Most Programme Monitoring Committees were identical to those of the PMCs of the mainstream programmes. There was only a little time devoted to LEADER II towards the end of these sessions (which took place about twice a year). Some committed EC and regional officials succeeded in inducing strategic reflections, but usually the discussions there were kept at a formal and procedural level.

Administrative support grew with the administrators’ familiarity with the programme. At the outset many LAGs were standing quite alone. Lack of support could be compensated by regional or national networking activities.

6.1.4 Funding procedures, speed and delays (TOR 1.8)

The implementation of the Operational Programmes was subject to a decision chain which was susceptible to accumulated delays.

Firstly the Notice to Member States on LEADER II was published July 7th 1994, shortly after the political decision. The deadline foreseen for the Member States to submit their programme proposals (4 months) was soon obsolete. More time was needed to inform Member States and regions, to initiate partnerships, to discuss, negotiate and elaborate the programmes. Very few Member States were able to meet the deadline; the submissions were going on until 1996 (15/09/1996 for Wallonie/BE).

Secondly, the Commission needed time to examine and to approve the programmes. This task started in 1995. Already in 3/1995 the programmes for Bayern/DE and IE were approved. Most programmes were approved in the final months of 1995 and in the beginning of 1996, but some decisions were delivered in 1997 only (e.g. for Wallonie/BE), which means almost three years after the theoretical start of the initiative.

Thirdly, the managing authorities (country or region) had to launch a call for proposals to local groups in rural areas, and to leave them some time to submit their local action plans. Once submitted, the business plans had to be examined, judged, approved or disapproved and contracted with the groups, before anything could be done on the ground. Even if in certain regions some processes could be anticipated by local actors, e.g. by accompanying the preparation of local projects in parallel with the local action plan, the delays piled up to an extent that the average duration of effective programme implementation was reduced to three years, 50% of the theoretically foreseen 6 years. The possible range of total duration from the submission of the OP to the first budget commitment stretched between 7 and 37 months.

Figure 30

Delays in programme implementation

	Activity	Responsible Actors
1	From the publication of the Notice to Member States to the submission of programme proposals	Regions (1 to 18 months)
2	From submission to approval of the national/regional programme by the EC	EC, regions (5 to 18 months)
3	From programme approval to the call for proposals for LAGs/CBs	Regions (1 to 7 months)
4	From call for proposals to the contract for the LAG/CB	Regions, local groups (1 to 12 months)
4a	From the first to the last contract	Regions ⁶⁵ , local groups (0 to 17 months)
5	From the contract with the LAG/CB to the first commitment of funds	Regions ⁶⁶ , local groups and project promoters (n.a.)
6	From commitment to payment of funds	Regions ⁶⁷ , local groups and project promoters (n.a.)

Source: Q34, Q202

The table shows that in phases 1 and 3 only the programme administration was responsible for possible delays. In all other cases the process depended on the vertical interaction between the region and the EC or the local beneficiaries.

Obviously some of the processes could be carried out in parallel, but in many cases with a certain risk. Most regions waited for the definitive approval before inviting possible beneficiaries to submit their local business plans. Thus a delay in any part of the chain could reduce the effective implementation time. To give an example, period 4 (call for proposals until contracting of LAG) lasted 36 months in Vlaanderen/BE. With the first LAG starting by the end of 1997, the effective implementation time attained only 40 months in average.

Among the expeditious regions we find IE with 54 months of effective average implementation time, or Emilia-Romagna/IT and PT with 60 months. Among the latecomers we find Klosterlangheim/Bayern/DE or Kerkyra/Ioniki Nisi/GR, which got the contract in late 1999. They had to spend all the funds in the short time span between 2000 and 2001; dissatisfaction was the result.

Delays could also be caused by third parties, for example authorities responsible for delivering construction permissions. Their influence must not be underestimated, as they were rarely

⁶⁵ In fully decentralised systems, the regions had no role in that phase.

⁶⁶ idem

⁶⁷ idem

prepared for multi-sectoral projects (Vlaanderen/BE, Canarias/ES, also reported in the cost-effectiveness analysis on rural tourism in Kalambaka/Pyli/GR). Conversely, alternative practices of unbureaucratic arrangements were recorded from Highlands & Islands/UK. It would be, according to Dutch interlocutors, of utmost importance to include other relevant authorities into the partnership structure so that they could understand the purpose and complexity of the projects started under LEADER II and would be able to adapt their services to the needs of the area.

The average delay between the approval of the LAG/CB and the first commitment of funds was about 6,8 months. From 1994 to 1996, only 21,2% of the funds have been spent, between 1997 and 1999 36,8%, and 42,0% after the official end of the programming period, from 2000 to 2001.

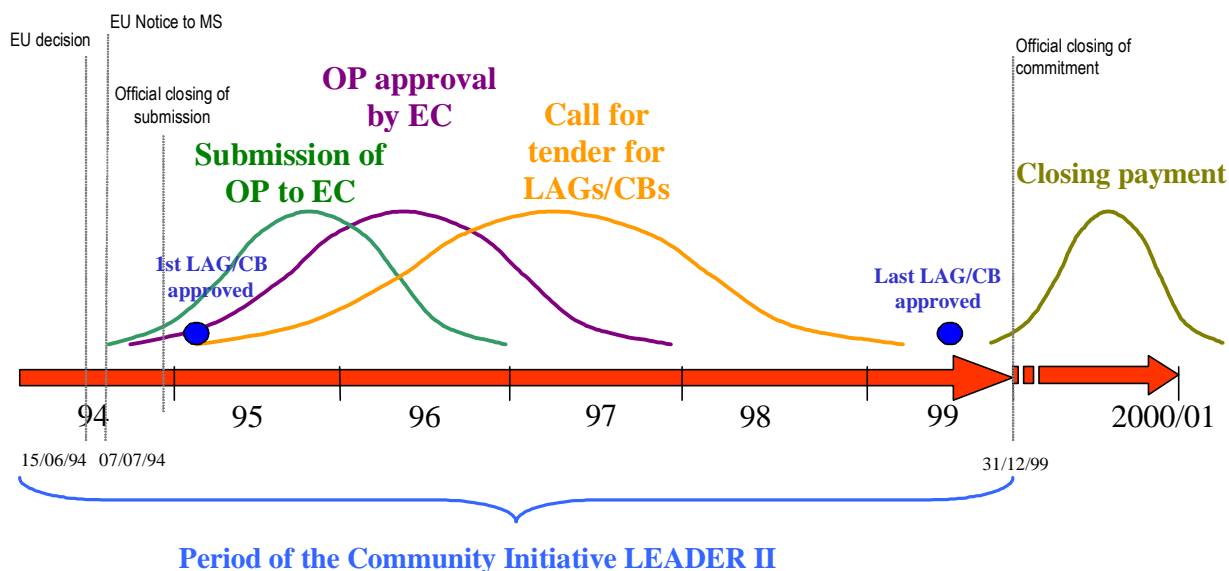
The delays seemed to originate rather at the Member States' level, but they were not caused by just one institution. They accumulated through all the levels concerned, including the LAG itself, if for example the low quality of a project requires additional amendments to make them acceptable. In the sample of 202 groups, the average delay between the approbation date of the operational programme and that of the LAG business plan was 15 months, with a range from below 1 month (Pays Vasco/Euskadi/ES) up to 50 months for some LAGs in Bayern/DE.

Of the 72⁶⁸ months theoretically available to implement LEADER II, the actual lifetime per LAG or CB was about 36 months (3 years). 10% of the groups just got two years of life in LEADER II.

⁶⁸ 60 months for AT, FI and SE.

Figure 31

Piling up delays before starting local action



Source: Q34, Q202

Many interviewees described the funding modalities and procedures as slow and bureaucratic, although complete dissatisfaction was rare. The degree of concentration or dispersion of funding sources (see 5.1.3.1 point c) played a strong role in the performance of the programme at local level. The manageability proved easier in those cases where matching funds were allocated at the same hierarchical level of decision making (AT, DE). If there were other levels (municipality, county) involved, things became more complicated (England/UK, SE). The Austrian interviewees admitted that they needed some time to attain the necessary skills to master interdepartmental coordination so that now, under LEADER+, they are well prepared to implement the programme.

Different funding sources engendered different funding procedures and different eligibility criteria:

- The EAGGF was considered as the easiest fund to handle, because of its centralised management and clear cut rules. But these rules were also restrictive, especially for agricultural projects falling under the CAP regime. Farm-based projects used to be shifted to the mainstream measures specifically in Objective 1 areas (IE, ES), which sort of excluded farmers from a more active role in LEADER II. There was less satisfaction with the EAGGF in England/UK because of unclear competence distribution between the national and regional level.

- The ERDF was generally regarded favourably, although some critical judgements were made. It depended on the understanding and involvement of the respective ERDF holding institution, how flexibly and swiftly it was implemented. In Bayern/DE, the Ministry of Economic Affairs refused to support local action groups, which explains the high number of collective bodies there (19 out of 64 = 30%). Bavarian LAGs complained about complicated procedures in ERDF implementation. In Vlaanderen/BE, the ERDF rules were less transparent and reliable for the beneficiaries than those of the EAGGF.
- The ESF was considered as the most difficult fund in many countries (AT, FR, GR), although for various reasons. A frequent complaint concerns the narrow eligibility rules for qualification measures (Piemonte/IT, PT) and delayed or interrupted payments (AT, BE, Calabria/IT). Good experiences have been recorded from DK, where ESF spending has been satisfactory. In the German New Länder, the unbureaucratic way of combining LEADER with labour market measures was highlighted.

Figures 32, 33 and 34 show the respective rhythms of spending of the three Structural Funds. There are two peaks in the commitment of funds in 1995 and 1999. Payments show only one peak in 1999 (EAGGF) and 1999/2000 (ERDF) with the EAGGF a little bit in advance. Large parts of the ESF were committed early, but paid late, with a peak in 2000, after the regular programming period.

Figure 32

Rhythm of commitments and spending of the EAGGF in LEADER II

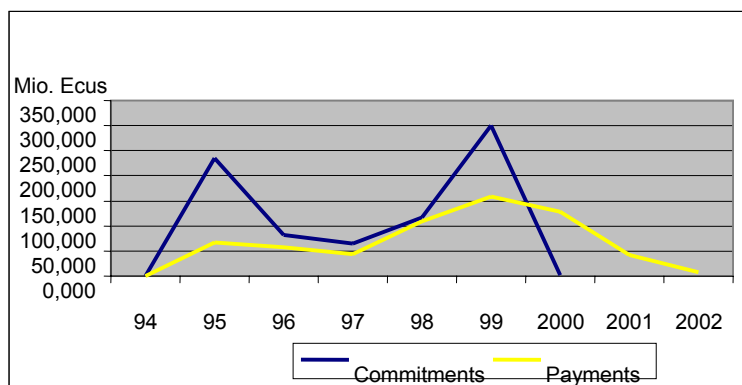


Figure 33

Rhythm of commitments and spending of the ERDF in LEADER II

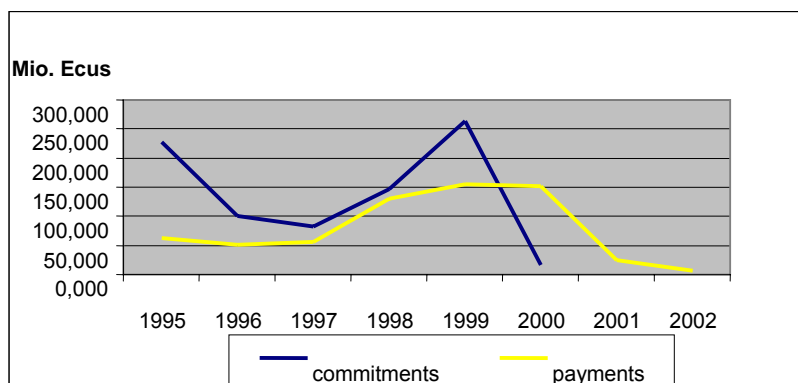
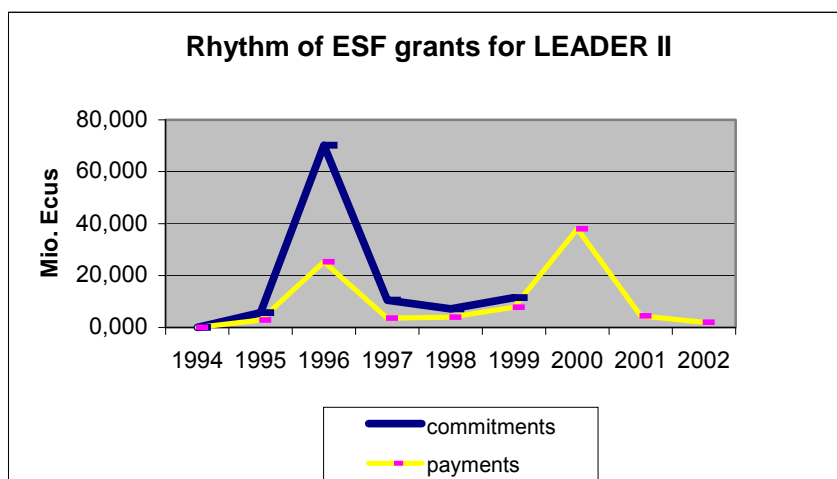


Figure 34

Rhythm of commitments and spending of the ESF in LEADER II



Concerning the differences in funding related to measures, measure C (trans-national co-operation) started late and remained underused. In order not to lose funds, certain Member States (AT, FI, UK etc.) reallocated them to measure B.

Some administrators (Obj. 1: Burgenland/AT; Obj. 5: DK) found it appropriate to harmonise the funding procedures as far as possible with other structural funds, which undoubtedly meant to refrain from implementing the vertical feature of LEADER.

The delays in approval and payment procedures were not related to the degree of decentralisation:

- In decentralised systems, the closeness between groups and project promoters brought forth a quicker and less cumbersome funding procedure. There was an obligation for guarantee bonds, both for LAGs (IE, IT) as for project applicants (GR). The risk-averseness of the programme administrations acted as strong disincentive for weaker parts of the population to get involved.
- In systems with operational programmes it was the project promoters who faced delays in getting paid (BE, ES, SE).

In more narrowly regulated governance contexts⁶⁹, formally independent LAGs (Hessen/DE, ES, FR, SE), were more often exposed to bureaucratic hindrances and delays than LAGs living in symbiosis with the administration (New Länder of DE). The Finnish evaluators heard that *“it was an illusion that LEADER entailed less bureaucracy than other programmes.”* Focus group participants in Vogelsbergkreis/Hessen/DE uttered the hypothesis that *“the longer a programme exists (i.e. LEADER now in its third generation), and the scarcer the financial means are at programme level, the more administrations are prone to bureaucratic interventions”*. Delays in more centralised governance contexts occurred due to the communication gap between local LAGs and distant national programme authorities (GR, PT).

Delays could also be caused by third parties. For example, authorities responsible for construction permissions were not always at good terms with the multi-sectoral approach (Vlaanderen/BE, Canarias/ES, also reported in the cost-effectiveness analysis on rural tourism in Kalambaka/Pyli/GR). Conversely, alternative practices of unbureaucratic arrangements are recorded from Highlands&Islands/UK. For the future, according to Dutch interviewees, it is of utmost importance to include other relevant authorities into the partnership structure so that they could understand the purpose and complexity of the projects started under LEADER II and adapt their services to the needs of the area.

The delays, but also the sluggish demand for funds in countries, where LEADER had not been properly promoted at the outset, led to a loss of strategic focus towards the end of the programme period. In DK the motto was *“First man to the windmill”*, in England/UK they called it *“First come first served”*. In PT, *“the need to speed up the rhythms of implementation was not accompanied by clear guidelines for the priorities in the selection of projects. This led to decisions of supporting institutional promoters, with entrepreneurial and project capacities,*

⁶⁹ Not to be mixed up with “crowded governance spaces”.

instead of deepening the animation methodologies for the development of the initiative, mainly of innovative projects and with demonstrative potentialities.”⁷⁰

The following influence factors favoured swift funding:

- Advance payments and emergency loans to project beneficiaries and/or LAGs (Bayern/DE, FR, UK);
- Intensive interaction and networking between LAG, intermediary body and/or other authorities:
 - the double role of LAG managers or board members as programme officials: Vlaanderen/BE; Bayern, Sachsen, Mecklenburg-Vorpommern/DE, DK, NL);
 - the personal bonds between committed LAG managers or board members and programme officials (Tirol/AT, SE).

Summary answer to TOR question 1.8:

At what speed were the measures, programmed by the groups, implemented? Is there any connection between types of measure and pace of implementation?

The complex architecture of the LEADER II initiative entailed delayed programme implementation, regardless of the degree of decentralisation. 42% of the means have been spent after the regular programming period.

Measure A was only partly used for the purpose designated by the Commission – to prepare and to qualify local groups for playing an accountable role in the programme delivery. In some countries it was not budgeted at all. Measure C, trans-national co-operation, started late and was the measure with the highest reallocation rate (to measure B).

Payments from Structural Funds showed peaks in 1999 (EAGGF), 1999/2000 (ERDF) and 2000 (ESF), hence late. Around 20% of Structural Funds have not been spent until the end of 2002. Concerning the speed of implementation, the ESF was considered as the most critical Structural Fund.

Swift funding was fostered by flexible measures such as advance payments and emergency loans from reserve funds. The main factor in avoiding delays was the close interaction and structural links between local groups, programme managing authorities and other relevant institutions.

⁷⁰ Quotation from the Portuguese Geographical Report.

6.1.5 The selection of local action groups (TOR 1.1 and 1.2)

For the EC, *“the individual selection of the projects and beneficiaries and the financial and administrative management of the regional LEADER programme falls within the exclusive competence”* of the partners at regional and national level (Point 16 of the Notice to Member States, p. 7). The Commission added a proviso clause for the case of failure of the decision-making partnership, but there are no records of any such intervention. However, the procedures of selection had to be notified in the programme.

6.1.5.1 The variety of selection procedures for local action groups or other collective bodies

The Notice to MS places *“the individual selection of the projects and beneficiaries ...(under) the exclusive competence of these partners”* (pt. 16, p.7). As a result, the variety of selection procedures, which had to be approved by the PMC, could not be greater. We distinguish the following cases:

- There was no selection in the literal sense of the word. There were two possible reasons for this:
 - the demand was weak and the administration accepted what came in, sometimes after consultations (Tirol/AT, Bayern/DE, DK).
 - the LAGs and their areas were decided from top down (Mecklenburg-Vorpommern, Sachsen/DE, Canarias/ES, NL).
- There was a selection, but mainly on the basis of socio-economic and administrative criteria and for political reasons:
 - governance context: according to the 5b zoning in Aquitaine/FR and UK; in Mecklenburg-Vorpommern/DE, IE and PT aiming at total coverage and practicable territorial intersections;
 - socio-economic context: in Burgenland/AT, Sachsen/DE and IT the weakest parts of the territory were chosen eligible for LEADER II.
- There was a competition concerning the partnership and its strategy:
 - more emphasis on the viability and reliability of the partnership including an audition of the group: Vlaanderen/BE, FR, GR, IE, PT.
 - mixed socio-economic and programme-related criteria: ES, FI, IT, SE.
 - more emphasis on the local development strategy (IE) or on the quality of projects (AT, DE and other regions where the LAG had little autonomy and accountability).

In three of the five national programmes (GR, IE, PT), as well as in FI and SE the selection procedure was entrusted to an external evaluator. In the Swedish objective 6 area, only 20% of the candidates were successful, in FI 33% on average (obj. 5b and 6). Previous consultation with the LAGs prevented fruitless candidatures in countries without real selection (Burgenland/AT), but also where there was a certain selection: in Emilia-Romagna/IT one out of five LAGs was refused because of formal criteria.

In general, previous balance-seeking negotiations at political level and between local and regional stakeholders determined the later selection, because the administrations found it *“important to get LEADER type of example to every part of the country”* (ES, FI)⁷¹. In one reported case the political intervention came even after the ranking exercise facilitated by an external consultant (SE). In ES, the non-selected groups were subsumed under a parallel national programme scheme, PRODER⁷², which received smaller funds and did not participate in trans-national co-operation, but was supported by the Spanish LEADER networking unit⁷³.

Some countries have carried out the selection process in one step (IE, PT, UK), but in most cases there were two consecutive steps allowing the groups to adapt and upgrade their proposals before the definitive formal decision. Measure A means were used in ES, FR and IT for qualifying local stakeholders. In Emilia-Romagna and Sardegna/IT the regional administrations organised the selection as follows:

- In a first step, the regional authorities pre-selected some areas on the basis of socio-economic territorial indicators. The administration entered into a dialogue process with the possible candidates and consecutively helped them to build the necessary capacity to form a viable partnership and to formulate their strategy and local business plan.
- In a second step, a regular call procedure was undertaken to select the final beneficiaries.

Although this learning process enriched the social capital in the concerned regions, there was a certain price to pay in terms of delays, at least in Sardegna/IT, where 17 LAGs and two CBs were approved; but they had only 36 months on average for implementing measure B. In Emilia-Romagna/IT, the low number of LAGs (four selected from five) kept the process manageable and the average duration of measure B implementation was high – 60 months – in spite of the efforts undertaken.

⁷¹ Quotation from the Finnish Geographical Report.

⁷² Programa Operativo de Desarrollo y Diversificación Económica de Zonas Rurales en las Regiones del Objetivo 1 (1996-1999). PRODER II (2000-2006) has extended its activities to cover areas outside objective 1. Both programmes are paid from the second pillar of EAGGF and national co-financing.

⁷³ By the way: the only national unit which, by its name, related itself to the European network: “Unidad Española del Observatorio Europeo LEADER.”

In general, the selection procedures for CBs were different to those for LAGs (Bayern/DE, GR).

6.1.5.2 The role of LEADER specificities in the selection process

The specific features of the LEADER method played an implicit role in the quality assessment, although at that time they had not been explicitly formulated, except for the guiding principle of “innovation”.

The LAGs operationalised the following features in detail their business plans.

Figure 35

Specific LEADER features operationalised in local action plans

Specific feature	% of groups answering: “operationalised in detail”
The bottom-up approach	68%
The local group (partnership)	68%
The area-based approach	63%
Innovation	48%
Multi-sectoral integration	36%
Trans-national co-operation	28%

Source: Q202

For the selection of groups, the programme administrators considered the following features:

- The local group in respect to its achievements in previous periods, its accountability, reputation, managerial capacity etc. (ES, FR, GR, IE, IT, SE, UK);
- The bottom-up approach (Sachsen/DE, FI, IE, NL, PT, SE);
- The area-based approach (AT, ES, IE, SE);
- A coherent strategy, placed between an area-based approach and multi-sectoral integration (Canarias/ES, PT);
- Innovation (Bayern/DE, PT).

In both lists the area-based approach, the bottom-up approach and the local partnership are the “lead features”.

In the mind of local actors, the extent to which the LEADER features were used as criteria for the selection of groups, depended on the degree of decentralisation. This holds specifically true for the quality of the local partnership as a selection criterion.

With some exceptions (Calabria/IT), multi-sectoral integration was less emphasized (Vlaanderen/BE, NL). Trans-national co-operation played no role in the selection process.

Summary answer to TOR question 1.1

The selection of local action groups or other collective bodies was more of a consultation than selection process. It was, in the best case, accompanied by qualification measures funded under measure A. In some regions the authorities pursued the concept of pan-territorial coverage by LEADER or LEADER-type programmes.

There was competition in some countries, but political interventions were numerous.

Specifically in decentralised systems, the programme authorities assessed the quality and accountability of the partnership. Furthermore, the quality of the projects or, more rarely, the overall strategy of the business plan played a role in the selection process.

From the LEADER features, the bottom-up approach, the local group (partnership approach) and the area-based approach have been included as selection criteria, although it has to be stated that the features have not been communicated as such, when LEADER II started – with the exception of innovation and trans-national cooperation.

6.1.6 Influence of the selection procedures on the implementation of the LEADER method (TOR 1.2)

For assessing the influence of the selection procedure on the implementation of the LEADER method, the evaluation team created four types:

- Type 0: No selection and no improvement of business plan before approval.
- Type 1: No selection, but improvement of business plan before approval.
- Type 2: Selection with low elimination rate.
- Type 3: Selection with competition and high elimination rate.

The statistical analysis shows that the general development trend, the degree of decentralisation, as well as the learning capacity and the overall performance of LAGs/CBs were lowest in type 0 and highest in type 3, but the differences are not striking. However, the performance of type 3 was tangibly better in respect to the effects on income and equal opportunities. Type 3 groups used the services of the European Observatory much more and better, and trans-national cooperation was much better valued for local development.

Summary answer to TOR question 1.2

The influence of the selection procedures on the implementation of the LEADER method was significant, although not very strong.

Selection based on competition seemed to produce local groups that achieve better effects on income and equal opportunities. They used trans-national cooperation and European networking better for local development. Competition occurred more in decentralised governance contexts than in centralised ones.

6.1.7 Complementarity of LEADER II to other measures (TOR 2.1.3)

We are facing a continuum from a nearly complete assimilation to Objective 5b-type operations (AT, DK, parts of FR) to a very distinct initiative with trademark characteristics (IE, PT). For analytical reasons, it is possible to distinguish various forms of complementarity:

- Complementarity in respect to funded measures: LEADER II funded actions not eligible by Structural Funds or other national schemes. This was confirmed in many areas (DE, IE, Calabria, Emilia-Romagna/IT).
- Complementarity in respect to the *“philosophy”*: An EC interviewee said that the distinctiveness of LEADER lies in its approach: *“In the other Structural Funds measures, you have a top-down approach and in LEADER you have a bottom-up approach. It was built from local to regional to national responsibility, until the top”*. Even in DK, rural actors became aware that the *“LEADER II programme was more of a method than a traditional funding source.”*⁷⁴
- Complementarity in respect to beneficiaries who otherwise could not get access to funding (DE, GR). This was connected to an effective communication policy. In IE, *“about a third of the entire population outside Dublin have heard of the LEADER initiative”*, so that *“a significant degree of general wider public awareness of the programme has been achieved”*.⁷⁵
- Complementarity in respect to programme engineering: This concerns the administration’s ability to direct a project to the best possible funding line. This was achieved in areas (e.g. ES, GR) where the LAGs were operating on more funds than just on LEADER (INTERREG in most cases, followed by NOW and ADAPT), or if the LAGs were embedded in wider networks of support structures (such as the Highlands & Islands Enterprise in Scotland/UK which is responsible for the Objective 1

⁷⁴ Quotation from the Danish Geographical Report.

⁷⁵ Quotation from the Irish Geographical Report.

implementation). Around half of the groups played an active role in the implementation of Structural Funds, Community Initiatives or national development schemes. In some areas there were, apart from LEADER, other programmes running with strong reference to the area-based approach, e.g. the “pays” in FR. Special attention was needed in order not to confuse the two implementation systems and to allocate the project to the “right” one.

- Complementarity as temporal continuity: The gaps between LEADER I, LEADER II and LEADER+ were felt to be very difficult transitions. Due to the “*stop-go nature of LEADER*”⁷⁶ staff were depleted and infrastructures were dismantled (IE). This was avoided where national authorities supported the basic functions of the group, or ensured continuation of funding for projects (UK).

Good examples confirming the complementary function of LEADER can be found in the cost-effectiveness studies. In the study on bed and breakfast investments in Flevoland/NL, the LEADER II beneficiary stated that “*the funding advance (which she would not have got under Objective 1) was very important to achieve the project*”⁷⁷. In the study on a musical produced by the youth of Säfte, the evaluator points out that “*LEADER funding (and Objective 5b funding) appealed to different culture/political traditions in SE....On the one hand a civic tradition of a broad participation from local people in different matters and on the other hand a strong tradition of self-governing and the municipal right to levy taxation...LEADER funding appealed to the civic tradition.*”⁷⁸ In the study on the reconstruction of a historical ship for tourism purposes in Ludwigslust, Mecklenburg-Vorpommern/DE, the authors emphasize the excellent combination of employment measures with territorial development: “*The involvement of the project organisation and the active support from both the district and labour market administration led to a skilful combination of different, public and private funding options. LEADER effectively complemented already existing funding programmes and allowed a boost in quality regarding the solution of rural development problems.*”⁷⁹ In the study on the revival of a traditional local fruit drink (Bigala) in Stegersbach (Burgenland/AT), it became evident that LEADER was aiming at identifying projects at the beginning of the innovation cycle, whereas the Objective 1 structure concentrated on more mature phases. In the examined LEADER II project, the technical assistance stopped with the end of the funding period, and this was deliberately too early: “*When the local animators’ contract expired, the Bigala project was left without a dynamic leader. All the board members are responsible people, good producers and technicians, but not endowed with strategic marketing skills and too little capital for taking further financial risks.*”⁸⁰

76 Quoted from the focus group Louth/IE; Irish Geographical Report.

77 CEA Flevoland/NL, p.12.

78 CEA Värmland/SE, p.17.

79 CEA Ludwigslust, Mecklenburg-Vorpommern/DE, p. 10.

80 CEA Stegersbach, Burgenland/AT p.20.

Summing up, LEADER was considered as addressing small-scale projects, rather unusual types of measures, more beneficiaries from the voluntary sector and, due to the stronger focus on qualification, more female beneficiaries than other programmes.

Complementarity needs flexibility. It was achieved, if there were

- clear objectives and regulations for funding on one side and the ability for inter-departmental coordination and for finding tailored agreements on the other side. *“A lot is done with good human relations”*, an EC official said. Interdepartmental coordination is a challenge for all decision levels, from EU to the local;
- administrators committed to the experimental character of the initiative, whose leading concept is innovation;
- identity or close ties between LAG management and programme management (Vlaanderen/BE, Bayern and the New Länder of DE, DK, NL);
- good information flows between project applicants and the monitoring committees (IT, PT, UK), enhancing a creative interpretation of Structural Funds rules.

Many officials and interviewees stated that in LEADER I there had been much more flexibility and space for genuinely innovative projects. Risk-averse funding regulations narrowed down the eligibility criteria for projects and project applicants to a frame quite similar to other funding mechanisms. This tendency was reinforced in LEADER+.

Summary answer to TOR question 2.1.3:

To what extent have LEADER II actions been complementary with other rural development measures?

The evaluation team confirms that there was complementarity between LEADER and other development measures, specifically those financed by Structural Funds. In most countries there was a recognizable difference in the approach, in the types of measures, and in the range of beneficiaries.

Complementarity was better under the conditions of clear funding rules and obligations, a committed and creative administration, and good information flows between the project applicants, the LAGs, the administrations and the monitoring committees.

LEADER II supported projects of smaller scale and of more experimental character, a broader range of beneficiaries, especially from the voluntary sector, and female entrepreneurs.

There was a lack of temporal continuity. Gaps between the different periods from LEADER I to LEADER+ caused considerable setbacks in many rural areas.

6.1.8 The influence of programme implementation on the introduction of the LEADER method (TOR 2.3.1)

6.1.8.1 Influence on the visibility of the Community rural policy

The networking bodies, specifically the European Observatory, organised meetings and seminars bringing together different types of actors and from different levels, so that the EC staff and national administrators were able to share experiences and opinions with local actors. This was felt as very important by EC members for their understanding and responsiveness to the needs of rural people: *"I very much loved this matter. I saw the people enthusiastic and eager to develop their areas and not to let them run down. The EC could give a visible help in that endeavour"*, an EC official said.

On the user's side, rural actors had the possibility to understand more clearly the Commission's objectives connected with the second pillar of the CAP, and, through the Observatory's communication tools, to learn from other measures and policies designed to support local actors.

6.1.8.2 Influence on decentralised decision making

The challenge to examine the influence of programme implementation on the introduction of the LEADER method requires very precise distinctions. The subject of observation resides in the field of force between the pre-established governance structure, the dynamics of change of this structure, and the implanted structure of the Community Initiative.

The first important distinction is that the implementation of the vertical feature, decentralised management and financing, does not mean the same thing as the existence of a decentralised or federal political system.

For example, there is a decentralised political system in AT, based on Land federalism and on municipal self-determination. However, the implementation of the LEADER initiative remained centralised at Land level leaving the LAGs in a rather weak role. The monitoring of expenses has been carried out by funds and by measures at Land level, and not by group, which made it impossible to reconstruct the budget endowed to each LEADER group without undue extra work. Similar problems have been recorded from Schleswig-Holstein and Bayern/DE.

Compared to AT, GR and PT have more centralised political systems. The programme was directly administered by the national Agricultural Ministries. Both countries implemented the global grant system handing over to the LAGs a considerable amount of autonomy.

This means that we have to distinguish between the macro-political governance context and the implementation of the vertical feature of the LEADER initiative. According to the assumption of ECOTEC (see chapter 5.1.3.1.a), a new programme produces different outcomes according to the governance context in which it is implanted.

Apart from this, the evaluation team made a second distinction: the direction of change, the tendency towards or away from decentralisation, which depends on the current macro-political trends across Europe and within Member States.

The evaluation team presumed that the direction of the dynamic is more influential than the already acquired status of decentralisation. If the governance system is on the way to further decentralisation, the LEADER programme and local action groups are likely to be used for experimenting new forms of governance. If the governance persists in a stable power balance, the crowding effect makes it more difficult for the initiative and the local action group to find its functional space.

The function and role of the local partnerships were to a large extent determined by the local governance context. The following two-dimensional matrix shows four different prototypes of expressions of local partnerships, which in reality always appeared in mixed forms. Over time, the LAGs move from one type to another, according to changes in the local context, which the programme itself may have triggered. As a general trend, governance space became more crowded and more decentralised since 1991.

Figure 36

The functional space of local partnerships according to the governance context

	→ Free local governance space	Crowded local governance space
Weak political tendency towards decentralisation	Territorial development enterprises with broad range of competences, but restricted by heavy central administrative and control requirements: <i>Examples in GR, IE (earlier phase), England/UK.</i>	a) Weak partnerships. The programme delivery is not very distinctive from other programmes. In some cases it is possible to occupy small, but exquisite niches of innovation. <i>Examples in AT, Bayern/DE, DK, FR.</i> b) Replacement of existing similar structures, scepticism of local/regional politicians. <i>Examples in SE.</i>
Strong political tendency towards decentralisation	Local partnerships instruments of local governance, reshaping local decision making structures, sometimes used by local politicians as control instrument: <i>Examples in Hessen/DE, ES, IE (later phase), IT (agricultural areas), PT.</i>	Rather autonomous, dynamic local partnerships functioning as nodes in local negotiation networks. Best chance to fully implement the LEADER method as embodied in the combined application of the eight specific features. <i>Examples in FI, IT (industrial areas), Scotland/UK.</i>

Source: Own presentation

Local actors confirmed that the autonomy of the local group in decision-making was higher in contexts where the political tendency towards decentralisation was stronger. The more local actors were engaged in autonomous decision-making, the greater the level of satisfaction with funding procedures and the quality of relationships with the programme administration. However, this satisfaction must not be interpreted in a sense that they found the administrative procedures more efficient:

- in governance contexts where the institutional framework was not sufficiently prepared for consistent decentralisation, the accountability rules imposed by higher levels of decision making tended to undermine the statutory autonomy of the lower levels. This was reported from countries implementing global grant or quasi-global grant systems such as ES, GR, IE and PT, but also from other countries (BE, SE), where the relationships between different governance levels did not enable swift programme delivery: *“LEADER II brought further decentralisation compared to LEADER I, but followed by heavy bureaucracy to assure proper spending. LAGs were not allowed to assume responsibilities for controls of beneficiaries and certification of project completion”*, said a Greek interviewee: *“Decentralised management and funding that LAGs/CBs successfully implemented, provided them with significant independence and autonomy which was however inhibited by a particularly heavy system of bureaucracy and controls regarding the projects implemented. The lack of the appropriate institutional framework and modern financing tools and techniques was an inhibiting factor to new and innovative entrepreneurship.”*
- In governance contexts with fine-tuned mechanisms of power sharing, the vertical feature was implemented in a more effective way (IT, Scotland/UK), although the autonomy given to the local group increased diversity and made monitoring more complex (Highlands & Islands/UK).⁸¹

The answers to the questionnaires (Q202) reveal a widespread feeling of self-assertion among local actors, regardless of the extent to which the decentralised approach was implemented. In fact, it was more a gain in self-consciousness. Local actors discovered that what they did was not only acknowledged by their local environment, but was also significant in a European context⁸². They felt that they were being seen and listened to. The local actors also appreciated the flexibility of the local action plan. Unsuccessful strategies could be dropped and replaced by better concepts. In the end, it did not make much difference if the local actors were entitled to propose or to decide upon their development path and the funding of projects. The initiative gave them responsibility, room to learn and to grow.

⁸¹ In this respect Scotland/UK is a reduced model for what happened at European scale.

⁸² For example through the directory of innovative actions.

The complex management of three different funds, sectoral funding structures, heavy controls and inspections, voluminous reporting requirements and structural mistrust of distant authorities, undermined the formal autonomy of many LAGs. They found the administrative requirements did not correspond to the small scale and the innovative, unprecedented character of many projects. In countries with “crowded space for insertion”, local actors used to say: *“Things were easier before LEADER”* (Obj.6/SE).

The negative concomitant effects of the administrative procedures were mitigated by

- intensive networking between local and regional support structures, and committed stakeholders at critical nodes of the support structures (*“Spiders in the web”*⁸³);
- a clear communication policy of the top-down administration concerning the rules;
- a funding system ensuring continuity of funding, specifically in the transition periods;
- the reluctance of higher levels to intervene in the local partnerships’ affairs.⁸⁴

6.1.8.3 Influence on the implementation of the local features

The local actors saw the degree of decentralisation and the implementation of the bottom-up approach in the area as interrelated. They thought that the decentralised approach led to a better assessment of the needs of local people and to their better integration into participatory practices.

Local actors thought that a decentralised approach suited the ability of the local group to enhance innovation and to improve the exploitation of local resources. In many cases the systemic change engendered by the decentralised approach has been considered as an innovation in itself: *“The most effective innovation in the administration was the provision of LEADER managers”*⁸⁵, said a Bavarian interviewee. *“They enhanced better communication, co-ordination and co-operation among the different administrative bodies involved and the local actors. The co-operation of the ministries increased and became better!”* Or, according to a Finnish respondent, *“the most crucial innovation was that the consideration of appropriateness (of project applications) was given to LAG. The consideration of legality was done by the regional authorities (state officials). The LAGs had real power to plan and implement strategies”*.

83 Quotation from the Swedish Geographical Report.

84 In Achaia/GR, the authorities ordered the enlargement of the area, which led to a dilution of the identity and a subsequent loss of multi-sectoral orientation. In Hessen/DE, the State government set employment projects were as overall policy priority, with negative effects on the strategy coherence and multi-sectorality of the local programmes.

85 In the Bavarian system, these were district officials functioning as external coordinators for the LAGs in their districts.

The most important impact seems to consist in a long-term learning effect, beyond the LEADER initiative: *“Trust, collaboration and bond of local actors with the public administration improved a lot in the area”*, said a Belgian interlocutor, adding: *“Working in a multi-sectoral group promotes an integrated approach in the area.”* According to an Irish interviewee, *“LEADER was the first area based multi-sectoral approach to rural development administered via LAG. It was instilling empowerment to communities in local development policy...The Leader programme’s biggest legacy was the firm establishment of LAGs with good management structures which have gone on to deliver other programmes according to local needs.”*

Summary answer to TOR question 2.3.1

There is a puzzling ambiguity: First, local actors feel that the initiative brought them more autonomy, responsibility and room to learn and to grow, regardless of the actual degree of decision power conveyed to them. Second, the formal autonomy of LAGs in systems of global or quasi global grants was counteracted by administrative and control requirements and delays caused by higher levels of decision-making. However networking and collective learning increased the capacity of local actors and administrators to manage the complexity, with growing enthusiasm.

Local actors saw decentralised decision making as favourable for implementing the local features of the LEADER method, specifically the bottom-up approach, the area-based approach and the local partnership.

6.2 The local specific features of LEADER and resulting behavioural changes

The results presented hereafter are mainly extracted from the survey on local groups (Q202), complemented with answers from the interviews with regional, national (Q34) and European actors (QEU). The national evaluations were also taken as references, particularly those which had made use of the European Observatory’s questionnaire concerning the evaluation of the features of the LEADER method. Quotations and examples are taken from the interviews with national/regional (Q34) and local (Q202) actors, from the cost-effectiveness studies (Volume 3) and from the focus group sessions documented in the geographical reports (Volume 4). Direct quotations are put if they represent a prevailing opinion or a relevant minority and not an isolated view.

6.2.1 Temporal context: The effects of learning from LEADER I (TOR 1.9)

A number of groups which had experience with LEADER I or with analogous national programmes (AT, FI, SE), were at an advantage compared to those starting with LEADER II:

- an established network of local actors having learnt to co-operate across sectoral boundaries;
- the capacity to formulate a common vision and a development strategy;
- time and resources for preparing the business plan for LEADER II in direct continuation of prior programmes;
- established links with regional, national and EU officials;
- a knowledge of local development practices in other European rural areas.

This assumption is endorsed by the answers given by local, regional and national actors:

- those local actors who regarded the LEADER I experience as positive, found that their local partnerships were more representative for their area. They were more familiar with the concepts of innovation and multi-sectoral integration. They worked faster and more efficiently (Andalucía/ES) and spent less money on external consultants (Hessen/DE). The local group was more able to cope with administrative requirements, and made better use of the national network and the European Observatory. Finally, the partnerships considered more viable, made better use of self-evaluation practices;
- the local actors found that the experience from LEADER I improved their capacity to appraise local resources, to assess the local needs more properly, to create more sustainable and transferable projects;
- more than 50% of the interview partners at national and regional level confirmed that groups already active under LEADER I submitted their business plans earlier, achieved a higher rate of approval and used up their funds at a quicker pace;
- sometimes LEADER I groups were more difficult to control from the point of view of the administration: they brought in *“bad habits, that were difficult to change”*, said an Aragonese official (ES). The advantage was that they more successfully withstood attempts by political stakeholders to use the local group as an instrument of power.

LEADER I groups had, in many cases, a better knowledge of the programme than regional administration officials (Sardegna/IT). But in ES, the administration had already been involved in LEADER I and provided clearer guidelines for new LAGs (Canarias/ES). However, the advantage of local actors was not restricted to LEADER I areas. Local groups in AT

(Niederösterreich), as well as the Finnish and Swedish “village action” brought fourth “*people were many times more skilful to LEADER kind of actions than people in the administration*”⁸⁶.

In IT, at the beginning of the new initiative, the LEADER I experience was capitalized by the national informal network (ASSOLEADER) and mainstreamed at the beginning of LEADER II through seminars in most regions at a time when the national unit was not yet operational.

Scottish interviewees confirmed that „*LEADER I groups took a leadership role in LEADER II and it was clear that their experience and greater capacity for local development was a very strong factor assisting engagement with communities and project development. They helped to promote wider understanding and adoption of the LEADER I method. They were also more able to challenge rulings and policies of the EC or Scottish Executive.*”

There are reasons to presume, and the statistical analysis underpins this, that the learning effect of LEADER I is not so much a result of the initiative in the strict sense, but of the experience gained in the life of the local partnership. It's the partnership, which counts most as place, memory and driving force of collective learning.

Summary answer to TOR question 1.9

There is unanimity that groups experienced in LEADER I had an advantage in preparing the local action plan, in managing decentralised funds and in implementing the bottom-up approach. Lateral knowledge transfer was reported from LEADER I groups to “newcomers” in the starting phase of LEADER II.

More important than the programme LEADER I is most probably the pre-existence of the development partnership regardless if it had participated in LEADER I or in other, similar processes aimed at endogenous local development.

It's the partnership which counts most as the locus and driving force of collective learning.

⁸⁶ Quotation from the Finnish Geographical Report.

6.2.2 The area-based approach

6.2.2.1 The role of the feature in respect to the whole initiative

Nearness and the creation of links are important pillars of the success of the territorial approach in a globalised economy.⁸⁷ The LAGs operated in well-defined areas and the percentage of projects eligible outside of this area has been limited to 10%. The CBs did not embody this principle, as their activities extended towards the whole area eligible for LEADER.

6.2.2.2 The implementation of the feature (TOR 1.3.a)

The local actors confirmed the catalytic potential of the area-based approach. In their ratings, they gave it a similarly high importance as to the bottom-up and partnership approach. For the local actors the appraisal of endogenous resources, one of the major components of the area-based approach, was linked to innovation and to an improved image of the area.

The choice of the area was made according to the criteria shown in figure 37.

Figure 37

Criteria for the choice of the area

Socio-economic homogeneity	57,7%
Administrative boundaries	50,6%
Specific identity	42,9%
Natural boundaries	36,3%
Pre-existing territorial delimitation	31,0%

Source: Q202

The majority of LAGs confirmed that the delimitation of their area has been largely influenced or even determined by them. The most mentioned criterion of choice was socio-economic homogeneity, followed by administrative boundaries, a specific local identity and natural boundaries.

In some cases the choice of the LAG was overruled by the managing authority by ordering a modification or extension of the territory. This has been done

- for reasons of socio-economic cohesion: in order to enable specifically disadvantaged areas to get access to funding (GR; IT);

⁸⁷ FARRELL G. 2000: »Think globally, act locally». LEADER Magazine 23/2000. AEIDL, Bruxelles.

- for eligibility reasons: in order to achieve a sufficient number of inhabitants (> 5.000 inhabitants) in sparsely populated areas (Inlandslandet/SE);
- for administrative simplification: in order to match LAG areas with administrative units, e.g. Mecklenburg-Vorpommern, Hessen/DE or in GR.

Imposed area delimitations have been criticised by the LAGs. The other LEADER features could not be implemented in the same way, as the example of Achaia/Dytiki Ellada/GR seems to show. The consequence was a loss in effectiveness, as the local actors in Achaia confirmed. To the contrary, a negotiated enlargement of another Greek area, Kalambaka-Pyli, Thessalia, had positive effects.⁸⁸

The process gained momentum when left to the self-organising forces of local actors. A sufficient degree of homogeneity and common identity mobilised a “*sense of ownership and belonging to place*” (IE), provided the local society was well represented in the local partnership.

In many areas the coincidence of LEADER areas with administrative units has been felt as an advantage which helped to avoid transaction costs for dealing with different administrations, stakeholders etc. For example, in German Mecklenburg-Vorpommern and in Spanish Aragón the coincidence of the LAG zone with administrative boundaries (Landkreis resp. Comarca) has been judged positively for concentrating all important partners in one place. In Hessen/DE the respondents appreciated that the LAG had only one political mentor, the district councillor, as the area did not straddle over other districts.

In contrast to this, some groups (e.g. in FI) felt constrained by administrative (municipal) boundaries. The Belgian LAG Westhoek was constrained by the 5b zone limits, and this “*created a lot of trouble in situ*”⁸⁹, because the zoning separated fractions of municipalities from each other. The Westhoek identity reached out to non-eligible parts, where many project ideas were born. The problem has been circumvented by using the 10% applicable outside the defined LEADER area, by using other funds (e.g. INTERREG II), or, most creatively, in a change of address.

Boundary constraints are mirrored in the thinking of people. For example the Swedish county administration was, in the opinion of some local actors, hindering the adoption of a genuinely area-based approach at the appropriate scale because of its persistent reference to administrative boundaries. The participants in the focus group at Inlandslandet (Obj. 6) “*agreed that the Finnish system is more effective regarding LEADER and rural development in general. One reason is the absence of County administrations in Finland.*” Looking at FI, one faces a

⁸⁸ Focus Groups Achaia and Kalambaka-Pyli, Greek Geographical Report.

⁸⁹ Quotation from the Belgian/Flemish Geographical Report.

déjà vu, as the focus group in Koillis-Savon uttered as one of their “*distinct problems: How to cross the administrative borders?...Borders of municipalities have been experienced artificial in LEADER projects. Focus group suggested that wider regional and area-based thinking should be increased.*”⁹⁰

In general the local actors appreciated the choice of their area, but they uttered criticism concerning the rigidity of delimitation: there must be “*different areas for different functions*”⁹¹.

In ES, FI, IE, PT and Scotland/UK, the LEADER concept was generalised to all rural territories, regardless of the type or homogeneity of the rural area. This seems to contradict the search for socio-economic homogeneity and distinct identity. In reality the requirement of homogeneity becomes increasingly irrelevant by admitting that, even in apparently homogeneous areas, there are sub-areas whose needs might be quite different from those of the rest. The territorial strategy has to keep enough flexibility to differentiate and to adapt to various needs – even in apparently “homogenous” areas.

Countries having applied a total coverage approach, put the LAGs in a growingly complex strategic role; they serve as negotiation fora and coordinating agencies of an increasing number of development initiatives, programmes and funding sources.

There are two types of imbalances which matter: the one between sparsely populated vs. urbanized areas and the other between prosperous, accessible areas vs. remote and peripheral ones.

- In many cases even smaller rural towns were excluded from eligible areas, cutting off local initiatives from important links. It made a difference if rural towns were included in the LEADER area or not. In IE, the rural-urban bonds were strengthened to achieve critical mass for a number of projects. It was not always easy to overcome different viewpoints between rural actors and urban representatives on the LAG boards (Flevoland/NL), but it was felt as a necessity to get along with these differences. On the contrary, in GR, urban centres were excluded. This constraint “*did not allow for the development of dynamics of collaboration*”. Good networking could have mitigated the isolation, but in a context, where cross-sectoral links are scarce, it was not possible for a single LAG to achieve the necessary critical mass for networking. This made it difficult “*to translate LEADER approach to urban areas*” (Lanzarote/ Canarias/ES).
- There are diverse opinions on the question if LEADER really had the capacity to reach the most underprivileged parts of the population or if it was just utilised by the local elite.

⁹⁰ Quotation from the Finnish Geographical Report.

⁹¹ Quotation from the Finnish Geographical Report.

The truth might be that both are right. The range of projects addressing entrepreneurial excellence, the effectiveness of public services, social inclusion or cultural renewal is so broad, that the initiative provided answers to virtually every question. The only doubt is if the answers have always been addressed to the right people in the right place at the right moment and in the right way. There was inequity during programme implementation, due to differences in the self-organising capacity of local people. Some “hot spots” arose around a core of active people, starting an upward spiral of projects, whilst other places remained depressed (according to an observation from Highlands & Islands, UK/Scotland).

Inequalities are best challenged by mature partnership systems which monitor the impact of programme implementation on social capital. An example for such a local monitoring system is the “Community Consultative Committee” (CCC) in Ballyhoura/IE, “which has increased the level of learning across communities and local community development activity.”

6.2.2.3 The role of other collective bodies

Other collective bodies do not embody the area-based approach, but they can, by virtue of the theme they represent, produce interesting effects. There are good experiences with the *Wieseninitiative (meadows initiative)* in South Burgenland, dealing with the preservation and sound use of traditional orchard meadows, a theme very appropriate for the creation of multi-sectoral links. A CB operating on integrated village renewal in Sachsen/DE, combined labour market initiatives with the architectural and cultural recovery of deprived villages. The CB in Ipiros/GR⁹² achieved very good results in integrating environmental concerns into the modernisation of agricultural production and processing structures. In reality, there are many forms of transition between LAGs and CBs. LAGs could be considered as CBs with a wider thematic focus and stronger territorial determination.

There are a number of observations which allow general judgments on CBs:

- CBs benefited from the viable operational structures they already had when they started working on LEADER projects (Sardegna/IT);
- their capacity for animation and multi-sectoral integration remained modest in most cases. They saw LEADER II as a funding source rather than as a “method” or “philosophy”.

92 Agrotikos Synetairismos Igoumenitsas-Kerkyras.

A large number of CBs in a region reflects the authorities' scepticism towards territorial partnerships (Bayern/DE), or a sectoral (agricultural) perspective on rural development (Burgenland/AT, Schleswig-Holstein/DE).

Summary answer to TOR question 1.3.a:

How was the area-based approach taken into account in carrying out the operations of the local action groups and other collective bodies (from preparation to implementation)?

Socio-economic homogeneity, a strong identity and a distinct image were important driving forces for the appraisal of local resources and for implementing the other local features, the bottom-up and partnership approach, innovation and multi-sectoral integration.

Interventions by authorities in the choice of the area against the will of local actors had negative effects on the momentum of the development initiative. In most cases there was a negotiation process, but the LAG played a dominant role.

There is a tendency towards a total coverage of rural territories by LAGs or similar structures which become negotiation fora and coordinating agencies for a multitude of programmes and initiatives operating in their areas.

6.2.2.4 The effect of the area-based approach on a more effective use of endogenous resources (TOR 2.2.1.a)

According to the local respondents (Q202), the initiative has led to a more effective use of

- local products (food, crafts...);
- cultural resources (local knowledge, arts, historical traits, personalities connected with the place (Diderot, Lindgren...);
- natural heritage and cultural landscapes (nature parks, wetland habitats, terraces...);
- infrastructures (which were connected by thematic rails and roads; pilgrimage paths...);
- human resources (unemployed women, youth, voluntary work, re-migrants...).

The exploitation of hitherto neglected or hidden resources was made possible by a shift in the perspective of local actors through interaction with different partners that had previously operated separately. The programme delivery, in direct response to the needs of local people, entailed a better knowledge and visibility of embedded tacit knowledge. The local view was contrasted with the inspiration provided through the possibility of trans-local networking and co-operation supported by the national and European networking bodies.

The effect on the appraisal/exploitation of local resources seemed to work even in the absence of a consistent bottom-up approach. The area-based approach inspired many Objective 5b and some Objective 1 programmes, but LEADER II allowed low threshold support to initiatives of small size.

Important success factors for the exploitation of local resources were

- long-term technical assistance between four and six years for outstanding innovative and experimental projects;
- co-operation with research bodies which helped to make the “new old” resource marketable;
- the choice of the right level of scale according to the type of activity: the constraint of too small a scale could be mitigated with the help of regional LAG networks, if they were in place. Another solution would have been the possibility of inter-territorial cooperation with adjacent areas, or an extension of the eligible areas, both realised in LEADER+;
- the local determination of the area, which made a real difference in the quality of the results, e.g. in the capacity to raise private funding.⁹³

6.2.2.5 The effect of the area-based approach on an appropriate overall strategy for the area (TOR 2.2.1.b)

LEADER II has contributed, via the participation of the local population, to formulate common visions and strategies based on the distinct features and potential of the area. Even if a local partnership succeeded in formulating a common strategy, there were no claims that it was subsequently pursued. It might have had more impact on the people’s minds than on the actual selection of local projects. It seems that the commitment to a common vision and strategy aligned people’s minds and mobilised their creative potential. Thus the original strategy was rarely followed, but local actors did learn to think strategically.

If the area was homogeneous in respect to its identity and its institutional structures, there was a *“strong commitment from local institutions and population in the implementation process”* (Terra Chá/Galícia/ES). The same was reported from cases in which the intervention took place in a sector which was emblematic to the traditional economic structure of the area, even if it was not particularly important in economic terms. The CEA study on the revitalisation and marketing of the Casizolu cheese in Sardegna revealed that the *“action ... was developed as a key of access in order to develop the territory as a whole, by associating the product with the territorial image.”*

⁹³ According to the results of the multi-criteria analysis (MCA).

A coherent strategy could express itself:

- through a thematic focus, aligning the main activities across all sectors (a product, a protected zone, a unique feature of cultural or natural heritage, a historical identity...);
- through the increased awareness and mental capability of local actors to enhance exchange, dialogue and negotiation (between public and private, through investments in IT and local media...);
- through a fair, transparent partnership-based process of project selection (by means of valuation schemes and accompanied by group discussion in the decision boards).

The impact of the area-based approach on building a coherent, overarching strategy was more positive in areas

- endowed with a strong, integrative partnership as a relevant player in the process;
- where the LAG played a key role in decentralised decision making;
- with previous LEADER I or similar experience;
- where the bottom-up approach has been consistently implemented;
- where the LAG selected projects on the basis of calls for proposals.

Important success factors are

- the choice of a strategy responsive to the local needs and taking into account differential needs of less organised parts of the population;
- a culture of co-operation;
- the resistance of the local partnership against attempts by authorities or interest groups to promote projects opposed to the chosen strategy.
- sufficient time to sustain periods of slow project implementation.

6.2.2.6 The effect of the area-based approach on the image of the area

Many LAGs confirmed that LEADER II has considerably enhanced the image of their territory. According to the ratings made by local interlocutors, the improvement of the area's image turns out to be the strongest effect of LEADER II, regardless of the governance context. It was brought about through

- the creation of regional labels and certification schemes for typical products, whose flagship function was used in thematic itineraries;
- a concerted effort to present the region to the outside world, also by using ICT;

- through a comprehensive mobilisation effort to set up a territorial charter (e.g. French nature parks) or a Local Agenda 21 (10,8% of the LAGs in the survey).

The new image was:

- communicated to the population, reinforcing the dialogue process upon the area's identity;
- communicated to the outside world. During LEADER II the internet was widely used for territorial marketing purposes. This was also given thematic priority in trans-national co-operation projects and networking (as demonstrated by the Swedish TNC study on the Rural Tourism Network).

Success factors for the effect on the territorial image are

- a strategic focus ("less is more") in the self-presentation;
- a viable organisational structure behind the communication policy;
- authenticity: building on what is really there and what people usually do.

Summary answer to TOR question 2.2.1:

To what extent did the area-based approach encourage more effective use of endogenous resources in the beneficiary areas?

The area-based approach contributed to a more effective use of endogenous resources. The nearness of programme delivery and the creation of links allowed to save natural, cultural, technological and human resources from extinction and their transformation into economic value.

To what extent did the area-based approach contribute to developing an appropriate overall strategy for the area?

The area-based approach contributed to the creation of an overall strategy for the respective areas in an indirect way: by fostering strategic thinking and the local actors' ability to adapt and to act in partnership. Most LAGs followed "emerging" strategies. Translating the strategic orientation into an effective system of project selection turned out to be a difficult task. In decentralised systems, the LAGs/CBs were publishing calls for project proposals based on the long-term strategic orientation laid down in the business plan.

6.2.3 The bottom-up approach

6.2.3.1 The role of the feature in respect to the whole initiative

The Communication to Member States implicitly addressed the bottom-up approach through the possibility of using measure A (“acquisition of competences”) for *“motivating and training the population for contributing to the development process”*. This measure should *“play an important role at the beginning of the planning period”* Notice to MS, point 9).

The bottom-up approach was not explicitly emphasized in the Notice to MS, but it became the most popular principle. Programme officials mentioned it as the most important selection criterion for LEADER groups (Q34).

The reason of the popularity of the bottom-up approach might lie in its connection with the implementation of other specific features. In the minds of local actors (Q202):

- the quality of the local partnership was strongly related to the extent to which the bottom-up approach is implemented and led to a better assessment of the real needs of the local people and to a harmonisation of divergent interests;
- the bottom-up approach suited well to decentralised management.

6.2.3.2 The implementation of the bottom-up approach (TOR 1.3.b)

The local action groups translated the bottom-up approach into

- a systematic attempt to customize the programme by bringing it as close as possible to the population and to precisely meet their development needs;
- focusing on the hitherto underestimated or forgotten skills of the population and unearthing the tacit knowledge present in the area;
- inviting local people to discuss their ideas and to co-create the local action plan. 53% of the groups organised more than five meetings opened to the public over the whole programming period;
- building local capacity to integrate divergent interests.

The following factors were mentioned as crucial for implementing the bottom-up approach:

- time, i.e. the effective duration of the programme period: in SE, the LAGs were autonomous for approving project proposals, but they needed formal approvals by the County and the national Ministry level. Although these approvals were given almost automatically, they could take several months. As the beneficiary usually took the approval of the LAG for granted, he or she started the project in advance and

discovered later that there was still uncertainty in being granted support. This ambiguity has cast a shadow upon a LAG's reputation many times;

- the representativeness of the partnership: successful experiences (e.g. from LEADER I) are treasured up in the memory of the local partnership;
- sufficient animation staff, which ought not be driven by the requirement to produce as many projects as possible, although the success of demonstrable projects is a motivating factor: in very inactive environments, a skilful LAG manager may, at the outset, drive the process until a number of projects have been set up, bearing visible benefits for the project promoters and for the area. This prepares the ground for more participation of local actors (Ötztal/AT). In IE, over 30% of the LAG budget was earmarked for technical and animation staff. This threshold has decreased in LEADER+ to 27%, because the initial mobilisation phase can be considered as accomplished. Still the Irish LAGs are endowed with an average number of 4 to 6 people per LAG;⁹⁴
- area size and geographical distance: bottom-up approach requires short distances. Therefore, too large (Obj. 6 in SE) or remote areas (Greek mountains) constitute natural barriers to a bottom-up approach which some LAGs tried to overcome with targeted measures, such as the use of regional print and audiovisual media and of information technologies (e.g. Ballyhoura/IE), local animators ("antennas") for small-scale and low-threshold animation (Terra Chá/Galícia/ES; Stegersbach/Burgenland/AT). In Highlands & Islands/UK, mobile animators initiated local community appraisals. LEADER II helped the Highlands and Islands Enterprise Ltd. in its current shift towards more community involvement and the building up of local capacity for development purposes;
- voluntary work: LEADER was, in some countries, the first and only programme in which voluntary work was accounted for private funding. In FI, voluntary work (called "talkoo") was attributed a counterpart value of 8,4 € per hour. Voluntary work was a powerful transmitter of the LEADER "spirit" or "ethos", as examples in FI, IE, SE, Germany's New Länder etc. showed. Some interviewees saw the willingness of voluntary support dwindle over time, if voluntary work was not rewarded;
- administrative procedures: bureaucratic and inflexible administrative processes discouraged people from getting involved (England/UK). *"The beneficiaries, most of them having farmer roots, were afraid of administrative procedures. The open spirit of the project coordinator helped them to overcome this modesty towards bureaucracy"* (Flevoland/NL). This "culture clash" could not always be overcome by committed officials. For example in IE, *"bottom-up met with strong approval, the only exception being the considerable degree of bureaucracy and amount of paperwork associated with the application and approval process for potential promoters, especially where only*

94 Personal information from the Irish Geographical Evaluator.

small financial support was sought.” This risk also concerns LAGs in decentralized systems: The more they took over public tasks, the more they emulated administrative working styles which alienated them from citizens;

- financial capacity: some parts of the population could not be reached because of their scarce resources. National support schemes helped, for example through employment programmes, such as in Scotland/UK, IE and in the new Länder of Germany;
- mentality, capacity and skills: many interviewees regarded LEADER II as an investment in people’s capacity to become accountable for managing development processes in the longer run (Hessen/DE, FI, Aquitaine/FR, IE, Emilia-Romagna, Sardegna/IT).

Summary answer to TOR question 1.3.b:

How was the bottom-up approach taken into account in carrying out the operations of the local action groups and other collective bodies (from preparation to implementation)?

The bottom-up approach was the most popular principle of LEADER II. It was seen as strongly connected to decentralised management and to a representative partnership capable of integrating divergent interests.

One of the specific features connected to the bottom-up approach was the mobilising effect on voluntary work, which was supported with co-finance.

The design and implementation of the programme close to the population made it possible to unearth and appraise hidden potential, tacit skills and local knowledge.

Skilful animation and management staff and an encouraging administrative environment were positive factors for good bottom-up practices.

6.2.3.3 The effects of the bottom-up approach on the identification and adequate responses to local and regional needs (TOR 2.2.2.a)

LEADER II has had particular success in getting the programme delivery closer to the population of rural areas, their needs and aspirations. This was achieved through

- a partnership representing all parts of the population and the relevant stakeholders. This is specifically true for tripartite partnerships, comprising public, private and non-profit actors;
- LAG managers and animation staff seeking support from the local population. According to the local culture, bottom-up can express itself in various ways. LEADER II helped to

create an environment of *“trust and faith”*⁹⁵ in rural areas. LAGs with LEADER I experience had an advantage in this respect, if they had invested into local animation (IE, PT);

- the support of political and administrative stakeholders. In general, the administrations shared a strong commitment to the bottom-up approach. Support by elected council members may be a two-edged sword under certain conditions, but it is necessary for the viability of the local partnership and its development strategy;
- addressing the specific needs of the female population in rural areas. Due to its low-threshold accessibility and the community orientation, the initiative was particularly interesting for women. This was favoured by a high participation of women in the local animation staff (IE, PT, SE), and appropriate training and qualification offers (Ötztal/Tirol/AT).

Success factors for ensuring the effectiveness of a responsive strategy are

- the inclusion of all, including the weakest in the territory. LEADER II was not really designed for positive discrimination, but many LAGs have started to operate other programmes, such as NOW and ADAPT which have raised awareness of equity issues;
- building collective capacity for local development using a pedagogy which makes the usual life experience the place for learning (Aquitaine/FR).
- a pro-active manager or staff stirring up the potential for bottom-up. The manager has to have enough sensitivity to withdraw him- or herself at the right moment. Over-dependency on all-important managers has proven fatal for the LAG, when he/she went away. This occurred during the funding gaps between the programming periods (IE);
- continuity of funding of the LAG's basic functions ensures that the development work can be carried out independently from funding periods or administrative failures. This requires financial participation by local authorities.

⁹⁵ Quotation from the Finnish Geographical Report.

6.2.3.4 The effects of the bottom-up approach on taking into account the initiatives by the potential local actors in favour of local development (TOR 2.2.2.b)

The inclusion of the ideas of local people, of small scale initiatives and micro-entrepreneurs has been achieved particularly well where

- there was a strong participation of the non-profit sector in the LAG (IE, SE). A considerable amount of voluntary work could be mobilised;
- regional actors “*learned to organise themselves*” (NL). The incorporation of “*proposals and actions resulting of participative work of the basis*” was also confirmed in PT. In GR, “*the mobilisation of the local population was very strong and the response was enormous*”. In other words, bottom-up approach was easier if particular interests were already organised and were capable to communicate their views.

Bottom-up has to be learned, as the focus group in Ballyhoura/IE revealed: “*Considerable resources are required to support community development needs, as formal training is required. In assessing the needs of the area, a considerable degree of consultation was undertaken and much time was spent listening to, refining and reviewing the local needs that were articulated. Arising from this process, sectoral studies were initiated identifying particular problems and this provided a considerable input into planning the local development programme. Indeed this is now an ongoing process and is constantly being revised. There is now wide appreciation of the time-lag between problem identification and action because of the much greater understanding of the process by local actors and communities.*”

Success factors in the effective inclusion of local initiatives are:

- sufficient local animation staff with good knowledge of the area and communication skills;
- sufficient political and administrative support for a participatory approach. If the delays of decision making and funding are too long, if expectations are awakened without visible consequences, the willingness of local people to participate dwindles;
- the LAG has to be neutral with regard to particular political options.

Summary answer to TOR question 2.2.2:

To what extent did the bottom-up approach improve the identification of development needs at local and regional level and facilitate the provision of adequate responses to those needs?

The bottom-up approach has brought the programme close to the people, their needs and aspirations, which has led to the inclusion of new beneficiaries and weaker parts of the population and of the territory. Local initiatives and voluntary work played an important part in the particular success of this feature.

To what extent did the bottom-up approach take account of initiatives by the potential local actors in favour of local development?

The bottom-up approach has reached parts of the population which could not be sufficiently served by other programmes. It particularly included micro-entrepreneurs and people working in the non-profit sector.

The bottom-up approach depends on a viable, representative partnership, a skilled management and animation team, a propitious political environment and on-going funding with financial participation of the local authorities.

6.2.4 The partnership approach

6.2.4.1 The role of the feature in respect to the whole initiative

The local partnership is at the heart of the LEADER initiative. Although this has not been understood – or wanted – by all programme administrations, the quality of programme delivery and the acquisition of competence in the long term crystallized around the local group and its surrounding “meshwork”⁹⁶ of local actors, external experts and public actors.

The Notice to Member States designated the local action groups and other collective bodies as the “*final beneficiaries*”. However, this would not be a sufficient description of the reality. The global grant, of which the LAG is considered final beneficiary, has been implemented in GR, IE, PT and Scotland/UK. Everywhere else, the real final beneficiaries were the project promoters, because the funding decision of the authority concerned their projects, past the local groups – except if they themselves were project promoters.⁹⁷

⁹⁶ Generic synonym for “network”, in order to distinguish from the really existing formal and informal LEADER networks.

⁹⁷ This holds true specifically for the CBs.

6.2.4.2 The implementation of the partnership approach (TOR 1.3.c)

The majority of local groups have been specifically created for LEADER II (55,1%). From those which already existed before, more than one third were re-structured specifically for the initiative.

The majority of partnerships (55,9%) were mixed (public-private), followed by dominantly public partnerships, mostly inter-municipal associations (27,0%). Local actors found that the mixed partnerships were more representative for their territory than the dominantly public or dominantly private partnerships. Dominantly associative partnerships made much more use of the networking bodies at all levels and estimated the transferability of their actions higher than dominantly public partnerships.

The local partnerships were considered an exercise field for learning and practising co-operative behaviour. This was clearly highlighted in Mecklenburg-Vorpommern/DE, where the partnership was considered as the most important operational principle.

“The “local actors’ sense of responsibility increased. Internal cooperation increased in administration, farm entrepreneurs came along in cooperation, cooperation between associations was activated, cooperation with different actors became reality, cooperation between local actors and regional authorities increase.”⁹⁸

In some areas (PT), deeply engrained individualism jeopardized the emergence of new, more co-operative habits in the local partnership. In many cases, some partners were more influential than others, due to the resources they held, e.g. local politicians (ES), or funding agencies (Scotland/UK).

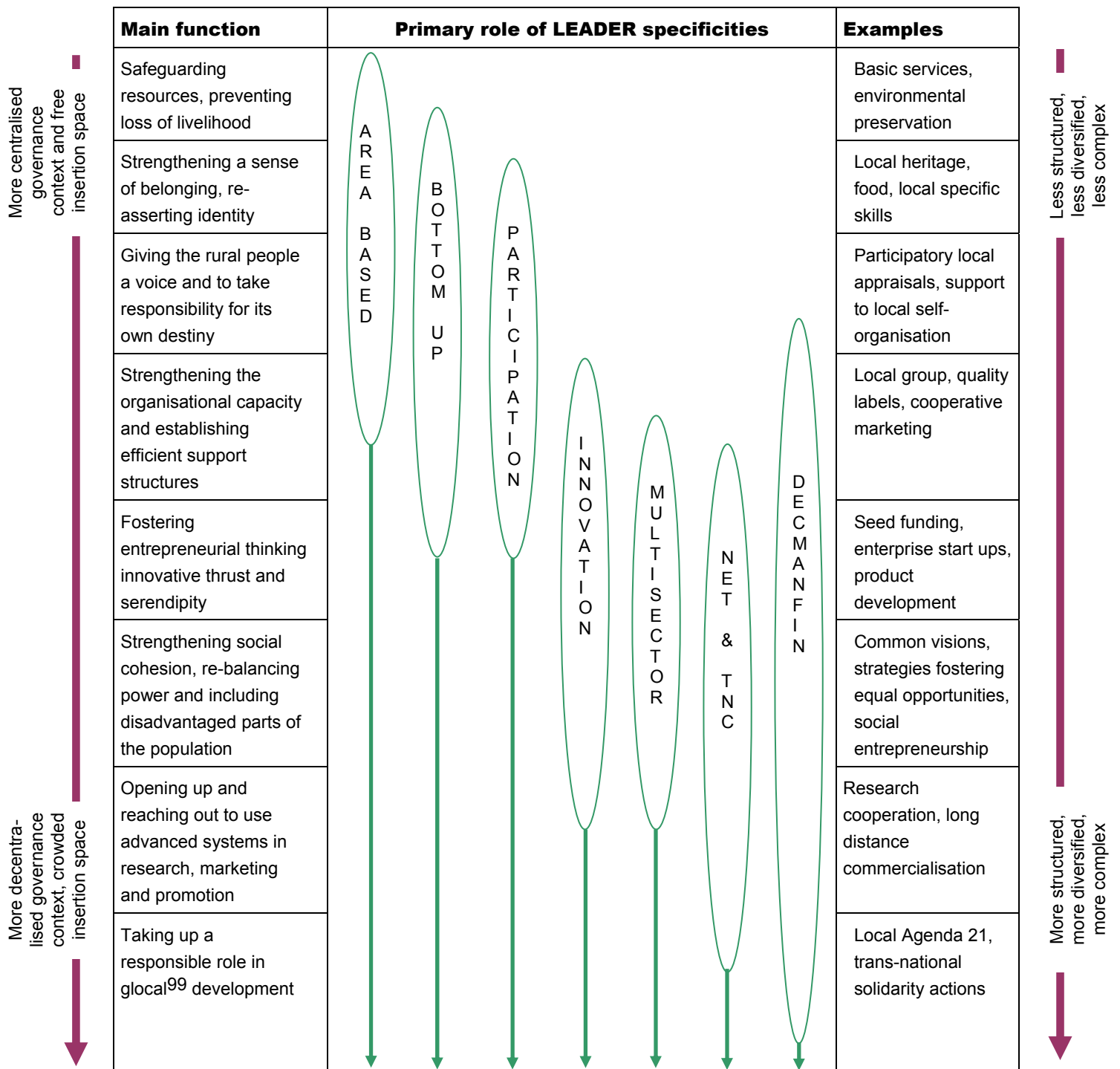
The main function of the local partnership varied according to the available “space for insertion” and the tendency towards or away from decentralisation. If, as assumed in chapter 5.1.6.2, European rural areas tend to move from free to more crowded governance spaces, and from more centralised to more decentralised ones, the purpose, mission and role of the local development partnerships change, too.

Figure 38 shows a model for this functional shift of the local partnerships and the roles of the LEADER features along this evolutionary path.

⁹⁸ Quotation from the Finnish Geographical Report.

Figure 38

The functional shift of local groups in growingly complex rural areas



Source: Own presentation

In “crowded spaces”, the partnerships needed some time to find a functional niche for initiating cross-sectoral activities and creating synergies, but if it found a specific role, it sometimes got a very good response from the local actors even within a short time frame (e.g. Rottal/Bayern/DE, Sucs d’Ardèche/Rhône-Alpes/FR, Delta 2000/Emilia-Romagna/IT, Garfagnano/Toscana/IT and Basso Monferrato Astigiano/Piemonte/IT).

Summary answer to TOR question 13.c

How was the partnership approach taken into account in carrying out the operations of the local action groups and other collective bodies (from preparation to implementation)?

The local group was the heartpiece of the LEADER initiative. The majority of them have been newly created specifically for LEADER II.

Mixed partnerships were considered more representative than dominantly public partnerships. Dominantly associative partnerships were making more and better use of the networking bodies at regional, national and European level.

Cooperative behaviour in the local partnerships became a model for the local actors involved in other groupings and enterprises. A cultural tradition of individualism, and economic or political power imbalances between the partners constituted a permanent challenge.

The role of the local partnership in local development in rural areas depends on the available insertion space and the tendency towards or away from decentralisation. It will emphasize different LEADER features at different stages of evolution. With the growing diversity and complexity of the rural environment, features like networking, multi-sectoral integration and shared responsibilities in local governance gain more importance.

6.2.4.3 The effects of the local groups on the concertation between rural development actors (TOR 2.2.3.a)

Local partnership has been considered as the key source of learning and of the most significant changes in collective behaviour.

“There is one theme”, said an EU expert, “autonomy versus responsibility. This is the subject of permanent negotiation. Where there was a global grant, there was enormous capacity building and awareness raising, e.g. in the challenge how to attribute public money. Those were very interesting effects on citizenship building!”.

⁹⁹ „glocal“ is an artificial term formed by a merger of „local“ and „global“. “Glocal development” means global development driven and controlled by local and self-organised communities and based on inter-territorial partnerships and solidarity.

The result was an improved capacity to manage local development programmes and funding. The more the decentralised approach has been implemented, the more learning (in terms of accountability) took place within the local partnerships.

In many areas other local partnerships and including local development agencies increased following the local group's model (IE, NL, UK). The local context became more complex, diversified and receptive to new ideas.

There were concerns about the viability of the partnerships after LEADER+. They root in the repeated experience of funding gaps between LEADER I, II and +:

*"It was strongly felt that the loss of Leader type programmes would be the death knell of rural Ireland and without such programmes, all the skills and competence acquired in the course of the Leader programme would be dissipated."*¹⁰⁰

The local actors (Q202) presumed that groups with LEADER I experience had more confidence in the viability of their partnerships than "beginners". The viability did not depend on the degree of involvement of public partners. It was the outcome of the quality of relationships between local actors of all kind.

Although in some areas the LAGs disappeared after LEADER II, most local actors understood the central role of partnerships in local development. There is a strong tendency towards a generalisation of partnership-based development agencies. In many areas, successful LAGs turned into coordination nodes for other partnerships, initiatives, programmes and funding schemes operating in the area (e.g. Delta 2000/Emilia-Romagna/IT). This happened under two conditions: if there was no other institution occupying this functional niche (like the Austrian *Regionalmanagements*), and if the area coincides with administrative boundaries.

Local partnerships have two core functions, which are not always easy to reconcile: "*Action and administration*" (FI). In some countries, administrative procedures and complicated reporting and accounting requirements grew with the formal gain in autonomy: "*Decentralised managing causes double decision-making*"¹⁰¹. LAGs were not always sufficiently endowed with qualified human resources to take over the programme management. When staff was scarce, "*action*" always suffered, whereas "*administration*" was inescapable.

¹⁰⁰ Quotation from the Irish Geographical Report.

¹⁰¹ Quotation from the Finnish Geographical Report.

6.2.4.4 The effects of the local groups on defining rural development approaches that created links between the activities undertaken (TOR 2.2.3.b)

The local groups stimulated links between the activities to the extent to which

- they implemented the bottom-up approach;
- they were representing the sub-areas and different sectors of the territory;
- they created a dialogue-friendly environment.

Apart from the LAG board, there were mostly voluntary work groups operating as incubators for projects in their fields of interest. The more cross-sectoral they were organised, the better their capacity to stimulate links. The focus group in Koillis-Savon/Obj.6/FI revealed that *“people began to think rural development in wider regional context”*. As a particular outcome the evaluators stated that *“farm entrepreneurs came along in cooperation”* and the *“role of the farmers association was transformed, (as) cooperation increased and diversified in many ways.”* In Somontano de Huesca/Aragón/ES *“the local partnership widely represents collective structures and organisations of the territory (social, economic, cultural, political etc.). This facilitated information of potential beneficiaries.”*¹⁰²

Success factors for creating links between activities effectively are:

- the composition of the partnership: “monocultural” partnership conserved ritualised behaviours which were mostly counteracting equitable participation. This has been taken into account in LEADER+ through the 50% clause for public partners;
- finding a balance between the animation function and the management function: too little management led to a lack of accountability and stability, and too little animation led to a lack of responsiveness and closeness to the population.

¹⁰² Quotation from the Spanish Geographical Report.

Summary answer to TOR question 2.2.3:

To what extent did the local action groups ensure mechanisms for concertation between rural development actors?

Although many partnerships have ceased to function after LEADER II, the consciousness of the importance of the local partnership as a place for negotiation and concertation of divergent local interests is a tangible heritage of the LEADER initiative. Many new partnerships, local development agencies and cooperation structures have sprung up and contributed to diversifying and dynamising the rural territories. As local partnerships constitute the focal point of collective learning in respect to local development, the question of continuity and viability is of great concern to local actors.

To what extent did the operation of the groups contribute to defining rural development approaches that create links between the activities undertaken?

The effect of the local groups in creating links between activities was strongly influenced by the composition of the partnership. Mixed partnerships achieved the best results in this respect.

6.2.5 Innovation

6.2.5.1 The role of the feature in respect to the whole initiative

Innovation is the espoused key principle of LEADER II. According to the Notice to Member States, the measures funded under measure B (“rural innovation programmes”) should have three key features:

“They should be innovative in the local context (in terms of method, product, production process or market), they should be capable of serving as models, and they should be transferable” (Notice to MS, pt. 10, p. 3).

The explanations in the Notice to Member States made it clear that *“innovation”* was not meant in the sense of *“a few avant-garde operations”*, but the Commission *“wishes to ensure that the programmes financed contribute real added value in relation to other operations....The innovative and model nature of projects should thus be adapted to the type of area”* (Notice to MS, point 11, p.3). The European Observatory followed a similar interpretation and translated innovation into *“finding new answers to existing problems”* (AEIDL 1997, p.5).

In spite of its key role, this feature was much less stressed by the local actors who put more importance on the area-based approach, the bottom-up approach and the partnership. Most groups embraced a pragmatic interpretation of innovation. Innovative meant *“new to the area”*.

Many interviewees found the LEADER method in itself, specifically the partnership and the bottom-up approach, the most remarkable innovation in their area.

6.2.5.2 The implementation of innovation

Local actors and programme administrators at all levels unanimously stated that *“LEADER I actions were more innovative compared to LEADER II”* (GR), due to the free space left to the LEADER groups to express their own development concepts. According to their opinion, with LEADER II the initiative was translated into the national and regional structures. A *“normalisation process”* (EC official) began which left less space for really genuinely innovative actions.

21,2% of LAGs stated that there was no reference to innovation in their business plans. 59,9% claimed that they had developed their own approach to innovation, and 66,9% used it as a selection criterion for projects.

In practice there was no strict attachment to the innovation requirement. One EC official said that it was not innovation that most rural areas needed, but just *“well managed rural development”*. In the daily practice, innovation became a synonym for complementarity. The groups aimed at supporting *“actions not covered by other initiatives”* (Terra Chá/Galícia/ES). There are, although not a big number, of LAGs which have kept up high standards for innovation in project selection and process quality. In Hessen/DE, the LAG committee approved all projects which it considered as *“feasible”* and *“meaningful”*. In UK, innovation was interpreted to be: *“Designing a project using new consultation techniques, managing it in a different way, e.g. via community-owned enterprise, and delivering a type of service or product new to the applicant community or village”*¹⁰³. Only 45% of the promoters surveyed in the UK national evaluation actually considered their project innovative.

As the documentation of the European Observatory¹⁰⁴ revealed, there was a great number of new approaches and courageous projects. The EC, and not only the DG AGRI¹⁰⁵, made extensive use of LEADER II projects to illustrate its efforts in rural policies. LEADER II promoted innovative practices in mainly two directions:

- transforming local resources, amenities and potential into assets for local development and economic value for local people. Typical examples, concerning local food products, were described in the studies on cost-effectiveness analysis in Sardegna/IT (Casizolu cheese) and Burgenland/AT (Bigala fruit drink);

¹⁰³ Quoted from the UK Geographical Report.

¹⁰⁴ Database and directory of European innovative actions.

¹⁰⁵ See LEADER Magazine Nr. 25, 2000/2001: “The European model for rural areas.”

- making the local actors learn to co-operate and to practice local networking: *“Having the possibility to give support to the local actors was experienced as very innovative: The first time there was communication between public and private, there was time foreseen to spend with the local actors in order to help them”* (NL).

Specifically in the Nordic states, innovation was interpreted as a way to regard project work as a learning experience: *“The work of the LAGs was a new thing for everyone at first and required much learning”* (FI). Asked, in which way the innovation challenge made a difference compared to other Structural Funds or other regional/national programmes, the interviewee at the LAG Inlandslaget (SE, Obj. 6) answered: *“The demand of actions based on new thinking, re-learning, bottom-up approach and co-operation.”* This needed permanent stimulus: *“It is difficult to keep up the momentum of innovation, it’s a constant challenge to the vision of the LAG board”* (IE).

Some LAGs, specifically in more prosperous rural areas (Bayern/DE), interpreted innovation more narrowly in the sense of new technologies, but this was never been seen as separate from the situation of the local economy and the qualification needs of local people. There and in Scotland/UK or IE one can find brilliant examples for territorial development strategies with a strong IT component.

Innovation is connected with risk and risk with failure. It was difficult to find funding for innovative, hence risky activities (FR, GR). With accountability rules getting tighter, innovative practices become even more unlikely to get funding, as the continuation with LEADER+ seems to confirm in many countries (AT, Hessen/DE).

Summary answer to TOR question 1.3.d:

How was the innovative approach taken into account in carrying out the operations of the local action groups and other collective bodies (from preparation to implementation)?

Innovation is the espoused key principle of the LEADER initiative. It was mostly interpreted in a very pragmatic way as something being new to the area. The concept is also mixed with the notion of complementarity in the sense, that the initiative should support projects which otherwise would not get funded.

Innovation mainly emerged along two axes: the transformation of local intangible, hidden or almost forgotten potential into real economic value for the area, and the creation of local networks in which collective learning happened. It is this second axis that made many local actors believe the main innovation in their area was the introduction of the LEADER method itself.

In spite of risk-averse funding conditions, there was a great number of innovative actions funded. LEADER projects have served to illustrate and to promote European rural policies.

6.2.5.3 The effect of innovation on identifying new ways of achieving development in rural areas

The innovative approach made dormant resources and potential visible, turned them into economic value and made them symbols for strengthening local identity and emphasizing the area's distinct image. These resources and potential could be products (chestnut, cherries, sheep or salmon), cultural heritage (templars, huguenots, pilgrimage paths), natural characteristics (rivers, geological structures, protected zones), as well as traditional skills and industrial heritage (weaving, fishing, masonry).

Local knowledge and skills were combined with new technologies and know how. The LAGs intervened mostly in certain phases of the learning cycle: in the analysis of the needs for know how and in the identification of the sources of new know how. In some cases the LAG helped to create links and partnerships with research institutions for the development of new products.

Innovation in rural areas took on various "faces". In Condado de Jaén/Andalucía/ES, whose economy highly depended on olive oil production, *"innovative activities were easy since most of the other development resources were underused."*¹⁰⁶ In more diversified contexts, the focus was rather put on *"new ways of joint use of economic resources such as data bases, promotion structures, telematic links between private enterprises and public institutions and social infrastructures"* (Cham/Bayern/DE) or new ways of including as many different actors as possible into the development process (e.g. the future search conference in Burgwald/Hessen/DE). In Cumbria Fells and Yorkshire Dales/England/UK, *"the LEADER II programme has had an important demonstrative effect in 'changing the culture' and increasing the local confidence and technical and organizational capacity across communities, business sectors, especially agriculture and tourism, to collaborate on new projects, including some genuine innovations (e.g. direct marketing and use of cultural landscape for branding)."*¹⁰⁷ However, the focus group in Western Isles, Skye and Lochalsh/Scotland/UK experienced *"a creative tension ...between the requirement for innovation and the bottom-up principle of empowerment and acting on the communities' own view of their development needs, which often prioritised provision of basic facilities and localised support infrastructures ahead of more elaborate or experimental projects – especially in the case of more disadvantaged and/or peripheral communities 'reached' for the first time in LEADER II."*

Success factors for identifying new ways of development are:

- mobilisation and involvement of micro- and small entrepreneurs. In all countries except IE and UK there is still much room for improvement;

¹⁰⁶ Quotation from then Spanish Geographical Report.

¹⁰⁷ Quotation from the UK Geographical Report.

- reward systems for people bringing up ideas;
- an open, gradual process of development and discovery in order to keep the risk of failure small;
- appropriate funding procedures, leaving space for experimental endeavours;
- accompanying technical assistance and support.

6.2.5.4 The effect of innovation on the transferability of measures

Most local actors believe in the transferability of their activities, specifically those who put high value in networking. Transfer was the most important side effect of many trans-national cooperation projects, in some cases against the intentions of the “provider”.

Most transfers occurred within the same region. It was a common practice to extend successful pilot actions on a larger scale, often financed by mainstream Structural Funds (Niederösterreich/AT, IE, Friuli-Venezia Giulia/IT). Some local actors codified the experience gained in their pilot projects and offered their know-how to other regions or institutions (Bayern/DE, Highlands & Islands/UK). The CEA study on the telcentre in Droué (Perche Vendômois/Centre/FR) gave an example on how the establishment of the telecentre became a centre of diffusion of information and know how in the wider area. Initiated by local council member and a small enterprise, *“the Centre became a service and information point for the whole local population. The ‘Espace multimédia de Droué’ has also become a service centre for many IT users at home or in small enterprises, who come to seek advice or to maintain their equipment.....it has gained nation-wide reputation.”*¹⁰⁸

Knowledge transfer is part of learning. Local actors and LAG managers keep looking at other areas for gaining insights into how others solve similar problems. The learning orientation of LEADER actors makes networking and trans-regional exchanges indispensable. The Irish TNC study on the *“Sustainable Development Initiative”* is described as a *“mainly one-way (project) in character with assistance being sought from partners on a paid consultancy basis to speed up the pace of development in Ballyhoura.....The good practices of the German (village renewal) planning model were adopted in local planning.”* Transfer of this kind happened in many TNC projects, although less explicitly.

The official mission of trans-national projects has not addressed this need. Their aim was *“the joint design, production and marketing of goods or services”* (Notice to MS, pt. 13, p. 4).

¹⁰⁸ Comparative cost-effectiveness analysis on *“Espaces multimédia en region Centre”* (Volume 3).

Because of the gap between the official requirements and the real needs of the local actors, their desire for exchanging and learning was camouflaged behind ambitious objectives. This made many projects look as if they had failed. In fact many of them didn't fail at all – regarding their tacit purpose.

Summary answer to TOR question 2.2.4:

To what extent did the innovative element of measures help to identify new ways of achieving development in rural areas?

Innovative actions have to a large extent opened up new avenues for local development in rural areas.

One path is the re-discovery and re-evaluation of local resources and potential. The emblematic function of local products, natural beauties and amenities, specific skills and traditions etc. brought forth many demonstrative, model-like projects which were extensively promoted as illustrative for the European rural policy.

The second path relates to the reshaping of local organisations and networks and the methodological support for implementing participatory practices in local development. Many local actors said that the most important innovation was the introduction of the LEADER method itself. It created trust and confidence and made people believe in change. This shift of perspective can be considered as the main effect of the innovative approach: To stop believing that innovation is something which has to be parachuted from above, and to believe in their own creative potential as the main source of innovation.

To what extent did the innovative measures prove transferable?

The initiative awakened the local actor's interest to learn, and this entailed the quest for knowledge transfer. Networking was its main vehicle and trans-national cooperation was extensively used for it, although this was not its official mission. LAGs mainly intervened at two stages of the learning cycle: In the analysis of the know how needs, and in the search for external sources of know how.

6.2.6 Multi-sectoral integration

6.2.6.1 The role of the feature in respect of the whole initiative

Multi-sectoral integration is not explicitly mentioned as a guiding principle in the Notice to Member States. The aim of LEADER II is to *“stimulate innovative measures...in all sectors of rural activity”* (Notice to MS, pt. 6, p.2), but there is no indication if and how they should be interlinked. In our interpretation, multi-sectoral integration can be seen from two perspectives:

- The creation of projects integrating two or more types of activity, which are otherwise separately organised and supported;
- The guidance of individual projects towards an overarching territorial development strategy, in some cases focused around a thematic attractor (“*theme fédérateur*”).

6.2.6.2 The implementation of multi-sectoral integration

The habitual sectoral division of funding departments was very unfavourable for multi-sectoral integration. In Bayern/DE (Q34) *“various projects were prevented because the funding guidelines of different sectoral programmes were not coherent or the commercial enterprises involved were not eligible for funding.”* In Aquitaine/FR (Q34), it was experienced as a *“very disturbing approach...hitting against sectoral representations and logic”*.

The separation started at the source, with the European funds whose eligibility rules and implementation mechanisms constituted a major hindrance to multi-sectoral integration at the level of funding. The EU has coped with this problem by introducing the monofund principle in LEADER+.

Apart from the separation of funds and the monosectoral structure of the national funding institutions, the necessity to spend the budget within a limited time frame was a barrier to multi-sectoral integration.

Facing the problematic governance context, it is understandable that multi-sectoral integration was the least emphasized local feature, in terms of selection criterion for LAGs and strategic orientation in the local action plans.

At the local level, individual protagonism or lobbying by a dominant group of stakeholders were obstacles to multi-sectoral integration.

As mentioned above (5.2.6.1), multi-sectoral integration can be ensured through a strategic frame interlinking small-scale projects, which might well be monosectoral. This strategic coherence was more probable in global grant or quasi global grant countries (ES, GR, IT).

Autonomous LAGs published calls for projects based on strategic choices laid down in the local business plans. The Greek comparative cost-effectiveness analysis showed that there was no question of multisectorality in a particular project (a hotel in the mountain area), because it was part of an overarching concept of diversification and restructuring of the depressed area through agrotourism, agricultural modernisation and environmental preservation.

Concerning the participation of farmers' associations and the role of farm-based projects, there were different scenarios:

- in countries with traditionally strong CAP support, farmers felt excluded from the process, as the LEADER initiative was more strongly directed towards non-agricultural activities (ES). In IE, farmers' representatives were not successful in trying to get more funding for farm investment purposes by exerting influence on the informal national network, the Ministry of Agriculture and the monitoring committee;¹⁰⁹
- the situation was different in countries where the farmers play a leading role in rural diversification (e.g. farm tourism in AT). There was no such conflict and LEADER II remained – like the 5b programme in general – close to the agricultural sector, in some cases even too close, for it was sometimes used for ordinary farm investments. However, learning oriented milieus were giving the farmers' associations opportunity to widen their perspective and to transform their role in respect of rural development (FI). Initial scepticism turned into more active participation (BE).

However, some LAGs have made considerable efforts to apply this principle. Their examples reveal three requirements for good implementation:

- horizontal coordination within public administrations: multi-sectoral integration has to start in the institutions. Where inter-institutional and inter-departmental coordination happened to function well, multi-sectoral integration was encouraged at project level.
Germany's New Länder found flexible ways to integrate LEADER II with employment programmes. There was a *“very good and flexible collaboration between district administration, project owners and labour administration. Many negotiations between officials took place.”* (Mecklenburg-Vorpommern/DE). However, the required multiple expertise and permits delayed the processes;
- a *“good internal balance”* (Valle del Crati/Calabria/IT) of local actors in the local partnership is a good seedbed for creating links between activities. In many regions, the *“links between activities have been an explicit selection criterion”* (Hessen/DE);

¹⁰⁹ In IE, the EAGGF rules were reportedly handled in a very inflexible manner. Therefore agricultural investments were rather handed forward to the objective 1 administration.

- enough time for bringing together and reconciling the different interests and logics of the project partners and of the support structures.

Summary answer to TOR question 1.3.e:

How was multi-sectoral integration taken into account in carrying out the operations of the local action groups and other collective bodies (from preparation to implementation)?

Among the local features of the LEADER method, multi-sectoral integration was the most difficult principle to implement. The administrative procedures and the lack of interdepartmental coordination created a difficult environment for local actors to put forward projects which integrate activities belonging to two or more different economic sectors. Another hindrance was the necessity to spend the budget within a limited time frame.

There were also local barriers to multi-sectoral integration, such as a lack of cooperation culture and the dominance of partial interests among local stakeholders.

Multi-sectoral integration was more easily achieved at a strategic level, specifically in the countries with global grant or quasi global grant where the projects were selected on the basis of calls by the LAG.

On-farm diversification played a minor role in countries with strong CAP first pillar support, whereas farmers played a central role in LAGs and in the local strategy in countries, where rural diversification is traditionally led by the farming sector.

Multi-sectoral integration already at programme level and an even representation of interest in the local group provided good conditions for multi-sectoral integration at strategic and project level.

6.2.6.3 The contribution of the multi-sectoral integration to launching integrated rural development strategies (TOR 2.2.5.a)

Multi-sectoral integration is broadly acknowledged far beyond LEADER. The widespread use of the term contrasts with the real difficulties in its operationalisation. Multi-sectoral integration is not only a challenge for local actors, but also for sectoral administrations and funding departments. It has been the weakest element among the five local features of LEADER.

It was rather a strategic orientation which facilitated multi-sectoral integration than the other way round. And the best basis for a strategic orientation is a dynamic local partnership and well-managed local networking. In Flevoland/NL, the mid-term evaluation helped to redirect the local strategy towards multi-sectoral integration. It was stressed there that *“there were achieved a lot of small scaled disjointed projects. They created the pearls, now they had to create the*

necklace.’ During the second half of the programme implementation, thanks to the experience of the first half and the conclusions of the mid-term evaluation, the LAG members tried to introduce multi-sectorality in some projects....now, in LEADER+, multi-sectorality became more important than innovation.’¹¹⁰

The absence of a dominant economic sector having enough capacity to neglect cross-sectoral integration turned out to be an advantage. In very peripheral areas, multi-sectoral integration meant making a virtue of necessity, but a coalition of the weak does not by itself create a strong basis for local development.

In many cases an attractive, overarching theme with symbolic value for the whole area had mobilising effects on the local society. The driving force could be an environmental concern, the anxiety to lose a specific local resource, the will to assert cultural identity etc.¹¹¹

In LEADER+ this has been taken into account by the “priority themes” around which the pilot strategies should be centred.

6.2.6.4 Contribution of the multi-sectoral integration to the sustainability of measures and diversification of activities (TOR 2.2.5.b)

LEADER II has produced viable partnership structures and opened up new avenues for appraising/exploiting local resources, but in most cases this process needed at least two funding periods. Local actors with LEADER I experience considered their activities to be more sustainable than that of “beginners”. The measurable outcomes in terms of employment, income etc. are not the only, and probably not the most important indicators for success. The long-term sustainability of the measures was ensured by the ability of local actors to integrate additional, such as environmental, social, demographic, cultural or gender aspects into economic projects. It was the common reflection process, which made the difference (Aquitaine/FR). The openness necessary for this reflection capacity, is very sensitive against attempts of partial interests to “kidnap” the initiative, as an EC official expressed it.

The local actors’ judgment on the sustainability of their activities was not linked to the degree of decentralisation and the extent to which the vertical feature has been implemented. This could be interpreted in a way that the sustainability and diversification of measures is much more dependent on the project promoters own economic power than from the kind of support provided by top-down policies.

¹¹⁰ Quotation from the Dutch Geographical Report.

¹¹¹ THIRION S. 2000: Übergeordnete Themen als Motor der Entwicklung. In: LEADER Magazine Nr. 24, 2000, p.4-10. AEIDL, Bruxelles.

There are indications that multi-sectoral integration is an element favouring the sustainability of measures. In Highlands & Islands/UK, *“13% of projects were linked to other LEADER II projects, but 65% had links to projects from other funding sources. Of these 53% had sustained links beyond the lifetime of LEADER II projects and 62% have been sustained after the end of LEADER II.”* Interviewees in IE confirmed that the long-term viability of projects was connected to multi-sectoral integration, too. The multi-criteria analysis showed that successful LAGs in rather unfavourable governance contexts were also the most successful ones in implementing the multi-sectoral approach. In other words, the successful involvement of the private sector was a strong influence factor for multi-sectoral integration.

The contribution of the LEADER initiative undoubtedly rests on the local partnership which enhanced cross-sectoral concertation.

This is particularly relevant for a specific type of multi-sectoral integration, that between public and private activities. LEADER II was an important factor in creating new links and synergies between public and private players, in local decision-making and governance as well as in the provision of infrastructures and services to the population.

Summary answer to TOR question 2.2.5:

To what extent did the multi-sectoral approach contribute to launching integrated rural development strategies?

As multi-sectoral integration was more difficult to achieve than other behavioural objectives, its successful implementation depended much more on a number of preconditions and external influences.

Multi-sectoral integration was more an outcome (i) of a favourable administrative context; (ii) of a thriving, diversified local economy; (iii) of a viable, dynamic, representative mixed partnership and (iv) of a strong strategic orientation in the local action plan, than the other way round.

LEADER II was very effective in creating new links between public and private actors to improve local governance and to secure and diversify services to the population.

To what extent did the multi-sectoral approach contribute to enhancing the sustainability of measures and diversification of activities?

There are indications that the multi-sectoral approach contributed to enhancing the sustainability of measures and diversification of activities. Both depended on dynamic local entrepreneurship.

6.3 The trans-local specific features of LEADER and resulting behavioural changes

The results presented hereafter are mainly extracted from the 13 studies on trans-national cooperation projects (Volume 3), and from the survey on local groups (Q202), complemented with answers from the interviews with regional, national (Q34) and European actors (QEU). The national evaluations were also taken as references, particularly those which had made use of the European Observatory's questionnaire concerning the evaluation of the features of the LEADER method. Quotations and examples are taken from the TNC studies and from the interviews with national/regional (Q34) and local (Q202) actors. Direct quotations are put if they represent a prevailing opinion or a relevant minority and not an isolated view.

6.3.1 Networking

6.3.1.1 The role of networking in respect to the whole initiative

In concordance with point 14 (p.5) of the Notice to MS, the Commission promoted the creation of a European network *“for the benefit of all those participating in rural development”*. It should be an instrument for exchange of experiences, know-how and learning for all public and private actors. The animation of this network was to be entrusted to the so-called *“European Observatory of Rural Innovation and Development”* (Notice to MS), later on called LEADER II Observatory. Its role was designed to *“identify, specify, validate and facilitate the transfer of innovations implemented in rural environments.”*

Apart from the described task, the Observatory was also designed to deliver technical assistance to the preparatory steps for measure C, trans-national co-operation. According to the Notice to MS, *“active participation in the network (was) mandatory for all direct beneficiaries of LEADER II.”*

A second tier of this system of networks was represented by the national networking units, co-financed by the Commission and the Member States, which were set up in twelve countries¹¹². Their principal function was that of network animation in their respective countries and to secure and coordinate the information flow between the local, national and European levels. Only implicitly mentioned in the Notice to MS, a cooperation protocol between the European Commission and the Member States concerning the National Coordination Units of the LEADER network, specified the relationships between the European Observatory and the National Units.

¹¹² Not so in BE and DK (lack of interest) and LU (small country, easy coordination).

6.3.1.2 Implementation of networking

During the implementation of LEADER II different kinds of networking structures operated to serve the groups. They can be divided into formal and informal networks:

- the “formal” networks are represented by the structures established under the measure D of Leader II: the European Observatory and the National Units;
- the “informal”¹¹³, or better: non-governmental networks consisted of LAGs associations. They also provided technical assistance to the LAGs. Some of them were supported by the administrations.

6.3.1.2.1 The formal networking bodies

The Observatory activities and services started in April 1995. They were implemented under the close supervision of the Commission according to fixed procedures (including annual reporting and operational planning, monitoring of all the publications by an editorial committee etc.) and through numerous formal and informal contacts. Its human resources were composed by a multilingual permanent team of about 20 full time employees plus 2-3 trainees from various countries. They were organized in three units and closely collaborated with a pool of external experts organized in thematic work groups.

The services supplied by the European Observatory in the framework of the LEADER II network animation can be divided into four main categories:

- networking contacts
- information and communication services
- knowledge management
- support to trans-national cooperation.

Networking contacts concerned direct relationships with LAGs, National Units and Programme Administrations. They took place in many different ways:

- with the groups through information requests (5093 received), on-site visits of LAGs to identify and to analyse innovative actions, visits by LAGs to the Observatory premises, and 29 European thematic seminars with 950 participants in the whole;
- with the national units through semestrial working sessions for technical exchanges, and for participating in planning the activities at European level;

¹¹³ The term has been used frequently, although it is incorrect, for the groups had a legal basis.

- contacts and activities addressed to national and regional administrations, including one specific seminar about measure C, followed by the publication of a guide, and two seminars about the mainstreaming of the LEADER method.

Information and communication services are presented in the following table.

Figure 39

Information and communication services of the LEADER II Observatory

Management of information related to LEADER II and rural development	Internal communication (product or services specifically addressed to the LEADER networkers)	External communication
<ul style="list-style-type: none"> ▪ Web site "Rural Europe" ▪ Database on LEADER addresses ▪ Database on LEADER territories ▪ Database & directory on Community rural development actions ▪ Database & directory of European Innovative actions ▪ Database of national and regional LEADER programmes (LEADER II Atlas of Rural Development) ▪ Database of "partner search" ▪ Database of trans-national cooperation projects ▪ Multilingual thesaurus RURALVOC 	<ul style="list-style-type: none"> ▪ 90 editions of Info-LEADER¹¹⁴ (1900 copies in seven languages) ▪ Presentation of LEADER II, the network and the Observatory in certain countries (beginning of LEADER II) ▪ Directory of LEADER II beneficiaries (2 editions) 	<ul style="list-style-type: none"> ▪ 25 editions of LEADER Magazine (30000 copies, in 11 languages) ▪ LEADER II Poster and Map of the areas ▪ Cork Conference and LEADER II Colloquium (1200 participants) ▪ Exhibition at the European Parliament in Brussels, (in collaboration with DG VI Communication Unit) ▪ Visits by various delegations (1200 people) ▪ Participation in external conferences and seminars (106 events with 15000 participants) and 78 training sessions on request (1300 participants) ▪ Stands at various European events

Source: AEIDL 1996-2001

Towards the end of the Initiative, between June and September 2000, the LEADER II Observatory organised three European seminars on the theme of "*Sharing the lessons of the LEADER Initiative*". The European Commission wanted these seminars to culminate in a teaching tool that would "model" the lessons learnt from the programme. A didactic tool on CD-ROM¹¹⁵ was produced designed to present the LEADER approach to various audiences.

¹¹⁴ The last edition is titled: "*On the way to a new LEADER network.*"

¹¹⁵ AEIDL 2001: LEADER – From Initiative to Method. CD-ROM, Bruxelles.

Knowledge management was originally¹¹⁶ supported by thematic expert groups, which were then reorganised into more focused groups working on methodological aspects concerning innovation, evaluation and transnational cooperation. Groups composed of the Observatory staff and external experts prepared European seminars and publications (innovation dossiers, methodological guidelines), most of which had been linked to topics discussed at these seminars. A directory of innovative actions was put up in hard cover and on the web site.

The **support services for trans-national cooperation** are described in chapter 5.3.2.2.

The expenditures were subject to a lengthy audit in 1999 which left the Observatory without a contract for more than eight months.

As shown in the following table, the National Units started some time after the European Observatory and differently from one another. Their major part did not operate in the first three years of the initiative, which hampered the effectiveness of the coordination role of the European Observatory.

Figure 40

National networking units: Years of operation

	AT	DE	ES	FI	FR	GR	IE	IT	NL	PT	SE	UK
Starting	6/96	4/97	12/97	6/97	12/97	3/99	6/97	2/97	1995	3/99	4/97	7/98
End	12/99	12/01	12/01	9/00	12/01	12/01	12/99	12/01	2001	12/01	12/99	12/01
Duration (years)	3,5	4,67	4	3,25	4	2,75	2,5	4,83	6	2,75	2,67	3,42

Source : AEIDL 2001 b, Q34

Although they were nodes of the same European-wide network, the National Units operated under very different conditions (see the following table) in terms of tasks, contract duration and financial resources. They were organized in different ways and provided different kinds of services to the beneficiaries. The highest budgets per group and year of operation have been contracted to the Greek, Irish, Portuguese and Swedish networking units; this may have to do with their short implementation time.

¹¹⁶ The original setup foresaw the six thematic groups, the “methodology”, “new services”, “environment”, “tourism”, “prospective” and “local products group”.

Figure 41

Budget benchmarking of national networking units

Member State	Number of LAGs/CBs	Expenses* ECU	Years in operation	ECUs/year	ECUs/year per group
AT	40	436.037	3,50	124.582	3.115
DE	165	1.388.154	4,67	297.249	1.802
ES	133	1.800.000	4,00	450.000	3.383
FI	22	495.270	3,25	152.391	6.927
FR	171	1.429.141	4,00	357.285	2.053
GR	56	1.913.000	2,75	695.636	12.422
IE	37	870.014	2,50	348.006	9.406
IT	203	2.902.000	4,83	600.828	2.960
NL	4	187.075	6,00	31.179	7.795
PT	54	1.500.000	2,75	500.000	9.615
SE	12	503.866	2,67	188.714	15.726
UK	69	1.292.000	3,42	377.778	5.475
Sum/average	966	14.716.557	3,70	3.977.448	4.117

* Sources: Real costs according to the national funding authorities and networking bodies.

The coordination between the European Observatory, the national and regional administrations and the national networking units was not always running to the satisfaction of all. Many operations, such as the inventory of innovative actions, were duplicated. *“Their respective roles were not well defined”*, said an EC official.

6.3.1.2.2 The informal networks

At the national level of ES, GR, IE and IT so-called informal networks of LAGs were created, which, in 1997, formed the European association under Belgian law, ELARD (European LEADER association for rural development). ELARD still exists, but its operations are sort of dormant. During its first years it served as a platform to emphasize the rural development perspective of local actors all over Europe in view of the upcoming structural funds reform under the name agenda 2000.

The informal national networks followed different paths. The Greek network eventually was entrusted the function of a formal national networking unit. In IE, the informal network went for the tender to become national coordination unit, but another company got the contract. The two networks co-existed from then on, sharing tasks in the training and support to LAGs in a spirit of collaboration. In ES, two informal networks came into being apart from the national unit. These two informal networks – a larger and a smaller one – belonged to different political ideologies and their relationships were competitive, which can also be said about the relationships

between the informal Italian network *AssoLeader*, which was founded during the LEADER I¹¹⁷ – and the national coordination unit represented by the public research institution INEA¹¹⁸.

Regional networks sprung up spontaneously, created by the LAGs to coordinate the dialogue with their programme authorities, to exchange views and experiences, and to pool expertise. Most of them were supported by the regional administration, and in some cases it was the region itself which initiated the network for specific purposes – in Rhône-Alpes/FR for example, for introducing and coordinating trans-national co-operation for the thirteen LAGs operating in this region.

The UK regional networks, although limited in staff, fostered innovation and guided the methodological discussion. In Niederösterreich/AT, the regional network helped to implement self-evaluation in all the six groups. In Mecklenburg-Vorpommern/DE the so-called “permanent work group”, in which all LAGs and the administration were represented, had the power to take funding decisions. In this forum the divergent interests were harmonised.

Building up and fostering local networks was a prerequisite for an appropriate embedding of the initiative in the local context, for implementing the bottom-up approach and multi-sectoral integration. Local groups involved in strong networks between private and non-profit actors were able to achieve excellent results even in unfavourable governance contexts. Local networking can be regarded as the “nursery” for excellent networking with external partners.

Summary answer to TOR question 1.6:

What networking structures were developed under LEADER II at Community, national, regional and local level?

The European Observatory was put in place 1995. It operated until the end of 2001. It accomplished the functions of networking contacts, information and communication, knowledge management and technical assistance to trans-national cooperation.

There were twelve National Coordination Units put in place, co-funded by the EC and the Member States. The start of the networking bodies was generally delayed and their life span short. Therefore their potential could not fully be exploited and the coordination at European level was insufficient.

Regional networks were, in most cases, created on the initiative of the local groups, and generally supported by the administrations.

Local networks around the local partnerships acted as “nurseries” for the local groups’ capacity

117 The manager of *AssoLeader* was elected president of ELARD.

118 Istituto Nazionale e di Economia Agraria

for external networking.

So-called “informal” networks emerged as voluntary associations of LEADER groups at national level. They were either acting in close cooperation with the national networking units (IE), or were contracted as national networking units at a later stage (GR), or were at competitive terms with each other (ES) and with the national networking unit (ES, IT). The “informal” national networks eventually created a European association, named ELARD.

6.3.1.3 The networking impact (TOR 2.2.6)

Thanks to the manifold activities of collection, management and diffusion of information that were carried out, the European Observatory, the National Units and the other networking structures have put on the ground what was labelled “*one of the most powerful systems of dissemination created within Community programmes*” (IT). Besides the people acting inside the local groups, this system reached many organisations and institutions operating in the rural world such as unions, research institutes and university, local administrations etc.

Many interviewees (Q202) said that “*networking put an end to the isolation of the LEADER areas*” (FI, GR). In effect, comments from interviewees from the most remote angles of Europe convey the impression that “dissemination of information” is a term that doesn't do justice to what really happened: the creation of a common language and the spreading of a “European vision” of rural development all over Europe.

Networking and trans-national cooperation mutually fostered each other. There are examples of European networks having started with trans-national cooperation projects. The “*Rural Tourism Network (RTN) emerged at the LEADER colloquium organised in Brussels in November 1997...RTN aimed at developing a trans-national network to support small-scale rural tourism*” (see also chapter 5.3.2.3.2).

Summary answer to TOR question 2.2.6:

To what extent did the networking facilitate:

- **dissemination of information?**
- **Transfer and dissemination of know-how and good practice?**
- **The creation of informal cooperation networks between rural areas (national and trans-national)?**

Networking is the feature whose potential was best exploited by the most advanced groups in diversified, dynamic rural areas. Networking served to consolidate the achievements of the area-based approach, the bottom-up approach and the local partnership in the long term,

through strengthening the economic links of the local players to the outside world, bringing in expertise at the right level of scale and establishing commercial links at long distance. It enhanced trans-national cooperation and increased the benefits of multi-sectoral integration in the local area.

Networking facilitated the dissemination of information, the dissemination and transfer of know how and good practice and stimulated the creation of informal networks between rural areas, both regional and trans-national.

6.3.1.3.4 Impact of the activities of networking bodies at European, national and regional level (TOR 2.3.2)

Local actors perceived the effect of networking on the local area as being linked to the quality of the local partnership and its ability to integrate a large range of interests. Networking was a means to integrate new instruments and technologies, but also to spread innovation. Networking contributed to a new and active role for rural areas in the global context. It was extensively used in promoting integrated regional marketing strategies.

The main reasons for high appreciation were the following:

- flexibility: the Commission would not have been able to follow the initiative so closely: *“We could not have done it. I always expressed my appreciation for the Observatory, the colleagues from DG REGIO did so, too. The Observatory brought certain actors and activities into light. Its purpose was to show how RD was going on here and there and to show good practices. Thus the tasks were much broader than assisting the groups. The Observatory helped the EC to get in contact with LAGs”* (EC official);
- human resources and communication skills: an EC official confirmed the presence of *“very brilliant persons”* in the Observatory team. The seminars were organised in a way that they served as meeting places between top administrations and local actors, experts and programme managers: *“They facilitated exchanges. They were very well organised and of real help”*. The publications have been praised as *“very good...The EU policy has been made more accessible”*¹¹⁹. The Observatory gave visibility to the initiative, to rural areas, to projects and local actors: *“The Observatory created the desire to be local and European at the same time. This dimension is missing now without a LEADER+ Observatory. The absence is felt by the LAG. There is a void which cannot be easily filled”* (European expert);
- capacity of reflection: the Observatory provided space to reflect the experiences of innovative actions in rural areas from a European perspective: *“It prepared the ground*

¹¹⁹ All quotations from different EC officials.

for mainstreaming, e.g. through the codification of the specificities. It brought fresh air and new ideas” (European expert).

The main weaknesses of the Observatory, highlighted in the interviews with EU officials and experts (QEU) were the following two:

- people on the ground sometimes confused the Observatory with the Commission, so that the latter felt at risk of losing profile: *“There was one message said, published and done by ‘Bruxelles’. So it became difficult for local people to distinguish between the Observatory and the EU” (EC official);*
- there could have been more connection to the agricultural sector: *“The function of the Observatory in accompanying and reflecting rural development beyond LEADER has deceived some people. The local development axis was good, but the connection between agriculture and rural development was not done in the best possible way. Maybe the observatory did not have the right people at hand” (EU expert).*

Although the overall efficiency was not put in doubt, there were some operations which could have been better organised (e.g. the preparation of dossiers).

The effects of the national networking bodies for rural areas can be seen in connection to the effects of the European Observatory. They had similar tasks and did similar things at their respective levels of scale. In the final feedback, the national units, specifically of large countries, asked for a better task sharing between the European and the national networking bodies.¹²⁰ The Spanish national unit even provided services for the parallel PRODER programme. 90% of the PRODER groups attended at least one seminar.¹²¹

LAGs having the capacity to make extensive use of the services offered by the European Observatory and the National Units were also more capable to integrate the achievements of trans-national cooperation into their local development projects.

The contrast between “users” and “non-users” of the Observatory is sharp: there was a considerable number of groups which did not get into touch with the Observatory. Correspondingly they valued the effectiveness of the Observatory, and also of the National Units, rather low. The reasons for this might lie in their lower networking capacity, which is

¹²⁰ AEIDL 2001 a: Synthèse des Activités menées dans le cadre des unités nationales du programme LEADER II. AEIDL, Bruxelles.

¹²¹ PRODER (1996-99) (Programa Operativo de Desarrollo y Diversificación Económica de Zonas Rurales en las Regiones del Objetivo 1). It was a LEADER-type rural development programme, co-financed by European funds. They covered zones not selected for the LEADER initiative and followed the same principles, except trans-national cooperation.

linked to their roles in the local context, to their human resources and to their level of experience: LEADER I groups were more “connected” than new groups.

Some administration members stressed their need to acquire new skills for managing decentralised programmes in order to improve cross-departmental coordination, procedures, selection criteria etc. These needs have been perceived by the formal networks, but in many cases (ES, FR, IT, UK) they were not able to satisfy them because there was no provision made for this in the contracts.

Regional networks gave LAGs, particularly starting ones, support in management and implementation aspects. They were, in contrast to national and European networking bodies, compensating a lack of administrative support and played an intermediate role between LAGs and programme administrations. With some support from the programme authorities, they came out as powerful tools for improving programme performances.

Summary answer to TOR question 2.3.2:

To what extent did networking bodies at European level (the LEADER II Observatory), national level (national networks) and regional level (regional networks) contribute to achieving the LEADER II objectives in terms of efficiency, relevance and usefulness?

To what extent did synergies emerge between these networks? To what extent were duplication and competition avoided?

The European Observatory contributed to the creation of a common concept of European rural policies and created demonstrable and transferable models for innovative actions. It made LEADER II a prototype for good rural development practice, widely known and respected beyond the rural public. The European Observatory and the National Units have offered a wide range of services to the local groups, but there was also a considerable number of groups that were not involved. The reasons for this might lie in their lower networking capacity, in the lack of human resources or of experience: LEADER I groups were more “connected” than new groups.

National networking bodies and the European Observatory had similar tasks and did similar things at their respective levels of scale. Some national units, specifically in large countries, were not satisfied about the task sharing between European and the national networking bodies.

The services provided by the National Units were of diverse nature, as well as their organisational structures. Some were represented by public bodies (DE, IT), some were private agencies (AT, IE) and some were non-profit associations (SE). They contributed to capacity building by seminars and regular publications.

Regional networks gave LAGs support in management and implementation aspects. They compensated a lack of administrative support and played an intermediate role between LAGs

and programme administrations.

Summing up, the networking bodies have very much contributed to achieving the LEADER II objectives in terms of efficiency (through know how transfer and mediation), relevance (the regional networks through nearness and the Observatory through pan-European outreach, the national units in between), and usefulness (by having created a common philosophy, a set of tools, a wide network of actors, experts, administrators going to collaborate beyond LEADER).

6.3.2 Trans-national cooperation¹²²

6.3.2.1 The role of trans-national cooperation in respect to the whole initiative

The European Commission and the Member States allocated 138.620 MECU for measure C (see fig. 16), conceived to support trans-national cooperation (TNC) of LAGs and CBs. TNC consisted in “*conceiving, realization and marketing in common of products or services in all the sectors of the rural development*” (Notice to MS, point 13, p.4) among beneficiaries of LEADER II at least from two different Member States.

6.3.2.2 Implementation of TNC (TOR 1.3.f)

Facing the difficulties implied in this type of activity, which was completely new for the local groups, the Commission set up a support structure for local groups in the start-up phases of trans-national cooperation projects and entrusted its management to the European Observatory. The Observatory had the task to provide information, to bring the groups together, and to monitor the technical assistance. This system included a combination of activities of networking (animation and methodological support) and of financial support articulated in the following way:

- organisation of activities to disseminate methodologies and procedures (specific seminars about cooperation, intervention in seminars organised by national units, a methodological guide and a guide on administrative implementation of measure C etc.) and technical assistance directed to the candidates of cooperation projects (consultation of databases, partner research, conception etc.);
- financial support for joint planning (organisation of meetings, feasibility studies etc.) through funding 100% of the expenses, obtainable in two phases, the first, “*from the conceiving to the project*”, up to a maximum of 5.000 EUR and the second, “*from the project to the action*”, up to a maximum of 20.000 EUR. Altogether 567 requests for funding were examined, in the first phase 216 projects were approved and 138 not approved and in the second phase 135 projects were approved and 78 not approved.

¹²² See also Volume 3 of this report, which includes the 13 case studies on trans-national cooperation projects.

According to a study carried out by the European Observatory¹²³, at least 252 projects have been carried out, which involved approximately 50% of the local groups in trans-national projects. This number is confirmed by our survey for which 49,4% of the LAGs have answered that they participated in at least one trans-national co-operation project. A further 7,2% have cooperated within the national context, which was not funded under LEADER II.

The study only documented the start-up phases, not the implementation under Measure C. Measure C was entrusted to the programme administrations, so that *“the EC did not see the real part; it was completely out of sight”* (an EC official).

The results of Measure C, in terms of rate of achievement, has clearly been inferior to those of Measure B. In some cases the expenses that had been initially programmed for trans-national cooperation were subsequently partly reallocated to Measure B.

The complexity of TNC projects has been underestimated both by the LAG managers and the programme managers in respect to the energy and the time that had to be assigned to design and to implement this kind of projects. The flows of applications for technical assistance funds forwarded to the European Observatory are revealing: The illustration demonstrates that a sort of "run of the last minute" took place among the LAGs to exploit the financial resources for technical assistance.

Figure 42

Applications for preparatory stages of TNC¹²⁴

Year of programme ¹²⁵	1	2	3	4	5
Nr. of applications received by the Observatory ¹²⁶	1	15	80	310	151

Source: AEIDL 1995-2001

The implementation of measure C, which followed the first two steps¹²⁷, had a very slow start and most of the LAGs began to move toward cooperation only during 1998 and 1999. Despite the late start, there is a relatively high number of projects funded under measure C.

¹²³ JONES S., SOTO P. 2000: LEADER II and Cooperation. AEIDL Bruxelles.

¹²⁴ The applications for the phase 1 had to be sent in until 03-31-1999 (4° year), those for phase 2 until 10-31-1999 (5° year).

¹²⁵ Each year started the 1st of April and finished the 31st of march. The first year started in April 1995.

¹²⁶ The sum of applications for both phases (1 and 2) of technical assistance.

¹²⁷ Many groups used measure C without going through the preparatory phases.

Figure 43

Overview on trans-national cooperation projects and the use of measure C

Member State	Nr. of LAG/CB in sample	LAG/CB particip. In TNC	% of particip.	Nr. of projects	LAG/CB with one project	LAG/CB with two projects	LAG/CB with more than two projects	Nr. of proj, phase 5.000 ECU	Nr. of proj, phase 20.000 ECU	Measure C
AT	9	3	33,3	3	3	0	0	3	1	2
BE	1	1	100,0	1	1	0	0	0	0	1
DE	27	8	29,6	11	5	3	0	5	4	5
DK	2	1	50,0	2	0	1	0	1	0	1
ES	24	24	100,0	49	11	6	7	4	3	32
FI	4	1	25,0	1	1	0	0	1	1	0
FR	38	16	42,1	33	8	5	3	10	6	20
GR	11	4	36,4	6	4	0	1	4	3	7
IE	7	2	28,6	5	1	0	1	3	2	2
IT	40	26	65,0	52	13	7	6	18	20	43
LU	1	1	100,0	2	0	1	0	1	1	1
NL	1	1	100,0	3	0	0	1	0	0	2
PT	9	8	88,9	13	5	1	2	5	5	10
SE	2	2	100,0	4	1	0	1	3	2	1
UK	16	10	62,5	13	6	4	0	7	2	7
Total	192	108	64,1	198	59	28	22	65	50	134

If the results of the sample (134 measure C projects carried out by 192 LAGs/CBs) are extrapolated to the total of groups (998), the number of measure C projects can be estimated at 600.

Concerning the management of measure C, there were two different approaches:

- The budget for measure C was kept at programme level;
- The budget for measure C was integrated in the budget of LAGs/CBs together with that of measure B.

In the first case the cooperation projects were subject to a slower and more complex procedure of approval.

Nevertheless, in the majority of cases, it seems as if, both the programme authorities and the LAGs have adopted some beliefs – although often implicitly – that can be summarized in the following way:

- the implementation of measure C has a minor priority in respect of the implementation of measure B: measure C was optional;

- the implementation of measure C could be only started when the implementation of measure B would have reached an advanced phase;
- the implementation of measure C must follow supplementary guidelines that will be given by the Commission. This was a misunderstanding even if, in a later phase, the Commission published "*Guidelines for the preparation of projects under the measure C*" (EC 1997).

In effect, as it came out from the Observatory study and from the interviews carried out in the course of this evaluation, the system of financial support for the start up phases (5.000 and 20.000 EUR) has been perceived as excessively heavy and bureaucratic by the overwhelming part of the groups which used it: It was subject to a specific process of control and evaluation that involved first the Observatory and then the Commission. Thus "*approvals*" (BE) and "*payments*" (EC member) came too late. From the perspective of the Observatory, the procedure was organised "*flexibly and quickly*", but EC members admitted that "*the financial scheme was horrible*" and it was "*extremely heavy for the EC services, even though the projects were assisted by the Observatory.*"

Despite efficiency problems, the system of support to cooperation proved to be effective. Particularly the mix between diffusion of information, technical support and financial support worked well, because it combined the provision of necessary indications and opportunities to enter the TNC sector (meetings, databases, methodological guidelines etc.). with tailored material support of which they mostly felt the need:

- two LAGs from IE and IT have carried out the project "*Methods of integration of environment and tourism potential*"¹²⁸, mainly based on development and promotion of bird watching in their wetland areas. Their coordinators met for the first time during the Observatory seminar "*Protected areas as an asset for rural development*" in Ostvorpommern/DE (10-15 September 1997); telephone and written correspondence was maintained over the subsequent months; the LEADER colloquium in Brussels in November, 1998, provided a further opportunity for the two LAGs to meet again and during this event, the two LAG representatives sat down together and completed an application form for Phase 1 of technical assistance funding with the support provided by AEIDL in the "trans-national cooperation space"; the application was filed in December 1997 and approval received in April 1998; then after the first one, using part of financial support for the second phase (20.000 ECUs), they organized a meeting of the people engaged in the preparation of the project in order to discuss possible actions to develop within Measure C: it was an open debate that took place in Suffolk, England

¹²⁸ See the case study "Methods of integration of environment and tourism potential" (Delta 2000/Emilia-Romagna/IT) in Volume 3.

with the experts of the Royal Society of the Protection of Birds and of the Wetlands e Wildfowl Trust.

Several LAG managers, indeed, appreciated the organisation of technical assistance and the instruments used. Promoters from Valle Elvo/Piemonte/IT said, they would like to see such a device improved, but without modifying the structure in the future.

Several organisations, besides the European Observatory, played a role in the support system for TNC:

- although it was, except in IT, not initially planned in their programmes, the National Units, responding to the requests of the groups, have put into place support services for TNC: Technical assistance for the research of partners (all except PT and GR); support to the preparation of the applications for the technical assistance (AT and ES); seminars and informative sessions (ES, FR, IE and IT); creation of databases (ES, FI, IE, IT); studies and inquiries on the cooperation projects (ES, IT, PT);¹²⁹
- regional networking bodies and, in several cases, informal networks acted as brokers for TNC and, in some countries, on behalf of the LAGs (e.g. Rhône-Alpes/FR, where the regional network was specifically designed by the regional authority to foster TNC links).

Some interviewees complained about the diversity of procedures to finance the technical assistance and Measure C (IE). In some Member States Measure C has did not begin to operate until 1997 (ES) or 1998 (FI). Several disincentives to the implementation of Measure C implementations can be highlighted:

- short execution period due to late start;
- projects had to be identified from the outset rather than a gradual process of project identification. This either led to over-ambitious and unrealistic target setting or to renouncement.

Language barriers were considered to be tangible hindrances in the advancement of the projects (DE,IE, IT). *“It is a big leap for LAGs to embark on TNC”,* said a Commission official. *“The small amount for technical assistance in the early phases was helpful, but it was not really well invested if there were big amounts just to pay for translation.”* The language differences were only the surface, behind which cultural (DK), legislative and procedural differences (GR) lurked which had not been visible at the outset, but later on became very burdensome.

¹²⁹ AEIDL 2001 a: Inquiry on the work of the National Units – 2001 Bruxelles

Trans-national co-operation was no major issue nor concrete objective of most LAGs. It took too much time for commitment (Toscana/IT). The groups lacked experience in the management of partnership relationships: the choice of partners, common planning, long distance coordination. It was particularly difficult to agree on shared responsibilities among partners, especially if key persons did not show up at the meetings (ES). It was difficult to involve local actors and to find local co-financing. The co-ordinator of the LAG Inlandslaget/Obj.6/SE said: *“We were a bunch of enthusiasts, and our separate roles were not clear and a lot of new partners were entering.”*

An EC official stated that real projects or products were very rare, and they rarely represented an underlying long-term cooperation strategy, let alone a reference to the local development strategy (ES). Many TNC projects did not finish (EC official).

In most cases it was rather exchange or transfer of experience and know how than concrete projects¹³⁰. The study on the trans-national project on terrasse cultures showed a generative effect on transfer: through the trans-national project, the education centre for dry stone wall building in the Serra de Tramuntana/Baleares/ES gained reputation among the growing number of local areas which asked for this kind of expertise. Thus the transfer from the advanced Tramuntana region to the partner areas was somewhat recompensated by an extension of the market for the education centre.¹³¹

Summary answer to TOR question 1.3.f:

How was trans-national cooperation taken into account in carrying out the operations of the local action groups and other collective bodies (from preparation to implementation)?

According to a rough extrapolation from the survey results, around 600 trans-national cooperation projects have been carried out in LEADER II, with about half of the groups participating in one or more of them.

Programme implementation started slowly, leading to an under spent in Measure C and a subsequent reallocation of funds to Measure B.

There was a widespread assumption that Measure C should only be started if the local innovation programme (Measure B) was already well advanced. In many countries administrative support was insufficient.

The funding scheme for the preparatory steps (5.000 EUR and 20.000 EUR) was appreciated in principle, but the bureaucratic approval and payment procedure, with double-checking by the European Observatory and the European Commission was widely criticized as completely out of

¹³⁰ See case study on „Sustainable Development Initiative“ (Ballyhoura/IE), Volume 3.

¹³¹ See the French TNC case study on „Les paysages de terrasses: des millénaires d’innovation“, Volume 3.

proportion.

There is a rich documentation of the start-up phases, to the contrary of measure C, for which the programme administrations were responsible with no records at the European level.

6.3.2.3 The impact of trans-national cooperation (TOR 2.2.7)

6.3.2.3.1 The impact in facilitating a more effective use of resources common to the areas involved in cooperation and networking

There are two categories of groups participating in trans-national cooperation projects:

- a) the majority of groups only experienced trans-national cooperation in the final phase of their programme; an EC official called them "*TNC passengers*";
- b) some other groups experienced cooperation like any other project achieved at local level.

Trans-national experience had diametrically opposed effects on the two categories of groups. Most of the 13 case studies concerned groups of the first category. Therefore their feedback was quite enthusiastic, whereas the majority of LAGs in the survey (Q202) rated the "*effects of TNC on their area*" quite low.

In the light of the above mentioned difficulties of implementing TNC it can be assumed that the quality of its outcomes depended upon the good relationships between groups, programme managers and networks. The more administrative support was given to LAGs in respect to TNC, the better the local actors assessed the contribution of TNC to local development. The better the links of the group to national networking bodies and, even more so, to the European Observatory, the better the use and effects of TNC. Good networkers made better use of TNC than others. According to an EC official, "*TNC is the European dimension of LEADER*".

According to the Observatory study and the survey (Q202) carried out in this evaluation, TNC projects had positive impacts on the social capital of the area, enhancing identity and culture, local know-how and skills. In second position are the effects on the area's image and territorial marketing. The Observatory study relieved that "*... in all sectors, it is usually the very first phases of the project cycle (development of new products and services and technical assistance to producers/service providers), as well as activities to jointly promote products and services, that are quickest to result in tangible outputs*".

6.3.2.3.2 The impact on dissemination of information, know how and good practices

Even if it was often disguised, local actors expected a transfer of information, specific know-how and good practices from a trans-national cooperation project. In spite of more ambitious explicit objectives, local actors stressed this aspect as the most meaningful one. The TNC process is considered by the protagonists as a learning experience in which "... *the trip is more important than the destination*" (IT).

Trans-national projects often involved topics that had a flavour of innovation for rural areas and this gave them a "natural" vocation to diffuse the lessons. Some projects have carried out local dissemination campaigns, for example in Allgäu (DE), where the introduction of an electronic card for tourists and citizens was prepared. More than 40 workshops and training sessions have been carried out for tourism enterprises (involving 2000 people). Similarly, intensive local dissemination activities have been reported from the case studies on wetland bird watching in the Po delta (Emilia-Romagna/IT) and on local sustainable development in Ballyhoura/IE.

Many local actors assume that inter-territorial networks could become fulcra for information, communication and exchange:

- trans-national networks, established to create the necessary critical mass for the promotion of territorial marketing actions or for the organization of "lobbies" on specific topics (like the chestnut, the terraces, dovecotes etc.). A typical example is the project *Rural Tourism Network (RTN)* that started with five partners from three countries (DE, IT, SE), reached a number of twenty-seven during LEADER II and is now enlarging again with new partners in AT, DE, ES, FR and GR. The RTN partnership is organized on the basis of national coordination committees. An interactive web-site was developed¹³² for communication and dissemination;
- regional networks: if the dimensions of just one LEADER territory were not found suitable to the dimensions of a project, LAGs sought cooperation with adjoining areas. An example is the Development Centre of Kalambaka-Pyli/Thessalia/GR that has involved all the other territories of the Pindos mountain area into the organisation of adventure races.¹³³

The Observatory study documented only 10 projects (of a total of 252) with more than seven partners in the preparatory phases. The most numerous counted fourteen groups from three Member States. Nevertheless, it noticed a growth trend in the number of partners, as illustrated in the RTN case study: for example, the project "*Paralelo 40*" on territorial marketing in the tourism sector, experienced a gradual increase in partners from the initial 7 to 31. It has

¹³² www.ecountry.it

¹³³ TNC study on "European Wilderness Challenge" in Kalambaka-Pyli/Thessalia/GR (Volume 3).

acquired the dimension of a network operating in three countries endowed with a national coordinator. Another project, the “*Marca de Calidad Territorial*” (territorial quality label) had five founding partners, but today the partnership totals around 40 LAGs from BE, ES, FR, GR, IT and NL organized in national “quality networks”.

This underpins the above mentioned assumption of a generative relationship between TNC and networking: a thematic network can start as a trans-national cooperation project. Trans-national cooperation projects are easier to set up if the partners know each other from existing networks. Information from TNC gets disseminated through networks, information from networks gets localised through TNC.

Institutional interviewees were generally positive on the assessment of the learning effects from TNC. The transfer of know-how and good practices occurred through several methods:

- the groups have taken advantage of their complementarities. In some cases, as in Ballyhoura/IE¹³⁴, it has been a one-way transfer;
- the groups have shared resources to acquire external expertise. For example in the wetland tourism project, Irish and Italian partners were engaged first with a substantial exchange of mutual know-how: the Irish were interested in the Italian experience of developing infrastructure and services for wetlands, and the Italians wished to learn from Irish practices in marketing tourism. Then they bought in know-how from advanced experiences at the international level (like the RSPB¹³⁵). Finally they undertook numerous concrete actions oriented towards the integration of tourism and the environment.

The outputs of trans-national projects can be considered more as experimental than real start-up phases for new products or services. Nevertheless it is important to underline that, in the examined cases, the learning processes have been extremely effective: these groups have learned how and under which conditions it is possible to organize adventure races; to valorise the native sheep wool; to build an international network of tourism web sites and internet services from rural areas.

¹³⁴ TNC case study on “Sustainable Development Initiative”, Ballyhoura/IE (Volume 3).

¹³⁵ Royal Society for the Protection of Birds, the largest environmental NGO in UK.

6.3.2.3.3 The impact in the implementation of measures and projects

Trans-national cooperation brought forth two kinds of impact for the implementation of local measures and projects, direct and indirect ones:

- the projects of trans-national cooperation were not always directly exploitable for the local action plan; for instance, if the responsibility for the project was entrusted to a different organism by the LAG, e.g. in the Allgäu/DE, where it was managed by the district administration (Landratsamt)¹³⁶. If the project was managed by the LAG, its usefulness was more strictly followed because of the human resources and the time required for their implementation. Therefore, in all the other case studies carried out in this evaluation, we found strong complementarity with the local strategy, as a Spanish interviewee put it: *“The cooperation was, in the end, a key part of the work in the territory, conditioning at all levels”* (Q202);
- indirect impacts in implementation of measures and projects firstly concern the staff of LAGs. This is *“the primary impact of trans-national cooperation... The changes in approach and perspective resulting from the trans-national relationship also find their way into the local actions managed by the project team”*.¹³⁷ Another kind of impact concerns the credibility of the LAG in respect to its development strategy: *“Several projects consider trans-national cooperation to have played an important role in awakening local interest and in validating and conferring new status on local initiatives.”*¹³⁸. This has also been confirmed in some Italian focus groups. A Tuscan farmer proudly spoke, as if it was common practice: *“We sojourned in Ireland where we observed the network of connections that they had created in rural tourism and then we tried to replicate it here.....”*.

¹³⁶ TNC case study “Allgäu card” in Oberallgäu, Bayern/DE (Volume 3).

¹³⁷ Quotation from the Observatory study.

¹³⁸ idem

Summary answer to TOR question 2.2.7:

To what extent did trans-national cooperation facilitate:

- **dissemination of information?**
- **transfer and dissemination of know-how and good practice?**
- **the implementation of measures and projects?**
- **more effective use of the resources common to the areas involved in cooperation and/or networking?**

Trans-national co-operation between rural areas was designed too ambitiously. It would have been easier and more useful for local groups to link-up with neighbouring LAGs. This was eventually done in regional networks, but without the support of the Commission. The LAGs felt the need for exchange, to learn, to transfer knowledge, much more than the desire to undertake co-operation projects in the strict sense of a common enterprise. However, only the latter was expressly eligible for measure C. Thus the projects were almost always too optimistic in objectives and expected results.

In sharp contrast to the preparatory phases, the experiences of Measure C were not capitalised at all at European level. From a learning perspective, measure C represents a black hole. A large part of important lessons cannot be exploited, except by those who have actually been involved.

However, trans-national co-operation has contributed to opening up local areas to wider perspectives. It brought a European dimension to the essentially local focus of LEADER. It was, for many local groups, the first step to networking across borders, and subsequently became common practice. As incipient networking, it allowed dissemination of information and transfer and dissemination of know-how and good practice to a certain extent.

Trans-national cooperation was not by itself relevant for a more effective use of the resources common to the areas involved in cooperation and/or networking, unless through the transfer of specific know how.

6.4 The influence of decentralised management and financing on the implementation of the other features of the LEADER method (TOR question 2.3.3)

The quantitative analysis of the answers of local actors underpinned the assumption that the implementation of the vertical feature had a very strong influence¹³⁹ on the implementation of the LEADER method at local level. If the local group and programme was more in the hands of private actors, an ineffective governance did not impede the implementation of decentralised management and financing. But if the local partnership was predominantly public and the local programme implemented by mainly public actors, the feature was not implemented, if local governance was ineffective.¹⁴⁰

6.4.1 Learning and growing

The strong impact of the vertical feature of the LEADER method, the decentralised management and financing, on behavioural changes of local actors and administrators was confirmed by interviewees at all levels:

“It was the first time that public money was given away from public entities for local management. That was a clear progress in governance. The LAGs had to look for a good balance between private, voluntary and public partners”, said an EC official.

In decentralised systems, the learning effect of taking on the responsibility was enormous. A European expert said:

“The responsibility is even not so much meant towards the upper levels of the hierarchy, but much more towards the lower levels, the potential beneficiaries. You had always to respond to questions like: ‘Why did they get money and not we?’ This educates the local society and lets it mature. That’s fascinating!”

Even if the two terms are often used synonymously, it is useful at this point to mark a distinction between “accountability” and “responsibility”: accountability focuses on the use of resources (“accounts”). Responsibility focuses on how someone relates (“responds”) to people. Needless to say that for some LAGs the burden of selecting projects – and saying “no” to project applicants – was not a pleasant task at all and that they felt rather relieved if a public service or independent agency took over this task.

¹³⁹ The correlation is 0,57.

¹⁴⁰ This came out as a result of the multi-criteria analysis.

6.4.2 Spirits and bonds

There was also a placebo effect of the vertical feature in countries, where the decentralised approach was not formally implemented. This impact was conveyed through what local actors, administrators and experts called the “LEADER spirit” or “ethos”. There were two ways in which this “spirit” was transmitted:

- through European networking; apart from making rural actors visible to each other, the European Observatory provided a common forum, a common language, common themes, and a shared perspective upon rural development;
- through bonds of commitment to the cause of endogenous development between local actors and programme administrators at all levels:

“The feeling of being acknowledged in the role of local actor, of being seen and heard, of being taken serious in bringing forward the aspirations and visions of the local people, has instilled self-assertion and prepared a seedbed for empowerment”¹⁴¹. It is evident that this impact needed nearly the whole funding period to show material effects. It strongly influenced the preparation of the next initiative, LEADER+. However, the “spirit” seems to lose momentum in countries where the initiative is no longer considered as a novelty (ES, IT), whereas in countries which needed longer time to discover the potentials of the initiative, there is still a mobilising effect (AT, DE, DK, NL).

6.4.3 The influence on the other (local and trans-local) features

In decentralised systems, the main activities happened at the bottom end of the vertical programme delivery chain, at the LAG or CB, close to the local beneficiaries:

- the bottom-up approach can be considered as a replica of the pattern of decentralised decision-making at the next lower level. The attitude of self-determination and participation is contagious;
- the local group has been enhanced by the logic of the vertical feature itself: in global grant or quasi global grant systems, the selection of local groups was based on a scrupulous audit of the accountability, the track record and the reputation of the group. The exposed role of the LAG at the end of the top-down chain and at the culmination point of the bottom-up approach, makes it comprehensible that decentralised systems are particularly sensitive to administrative failures;

¹⁴¹ Quotation from the Irish Geographical Report.

- although innovation and multi-sectoral integration depended on other factors, too, they were at least encouraged by the area-based approach, which pervaded the whole logic of the programme set up and the two above mentioned features. The same holds valid for networking and trans-national cooperation.

The impact of the vertical feature was better if:

- there were strong bonds of commitment and good communication channels between local key actors and members of the programme administration;
- there were no considerable funding gaps before, within and after the funding period;
- the LAGs and CBs had been selected with specific regard to the partnership structure and capacity;
- the local groups were prepared to manage public funds by previous experience or by capacity building during the selection phase;
- the local groups were endowed with sufficient animation staff, specifically in the earlier phases, in order to mobilise the innovative potentials in the area.

The impact of the vertical feature was negative if:

- the technical assistance structures (for LAGs and for project beneficiaries) collapsed with the end of the funding period;
- the local autonomy of the LAG was not embedded in a multi-tier governance framework providing clear and reasonable rules of interaction;
- the socio-institutional distance between the different actors in the programme delivery chain was too large: the most disconnected section in the chain decided upon the overall process quality¹⁴².

¹⁴² The Swedish cost-effectiveness study provides an interesting example on how the funding decision got delayed by the 5b administration and the county council due to unclear power structures and their institutional distance to the LAG (Värmland).

Summary answer to TOR question 2.3.3:

To what extent did the specific procedures for financing and managing LEADER II at the level of the local action groups (seventh specific feature of the LEADER II method), at programme level and at Community level facilitate implementation of the other specific features?

Regardless of the macro-political context, decentralised management and financing constituted a strong factor of influence on the implementation of the LEADER method at local level, specifically on the bottom-up approach.

Positive factors were (i) excellent relationships and bonds between local actors and administrators, (ii) an on-going funding for the LAG's basic functions, (iii) an accountable role and the necessary capacities and skills for local groups, and (iv) a strong participation of private actors in the local partnership and local programme.

Negative factors were (i) disruptions due to funding gaps at the end of the initiative, (ii) inadequate administrative structures or bureaucratic requirements undermining the formal autonomy of the LAG, (iii) too little interaction and too large institutional and social distance between key actors in the programme delivery chain.

CHAPTER 7: THE IMPACT OF LEADER II ON HORIZONTAL OBJECTIVES (TOR 2.1.2)

7.1 General observations

Apart from the behavioural objectives, the European Commission put emphasis on the question, to what extent five horizontal Structural Funds and rural development objectives have been achieved by the LEADER II initiative:

- the adjustment of agriculture and rural areas, notably through diversification of activities;
- employment;
- the environment;
- income;
- equal opportunities.

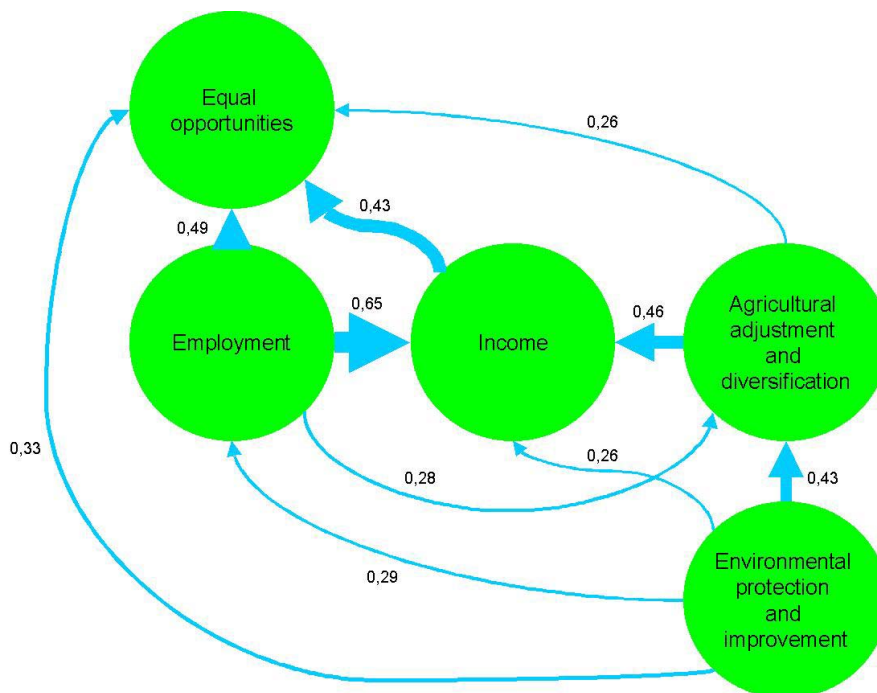
The horizontal objectives were not the LEADER initiative's direct concern and target, although some Member States cherished hopes in the direction of employment.

The evaluation team assessed the possible effects through the survey (Q202) and in the interviews with national and regional interviewees (Q34). It is interesting to note that the latter saw the effects of the initiative on the horizontal objectives generally more positive than local actors.

The empirical basis revealed a strong relationship between the implementation and the impact of the LEADER method and the achievement of horizontal objectives. In the local actors' minds, the degree of achievement of the five horizontal objectives is also interrelated with each other, particularly between employment, income and equal opportunities. Agricultural adjustment and diversification was more closely linked to environmental protection on one side and to income creation on the other side (see figure 44).

Figure 44

Correlations between perceived effects on horizontal objectives



7.2 Adjustment of agriculture and rural areas (TOR 2.1.2.a)

In countries benefiting from strong CAP (first pillar) support, farm-based investments and projects tended to get shifted to the mainstream programmes (Galícia/ES, Bretagne/FR) or, in the case of IE, to a low-threshold local development programme which was more adequate to the demand of smallholders.

In most other regions, agricultural diversification was a central issue of LEADER II (Bayern/DE, Andalucía/ES, PT). The EAGGF proved to be quite inflexible (IE, Emilia-Romagna/IT) so that the ERDF was used for rural tourism to a greater extent. However, in England/UK, the EAGGF was handled more flexibly and supported a number of demonstrable projects (local food, farm tourism) in times when there was a great depression due to BSE¹⁴³ and FMD¹⁴⁴.

143 Bovine Spongiform Encephalitis (mad cow disease)

144 Foot and mouth disease.

LEADER II invested in the following activities:

- organic food chain, regional marketing, niche products, quality improvement and market placement of local products;
- farm holidays, agrotourism;
- environmental preservation, land stewardship and local heritage: Rare varieties and breeds, nature park development, orchard meadows etc.
- strengthening the organisational, entrepreneurial and strategic competencies, encouraging training and qualification;

Despite its small volume compared to mainstream programmes in Objective 1, 5b and 6 areas, under LEADER II, new strands of activities were created at the interface between agriculture and environmental preservation, tourism, local heritage, and business innovation, with considerable ripple effects because of their local fit and demonstrability.

Multi-sectoral integration has been implemented more successfully, and the employment effect of the initiative was higher in areas, where the farming sector was well integrated, but not dominating the local partnership and the development strategy. The comparative cost-effectiveness analyses concerning rural tourism (Kalambaka-Pyli/GR) and a local dairy product (Sardegna/IT) confirm this effect, which must have been particularly high in peripheral areas rich in local products, recipes and specialities at risk to disappear. For example in IT and PT, the LEADER II initiative was widely used to introduce protection schemes for products with guaranteed origin.

Summary answer to TOR question 2.1.2.a:

How far did the effects of LEADER II contribute to attaining rural development and Structural Fund objectives, in particular as regards the adjustment of agriculture and rural areas, notably through diversification of activities?

There is a positive effect on agricultural adjustment and diversification in countries, where the farming sector was participating, but not dominating the local partnership and the local strategy. In some countries with strong CAP support there was no such effect, as farmers did not want or were not invited to get involved.

Vertical and horizontal diversification of agriculture was, in many cases, an excellent means of multi-sectoral integration, although this was not made easy by EAGGF funding regulations.

LEADER II has contributed effectively to safeguard typical local products and recipes, and to relaunch them on local markets, often in connection with integrated and environmentally friendly tourism strategies.

7.3 Employment (TOR 2.1.2.b)

Both local actors and regional interlocutors estimate the effect of LEADER II on employment as higher than on the other horizontal objectives. This holds particularly true for most objective 1 areas, but not only. LEADER II had direct links to employment programmes in Germany's New Länder, although the employment effects were more of temporary character. For example, for the two regions Mecklenburg-Vorpommern and Sachsen/DE alone, 1800 temporary jobs were created¹⁴⁵.

It is evident that employment creates income, but in the case of LEADER II it had also a considerable effect on equal opportunities. The reason might lie in the strong attractiveness of training and qualification for farming women in view of agricultural diversification (marketing, tourism), but also to find a non-agricultural job while staying on the farm.

Expectations towards employment creation might express themselves in the monitoring data provided by around half of the groups in our survey. These expectations have been higher in Objective 1 areas (ES), but also in FI, where they have not been fully met according to national interviewees. In BE, employment creation was even an explicit aim of LEADER II, but it did not play any role in the selection of projects.

In more diversified and structured areas, the role of the LAG was much more directed towards immaterial investments. These kinds of investments leave much less traceable effects on direct employment created or safeguarded.

In order to get a rough idea about the employment effects of LEADER II, the evaluation team made an indicative statistic (fig. 45) from a subset of the sample¹⁴⁶. The resulting figures correspond to the estimations made in some national evaluation reports and to the amounts estimated for the LEADER I initiative¹⁴⁷.

¹⁴⁵ Source: Regional ex-post evaluations of the two Länder (DE).

¹⁴⁶ Data taken from national evaluations (DE, FI, IE), from a specific study (Scotland/UK) and from Q202 (AT, ES, FI, FR, GR, IT, SE, UK).

¹⁴⁷ The evaluators of LEADER I had calculated "more than 100 permanent jobs created or safeguarded" at "more than 100 per group" (DETHIER J.L.e.a.1999).

Figure 45

Nr. of full time equivalent (FTE) permanent jobs directly created or safeguarded by LEADER II (bottom-up estimation)¹⁴⁸

	Nr. of LAGs/CBs in the sample	Total FTE	Women	Women in % of all	FTE per LAG/CB	Source
AT	14	552	316	57%	39	Nat.Eval.&Q202
DE	27	1.871	394	21%	69	Q202&GeoRe
ES	20	7.600	2.959	39%	380	Q202
FI*	22	700	350	50%	32	Q202&Nat.Ev:
FR	5	45	15	33%	9	Q202
GR	10	3.000	1.248	42%	300	Q202
IE	37	8.357	5.323	64%	226	Q202&Nat.Ev:
IT	23	2.070	782	38%	90	Q202
PT	54	3.844	2.194	57%	71	IDRH**
SE	2	345	177	51%	173	Q202
Scotland/UK	8	1.416	880	62%	177	Q202&Scottish Enterprise 199
Total (sample)	222	29.800	14.638	49%	134	

*only newly created jobs for FI

**Portuguese national LEADER+ networking unit (Instituto do Desenvolvimento Rural e Hidráulico)

Source: see sixth column. Only those Q202 that provided corresponding figures could be exploited .

With the necessary caution applied (see footnote 146), it is not unrealistic to estimate the direct and permanent employment effect to an average of around 100 jobs per LAGs/CBs¹⁴⁹. This would mean up to 100.000 permanent full time jobs created or safeguarded in Europe's rural areas due to the LEADER II initiative. In respect to the total investments carried out under the LEADER II initiative, this would mean 38.683 ECUs/FTE created or safeguarded, or about the double amount for a newly created job in rural areas. The CEA studies on rural tourism in Kalambaka-Pyli/GR and Flevoland/NL, cheese production in Sardegna/IT, historical ship reconstruction in Ludwigslust/ Mecklenburg-Vorpommern/DE show that the employment effect of LEADER II at project scale was better than in the projects funded by mainstream programmes.¹⁵⁰ This is not a surprise given the more intensive technical assistance and qualification provided by LEADER II and the better tailoring of projects to the needs of beneficiaries¹⁵¹. The particular interest of these results lies in the fact that LEADER II was not

¹⁴⁸ The table has to be read with extreme caution for the following reasons: (i) the sample represents only 22,2% of all LAGs and CBs; (ii) monitoring systems were very inhomogeneous in the different MS; for example in objective 1 countries, the ambition to count as many jobs as possible has been higher than in 5b countries; (iii) the number of secured jobs is most difficult to monitor; safeguarded jobs seem to be less than 50% of the indicated figures and they mostly concern farm jobs; (iv) the percentage of female jobs was not always available; in this case it has been extrapolated from particular questionnaires which included this figure.

¹⁴⁹ through distracting a security margin of 34 from 134.

¹⁵⁰ This was also confirmed in the study conducted by SCOTTISH ENTERPRISE (1999).

¹⁵¹ Result from the CEA study upon rural telecentres (Chataigneraies et Sucs d'Ardèche/Rhône-Alpes/FR)

designed for creating employment, nor was it designed for promoting gender equity: but the estimated 49% female jobs would be an excellent result.

The employment effects can be summarised as follows:

- there are more indirect than direct effects in areas where the LAG focused on training, qualification, networking and concertation (Aquitaine/FR, IE, SE);
- direct jobs were created through innovative business start-ups, e.g. in agrotourism, food processing and marketing (AT, Hessen/DE, GR, Sardegna/IT, England/UK). Most of these start-ups were micro-businesses (2/3 of new jobs were self-employed people in Andalucía/ES), many of them women;
- many agricultural jobs have been safeguarded by rural diversification measures (ES, Sardegna/IT);
- temporary jobs have been created in environmental and village renewal activities (Mecklenburg-Vorpommern and Sachsen/DE), and there is certainly a number of permanent jobs in new social and health care services, landscape preservation and cultural heritage (FR);
- the public investment per job created seems to be, according to most cost-effectiveness studies, lower than in comparable mainstream programmes (Mecklenburg-Vorpommern/DE, Kalambaka-Pyli/GR, IE, Sardegna/IT¹⁵², NL);
- the more innovation was emphasized in the local programme, the better was the employment effect.

Summary answer to TOR question 2.1.2.b:

How far did the effects of LEADER II contribute to attaining rural development and Structural Fund objectives, in particular as regards employment¹⁵³?

With all the necessary caution applied with regard to the inhomogeneous and incomplete data, the evaluation team presumes positive employment effects with around 100.000 permanent jobs created or safeguarded by LEADER II, with strong indications that the percentage of new jobs was higher than that of safeguarded jobs.

In less structured areas, where the LEADER II initiative engaged in material investments and where rural diversification just inchoated, the direct employment effects were higher than in more structured and diversified areas, where the local group engaged in immaterial investments

¹⁵² In the case of the "Casizolu cheese factory", the total investment per job was higher, but the public share was lower than the compared project funded by Objective 1 money.

¹⁵³ This would include an estimate of overall net jobs (full-time equivalent) created or safeguarded at Community level.

and networking. The latter certainly engendered more indirect effects, which have not been monitored and which are hard to trace anyway.

In some countries, particularly Objective 1 areas, there were higher ambitions concerning employment creation, which might have led to deadweight counting.

Small and micro-enterprise start-ups, most of them related to local products and rural tourism, made up most of permanent employment created or safeguarded. Employment in farms seems to have benefited from the stabilising effect of rural diversification.

7.4 Environment (TOR 2.1.2.c)

In some countries LEADER II showed low relevance in respect to environment, in others it was the primary cause (43% of public funds in Sachsen/DE). There are two headings under which environmental effects can be subsumed: Environmental preservation and environmental improvements. Both have been present in LEADER projects.

The types of effects can be summarised as follows:

- increasing awareness and capacity of reflection (Andalucía/ES; Aquitaine, Bretagne/FR, Piemonte/IT);
- launching projects combining landscape protection with regional marketing and organic products or integrated approaches such as nature parks (AT, DE, FI , Sardegna/IT);
- engaging in village renewal and the recovery of built heritage, combined with rural tourism (FI, GR, IE, UK);
- catalyzing agencies and partnerships specialised on environmental issues (Calabria/IT);
- investing in waste management (Galícia/ES, FI), renewable energies, eco-construction and eco-consultancy for SME (Sachsen/DE. England/UK), consistently applying environmental impact assessment studies in development projects (GR).

The environmental theme acted as trigger for agricultural representatives to get involved in local development, not as producers of commodities, but as landowners and stewards of their land. Projects allying environmental and agricultural concerns had integrative power with the potential of creating many ripple effects.

Summary answer to TOR question 2.1.2.c:

How far did the effects of LEADER II contribute to attaining rural development and Structural Fund objectives, in particular as regards the environment?

The integration of environmental concerns led to a greening of the scope of local products developed and marketed under LEADER II. It contributed to the qualification and dissemination of organic agricultural production.

LEADER II has contributed to the reconciliation of environmental concerns and land use, and has led to exploiting the protected status of fragile areas for the development of local communities.

In some countries, infrastructural investments led to a decrease of water and air pollution.

Process and product innovations often led to increased local added value by contributing to the greening of the economy, for example on the basis of renewable resources.

7.5 Income (TOR 2.1.2.d)

There was consensus (Q34, Q202) that at the macro-level LEADER II was too small as an initiative as to produce sustainable effects for the territory, but that it could create, at the micro-level of projects, farms and businesses, excellent results, as an outcome of employment effects. New income was generated through:

- diversification measures and new commercialisation channels for farmers, e.g. in agrotourism (BE, Hessen/DE, Aquitaine/FR, Piemonte/IT);
- multiplier effects through more visitors, and higher unit prices for products (ES, GR);
- business start-ups and restructuring of existing enterprises (Mecklenburg-Vorpommern/DE, Sardegna/IT);
- more remunerative jobs through training and qualification (AT, PT);
- an increased readiness to invest by – at least – the local entrepreneurs.

Income effects seemed to have a strong relationship with the objective of equal opportunities (see figure 44), triggered by farm diversification and tailored training offers for women (Ötztal/Tirol/AT). Income effects have, in the minds of local actors, been better achieved in areas where the bottom-up approach has been consistently applied, e.g. in the identification of projects, and where there was more autonomy of decision making at local level.

The CEA studies on the historical ship reconstruction in Mecklenburg-Vorpommern/DE, and on rural tourism in GR and NL revealed that LEADER II projects had a comparative advantage in

income generation. In the Sardinian case study, a direct advantage in income creation was not observed, although it triggered many non-monetary territorial effects. In the case study on the fruit drink in Stegersbach/Burgenland/AT, the product innovation was not pursued after the end of the LEADER II period, so that the viability threshold could not be hit.

The French CEA study on the “local heritage centres” furnished an example for the relative value added of a LEADER project compared to the same type of project which was standardised at national level: *“The purpose of the ‘pôles économie du patrimoine’ was to build up territorial projects which exploit the local heritage, not just as simple cultural or tourism objects, but as important assets in innovative development, in line with the aspirations of local people, connected with all the other economic activities, devoted to spirit of modernity.”* In the case of the LEADER-funded centre in Pays des Bastides/Aquitaine/FR, *the knock-on effects on the local economy were much more tangible, because the local artisans were able to organise themselves in order to get contracts for restoring old buildings...., the local farmers cooperated to set up on-farm markets located near remarkable sites...., (and) the events in the different villages have been coordinated and jointly promoted.”*¹⁵⁴

Summary answer to TOR question 2.1.2.d:

How far did the effects of LEADER II contribute to attaining rural development and Structural Fund objectives, in particular as regards the income?

Income generation at this level of scale is difficult to monitor, but local actors confirmed that LEADER II had an income effect as a cumulative consequence of different other effects.

The facilitation of small and micro-enterprise start ups, the creation of employment in a more diversified rural economy, and the arrival of more visitors to the area have been mentioned as main sources of additional incomes in rural areas created by LEADER II.

7.6 Equal opportunities (TOR 2.1.2.e)

LEADER II has contributed to equal opportunities specifically in Objective 1 and 6 areas by:

- integrating the needs and propositions of weaker parts of the population, who are not reached by other rural or economic development programmes. The achievement of the objective was, in the minds of local actors, strongly connected to the implementation of the bottom-up approach. Specifically in the Nordic states, the considerable involvement of the associative, voluntary sector, mobilised a large number of women for rural

¹⁵⁴ Cost-effectiveness-analysis of local heritage centres (Pays des Bastides/Aquitaine/FR), Volume 3.

development. The Irish, Scottish and Swedish national evaluations show a particularly high employment effect for women;

- employing women in the management and animation staff, particularly in Nordic states (SE), but also in Objective 1 areas (Mecklenburg-Vorpommern/DE, IE, Sardegna/IT, PT). Probably the way the female staff addressed the local people produced a leverage effect (Bretagne/FR, Värmland/SE);
- tailoring training and qualification directly to the needs of the female population, e.g. farming women in search for additional or alternative income. In Ötztal/AT, 80% of the trainees were women. In West Cumbria/England/UK, a computer training course was delivered in a mobile bus nearby remote hamlets in the late morning hours. IT courses were reportedly well attended in IE by women, too;
- the qualification eventually led to a large number of enterprise start-ups (Feldbach/AT, Sachsen/DE, FI, GR) or the insertion of the trainees into jobs requiring higher qualification (Galícia/ES). Women accounted for about one half of new or safeguarded permanent employment.
- in some regions, female project applicants were positively discriminated (GR). In Andalucía/ES, where such a system has been practised, the local actors estimated the effect of LEADER II on equal opportunities fairly high.

Summary answer to TOR question 2.1.2.e

How far did the effects of LEADER II contribute to attaining rural development and Structural Fund objectives, in particular as regards the equal opportunities?

The LEADER II initiative had direct and indirect effects on the objective of equal opportunities. The most important factors were (i) the consequent implementation of the bottom-up approach, (ii) the integration of women in LAG boards and the women working in the management and animation staff of local groups, and (iii) the direct tailoring of qualification measures to rural, particularly farming women.

The positive effect on women's participation and employment are more marked in Objective 1 and 6 than in 5b areas.

CHAPTER 8: EVALUATION ACTIVITIES

8.1 The role of evaluations in respect to the LEADER II initiative

The evaluation is an obligation directly linked to Structural Funds investments (Article 26 of Regulation 2082/93). In respect to the Community Initiative LEADER II and its decentralised approach, the European Commission expected a permanent supervision of the programme expenses as stipulated in Article 19 of the Notice to Member States:

“Each regional programme will have to include... A mechanism for continuous assessment of the different projects and of the programme submitted to the Commission....

Each beneficiary of the programme (local group or other collective body) will have to provide...information for assessment purposes, permitting an initial analysis, specification of the changes expected, the extent of the innovation and the model function of the project. This information will serve as a reference point for assessment to analyse over the duration of each project the emergence of the innovation in question, its impact, its spontaneous spread and the conditions for any transfer.” (Notice to Member States, pt. 19, p.8)

The national and regional evaluations were the primary information and data source for the geographical evaluators. However, many facts were structured in different ways which did not allow to aggregate them at European level, at least not within the limits of this contract. This was not only the case for the qualitative information posing intrinsic challenges to the evaluator, but also for basic quantitative indicators, such as financial achievements or employment creation. The geographical evaluators also claimed that the monitoring prescriptions were too ambitious in respect to the groups' resources so that some groups forgot them on the way.

Apart from the obligatory character of evaluations, they should be considered as an important field of innovation for local groups, taking into account that this practice is still rare at the bottom end of the programme delivery chain.

8.2 Monitoring

Monitoring of the advancement and achievements of the programme have been, in most cases, entrusted to the Agricultural Ministries or to related institutions (INEA¹⁵⁵, CNASEA¹⁵⁶ etc.). Their task mainly consisted in a monitoring of the financial expenses of the programme, with little emphasis put on the monitoring of physical indicators.

The sometimes complex indicator systems, established at programme start, would have required an active participation of the local groups during the whole implementation period. So they were dropped.

8.3 The evaluations at programme level (TOR 3.2)

Some countries or regions have indicated that they had carried out an ex-ante evaluation (AT, ES, GR, IE), although this had not been an obligation.

The objective of the mid-term evaluation was to be done for both the operational programmes and for the local groups. They were carried out for the majority of programmes, sometimes delayed (e.g. FI: finalised at the end of 1999). Because of the considerable delays in the start of certain regional programmes, these regions decided, in agreement with the Commission, that this evaluation could take the shape of a detailed internal execution report, complemented by results of self-evaluations of LAGs. In effect many regions of the three Member States with the largest number of local groups (ES, FR, IT) have omitted the mid term evaluation. The above mentioned reasons are undoubtedly justified, but they are insufficient for not evaluating the operation of the programme authorities. Some of the mid term evaluations have led to recommendations encouraging the creation of regional networks (Aquitaine/FR) or actions of technical assistance directed towards the groups facing start-up difficulties (Rhône-Alpes/FR).

The ex-post evaluations were conducted everywhere from early 2001 onwards. The last one was carried out in UK in 2003. The ex post evaluations encompassed measures A, B, C and the national networking bodies. In general they used the guidelines published by the Commission¹⁵⁷. This means that most of the evaluators of national and regional programmes (but not all, e.g. Vlaanderen/BE) took into consideration the implementation of the LEADER method. The responding rate for the Observatory questionnaire varied between 50% (AT) and 90% (GR).

¹⁵⁵ Istituto Nazionale di Economia Agraria (IT)

¹⁵⁶ Centre National pour l'aménagement des structures des exploitations

¹⁵⁷ EUROPEAN COMMISSION 1999

In some MS the LEADER II evaluation was combined with the evaluation of Objective 1 and 5b programmes (AT). However the operating monitoring system did not fit the specificities of LEADER, which, according to the evaluators, *“can only accordingly be dealt with at the level of the individual LAGs and require a large amount of qualitative information, which is not contained in the monitoring system. Thus the evaluators carried out their work predominantly at the level of LAGs and individual projects via interviews and (the Observatory) questionnaire.”*¹⁵⁸ , In IE, *“the groups were not always enthusiastic about this approach because they considered these aspects as given. These requirements were laid down at the outset and LAGs would not be selected if they did not have these specific features. Consequently LAGs were at least equally concerned with standard of living and quality of life impacts and about the methodology of community/local development.”*¹⁵⁹ The content and depth of these evaluations varied, notably in respect to the presentation of the financial expenses, from MS to MS, but also from region to region, as the Spanish example shows: *“Due to the existence of 17 Operational Programmes for LEADER II...,the review on LEADER II evaluations in Spain has been complex. A range of agencies and organisations, from universities to private consultancies, have been involved in the evaluation of LEADER II. Each authority had autonomy to contract the evaluation task...Common guidelines existed in the form of indicators, but the final shape of evaluations is different from region to region.”*¹⁶⁰

There were additional studies made on LAGs concerning exit strategies for 5b regions (England/UKI).

158 Austrian Geographical Report, p.8.

159 Irish Geographical Report, p.7.

160 Spanish Geographical Report, p.46. A similar variety of ex-post evaluations prevailed in DE.

Figure 46

Summary overview of the LEADER II evaluations

	Ex Ante	Interim	Ex Post	Self-evaluation
Level	OP	OP	OP	
AT	1 OP (Obj.1)	yes	yes	6 LAGs
BE	no	no	yes	1
DE	no	yes	yes	10 LAGs in Bayern and Thüringen
DK	no	yes	yes	No
ES	yes	20%	yes	5%
FI	no	yes	yes	20%
FR	no	30%	yes	Up to 50%
GR	yes	yes	yes	12 LAGs
IE	yes	yes	yes	16 LAGs
IT	no	yes	yes	80% of LAGs have used the Observ. questionnaire
LU	no	yes	yes	yes
NL	1 of 4	yes	yes	50%
PT	no	yes	yes	20%
SE	no	yes	yes	50%
UK	no	yes	yes	9% (6 LAGs)

Source: National evaluations, own investigations.

The European Observatory undertook an evaluation of the technical assistance for the preparatory steps for measure C (trans-national cooperation).¹⁶¹

Summary answer to TOR question 3.2:

What evaluation was done at programme level (national or regional)? (Statutory evaluation reports, specific studies, data collection, taking account of the specific features, etc.). In which groups and in what way?

There were almost no ex ante evaluations, and the mid term evaluations have not been carried out in all the regions. The ex post evaluations have been conducted at programme level between 2001 and 2003. Member States with regional programmes either tried to homogenize the evaluation approach across the regions (IT), or left the responsibility to the regional authorities (DE, ES).

There was little advantage in carrying out LEADER II evaluations together with Objective 1 and 5b evaluations, as the approach required for LEADER II was much more qualitative. The Commission's guidelines for the ex-post evaluation of LEADER II, represented by the Observatory questionnaire, have been widely used, although in varying intensity.

¹⁶¹ JONES S., SOTO P. 2000

8.4 The evaluations at local level (TOR 3.1)

8.4.1 External evaluations

Each rural innovation programme (measure B) was subject to « *continuous assessment* » on the basis of physical indicators mentioned in the approved programmes. In general this activity has not been carried out through the whole period due to overload and lack of human resources at the local groups' level.

The LAGs and CBs could call for an external ex post evaluation. In many countries (AT, DE, ES, IT, PT) this has been actually done on a systematic basis. According to the information gathered from the national evaluation reports, more than half of the LAGs/CBs have undergone an external ex-post evaluation. In rare cases, certain local groups, many of them active since LEADER I, have commissioned evaluations to external consultants on the basis of an earmarked budget in their own business plans (Préalpes Drômoises, Hérault/FR). This practice revealed the group's maturity and purpose to go on with LEADER +.

8.4.2 Self-evaluations

Self-evaluation of local partnerships is a relatively new practice. It must not be confused with the continuous observation of indicators or with progress assessments. Self-evaluation is a collective learning exercise which, in LEADER II, was done on the groups' own initiative or emerged as a common interest in regional networks (AT, FR, GR, IE, IT). Some Member States and regions have supported this activity by co-funding systematic and facilitated self-evaluations. They emerged in different ways:

- Niederösterreich/AT: collective self-evaluation of the six LEADER groups, facilitated by the funding authority¹⁶² and the informal regional network of LAGs;¹⁶³
- Bayern/DE: identification of "development bottlenecks" in different realms of rural development;¹⁶⁴
- FI: the use of benchmarking in conformity with practices in other public sectors (education, health etc.);
- Emilia-Romagna/IT: collaboration with the Portuguese partners (see below) to improve the methodology. The programme administration facilitated the process. It has a centralised database on local groups;¹⁶⁵

¹⁶² the Land-based regional development agency EcoPlus.

¹⁶³ ECO PLUS 2000: Die Kunst der Balance in komplexen Projekten. ECO-Info, Wien.

¹⁶⁴ GEISSENDÖRFER M., SEIBERT O. 1999

- PT: the SAP method which is based on scoring principal development factors regularly examined in the course of programme implementation. ¹⁶⁶

The survey (Q202) showed that self-evaluation was more effective, if the area was self-determined and had more homogeneous features. Self-evaluation was practised and exploited rather by experienced groups which were already active in LEADER I or analogous programmes. The diffusion and adoption of self-evaluation practices thrived in decentralised governance contexts and was strongly linked to the implementation of the LEADER method.

The practice of self-evaluation is an indicator for the responsiveness, viability and accountability of the local partnership. Where self-evaluation happens, there is also, in many cases, a regional networking body providing funding and technical assistance for self-evaluation. In other words, self-evaluation gets adopted as a routine behaviour in an environment which puts an emphasis on institutional learning.

Self-evaluation must not be mixed up with periodical balances and appraisals of programme advancement; it is also not enough to come together on a regular basis for intensive navel inspection. Self-evaluation is solution oriented collective learning for accountability. The methodological knowledge and support for this is still insufficient and needs to be more experimented and exchanged at European level. As a general trend, there is a growing awareness towards evaluation, an emerging “*evaluation culture*”, as the German evaluator put it, and this certainly includes self-evaluation.

Self-evaluation is still a wide field to explore. Whereas the MEANS documents provide detailed instructions for evaluators and administrations, there is no such reference for self-evaluation.

165 MARANGONI L. 1999.

166 THIRION S. 2000a

Summary answer to TOR question 3.1:

What evaluation activities were undertaken at the level of the local action groups? (Permanent or one-off self-evaluation, questionnaires, specific studies, data collection, etc.). In which groups and in what way?

Local groups have in many cases been evaluated on the initiative of the programme administration, but in some rare cases the groups themselves dedicated resources to commission external evaluators, mainly for preparing LEADER+.

An estimated 20% of the groups were practising self-evaluation. In the excellent cases, the administration funded this endeavour, and regional networks provided technical assistance

Self-evaluations are more and more accepted as essential components of local governance and as a necessary tool for learning organisations, but there is still a wide field of experimentation for new instruments and methods.

8.5 The support for evaluation activities by the European Observatory and the national networks

Methodological support for evaluation activities was integral part of the missions assigned to the European Observatory and the national networking units. Parts of measure D have been dedicated to this task.

Most of the national units have organised seminars on evaluation, making reference to the guidelines of the Commission, the Observatory's publications and the LEADER I evaluation.

The Observatory has established a database (www.rural-europe.aeidl.be) to facilitate information transfer between Member States and groups. It has proposed, in its manuals and dossiers, methods and indicators for the self-evaluation of groups (AEIDL 1999a). It has, through a working group created for this purpose, analysed the experiences made in some of the above mentioned countries (DE, IT, PT). The group of experts has then produced a proposition of good practice and a standard questionnaire for LAGs and CBs, as a harmonised working tool for national and regional evaluators. The questionnaire, translated into the different languages, undoubtedly arrived too late to the regions which already had accomplished their evaluations before the end of 2000, but it was utilised in a large number of programme regions (AT, FR, IT, GR).

November 23rd and 24th 2000, a seminar on "*enhancing the quality of ex-post evaluations of LEADER II*" has been organised in Bruxelles. It brought programme administrators and evaluators together.

8.6 The impact and processing of evaluation activities at national level (TOR 3.3)

The majority of programme evaluations has been rated “acceptable” or “good” by the Commission according to the MEANS quality assessment grid. English summaries were rather the exception than the rule (AT, BE, LU, NL).

The effects of evaluation cannot be easily judged on the basis of the programme results. These effects are certainly long-term which may become tangible in the course of LEADER+. There will probably be an impact in learning to improve the efficiency and effectiveness of programme delivery and to better meet the needs of the local population.

In most countries, the recommendations of the ex post evaluations of LEADER II have been taken into account for setting up LEADER+ (AT) and have influenced the rural development programmes of the current period (DK, FI, GR). In PT, the lessons from LEADER II were used to upgrade the first draft of the LEADER+ programme. The lessons mainly concerned the practicable size of areas and the importance of management and animation staff in order to implement the bottom-up approach (AT), the improvement of the array of qualitative indicators (SE), the relevance of a strong contractual basis for the local partnerships (FI), a higher presence of private actors in the local partnerships and more decentralisation in the management of the programme (GR), or the establishment of a national network (DK).

However, the richness of these evaluations could be better used to feed reflection and dialogue at the level of macro-political orientations and intervention methods (AT, IE, SE). In large countries such as DE, ES, FR and UK, the absence of frameworks “to enable comparative investigation”¹⁶⁷ made an exploitation at national level difficult, although there were activities (e.g. conferences) to draw together and to discuss the results in common. The problem of lacking information homogeneity, a prerequisite of consistent monitoring, also emerged in regions practising full decentralisation of decision making (Scotland/UK).

In IT, the INEA¹⁶⁸ provided a common methodology to the regional evaluators enabling the same institution to produce a synthesis for drawing the lessons at national level. INEA was, at the same time, concentrating monitoring, technical assistance and networking functions, making it easier to exploit the diverse experiences of 203 groups in 21 programme regions. In FR, the ex ante evaluation of LEADER+ included a synthesis of the regional programmes.. This saved costs and led to a concentration on a few relevant points in the transfer of lessons.

¹⁶⁷ Quotation from the Spanish Geographical Report.

¹⁶⁸ Istituto Nazionale di Economia Agraria. Institution depending from the Italian Ministry of Agriculture.

Summary answer to TOR question 3.3:

How were evaluations processed at national level? (Summaries, transmission to the Commission etc.)

The synthesis of programme evaluations at national level was not systematic, although most of the lessons have been transferred to LEADER+, through conferences, meetings and in the ex ante evaluations for LEADER+.

The national or regional evaluations have been transferred to the European Commission, which gave them ratings between “acceptable” and “good” according to the MEANS system of quality assessment.

The different depth, thematic focus and width of evaluation topics did not allow an aggregation of the information processed in the national evaluations at European level on the basis of a common framework. This was even hard to achieve in large federal countries or in regions that practised a fully decentralised approach.

CHAPTER 9: CONCLUSIONS AND RECOMMENDATIONS

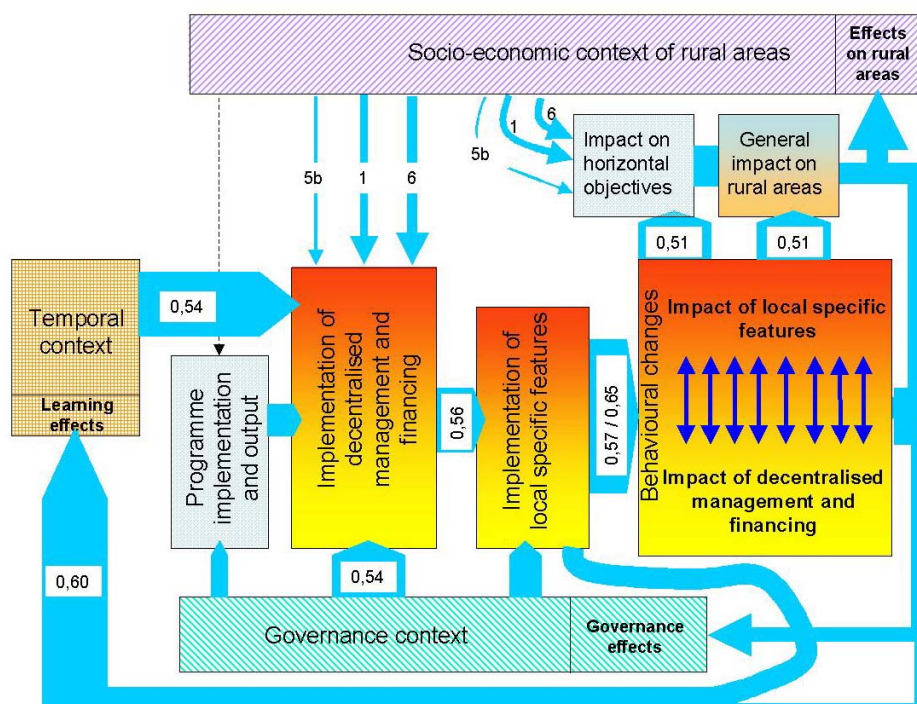
9.1 The influence of the LEADER II method on the effectiveness, efficiency and sustainability of rural development processes and measures (TOR 2.1.1)

The statistical analysis of 52 core indicators (scoring rates from the Q202 survey), attributed to the different boxes of the framework set up for this evaluation, gave strong pointers towards a positive answer to the question if the LEADER II method contributed to the effectiveness, efficiency and sustainability of rural development processes and measures (see figure 47).

Figure 47 is the model for the evaluation framework according to figure 7 (chapter 3.1), enriched with the results of the correlation analysis of the 52 indicators. The correlations do not indicate the direction of a cause-effect-relationship, but the model does, at least on a hypothetical basis. Therefore the correlation analysis of the 52 indicators, applied on the recursive evaluation framework, can be regarded as an impact analysis, visualising the cause-effect-cycles between different contexts (temporal, socio-economic and governance context), the development programme and the specific features of the approach.

Figure 47

Impact analysis based on the evaluation framework



Source: Statistical processing of subjective valuations of local actors (Q202). The numbers indicate correlations.

The 52 core indicators from a full set of 171 LAGs were then reduced to 22 by eliminating redundant and highly inter-related variables in an iterative operation. The final set of 22 indicators was processed in a multi-criteria analysis. The MCA resulted in five main components explaining the variance of outcomes:

- the implementation and the impact of the LEADER method (17,4% influence);
- the institutional context and the attitude of local stakeholders (10% influence);
- the adequacy of the area and employment effectiveness (9,4% influence)¹⁶⁹;
- the socio-economic context (8,2% influence);
- networking at national and European scale (8% influence).

This result seemed to corroborate the hypotheses drawn from qualitative investigations: the significance of the LEADER method, the relationship with local governance, and the rather low influence of the socio-economic context on the success or failure of the local programme.

The cluster analysis brought forth five types of groups, clustered according to their performance in respect to the five components:

- a) **Successful appliers of the LEADER method in a favourable governance context (24,6% of the groups).** High scores in the implementation and impact of the LEADER method; favourable, decentralised administrative environment; mixed partnerships with the lowest share of public partners; sufficient animation staff; highest leverage effect on private capital; experience from LEADER I; good impact scores on the horizontal objectives.
- b) **Successful appliers of the LEADER method with high private participation, in a less favourable government context (21,0% of the groups).** High scorings in the implementation and impact of the LEADER method (highest score in innovation and multi-sectoral integration); rather decentralised, but less favourable administrative environment; the most favourable socio-economic context; mixed partnerships with a relatively low share of public partners in the LAG; best endowment with animation staff; high leverage effect on private capital; most extensive users of measure C (trans-national cooperation); good impact on the horizontal objectives.
- c) **Successful appliers of the local features in a favourable governance context, with little networking and trans-national cooperation (18,7% of the groups).** Fairly high scores on the implementation of the LEADER method; favourable governance context and support from the administration specifically in the starting

¹⁶⁹ This component is quite inconsistent and can not be sufficiently interpreted.

phase; less decentralisation; mixed partnerships with a relatively low share of public partners; less networking, less trans-national cooperation; less impact on horizontal objectives.

- d) **Fairly successful users of the initiative with little implementation of the LEADER method (22,2% of the groups).** Lower scores on the implementation of the LEADER method; rather decentralised management, but less favourable governance context; less viable local partnership; relatively high leverage effect on private capital; relatively low impact on horizontal objectives.
- e) **Less successful groups in less favourable socio-economic and governance contexts (13,5% of the groups).** Low scorings on the implementation and lowest scores on the impact of the LEADER method; unfavourable, centralised governance context and administrative environment; highest percentage of public partners; lowest users of trans-national cooperation; least networking; least viable local partnerships, least animation staff, lowest rate of private funds; lowest scores on horizontal objectives.

The result lets conclude that around half of the groups have implemented the LEADER method (a,b and parts of c) to a certain extent and that the implementation of the method is highly related to the satisfaction with the outcomes of the initiative. Some groups (d) have used the initiative as a funding instrument without “buying” the LEADER method. There was a number of nature parks among them. Low performers (e) were particularly frequent in centralised governance contexts, crowded insertion spaces and among weak local partnerships.

LEADER II and its influence on the efficiency of rural development processes

- LEADER II proved to be a very adaptive programme. It accomplished different functions according to the socio-economic environment and to the prevailing system of governance. In remote Objective 6 and less structured Objective 1 areas, it strengthened social cohesion and the capacity to act in common; it led to a re-assertion of local identities. It generated confidence between local actors and institutions. In diversified and more accessible rural areas, LEADER II was used to integrate hitherto separated strands of activities, to create local and to link up to global networks, and to consolidate local value added chains by multi-sectoral integration and public-private cooperation.
- LEADER II brought administration and local actors closer together. In decentralised systems the contact between beneficiaries and programme administrators was better than in mainstream programmes. But even in these contexts superior hierarchical levels or external influences could cause considerable delays in funding decisions and payment flows.

- The comparative cost-effectiveness case studies revealed that the relationship between cost and direct output tended to be better in projects funded by LEADER compared to those funded by mainstream programmes, except in experimental, innovative projects, or if social and cultural factors not measurable in money terms were taken into consideration. The territorial ripple effects, which can be related to the application of the LEADER method, enriched the area's human and social capital.
- LEADER played a triple role, as a programme, a method and a philosophy. It had the capacity to raise spirits in a way as to mobilise local capital, voluntary work and community support which lowered the social and economic risks of people stepping forward on an unbeaten track.
- LEADER was able to unearth hidden potential in small niches; this was a marked difference to mainstream programmes and triggered the involvement of new actors in local development.

Summary answer to TOR question 2.1.1.a:

To what extent was the efficiency of rural development processes and measures influenced at all levels by the LEADER II method as defined by its specific features?

LEADER II was an efficient initiative. Its efficiency is grounded in four factors:

- its adaptability to every rural socio-economic and governance context;
- its capacity to bring local actors, administrations and support structures closer together;
- its ability to mobilise additional efforts of committed local actors;
- its responsiveness to small-scale activities and projects.

When it was not efficient, it was due to:

- a too short implementation time of the rural innovation programme;
- a disempowering administrative environment;
- the prior existence of similar initiatives at local level.

LEADER II and its influence on the effectiveness of rural development processes

- The effectiveness of LEADER II was very high in respect to the aims set by the European Commission: it has stimulated innovative measures at local level in all sectors of rural activity. The array of achievements was extremely wide: in IE there was less agriculture than tourism, in Scotland/UK there was more information technology than food processing, in the New Länder of Germany there was more village renewal than SME promotion. Many projects have differed from mainstream projects concerning their experimental character, their newness to the area and their capacity to mobilise unused potential.
- The effectiveness of LEADER II was rated higher by local actors in Objective 1 and 6 areas than in 5b areas. This can have to do with the more complex and less visible role of LAGs in Objective 5b areas, focusing more on immaterial investments.
- The successful implementation of the LEADER method was a success in itself, for it meant behavioural change.
- LEADER II has shown that the territorial approach can be very effective with modest amounts of money. It could provide solutions in terms of income and employment where other and more costly initiatives had failed. It introduced in the rural debate concepts such as transfer of know how, human capital, intangible factors, participatory approaches, innovation, integration between actions, networks, that were previously absent in the sectoral function and could stimulate a less assisted and defensive mentality, reducing the isolation of single rural areas.¹⁷⁰
- The comparative cost-effectiveness analysis case studies showed that the direct effects on employment and income tended to be better than in mainstream programmes, due to the promotion of micro-enterprise start-ups and of new services in the social and environmental sector. The same can be presumed upon the indirect effects on employment and income.
- The results of LEADER II have been widely disseminated and made known to the public interested in rural development and beyond that. In IE, one third of the rural population outside Dublin knew about LEADER. In PT, a ship chartered by the national network was selling local products from LEADER areas, anchored in the river Tejo during the EXPO in Lisboa. In some countries, LEADER has become or is on the way to become a brand name for endogenous, inclusive and sustainable rural development.

¹⁷⁰ The paragraph is a quotation from SARACENO E.. 2002 : Rural Development Policies and the Second Pillar of the Common Agricultural Policy. Discussion Paper, Bruxelles. We could not have expressed this in a better way.

- There was a growing flow of knowledge exchange and transfer between regions and across Member States, fostered by the European and national networking bodies put in place by the European Commission. Local actors learned to conceive local development in terms of projects, and they got used to strategic thinking, connecting the individual logics of projects for a common purpose.
- Local actors and programme administrators considered the initiative as a nursery for learning to co-operate; this was experienced at project level, in the local partnership, and in the administrative concertation process between three European funds and national co-funding.

Summary answer to TOR question 2.1.1.b:

To what extent was the effectiveness of rural development processes and measures influenced at all levels by the LEADER II method as defined by its specific features?

LEADER II was an effective initiative. Its effectiveness is grounded in four factors:

- the closing of the gap between a top-down programme and the local people, their needs, aspirations and potentials;
- a mentality change from passive to active attitude;
- the responsibility conveyed to local partnerships;
- direct and indirect effects on strategic issues: The pilot function for innovative diversification; a roughly estimated 100.000 jobs created or safeguarded in Europe's rural areas; environmental concerns integrated into social and economic development; income effects through new investments, employment, and an increase of tourist visits and stays; opening up new avenues for rural women to become lead actors in rural development.

When it was not effective, it was due to:

- a too short implementation time;
- a disregard of the bottom-up approach;
- a weak and unrepresentative local partnership.

LEADER II and its influence on the sustainability of rural development processes

- Local actors and even more so, programme administrators saw LEADER II as highly contributing to the sustainable development of rural areas.
- LEADER has proved to be applicable in all types of rural areas, regardless of the socio-economic or governance context. A distinction can be made between less or more diversified and structured rural areas.¹⁷¹
- The territorial approach contributed significantly to the re-valuation and exploitation of non-material and material local resources, which served as a fulcrum for innovation.
- The viability of measures has been ensured, where long term technical assistance close to the needs of beneficiaries was provided, which means up to 5 years in genuinely innovative projects.
- LEADER II contributed to diversifying the local economy in rural areas, particularly in connection with the agricultural sector and rural tourism.
- Although in many areas parts of the population were under- or overrepresented in the local partnerships, almost everywhere the LEADER initiative contributed to a relative enlargement of the public actively involved in rural development. LEADER II contributed to the integration of new participants and beneficiaries into the process of local development in rural areas, specifically the non-profit sector, which contributed to networking skills and contacts.
- In some regions the dominance of public authorities and the under-representation of the private, entrepreneurial sector was the cause for a lack of dynamics.
- Mixed partnerships striking the balance between the interests of the public, the private and the non-profit sector, ensured both organisational viability and transformative power in the best way.
- Learning to negotiate and to manage local development programmes can be regarded as one of the main effects of the LEADER initiative, but it depended from the extent to which the decentralised approach was applied.
- This learning effect at local level has been partly dissipated by the disruption of many groups after LEADER II and the subsequent depletion of staff; the practice applied in

¹⁷¹ Less structured areas rather belong to type 1,2,3,9 and (partly) 4, more structured areas to type 5,6,7,8 and (partly) 4. There are more Obj. 1 and 6 areas in area types 1,3,4 and 9, whereas the others more likely are Obj. 5b areas. From a governance point of view, free insertion spaces are more likely to be found in less structured rural areas, whereas crowded spaces for insertion can rather be found in more structured and diversified rural areas.

some countries to drop LEADER II LAGs and to endow new ones in LEADER+ proved to be dysfunctional in this respect.

- However, the lessons learnt during LEADER II concerning inter-departmental coordination was capitalised in administrations, where the staff remained in place.

Summary answer to TOR question 2.1.1.c:

To what extent was the sustainability of rural development processes and measures influenced at all levels by the LEADER II method as defined by its specific features?

LEADER II initiative contributed to the sustainability of development processes at local level. This effect is grounded in four factors:

- opening up new avenues for creating added value in rural areas and creating synergies between existing value added chains;
- capacity building at local level in and around the local partnership: *“Learning for accountability.”*¹⁷²
- the integration of environmental concerns into social and environmental development projects and the increased cooperation between public and private actors.
- the European, yet global perspective which was conveyed by the initiative. Local and regional agenda 21 processes were combined with LEADER programmes.

If the initiative did not contribute to sustainable development processes, it was due to:

- the disruption of the local partnership and of technical assistance through cutting funds abruptly at the end of the period, as well as a high fluctuation rate of key actors;
- the continued dominance of a single sector or of public actors in the local partnership;
- the relatively small size and impact of the intervention compared to other influence factors.

¹⁷² Expression coined by Elliot STERN during his key note address at the Fifth European Conference on Assessing Structural Funds in Budapest/HU, 26/27 June 2003.

9.2 The role of the local features of the LEADER method

According to the survey (Q202), the area-based strategy, bottom-up and partnership were the most “popular” features among local actors. The three features were also enhanced by a decentralised governance environment. Multi-sectoral integration and networking were more “advanced”, but less “popular” features. Innovation kept a middle position, as it integrates aspects of both sides.

9.2.1 Area-based approach

The local stakeholders’ own choice of the area was an important success factor, specifically in respect to multi-sectoral integration. The rigid delimitation of eligible areas has caused disturbances, as the boundaries cut apart territories with a common identity and separated rural towns from their surrounding areas.

Shared identities were among the most powerful driving forces for mobilising extraordinary efforts for local development.

Local actors saw the boost of the image of their territories as a remarkable outcome of the LEADER method.

9.2.2 Bottom-up approach

LEADER II has fostered participation and the inclusion of local initiatives into local development. This effect has been stronger, where decentralised management and financing has been implemented.

LEADER II has brought programme delivery (top-down) and the needs and aspirations of the local people (bottom-up) closer together than other rural development programmes.

LEADER II has raised awareness, but did not significantly contribute to the inclusion of the weakest parts of the population into the development process; however, many local partnerships were able to take up the challenge, to bring in and to manage complementary measures to meet those needs.

LEADER II was an investment in the social and human capital of rural areas; it raised the capacity for self-organisation and for harmonizing divergent interests; it broke mental models of helplessness and created confidence in the people’s own capacity to open new paths for the future of their territory.

9.2.3 The local group

906 Local Action Groups and 92 Other Collective Bodies were the fulcra of programme implementation under LEADER II, although a small number of groups in countries, where there were no effective procedures of selection or negotiation, never got started.

The partnerships, more than a half of which have been newly created for LEADER II, were the heart and the brains of the initiative at local level; the local group is the anchor point of collective learning and the memory of past experiences of success and failure.

In countries with less diversified and less structured rural areas, the LEADER groups tended to institutionalise as multifunctional local development agencies, whereas in more diversified and more structured rural areas, the LEADER groups, apart from some difficulties to find a functional niche, became coordination nodes and fora of concertation amidst a multitude of different programmes, initiatives and agencies.

The new role in local governance, which local partnerships acquired in decentralised systems, increased their accountability as a key player in local development; but it also put a burden on them. They had to reconcile administrative functions entrusted by the public authorities, with the transformative function close to the people; it was evident that a lack of resources led to a depletion of the animation staff whereas the administrative functions were inescapable: Action suffers, while administration persists.

9.2.4 Innovation

Innovation has been interpreted in a most pragmatic way as to provide “new answers to the problems of rural areas”.

There is a great number of outstanding projects, new to the own area and model-like to others, created under LEADER II.

The two major avenues of innovation were the (re-) discovery and valorisation of local (human, natural, technological) resources and the empowerment of people and organisations in rural areas.

In some areas, information and communication technologies have been successfully used to create new employment and to diversify qualification of rural people, specifically women.

9.2.5 Multi-sectoral integration

Multi-sectoral integration was difficult to achieve because of the sectoral logic of funding authorities and the dispersion of funding sources; it could best be achieved in already diversified areas and by a mixed, dynamic and dialogue-oriented partnership in the core of the development process; hence multi-sectoral integration was rather a consequence of a strategic focus than the cause.

It seems that agricultural diversification served as a basic pattern for multi-sectoral integration. It functioned better in areas where there was a living tradition of pluriactivity than in monocultural or economically dependent areas. In other words: where the production function of agriculture was too successful for a too long period of time, multi-sectoral integration is difficult to achieve. Where agriculture was practically abandoned and does not play any role in the local economy any more, it is difficult to achieve, either. Multi-sectoral integration meets better conditions in environments, where agriculture has been strong enough to survive, under conditions of vertical and horizontal integration and the maintenance of short distance distribution channels.

9.3 The role of the trans-local features of the LEADER method

9.3.1 Networking

Networking was an issue of the “master class” of LEADER groups; its fruits could be reaped by those having more experience in local development, which had consolidated partnership structures and “knew what they wanted”. The less experienced groups benefited more from regional networks and vicinity exchange.

The services of the European Observatory and the national networks were appreciated among more experienced and more qualified LEADER groups, because the Observatory could bring rural actors and programme administrators together to learn, to exchange and to create common views on the evolution of rural areas; seminars and dossiers of the Observatory have been widely appreciated, utilised and replicated by national networks.

The European Observatory conveyed what local actors and programme administrators called the LEADER “spirit” or “ethos” across national and cultural boundaries; it was a driving force for creating a common understanding and a common language for rural development and the LEADER method, which is the precondition for successful knowledge transfer.

The European Observatory, and to a certain degree also the national networking units, were not so successful in providing their services to the less experienced, less qualified LEADER groups.

Networking practices between local actors and administrators, but also between members of different hierarchical levels of the programme delivery chain, contributed to circumvent administrative burdens and avoid undue delays.

Networking is (an underestimated) vehicle for mainstreaming the methodological approach and the achievements of the LEADER initiative.

9.3.2 Trans-national cooperation

Measure C, trans-national co-operation, was appreciated as a fascinating field of activity, but too ambitious in the design; measure C did neither support intra-regional nor intra-national cooperation between LAGs; it aimed at joint projects, whereas the primary purpose of the LAGs was exchange, learning and know-how transfer. The technical assistance funding from the European Observatory was helpful, but deemed over-bureaucratic.

Deliberate administrative support for trans-national co-operation was more an exception than the rule; measure C was generally delayed and its budget was reallocated to measure B in many countries.

Although many projects have failed in respect to their official, too ambitious targets, trans-national cooperation was successful in respect to the implicit aims: Opening minds, fostering exchange, enhancing learning and transfer of knowledge.

9.4 Conclusions on the contribution of the specific financing and management procedures to the added value of LEADER (TOR 2.3.4)

9.4.1 The complexity of LEADER II

According to the opinion of national and European evaluators, based on many interviews and on the majority of case studies, LEADER II was, taking into account its relatively small budget, a rather complicated way to get funded. The complexity seemed to have filtered out applicants with a low level of commitment to their purpose. In some reported cases they either desisted or turned to other funding sources. On the other hand, the complexity was accepted because it was attributed to the specific characteristics of the project which would not get other funding from standardised large scale funding schemes. Ironically, the complexity of programme delivery acted as an invisible hand in favour of complementarity and for selecting the most committed project promoters.

There was complementarity with mainstream Structural Funds programmes, as the LEADER projects were mostly small-scale, more experimental and included new types of beneficiaries, e.g. from the non-profit sector. At local level, some LAGs acted as local development agencies operating on other Community initiatives (INTERREG II, ADAPT, NOW).

The quality of programme delivery was influenced by three main criteria:

- the relative socio-institutional distance between different players of the programme delivery chain (e.g. between beneficiaries and the LAGs; between the LAGs and the managing and payment authorities; between the LAGs and the networks and other support structures). The respectively weakest link determined the total quality of programme delivery;
- the concentration or dispersion of funding sources (the three EU funds, and the corresponding national matching funds). Programme delivery was better, if funding sources were concentrated in the lowest possible number of decision nodes, and if the matching funds were negotiated in advance;
- the ability to shortcut the administrative complexity by more or less informal intra-hierarchical networking, with the responsible programme manager as the spider in the web; LEADER II triggered a learning process for administrative stakeholders in respect to horizontal and inter-departmental coordination.

9.4.2 Coherence between the LEADER method and the available resources

In general, the coherence between the LEADER method and the available resources was not at its optimum because of:

- the complex, multi-tiered decision making processes;
- the management of three funds plus local part-funding to be dealt with for a relatively small programme. The management of three funds caused considerable coordination problems;
- a too short time for implementing the rural innovation programmes (measure B) due to cumulative delays in the start-up period;
- gaps between the funding periods from LEADER I to LEADER II to LEADER+, which led to the depletion of staff and the disruption of many LAGs with subsequent loss of the gained experience.

On the other hand, the programme was sufficiently adaptable in order to fit into the governance systems of Member States and regions, although there was not always a seamless integration. In some countries and regions, pre-existing functioning schemes were replaced, and in others

the LEADER initiative was simply absorbed by the pre-established structures, losing its particular thrust.

9.4.3 Cost-effectiveness of LEADER II compared to other Structural Funds or rural development programmes

The findings from 10 in-depth studies on the cost-effectiveness of LEADER II (see Volume 3) in which LEADER-funded projects have been compared with projects funded from mainstream Structural Funds or national programmes, revealed the following features¹⁷³:

- less investment and less public funding per direct output in general, but more investment per direct output in very new, innovative projects than in mainstream programmes (DE, GR, IT, NL, SE);
- more intensive technical assistance, but less continuous and sometimes less embedded in established structures than in mainstream programmes (AT, DE);
- more private share, more commitment and voluntary work of the project promoter than in mainstream programmes. (GR, IT, NL, SE);
- same or more complicated approval and payment procedures than in mainstream programmes (AT, IT, SE);
- territorial effects and side benefits larger than in mainstream programmes (FR, IT, NL, SE);
- personal qualification of project promoter much better than in mainstream programmes (DE, NL, SE);
- more area-based and innovative than in mainstream programmes (AT, DE, IT, NL);
- more model-like than in mainstream programmes (FR, IT);
- more permanent employment and income effects than in mainstream programmes (DE, GR, IT, NL);
- more impact on behavioural change than in mainstream programmes (IE).

¹⁷³ For the detailed analysis, go to Volume 3 and see the studies whose locations are indicated in brackets.

9.4.4 Contribution of decentralised management and financing to the added value of LEADER II

There is a clear relationship between the extent to which the vertical feature was implemented and the extent to which the local features were implemented. The latter can be seen as a consequence of the former. The approach instigates institutional and organisational learning. Once some experience acquired, the approach leads to much better results.

The decentralised management and financing has shown more direct effects in Objective 6 and 1 areas, less so in Objective 5b areas. This can have to do with the fact that it has been less implemented in 5b areas, but also, that in more structured and diversified areas the message of this approach is overheard, at least for some while.

Summary answer to TOR question 2.3.4:

To what extent did the specific financing and management procedures contribute to the added value of LEADER II? (The answer to this question must include a selected number of comparable projects from among the activities most financed under LEADER II and a cost-effectiveness analysis of those projects in relation to comparable mainstream activities).

The quality of programme delivery was influenced by (i) the frequent interaction between different key actors in the LAG and the administration at different levels; (ii) the concentration or dispersion of funding streams, i.e. the three EU funds, and the corresponding national matching funds; (iii) shortcutting the administrative complexity by more or less informal intra-hierarchical networking, with the responsible programme manager as the “spider in the web”.

The decentralised management and financing has proved to be the main trigger for organisational and institutional learning at all levels. It created the seedbed on which the LEADER method could be implemented in local development of rural areas. The partnership played the pivotal role in transforming the principle down to the local level, where it manifested itself as the bottom-up approach.

The comparative case studies on cost-effectiveness revealed a number of advantages of the LEADER initiative, concerning (i) the investment required to achieve a certain output, (ii) the leverage effect on private investment, (iii) the employment effect, and (iv) the impact on behavioural change. LEADER projects required more technical assistance and were more sensitive regarding its premature expiration. They laid more emphasis on capacity building and qualification of project owners and were more innovative than the compared projects funded by mainstream programmes.

9.5 Mainstreaming LEADER

Following a definition of the European Commission,

“Mainstreaming generally describes the transfer to and integration in the wider policies of the European Union, the Member States and/or the regions, of the lessons drawn from a particular experience or innovation. ‘Mainstreaming LEADER’ is the phrase used to describe the transferring of part or all of the LEADER approach to mainstream rural development programmes...” (EUROPEAN COMMISSION 2003, p.1f.)

Mainstreaming can mean:

- the transfer of HOW a programme was designed and carried out, or
- the transfer of WHAT has been developed or achieved as an outcome of the programme.

Mainstreaming may happen on a

- macro-scale: The area-based approach, policies, strategic orientations, measures;
- micro-scale: Individual or combined features of the method, tools and pilot projects.

Mainstreaming is a broader term than transfer, although the terms are often used synonymously. Transfer of programme elements is a component of mainstreaming, which means replication, multiplication, diffusion, dispersion...

Although a thorough evaluation and reflection process may lead to the explicit transfer of successful approaches and practices, mainstreaming can also be the outcome of good intra-hierarchical networking, driven by a common commitment for a specific governance approach. It is also conveyed by officials who climb up the hierarchical ladder or who switch to other services, where they find a new space for applying what they learned at their former work place. Last but not least, it follows trends and fashions. It is the magic of words – and words like bottom-up sound very well in the ears of the public. If they are proclaimed again and again, they may turn into real action, although it is observable in many cases that the discourse is well adopted, but not the practice.

The following overview, referring to the macro-scale type of mainstreaming, is based on interviews with national and regional interviewees (Q34), including most national and regional evaluators. The overview does not pretend to be complete. It is rather exemplary and indicative.

Country	Mainstreaming of LEADER method in national programmes	Observations
AT	Article 33 of the Rural Development Plan Specific regional programmes (Tirol) Regionalmanagement (Tirol)	Innovative and multi-sectoral integration was adopted to promote village renewal, landscape preservation, processing and marketing of local, farm-based products. Regional institutions replicated the start-up of IT-based enterprises and qualification schemes. Long term contractual arrangements between LEADER+ groups and the mainstream "Regionalmanagement" system (partnership-based, permanent local development agencies)
DE	Territorial competitions like "Zukunftsregionen" or "Region Aktiv", promoted by Federal Ministries Bavarian competition for sustainable land management Saxonian village development programme Regionalmanagement (Hessen, Mecklenburg-Vorpommern, Saxonia) INTERREG IIIA (Sachsen/DE)	The competitions took up the innovative approach at a strategic level. Village development based on local partnerships. Creating lasting partnerships and coordination nodes, independent from funding periods. INTERREG IIIA uses the same structural set up as LEADER II.
ES	PRODER: LEADER type programmes, using EU resources.	PRODER groups ensure the territorial coverage with local action groups. PRODER took up all features but trans-national cooperation.
FI	POMO and ALMA: LEADER type programmes for rural development, both using EU resources. There are now 25 LEADER+ and 34 POMO or ALMA groups	All features except networking and trans-national cooperation were transferred.
FR	Politique des pays Global budgets in Objective 2	The bottom up approach was already used before LEADER. The pays and LEADER mutually influenced each other. Multi-sectoral integration proves to be difficult. The logics of different funds are always difficult to reconcile.
GR	Mountain area special programme within the Rural Development Programme (Thessalia)	All features but trans-national cooperation, networking and decentralised management and financing, which continues under LEADER+

Country	Mainstreaming of LEADER method in national programmes	Observations
IE	Other local development programmes, structures and agencies National mainstream rural development measure funding LEADER type action groups Area Partnership Programme	The tripartite structure of partnerships and the concept of community participation have been adopted by other local development programmes and structures The trans-national cooperation has been also taken over by the national mainstream rural development measure. Multi-sectoral integration has not been widely understood, and also networking is not widely adopted, except on an informal basis. The Area Partnership Programme has adopted the decentralised approach. Other local partnerships are reluctant to take over financial responsibility.
IT	Parts of Objective 2 programmes: Territorial Integrated Project (indirect mainstreaming via the Territorial Pact) Rural Development Plan (Reg. 1257/99) Territorial Pacts Regional Plan for Employment (Sardegna) Integrated Area Plans (Piemonte, Sardegna)	The Integrated Area Plans are carried out by intermunicipal partnerships, but there is no animation and no proper management of funds. Administrative and financial management is not decentralized. The result is underspending.
SE	Government bill on regional policy: Local programme for entrepreneurship and local development (Bennypengarna).	Some components (bottom-up, innovation) were integrated into the programme.
UK	Rural development programmes, e.g. Rural Enterprise Scheme Some Objective 1 (Community Economic Development/CED) and Objective 2 programmes	There are already too many overlapping partnerships, and there is an attempt to rationalise the roles and to improve communication between them. Multi-sectoral integration is hampered by bureaucratic restrictions. European Rural Exchange in Objective 2 programmes took up the networking. Scottish Objective 1 implementation (innovation, multi-sectoral integration) hampered by excessive administrative demands and rigid application of SF regulations. Networking was generalised in the Scottish Highlands with the local economic fora.

9.6 From LEADER II to LEADER+

The interviews with programme administrators and the focus groups with LAGs were held during LEADER+ implementation. Obviously the participants saw their experiences through the lens of the current situation. Their indications concerning the changes from LEADER II to LEADER+ provide hints on how the lessons of LEADER II have been capitalised in the different Member States. The following theses integrate the views of the evaluation team and of the interviewed programme administrators and experts at national and EC level.

Thesis 1:

LEADER+ procedures became easier for the programme administrators but more bureaucratic for the LAGs.

The administrators have drawn their lessons from the previous period. As professionals they have rationalised their systems and improved cross-departmental coordination. The processes are shorter and more concentrated (DE). Administrative tasks have been moved to the LAGs. Specifically smaller groups are struggling with the requirements, for which they have not been really prepared (FI). Some of them complain that they have been assigned as animators and developers, ending up as accountants. Projects get shifted to other funding lines or applicants drop them at all to avoid the burdensome procedures (AT). In GR, the monitoring and payment responsibility passed from the Prefectural Committees to the LAGs, thus marking a further step towards decentralisation, which was meant to speed up programme delivery. But it turned out to be a two-edged sword: the monitoring and reporting requirements multiplied and administrative work increased for the Greek LAGs.

Thesis 2:

The processes of local development become more professionalized, sometimes technocratic so that the decentralised approach gets reversed in some countries.

The relationships between local actors and programme administrators on one side and local beneficiaries on the other side become more technical, professional, and less driven by a common commitment (FI).

There is less local mobilisation and village development, LEADER projects are now much more similar to mainstream projects than before (SE). PT reports a loss of strategic orientation in spite of the thematic approach, which was felt as too much top-down also in NL, and as a hindrance to multi-sectoral integration in IE.

Another consequence is a better coordination of different services (PT), the stricter orientation on quality indicators and more competition in the selection of groups and projects (DE). The administrative simplification and more formal approval procedures lead to a re-centralisation (DE). Strong top-down orientation in the selection of local groups is reported from NL. In GR, the

choice of the area, under the LAGs' responsibility in LEADER II, has been carried out by the regional administrations in LEADER+. In contrast to LEADER II, they excluded rural towns from the programme (GR).

Thesis 3:

Mixed private-public local development partnerships become a standard concept.

LEADER groups – or similar partnership-based local development agencies – become standard institutions operating within a growing complexity of local development programmes, initiatives and agencies not only in rural, but also in urban areas. Partnership-based intermediary local/regional development agencies – descended from LEADER or not – take over tasks from LAGs and regional administrations (e.g. monitoring, technical assistance etc.). The integration of relevant stakeholders has become more complete and more intensive so that partnerships become more representative (DE, GR). Mono-sectoral collective bodies are no longer supported by territorial funding lines.

In some countries the authorities supported new groups and let the others be funded by other means or just left them alone. This strategy produces negative effects: the new groups cannot draw on the experience of the others (Sachsen/DE), or are excluded from trans-national cooperation, which they already had started (FI).

Thesis 4:

The European dimension is damaged by the absence of the European Observatory.

In spite of its mandatory character, trans-national cooperation seems to overload the coordination capacities of national networking units (NL, SE). The attempts of national networking units to help in partner search, to organise meetings, and to support early phases of common planning, cannot substitute the European dimension. Most cooperation projects started at European seminars, with the help of the Observatory database, or with an advertisement in the "info-Leader" .

9.7 The value added of the Community Initiative LEADER II

■ Cohesion added value

The local actors and the programme administrators at all levels conceded a high value added to the Community Initiative LEADER II, both compared to other Structural Funds programmes and to other national funding schemes. LEADER provided useful, tangible and sustainable answers to the specific needs of rural areas.

The European value added of the initiative is seen in the trans-national dimension, in other words in European networking and border-crossing territorial cooperation.

■ Operational added value

The LEADER initiative has unleashed hidden and abandoned potential in rural areas. It empowered local actors to meet the challenges of a globalised economy by experimenting new ways on a small scale with relatively small funds, but great visibility and demonstrativeness.

It has helped to establish local partnerships in several hundred European rural areas, which could become fulcra for future rural development strategies, following a consistent area-based approach.

■ Learning added value

The LEADER Initiative can be regarded as a “learning software”, flexible enough to be translated to all rural areas; according to the needs it can be used to dynamise and to structure the area, as it provides tools for each of these functions.

Respondents at all levels regretted the non-existence of a European Observatory. Its absence poses barriers to trans-national cooperation in LEADER+. The advent of an enlarged European Union makes a networking node at European level indispensable for disseminating the rich experiences in endogenous rural development gained in the EU15.

■ Policy added value

The specific features of LEADER have not been invented by the initiative; but it applied them in rural development for the first time, in an integrated and consistent manner. In many Member States the operational principles of the LEADER method or the whole approach (except the trans-local features) have been generalised in rural development mainstream programmes. They have also been emulated by other initiatives using a territorial approach for tackling specific problems, e.g. unemployment.

The ultimate value added of LEADER II might lie in its capacity to trigger a mind shift regardless to national, cultural or language barriers. The LEADER II initiative helped a European-wide school of thinking to arise, connected through a common “ethos” or “spirit” which is based on a set of principles and beliefs how local development should be done in rural areas. Summing up in the words of a Finnish official,

“one of the most remarkable accomplishments of LEADER II is the change of attitude. The level in consciousness has increased from grass-root actors to regional or state officials.”

9.8 Recommendations

In conformity with the terms of reference, the evaluation team addresses the recommendations to the Community level. The recommendations concern three levels:

- The specific features of LEADER
- LEADER, a self-learning programme
- Integrating the lessons of LEADER II into future rural development programming

9.8.1 The specific features of LEADER

R1: Area-based approach: Apply a flexible definition and handling

The size and delimitation of the area should be adapted to functional criteria defined by project requirements and identities activated by different types of projects. Rural areas are theatres of multiple identities. This word should not be used in singular. The growing complexity of programmes, initiatives, measures and development agencies makes it possible to tailor the size and delimitation of the territories according to the logic of projects.

Rural towns and urbanised parts should be included. An alternative way would be a mutual participation on development boards of the rural and the urban part of the territory.

The plausibility and feasibility of pilot projects which are essential for the strategic choices made by the group, should be examined in advance.

There is no area and no strategy which cannot be divided into sub-areas with sub-strategies. This axiom should be sufficiently taken into account.

R2: Bottom-up approach: Focus on bottom-up strategy development rather than on detailed top-down planning.

The bottom-up principle should be strengthened. Local groups need to be encouraged to specify their own development themes, and this needs time. Time is the most valuable resource for the bottom-up approach. A funding period should not be less than five years, but each local programme should be embedded in a strategic vision reaching over ten years or more.

Thus there would be two time frames: One for the operational programme, and one concerning the strategic vision to which the operational programme contributes. Both the strategic vision and the operational plan need to be regularly revised in a rolling process. Planning and implementation should be seen as parallel, not sequential processes. This type of planning is highly communicative. Plans serve as communication tools which need to be understood by the public. Moreover they should not be too deterministic, prescribing a path to be followed, but rather remain flexible in order to offer options or alternatives if conditions change. The local partnerships should therefore put their focus of attention more on “steering” than on “planning”.

R3: Local groups: Capacity building for enabling to act as leaders in local development strategies.

The evaluation has shown that local action groups have developed substantial capacity in strategy building, project development and coordination. Local groups should be supported in capacity building to act as leaders in local development strategies. The evaluation has shown that local action groups have developed substantial capacity in strategy building. Two essential functions of partnerships can be identified:

- a local coordination node and agency for a multitude of area-based, sectoral or other specific initiatives, measures or funding schemes;
- a vanguard for innovation and for experimenting new paths of development.

The two functions follow different logics and they might, in more diversified and complex rural areas, be better achieved by different, but well coordinated entities.

The first function requires permanence and independence from specific programmes, initiatives or funding periods. Partnership-based local development agencies should be both co-financed by mainstream programmes and by local contributions. They would take over decentralised administrative functions, e.g. in approving projects and monitoring programme advancement.

The second function might be embedded in or connected with the permanent structure, but not necessarily. It may operate on a lower territorial scale, closer to the people. It should be funded by a new Community Initiative for rural development. It should focus on sensibilisation, animation and technical assistance for project promoters, and not be charged with

administrative tasks detracting their attention from the activities on the ground, or with control tasks which could collide with their role at the side of local actors.

An average LAG (30-70.000 inhabitants) integrating the two functions, should include 4 – 6 people for both animation and administration. The group's budget should reserve at least 25% for management, administration, technical assistance, sensibilisation and supervision. The regional networks should be better endowed for continuous peer learning and creative exchange. Support and guidance on the tasks of LAGs should be provided in order to transform them into learning organisations.

R4: Innovation: Make the initiative a true laboratory for rural development.

- The new initiative should become a true laboratory for rural innovation. Innovation needs an enabling environment and time. Like mentioned above, the funding period should last at least five years, counted from the starting date of the contract with the local group. Separate budgets should be held for risk funding for very experimental projects. Project promoters should receive advance payments of at least 30% and benefit from simplified application procedures. After funding, innovation has to be capitalised upon by appropriate follow-up and learning mechanisms.

R5: Multi-sectoral approach: Let the local partnership become a representative picture of the local society.

The local partnership should become a seedbed for real multi-sectoral integration. The partnership should have a tripartite structure including the public, private and non-profit sector. The supervising board should comprise between 30 and 40 partners, the executive board between 3 and 7 members. Flexible working groups operate at the second level, as a fluid transition zone between the institution and the local population.

The partners in the LAG should always ask themselves whom they do not or not enough represent. At times “forgotten” partners might be uncomfortable contemporaries, but their inclusion would possibly boost the innovative capacity of the group. The partnership should maintain good communication links with its institutional environment and use the networking circuits of the individual partners.

Multi-sectoral integration is co-created by dynamic entrepreneurs from bottom-up and by flexible, solution-focused administrators from top-down. Networking, training and qualification measures should aim at bringing these people together as often as possible.

R6: Give more resources to demand-oriented networking at all levels.

Demand-oriented networking at all levels should be given more resources. Regional networks should be supported to become the primary address for mutual learning, exchange and cooperation between adjoining territories. National networks should work on specific themes which interest a minimum number of local stakeholders and which may vary over time. They should serve as hinge-joints between local groups and programme administrations, catalysing institutional learning. Before the start of the operational programmes in the Member States, a European Rural Observatory should be established, in the form of a service contract which integrates information and communication, learning and exchange, networking, thematic and methodological reflection and technical assistance to trans-national cooperation. The Observatory would act in a more demand-oriented mode concerning the old Member States and in a more pro-active mode for building up networking structures with and between new Member States.

Administrations should be more actively involved into all networking structures.

Apart from the internal orientation, networks should be used as gateways for rural areas, to affirm and to promote specific skills and know how, products and authentic images of rural areas to the urban and global society.

R7: Decentralised management and financing: Simplify procedures along the whole delivery chain.

A sound simplification strategy involves the whole chain of bureaucratic procedures instead of shifting the burden to the lower level of programme delivery.

■ **General principles**

Common standards – or rather: principles, not to be applied in a formalistic way – for programming, monitoring and evaluating are helpful for comparison of experience, results and innovation transfer, and to make the “Community nature” visible.

At programme level, different funding programmes aiming at similar objectives should be pooled and be operated by the same administration within not too narrow boundaries of eligibility. European and national or regional match funding should be packaged in advance. It should be possible to combine the funding instruments with one another, e.g. labour market or environmental preservation schemes. Appropriate common formal rules for eligibility and financial management are necessary to reduce the risk of arbitrary decisions or actions, thus providing legal security for the Commission, the Member States, the regions and the local action groups.

The basic set of formal rules should be established before starting work and remain as stable as possible, to avoid confusion, irregularities and misunderstanding. This applies for both uniform EU rules (in the interest of Member States and regions) as well as national variations (in the interest of the European Commission).

The necessity to keep administrative efforts (= cost) practicable, framework programmes for a future initiative should be set up at national level, defining the boundaries of relevance for LAG proposals. The regions should play a strategic role in LAG selection, programme implementation and monitoring. Harmonisation between regions should be fostered by coordination meetings at national level.

■ **Revised distribution of responsibilities and tasks**

The EC should provide a framework for programming, evaluation, partnership, sound and efficient financial management and eligibility rules. This framework should be uniform, but there should be room for variation in how to meet these standards in different (national, regional, geographical and institutional) contexts and for programmes and local action plans of different volume and content.

The Member States should define detailed standards on cost eligibility, financial procedures and control mechanisms. These should be translated into clear, understandable national guidelines, which then should be operationalised by the LAGs wishing to participate in the initiative, in collaboration with the regional administration and other intermediary agencies.

Financial procedures should be decentralised. LAGs meeting the accountability criteria for local partnerships should receive a global grant to be allocated according to their approved business plans, with five years minimum duration, embedded in a strategic orientation looking beyond a 10+ years horizon. The Member States would control and supervise the process.

Control procedures should be standardized and certified by the Commission, but actual control should be the sole responsibility of the Member State.

■ **Capacity building, transparency and simplification**

Training and support should be provided for the LAGs to enable them for financial management and administrative tasks as mentioned above.

Clear guidelines on procedures, eligibility and timing should be given in form of a LEADER handbook for Member States and LAGs.

Administrative procedures should be accelerated by concentrating competences and by assigning help desk officers in each region for urgent issues raised by LAGs.

A small set of common core indicators should be defined and guidelines provided on their operationalisation, so that trans-regional comparison is possible.

9.8.2 LEADER, a self-learning programme

R8: Separate learning from impact evaluation.

Learning should be separated from impact evaluation. Learning should be organised in focus groups meeting regularly at LAG and programme level from the mid term review on. At LAG level these groups contribute to continuous self-evaluation and adaptive learning. They should be consistently supported by qualified facilitators via the regional networks and be paid from the programme budget. In the final phase of the funding period, external evaluators would join the focus groups to lead a strategic reflection whose outcomes feed directly into the programme level, where a similar focus group is set up. The focus group at regional level should play a central role in the on-going evaluation which might focus on specific themes, such as the sustainability of projects. We could call the described structure a two-storey focus group architecture. Their observations and recommendations should be synthesised at national level and eventually lead to structural changes, to be immediately introduced into the follow up programme.

There is a strong demand for more methodological guidance for **self-evaluation**, which the Commission should provide like it did with the MEANS handbooks for good evaluation practices.

Impact assessment should be carried out between two and three years after the end of the programme. This evaluation would serve for assessing the implementation and the results and for estimating the impact of the initiative. The assessment would be based on a few relevant process and result indicators. The records of the focus groups and the learning process, which happened two years before, should be taken into account, as well as the monitoring data collected at programme level, accounted for each group. Surveys on LAGs should not comprise more than a number of 40 questions regarding indicators. The regional impact evaluations should then be synthesised at European level. In addition, the European impact assessment could be complemented by comparative case studies, for which programme administrations and LAGs could be approached. The European evaluation should not address the LAGs with questionnaires for representative surveys.

The results of the impact analyses at programme and EU level would feed into the next but one programme. Ideally, the impact assessment can be combined with the mid-term review of the immediately following period. If this were possible due to timely coincidence, it should certainly be done.

R9: Ensure a consistent framework of monitoring, learning, assessment and control.

The impact assessment as described above is part of a consistent architecture which starts with the ex ante evaluation. It should serve to establish a coherent framework of a few process and result indicators which should constitute a systematic, robust basis for monitoring and the mid term and ex post evaluation.

There should be a **consistent framework of monitoring, learning, assessment and control**. At the outset, the European Commission should, after consultation with Member States, set up a restricted core set of, say, 12 to 16 qualitative and quantitative indicators and give guidance to Member States for monitoring as an integral part of their call for programmes. The core indicators¹⁷⁴ should relate to:

Territory: (i) Population; (ii) Area size; (iii) Location (country, region) and type (Structural Funds objective, geographical type);

Governance context: (i) Degree of autonomy; (ii) Quality of administrative support;

Strategy: (i) Bottom-up methods; (ii) Networking; (iii) Learning practices (Self-evaluation, internal qualification measures, % of qualification measures in local programme); (iv) communication policies;

Financial data: (i) Initially budgeted and final expenses per measure and priority; (ii) Share of private co-funding;

Partnership: (i) Years of existence and type (composition, legal form); (ii) Nr. and qualification of staff (management, animation); (iii) gender composition of board and staff;

Impact: (i) Employment; (ii) Value added (sales, visitors).

Additionally, the Member States enrich the list with indicators they find indispensable for their own purposes, and put them down in the ex ante evaluation. Finally, the LAG, that finds it useful and significant, may add its own indicators .

Each business plan will then operate on a threefold, onion-type set of not more than 40 European, national and local indicators, the monitoring of which is shared by national, regional and local partners.

¹⁷⁴ The list should be read as a first approximation to a “balanced scorecard” for local development in rural areas. The indicators should consist of quantitative data (i.e. population, expenses, gender composition), types (i.e. type of area, type of partnership) and inter-subjective judgments from focus groups (i.e. bottom-up, networking, learning practices), accompanied by their and their evaluators’ qualitative interpretations.

Indicators systems have to be examined and revised for each programme period. The networking bodies should play a role in explaining and instructing all stakeholders to obtain satisfactory use of evaluation tools and results from both learning and assessment cycles.

There should always be a meta-evaluation and strategic reflection at national level, even in case of regional programming. This would foster the dissemination of structural innovations to other regions. The European Commission would be better informed about the lessons learnt in the different countries.

9.8.3 Integrating the lessons of LEADER II into future rural development programming

R10: The question is not whether the Community Initiative should be continued or be built into the Rural Development Programmes. Both should be done.

With regard to the

- needs of the diversified, more prosperous rural areas of the old Member States, an experimental, forward thinking programme is needed in order to encourage activities which combine the mission to preserve natural and cultural resources and to provide a viable living space for the population with strengthening the economic competitiveness and benefiting from and contributing to the global knowledge society,
- needs of still disadvantaged rural areas of the Old Member States and the overwhelming majority of rural areas in the New Member States,

a **Community Initiative for Rural Development** should be maintained. It provides funds for experimenting new ways of development, according to the respective situation in the rural area; new solutions to existing (and future!) problems should be enhanced by a deepened implementation of the LEADER method. In order to ensure that the more advanced, diversified and mature groups can serve as models for others, a European networking body should be established, that, together with its national counterparts, provides the nodes and channels for intensive exchange, knowledge transfer and learning. With regard to the double function of local partnership-based development agencies – action and administration –, it should be ensured that the local action groups are not stifled by administrative tasks linked to the new responsibilities. In principle three types of structures are imaginable:

- (i) The decentralised management and/or financing is carried out by a body completely separated from the local group responsible for animating local development activities.
- (ii) One or more local action groups entrust certain standardised tasks (administration, funding, monitoring) to other, more or less connected partnership-based bodies.

- (iii) There is one local action group fulfilling all, administrative and activating functions, keeping those functions independent from each other, both being endowed with sufficient resources.

The LAGs should continue to function as focal points where common visions emerge and strategic thinking prevails, where projects are conceived and supervised, and where local people are welcome and get attention whenever they come up with more or less unconventional ideas. This requires sufficient management and animation staff, capable to sensitize the local society, to unearth new ideas that can be turned into development projects, to capitalize on the innovations made, and to provide space for a continuous strategic dialogue between local stakeholders and a growing part of the population willing to participate in local development.

The new Rural Development Programmes should at least comprise two measures that would make the new Community Initiative more effective:

- (i) Mainstreaming the results: Co-funding projects whose experimental and start-up phases have been tested out under the new Community Initiative, provided they have been proven feasible and useful to be enlarged, continued or replicated at a wider scale;
- (ii) Mainstreaming the partnership principle: Co-funding permanent partnership-based local development structures in rural areas accomplishing the above mentioned tasks linked to decentralised management and financing, such as project monitoring, accounting, information management, as well as on-going training for programme administrators and local stakeholders, communicating rural development issues and achievements to the public.

The Rural Development Programme should include a LEADER prime, which means, that the budgetary endowment is increased according to the extent to which the country or region builds the LEADER method into the mainstream programme, specifically the bottom-up, the multi-sectoral approach, networking and accompanying qualification instruments.

R11: New Member States need a space for experimenting new and authentic ways of development.

Instead of trying to focus on the development of the own potentials, the immediate reaction of rural stakeholders in the new Member States will, in many cases, be the imitation of “successful models” of old Member States. This assimilation process would not enhance the richness and diversity of these areas. In fact, there is a real danger that in a few years much of the cultural, human, social and productive potential of the rural areas in new Member States will have vanished.

The new Member States need a space for experimenting new and authentic ways of development. Instead of trying to imitate the “successful models” of old Member States, a LEADER-type initiative would be an excellent, and maybe the only effective instrument to create this space of experimentation in their rural areas.

R12: Rural development must transcend the rural.

The future of rural areas is determined by evolutions in the metropolises. Therefore it is necessary to extend the dialogue, partnerships, the transfer of innovative practices, multi-sectoral integration, networking and inter-territorial cooperation to cities and semi-urban agglomerations.

Rural initiatives should try to forge new alliances with consumer initiatives relating to food, land and resource use, transport and energy issues, migration and other challenges which require new solutions beyond the rural. This movement should be supported by appropriate means of funding.

CHAPTER 10: GLOSSARY AND ABBREVIATIONS

Adequacy	The fit of the implemented structures and processes to the system in place.
A.E.I.D.L.	European non-profit association located in Bruxelles. Acronym for “Association pour l’Échange des Informations sur le Développement Local ». It has operated the LEADER II Observatory (see this) between 1995 and 2001, after having been contracted for coordinating the « Cellule d’animation » for LEADER I.
Area-based approach	One of the operational principles of the LEADER method. As opposed to a sectoral approach, development is focused on a specific territory, on a better use of endogenous resources, on horizontal integration of local activities, on common identities and on a shared vision for the area.
Behavioural objective	Term used in the ex post evaluation to designate a desirable way to act collectively in the context of local rural development. A behavioural objective is achieved, if a relevant number of social and economic local actors operates and interacts in a way that corresponds to the quality criteria of operational principles (see this).
Bottom-up approach	One of the operational principles of the LEADER method. It means the active participation of all interested people and organisations in planning, decision making and implementation of social and economic development.
CAP	Common Agricultural Policy of the EU. In the political jargon it consists of two “pillars”: The first and much more important pillar, comprises farm support, direct payments and investments in the agricultural and forestry sector; the second pillar refers to rural development, regardless to the sector. LEADER is an initiative belonging to the second pillar.
Coherence	Adequacy between the planned objectives and the resources allocated to the operation.

Community Initiative	According to Art. 5 of Regulation 2052/88 and Art. 11 of Regulation 2082/93 the European Commission can propose to Member States to participate in activities which are of specific interest for the Community. There were 13 CI in the Structural Funds period 1995-1999. They have been reduced to four (LEADER+, INTERREG III, EQUAL and URBAN II in the actual period (2000-2006).
Context	Everything outside the boundaries of the system (see this) under observation.
Cost-effectiveness analysis (CEA)	Evaluation tool for making a judgement in terms of efficiency. The tool consists of relating the net effects of the intervention to the quantitative inputs needed to produce those effects. The judgment criterion might, for example, be the cost per unit of impact produced (e.g. the cost per job created). This unit cost is then compared to that of other interventions.
Deadweight	Change observed among direct addressees following the public intervention, or reported by direct addressees as a consequence of the public intervention, that would have occurred, even without the intervention.
Decentralised management and financing	Operational principle of the LEADER method, also called the vertical feature. It means to entrust the national and regional structures of Member States and local action groups as far as possible with the implementation of the LEADER initiative, reducing the Commission's role to the participation in a "planning and decision making partnership" at programme level. See also "global grant".
Dialogue	Dialogue is shared exploration towards greater understanding, connection, or possibility. See also: Structured dialogue.
Effect	Socio-economic change resulting directly or indirectly from an implemented intervention, be they planned or unplanned. Effects
Effectiveness	The fact that expected effects have been obtained and that objectives have been achieved. An effectiveness indicator is calculated by relating an output, result or impact indicator to a quantified objective. For the sake of clarity, it may be useful to specify whether one is referring to the effectiveness of outputs, results or impacts.

Efficiency	The fact that effects were obtained at a reasonable cost. An indicator of efficiency is calculated by dividing the budgetary inputs mobilised by the quantity of effects obtained. For the sake of clarity, it could be useful to specify whether the efficiency referred relates to outputs, results or impacts. The efficiency of outputs is called the unit cost.
Global Grant (GG)	According to Art. 6 of Regulation 2083/93, global grants are entrusted to intermediary bodies which are nominated by the Member State to the European Commission. These bodies may comprise regional development organisations and the grants are preferably dedicated to support measures for local development. The intermediary bodies have to be located in the respective area and carry out functions of public interest; they have to ensure appropriate participation of social and economic actors who are directly concerned by the proposed measures. GG have been offered to Member States as an alternative instrument to Operational Programmes (see this) for supporting the implementation of decentralised management and financing, the vertical feature (see this). The main difference to the OP consists in the commitment of the full budget for the local action plan instead of progressive payments. The details of implementation had to be negotiated between the Commission and the Member State. In LEADER II, the GG has been implemented in GR, IR, PT and Scotland (UK),
Governance	The act of governing: Governance refers to the process whereby elements in society wield power and authority, and influence and enact policies and decisions concerning public life, and economic and social development. Governance is a broader notion than government, whose principal elements include the constitution, legislature, executive and judiciary. Governance involves interaction between these formal institutions and those of civil society.
ICT	Information and Communication Technologies
Impact	A consequence affecting direct addressees following the end of their participation in an intervention or after the completion of public facilities, or else an indirect consequence affecting other addressees who may be winners or losers.

Innovation	One of the operational principles of the LEADER method. It means to give new answers to existing problems of rural areas, which provide added value and increased competitiveness to the rural area.
LEADER	Community Initiative for rural development. Operated by the DG AGRI, formerly DG VI. LEADER I (1991-1993), LEADER II (1994-1999), LEADER+ (2000-2006). Acronym for <i>Liaison Entre Actions du Développement Economique Rural</i> .
LEADER II Observatory	Operated by the A.E.I.D.L. (see this) on the basis of a contract with the European Commission, the Observatory has been established as a methodological instrument whose role was to identify, specify, validate and facilitate the transfer of innovations implemented in rural environments. The Observatory served as the hub of a network concerning the Community as a whole, working in collaboration with the National Networking Units (see this).
LEADER method	Alias: LEADER approach: The combined application of the LEADER specificities (see this).
LEADER specificities	Alias: LEADER features or specific features of LEADER: Eight operational principles (see this) having been described and defined by the LEADER II Observatory (see this): Decentralised management and financing, area-based approach, bottom-up approach, the local group (partnership approach), innovation, multi-sectoral integration, networking, trans-national co-operation.
Local action groups (LAGs)	According to a definition coined in LEADER I, LAGs are a combination of public and private partners jointly devising a strategy and innovative measures for the development (or one aspect of the development) of a rural area on the scale of a local community (less than 100.000 inhabitants as a rough guide). They are called LAGs after having been approved as such by the regional or national programme administration.
Local action plan (LAP)	The strategic document which served as reference basis for the selection of local groups by the authorities managing the operational programme. It can also be called “business plan” or “local (development) plan” or “local (development) programme”.

Local features	Term used in the ex post evaluation for the LEADER specificities (see this) “Area-based approach, bottom-up approach, the local group (partnership approach), innovation and multi-sectoral integration”. These features are represented by the local groups and their local development strategies.
Meshwork	Another term for network (see networking).
Multicriteria analysis (MCA)	Tool used to compare several interventions in relation to several criteria. MCA is used in the ex post evaluation of an intervention, to compare the relative success of the different components of the intervention.
Multi-sectoral integration	One of the operational principles of the LEADER method. It means either the combination of activities of different economic sectors or public and private activities in one project, or the strategic coherence between different projects.
National Networks	Alias: National (Networking) Units: Put in Place in all Member States except BE and DK during LEADER II, they were partly financed by the European Commission. They fulfilled tasks similar to the European LEADER II Observatory in respect to the national environment.
Networking	One of the operational principles of the LEADER method. It means the capacity and readiness for collective action together with other independent partners for a common purpose. In order to put the principle in opposition to hierarchies (of uniform elements), we can also use the word meshwork (of diverse elements). In reality meshworks and hierarchies are always combined and they constantly give rise to one another. ¹⁷⁵
Operational principles	Values or norms referring to process quality, i.e. on the way in which social activities are carried out. In the context of LEADER they are embodied in the LEADER specificities (see this). In the ex-post evaluation they are put as behavioural objectives (see this).

¹⁷⁵ De LANDA M. 1997: A Thousand Years of Non-Linear History. Swerve Editions, New York.

Operational programme (OP)	Pluri-annual planning document addressing socio-economic development in specific geographical or thematic areas (Art. 3 of Regulation 2083/93). OPs are submitted by Member States to the European Commission for co-financing in the framework of the Structural Funds (see this).
Other Collective Bodies (CBs)	According to the Notice to Member States for LEADER II, CBs are public or private (for example: Chambers of agriculture, industry, commerce, or crafts, cooperatives, business groups, groups of local authorities, non-profit making organizations), provided that their more specific activities relate to a plan for the rural development of a local area. They are called CBs after having been approved as such by the regional or national programme administration.
Outcome	Advantage or disadvantage which direct addressees obtain at the end of their participation in a public intervention or as soon as a public facility has been completed.
Output	That which is financed and accomplished or concretised with the money allocated to an intervention.
Partnership	One of the operational principles of the LEADER method: Temporary coalition of individual persons or collective bodies, based on a contract binding all partners under the same conditions and for the same purpose. See also "Local action group" (LAG).
Relevance	Correspondence between the aims of a programme or measure with regard to the specific needs of the beneficiaries (in the case of LEADER II: the rural area).
Result	Advantage or disadvantage which direct addressees obtain after the end of their participation in a public intervention, plus consequences directly or indirectly affecting them or other addressees. Results encompass outcomes and impacts.
SME	Small and Medium Enterprises. According to the Commission Recommendation of May 6th 2003, those are firms ranging between 10 and 50 (=small) resp. 50 and 250 employees (=medium) and an annual turnover of 2 to 10 (=small) resp. 10 to 50 M€ (=medium). Firms under 10 employees and 2 M€ turnover are called Micro-Enterprises. LEADER II has mainly aimed at creating and supporting micro- and small enterprises.

Structural Funds (SF)	According to Regulation 2081/93 the Structural Funds are financial instruments for supporting investments for socio-economic development in designated geographical and thematic areas, serving the cohesion policy of the European Union. Among the SF there are the ERDF (European Regional Development Fund), the ESF (European Social Fund) and the Guidance section of the EAGGF (European Agricultural Guarantee and Guidance Fund). All three funds were contributing to the Community Initiative LEADER II.
Structured dialogue	Real dialogue (see this) can often be better achieved through some structured process, which requires external guidance and facilitation.
Sustainability	The ability of effects to last in the middle or long term. According to the UN definition, sustainability means “meeting the needs of the present generation without compromising the ability of future generations to meet their own needs.”
System	A whole consisting of interlinked elements, separated from the environment or context (see this) by a boundary. A cultural system such as a region or LEADER area can be defined by temporal, spatial and social parameters.
TOR	Terms of reference for this evaluation.
Trans-local feature	The term used in the ex post evaluation for the LEADER specificities (see this) “Networking” and “Trans-national co-operation”. It refers to interactions between local partnerships and their local development strategies.
Trans-national cooperation	Measure C of LEADER II. Cooperation between an indefinite number of LEADER groups of at least two Member States for the joint design, production and marketing of goods or services in any area of rural development.
NUTS	Nomenclature des Unités Territoriales Statistiques, is the expression the EU uses to define different hierarchical administrative levels. Objective 1 areas are defined at NUTS II levels (e.g. Régions, Länder). The stratification ranges from NUTS I (Member State) to NUTS V (municipalities).
Usefulness or Utility	The ability of the programme to lasting improvements of the situation in rural areas

Vertical feature	The term used in the ex post evaluation for the LEADER specificity (see this) “Decentralised management and financing” (see this). It refers to the specific system of governance put in place for implementing the LEADER II initiative.
Viability	The ability of the programme to contribute to the long term productivity and regenerative capacity of the rural area.