



LEADER and territorial development Subgroup

1st meeting - 25 April 2023

Albert Borschette Congress Center

Welcome and introduction by the Chair (DG AGRI)

Antonia Gamez Moreno (DG AGRI) welcomed members of the **1st meeting of the LEADER and territorial development Subgroup** (LTDSG) and explained that the agenda had objectives to: provide an update on LEADER implementation in the RDPs 2014-2022 and provide a first look at LEADER across the CAP Strategic Plans; present the governance structure and explain the role of the Subgroup; provide an update on the European Court of Auditors report on LEADER, the Commission's reply and follow-up actions; provide an update on relevant activities of the EU CAP Network linked to LEADER; and explore and discuss networking activities on LEADER in the Member States.



Overview and implementation of LEADER

An opening speech by DG AGRI's Maria Gafo Gomez confirmed that the new LEADER period needs to be operational in 2023. Meanwhile, many LEADER Local Action Groups (LAGs) are still implementing Local Development Strategies (LDSs) from 2014-2022 and the rate of absorption is around 56%, with variations in absorption rates among Member States. Regarding cooperation, an increase in the number of cooperation projects is visible, but cooperation should be improved in the new programming period due to its benefits for rural Europe from the innovation opportunities it offers. LEADER

action groups need to be operational within one year of the approval of the CAP Strategic Plan of their Member State. CAP Strategic Plans allocated on average 7.7% of funds for LEADER (more than the required minimum of 5%). This is approximately five billion euros from EAFRD to support LAGs' localised responses to current challenges.

LEADER can contribute to the Long Term Vision pillars of stronger, connected, resilient and prosperous rural areas. LEADER can also contribute to improving access to service and quality jobs, depopulation, social inclusion, digital transformation, and combatting climate change. New elements include the Ukrainian refugee crisis and reacting to increases in energy prices.

The LEADER principles must be implemented by all LAGs in the EU. In the governance structure, LAGs need to be inclusive which was emphasised in the development of the CSPs. The importance of equality, inclusivity of the LAGs and leaving no one behind in development were emphasised. Innovation was underlined as part of the LEADER methodology's core attributes that can be enhanced by links with funding for research and Innovation Operational Groups. Simplification was also strongly advocated through simplified cost options and simpler procedures to enable the LAGs to focus on value-generating activities.

Overview of LEADER implementation in RDPs 2014-2022

Iwona Lisztwan (DG AGRI) presented an Overview of LEADER implementation in RDPs 2014-2022. The EU-27 average execution rate is still at 56%, with quite a few Member States lower than the average. Such countries can benefit from learning from other Member States with higher execution rates. Prioritising project expenditure and learning from others can help balance this, in the two and a half years remaining for expenditure from the 2014-2020 programming period. The number of cooperation projects is also low overall, however, this should be integral to the LEADER approach and needs to be emphasised and strengthened. The 2 787 LEADER LAGs selected in the 2014-2022 period mostly programmed their actions under Focus Area 6B, but strategies covered a wide range of eligible actions also including diversification and farm modernisation, as well as cooperation projects.

First look at the LEADER intervention across CAP Strategic Plans

Iwona Lisztwan (DG AGRI) described the LEADER intervention as planned by Member States in their CAP Strategic Plans (CSPs). Approximately 2 700 LAGs are expected to start the 2023-2027 operations. CSPs provide a higher share of EAFRD support for LEADER than before, with an EU-27 average of 7.7% of EAFRD contribution, and LAGs covering 65% of the rural population in the EU. To make the most of LAGs' limited resources (ranging from LAG budgets with a total of fewer than one million Euros per LAG in public funding to a total of more than five million Euros per LAG in public funding) there is a focus on smaller projects and those demonstrating added-value; an emphasis on the full implementation of all the 7 LEADER principles, and simplification. Varying degrees of thematic targeting will be applied in the Member States, with some Member States also applying exclusions, however, the actual strategic objectives of LDSs will depend on bottom-up processes. Local food, social inclusion, climate, diversification of economic activities, rural services, short supply chains, smart villages, and green economy are among some of the most typical themes, as well as the participation of women and young people in the LAGs and their decision-making bodies. Variations regarding the size of the territory of LAGs were mentioned in the context of the need to maintain the cohesion of the territories. Regarding innovation, the need for broader definitions of innovation is key. Simplified cost options in the context of LEADER have been mentioned in almost all CSPs. Implementation procedures can be simplified and adapted to the nature of LEADER in individual Member States. The role of LEADER stakeholders in making LEADER younger, smarter, and simpler was also emphasised.

A Q&A session reinforced the importance of inclusivity in terms of involving youth and women in LEADER, as well as maintaining, strengthening and improving links with stakeholders in the LAG territories. The use of multi-funding was also discussed and it was clarified that decisions related to this are made at the MS level. Cooperation's potential was also reinforced and improved approaches for more involvement locally were emphasised.

Overview of transnational cooperation projects in 2014-2022 (CAP Implementation Contact Point)

An overview of transnational cooperation projects (TNC) in 2014-2022 was presented by Peter Toth (CAP Implementation Contact Point). It reviewed notified TNC projects, confirming that some countries are less active in TNC than others and most TNC involves two countries. A range of often consistent TNC themes exist within clusters of Member States working together in cooperation projects regionally (e.g., Nordic-Baltic) as well as linguistically (e.g., Germany-Austria).

LTDSG members were surveyed in the meeting to provide updates on the state of play with LEADER in their Member States. Results indicated that the selection of LAGs will be completed in 2023 and advance payment options are being considered by the majority of Member States.



Update on the European Court of Auditors report on LEADER and CLLD - the Commission reply and follow-up, including the ongoing evaluation of LEADER (DG AGRI)

An Update on the European Court of Auditors (ECA) report on LEADER and CLLD - the Commission reply and follow-up, including the ongoing evaluation of LEADER was presented by Iwona Lisztwan and Eduardo Serrano-Padial (DG AGRI).

The European Commission agreed with many of the points raised in the evaluation in meriting action, notably a need for sufficiently demonstrating the added value of LEADER. This can be achieved through an improvement in the quality of the LAG selection process, through developing the LAG strategy, through sufficient action to simplify selection processes and through demonstrating the impact of LEADER compared to other non-LEADER delivery. There is also a future need for greater inclusion of women and young people in the decision-making process.

The Commission highlighted that many of the benefits of LEADER are intangible, which is not to say they do not exist. The creation and funding of a network of 2800 Local Action Groups is an investment in local capacities and should not be seen as a cost. LEADER brings the EU closer to its citizens, sometimes literally to the kitchen table. LEADER investing in social capital, building relationships and networks, and cooperation between different stakeholders, and its contribution to more resilient communities (e.g., as demonstrated during LEADER responses to the COVID crisis) were mentioned as examples of intangible contributions of applying the LEADER method and demonstrating a value.

Following the evaluation and the Commission's response to the recommendations as presented, work is being undertaken by LAGs, Managing Authorities, Paying Agencies and Monitoring Committees to improve the understanding and reporting of the added value of LEADER. The qualitative aspects of LEADER projects have been highlighted, including the valorisation of local assets, innovation and social inclusion.

There is a need to simplify processes which means avoiding additional tasks at the local level, to enable LAGs to focus on

animation and capacity building. In the development of the CAP Strategic Plans, the LEADER approach was highlighted by the Commission to Member States, including targeting the scope of LEADER where the features of the LEADER approach can be best applied according to local needs. Simplification can be introduced through Simplified Cost Options, clarifying the expected tasks by LAGs and by reducing duplication. Member States' positive reactions to this in the Council have reflected this response by the Commission.

Following up on the ECA recommendations, The EU CAP Network's Evaluation Helpdesk is conducting a small evaluation study on LEADER added value. This complements an earlier evaluation study published in early 2022 prior to the ECA report. This analysis will in turn be complemented by a Thematic Working Group to demonstrate social capital, the importance of local governance principles and project results. The plan is to collect data indicators on these topics at the LAG level to enhance the overall communication of added value. This will be quantitative and focus on efficiency and results. The eventual outcome will be a Staff Working Document bringing together these quantitative and qualitative analyses, surveys with LAGs and MAs and workshop outcomes. This will also incorporate an evaluation of perceived costs.

The Q&A session highlighted the knowledge and experience that LTDSG members possess in terms of qualitative and quantitative aspects of LEADER's added value, both tangible and intangible. LTDSG members also emphasised that LEADER's intangible added value linked to social capital and working in partnerships are rooted in core values of the EU and contribute to democratisation. The need for representing good practice examples in evaluations and the role of volunteer work in LEADER were also mentioned. The LTDSG representative for Finland informed members about the Finnish initiative, the "LEADER added value camp" inspired by the ECA report. The session also confirmed the importance of continuing the dialogue between the Member States on LEADER added value and the need for relevant actions at LAG, national, and EU levels as well.

Participants were informed about the discontinuation of the use of the LEADER logo related to EU corporate communication rules that will reduce the use of logos to either the EU or European Commission logos. An exception to this has been requested by the Director General of DG Agri, and an update will be provided as soon as it is received. The format of this was proposed to be the EU logo accompanied by the word 'LEADER'.

The possibility for Member States to monitor the role of voluntary work in LEADER was confirmed. This is not part of the monitoring and evaluation framework at the EU level, but information about it was presented in the first evaluation support study on LEADER.

EU CAP Network Governance (DG AGRI)

DG AGRI's Tatjana Borbas informed the members about the organisational structure, i.e., governance bodies of the EU CAP Network. This raised awareness among the LTDSG members about the Assembly, Steering Group, and Subgroups. The main tasks for the LTDSG's 80 nominated members from 26 Member States include: improving the quality of LEADER implementation and other interventions supporting rural areas; peer-to-peer capacity building;

identifying common implementation issues and good practices; as well as feeding into the overall work programme of the EU CAP Network. The nominations from the LTDSG for membership in the EU CAP Network's Steering Group were also discussed.

The Q&A session drew attention to the importance of having a balanced representation of agricultural stakeholders and all other rural stakeholders in the EU CAP network's governance bodies.



Support for LEADER and LAGs from the EU CAP Network

Following lunch, LTDSG members heard presentations highlighting how LEADER is being supported through the EU CAP Network's CAP Implementation Contact Point (Contact Point) and the Evaluation Helpdesk.

The Contact Point remains a strong source of support to LEADER. LEADER is being integrated through its cross-cutting influence in all the Contact Point's work on the CAP's three General Objectives, (which in turn group the 10 specific objectives of the CAP) relating to 1) the agricultural sector, 2) environment and climate-related objectives, and 3) strengthening the socio-economic fabric of rural areas. Examples were provided of planned relevant thematic activities, events, and publications, including the establishment of a new LEADER newsletter. Information was shared about the tools under preparation including a new LAG Directory, which will replace the previous LAG database.

The Evaluation Helpdesk's support for LEADER currently involves work to help demonstrate LEADER's added value better. A dedicated [Thematic Working Group](#) is being launched to focus on this topic to identify transferable good practices. The Helpdesk will also be involved in appraising LEADER evaluations. National Networks are seen to be key partners for the work the Helpdesk is undertaking on LEADER.

A Q&A session clarified points about the Helpdesk's work, confirmed the focus on providing methodological support to Member States for evaluating LEADER, and noted interest in an event on multi-funding possibilities for future programming.

Younger, smarter, and simpler LEADER - Interactive session

Factors identified by LTDSG members for enabling LEADER to be smarter included:

- › LAG capacity building in innovation and Smart Villages.
- › Optimising opportunities from networking and cooperation at regional, national, and transnational levels.
- › Optimising communication opportunities to inform and inspire all.
- › Technical workshops and Innovation Camps.
- › LAG clustering.
- › Urban cooperation.
- › Coordinated policy delivery e.g. digital strategy, islands, and smart specialisation.
- › Innovation brokers and other services that can be shared with EIP Operational Groups.
- › Using LEADER as a catalyst to attract larger funding packages.
- › Aligning university research with the LDS and vice versa.
- › Resilience training covering crisis preparation and management.
- › Digital TNC enabling tools

Factors identified by LTDSG members for enabling LEADER to be younger included:

- › Define an age group for youth representatives and stakeholders.
- › Tailored intervention levels and conditions to incentivise youth.
- › Involving youth in LAG daily work and decision-making and local democracy.
- › Network and facilitate youth exchanges through formal and informal activities.
- › Reward and encourage youth good practices and role models through competitions and other talent accolades.
- › Work closely with youth communication expertise to maximise outreach opportunities.
- › Fund eligible family support projects and have good working relations with schools.
- › Youth quotas in National Networks and LEADER governance.

Factors identified by LTDSG members for enabling LEADER to be simpler included:

- › SCOs covering lump sums and catalogues of accepted costs.
- › Adopting lead partner controls in multi-fund arrangements.
- › advance payments that comply with audit rules.
- › Consolidating administrative checks into shared systems.
- › Regular meetings between the managing authority, paying agency, LAG representatives, and/or national network.
- › Regular digital networking of LAGs, including clustering.
- › Promoting a vocabulary of common terminology.
- › Reader-friendly and transparent rules applied consistently e.g.
 - › Strong procedures for avoiding conflicts of interest.
 - › Dedicated and robust eligibility selection criteria for start-ups.
 - › Guidance and good practices showing efficiencies from 'Umbrella' projects.

Summary of the day & AOB

Anna Nowak-Wood (DG AGRI) summarised the meeting's positive outcomes and she noted that good practices from the ENRD website will soon be available on the EU CAP Network website. Concluding messages reiterated that LEADER is seen as a proven methodology that should be encouraged to make LEADER younger, simpler and smarter by supporting and networking with a wide range of stakeholders.

