



# Subgroup on LEADER and territorial development

2<sup>nd</sup> meeting - 12 March 2024

Auditorium, Rue de la Loi 102, Brussels

## Welcome and introduction by the Chair (DG AGRI)

The Chair (Ms. Antonia Gamez Moreno, head of unit D1, “Rural Areas and networks”, DG AGRI) opened the meeting and welcomed participants representing 25 Member States to [the 2<sup>nd</sup> meeting of the Subgroup on LEADER and Territorial Development](#). Members of the Subgroup of LEADER and Territorial Development (SoLTD) were reminded of the fact that LEADER has progressed since the 1<sup>st</sup> meeting of the SoLTD, and that one of the main objectives of the related meeting was to share updates about recent progress.



## Key opening messages on LEADER (DG AGRI, Unit B3)

Margaret Bateson-Missen (head of unit B3, “Social Sustainability”, DG AGRI) delivered important policy messages relating to LEADER, emphasising that the meeting was a good moment to engage in sharing experiences, as the majority of LAGs had now been selected, and LEADER implementation in most EU Member States fully launched. The joint mission for younger, smarter, and simpler LEADER – and turning this motto into reality – was mentioned as a key consideration. In view of the upcoming EU elections, communication about activities and results was described as having clear importance. In terms of making LEADER simpler, exchanges with auditors on how LEADER fits into the new performance framework in practice was encouraged. Making LEADER younger also means increasing the diversity of stakeholders involved, and all LEADER

stakeholders need to do their best in ensuring that. In this context, the Young LEADER Forum (planned for June 2024) was mentioned as an important milestone in launching a young LEADER community. These young ‘LEADERS’ are essential for dynamic and vibrant rural areas, and SoLTD members are called upon to help identify them from their Member States and LEADER areas. The emergence of artificial intelligence (AI), climate change issues, geopolitical pressures, and their various combinations require smarter responses from LEADER. LEADER also needs to be able to communicate a strong message about its added value in terms of social capital, innovation, local governance, new linkages, and mediating different interests – the recognition of these elements that constitute the daily work of the LAGs is essential, and needs to be ensured. SoLTD members are encouraged to keep networking and strengthening local identities, meet local needs, and share their relevant knowledge and experience.

## Overview and implementation of LEADER (DG AGRI, EU CAP Network) – Update on LEADER implementation under the RDPs and the CSPs (DG AGRI, Unit B3)

In her presentation, [Iwona Lisztwan](#) (DG AGRI, Unit B3, “Social Sustainability”) provided an overview of the state of play of LEADER implementation under the Rural Development Programmes (RDPs) and the CAP Strategic Plans (CSPs). Regarding implementation under the RDPs, it was highlighted that this would continue until 2025. The EU average level of financial execution of the RDPs is 66%, with some Member States more advanced, while others lag behind. According to data from January 2024, in most Member States the selection of LAGs had been completed, while in a relatively small number of Member States LAGs had not been selected. Other factors influencing the full launch of LEADER implementation relate to the readiness of relevant IT systems. In terms of technical and practical details, the SFC database is open to receive relevant LAG data. A first analysis of the LAG data submitted may guide the next steps in LEADER activities. With respect to the Young LEADER Forum, participation of young rural leaders will be based on an open call, however, advice from Member States will be appreciated. Cooperation projects are exclusively selected by LAGs, provide high added value, and are encouraged. Member States have been asked to update their LEADER result indicators based on the Local Development Strategies selected, as these indicators play an important role in demonstrating the contribution of the CAP to local development.

## Q&A

In the question and answer session following the presentation, representatives from Portugal, Finland, Germany, and Estonia shared their perspectives. **Luis Chavez (Minha Terra, Portugal)** shared updates relating to the completion of the first phase of LAG selection and the expected amendment of the Portuguese CAP Strategic Plan (CSP), and commented on the strong focus on mainstream measures in the context of LEADER in Portugal. A question related to EU level support to overcoming difficulties related to transnational cooperation (TNC) projects was also raised.

**Juha-Matti Markkola (Finland, National Network)** underlined the importance of support to transnational cooperation, and called the SoLTD members' attention to existing guidance material, prepared by the previous ENRD, that could provide useful information for the Member States to harmonise relevant rules. Regarding communication and visibility of LEADER achievements, an update relating to the use of the LEADER logo (also discussed during the 1<sup>st</sup> meeting of the SoLTD in 2023) was requested.

Representing the German LAGs, **Hartmut Berndt (BAGLAG, Germany)** emphasised that LEADER has been focusing on innovation and smarter approaches, as well as aiming to add value locally, for more than 20 years. An innovative way of looking at LEADER added value was proposed – through stories rather than numbers. The relevance of numbers or quantitative measurement of LEADER added value was thought of as limited, not suited to 'tell the whole story'.

**Kristiina Tammets (Estonian LEADER Union)** asked if TNC projects funded through other funds would also be monitored, stating that the majority of TNC in Estonia was funded from INTERREG or HORIZON.

**DG AGRI** informed participants that discussions on the new LEADER emblem were ongoing, and an update would be shared with relevant stakeholders in the form of a formal guideline on the EU CAP Network website. Regarding cooperation, the exclusive responsibility of LAGs to select interterritorial and transnational cooperation projects was emphasised. Further promotion of cooperation and cooperation projects was deemed important, and resources were needed for this from the EU CAP Network. The SFC includes entries related only to EAFRD-funded cooperation projects, but cooperation funded from other funds could be interesting for consideration as monitoring indicators. Considering the added value of LEADER, participants were invited to provide feedback on the EU CAP Network's draft guidelines on LEADER added value. DG AGRI is following up on developments in all Member States relating to LEADER implementation, including Portugal.

## Support to LEADER from the EU CAP Network, including an update on the guidelines on demonstrating the added value of LEADER (EU CAP Network)

**David Lamb, Valdis Kudins** and **Susan Grieve (EU CAP Network)** presented the current and planned [EU CAP Network activities related to LEADER](#). **David Lamb** presented the ongoing and planned EU CAP Network activities related to LEADER, including activities proposed by various stakeholders (e.g., DG AGRI and governance bodies of the EU CAP Network) for the EU CAP Network's next annual workplan.

The Young LEADER Forum was promoted as a major LEADER event, under preparation for June 2024 in Finland, and participants were invited to take part in the expressions of interest process that would be launched soon. Finland was mentioned as a co-organiser of the event, with four LAGs being involved in the process. Another relevant event mentioned among upcoming activities was the 3<sup>rd</sup> National Networks meeting, to be held in Denmark in March 2024, with a focus on LEADER. Among activities to be continued, the informal meetings with Managing Authorities feeding into the EU CAP Network's policy work and the LEADER newsletter were highlighted.

**Valdis Kudins** explained that the final draft version of the guidelines on demonstrating the added value of LEADER would be disseminated for peer review. The main text of this non-binding document will be translated into all EU languages. The EU CAP Network's Evaluation Helpdesk is going to offer capacity building events in Member States. SoLTD members were also reminded of other useful documents published by the EU CAP Network, including the report from the workshop 'How to assess LEADER added value', an upcoming 'CAP Evaluation Expert Insights' on LEADER, and MS evaluation reports on LEADER that are already available on the EU CAP Network website. It was announced that the EU CAP Network and DG AGRI would prepare a publication on social capital.



## Updates on the EU CAP Network website (EU CAP Network)

**Susan Grieve** (EU CAP Network) presented information on the developments of the EU-level local action group directory, and the latest update of the EU CAP Network website with LEADER content that went 'live' on 11 March 2024, and asked SoLTD members for their feedback, ideas, and suggestions.

To conclude the presentations, **David Lamb** reminded the audience of the stakeholder-driven approach of the EU CAP Network's work, whereby themes and topics were harvested through regular consultation with stakeholders, and participants were invited to provide their inputs during the interactive sessions.



## Q&A

**SoLTD members** emphasised the importance of acknowledging that LEADER was a fund for integrated rural development and not a “farmer’s fund” (and reflecting this in the choice of images to represent LEADER on the EU CAP Network website), as well as the importance of support to LAGS and LEADER stakeholders to demonstrate the added value of LEADER. Regarding the choice of indicators for demonstrating LEADER added value and Member States’ freedom in this respect, the question was raised about comparability across the EU, in case different indicators were used. The need for case studies from Southern Europe was also raised.

In response to these considerations, **DG AGRI representatives** explained that a comparable and obligatory set of indicators had been specified in the relevant EU implementing regulation (the data for monitoring and evaluation). The deadline for submission of this data is 30 April 2024, and the data submitted can be used for an EU level overview. Evaluation of LEADER added value was considered obligatory, however, Member States were given options with regard to the method used, and relevant support regarding evaluation methodologies will be provided. The main aim is to achieve a common understanding of the three main elements of LEADER added value. LAGs need to be provided with sufficient resources and capacity building support to enable them to take part in evaluating LEADER and provide the necessary data. A balance between quantitative and qualitative evaluation is essential for the “full story” of LEADER added value. There was general agreement that LEADER was primarily for rural communities, with funding for simple on-farm investments available from other CAP instruments. There is no obligation at the EU level to use specific methods for evaluating LEADER in Member States.



## Assurance on performance in the CAP 2023-2027

**Roberto Calderon Rojo** (DG AGRI, Unit H1, “Competency centre for assurance and audit”) presented the new audit performance framework in the CAP. In this context, he emphasised the shift, under the CAP Strategic Plans, from compliance (in the previous programming period) towards performance. The roles and responsibilities of Member States have changed in this framework, in the sense of

having more responsibility when putting in place their own control systems to effectively protect the financial interests of the Union. In the same context, the main role of EU audit is ensuring that the proper systems are in place and are functional in the Member States, however, control levels or control systems are not prescribed in detail from the EU level.

Eligibility checks and payments remain the responsibility of Member States, as well as the declaration of legal and regular expenditure to the Commission, while annual performance reports to the EU form an important part of the performance framework. The EC approved CSPs (based on SWOTs and needs assessment) and relevant, MS-specific targets (based on common EU indicators regarding outputs and results) will not be challenged, but audit will check if the controls put in place by MSs are functioning properly. At the end of the presentation, it was emphasised that exchanges with Member States regarding LEADER would continue in the future.

## Q&A

During the Q&A, issues related to penalties, output indicators, unit amounts, and relevant capacity building were raised and discussed. Regarding sanctions to the beneficiary, it was confirmed that developing and using penalties and control systems was the responsibility of Member States. In terms of change in output indicators, e.g., in relation to the number of LAGs foreseen, it was emphasised that under the CSPs these were considered as average unit amounts for LEADER. The unit amounts were viewed as a planning tool, and, in relation to these, several Member States could report changes. Relevant exchanges between the Commission and Member States in this regard are ongoing, and will continue in the framework of applications for CSP amendments. Taking the unit amounts as average – in the LEADER context – lends a certain level of flexibility for adjustments or modifications.

The specific nature of LEADER – mainly deriving from the bottom-up approach – and how it affects the setting and reporting of indicators in the early stages of implementation was emphasised by SoLTD members from the Netherlands and Luxembourg. In this context, the difficulty of providing indicators relating to performance in the beginning of the programming cycle were mentioned: LEADER was characterised as an implementation model not following a linear model of performance, but with variations in performance and in relevant indicators in the middle or towards the end of the programming cycle. In response, DG AGRI’S Iwona Lisztwan emphasised that the cost per output for LEADER was set for the whole local development strategy and for the whole of the programming period, and this average value accommodated the variations mentioned. Allocation of funds and performance between the different years should be interpreted as indicative, not binding.

**Hanane Allali-Puz** (France, Managing Authority) commented on the Commission requirements on obligatory indicators not fully matching the characteristics of local development strategies, and the difficulty this may cause for LAGs in providing relevant information, as well as the need for capacity building in this regard.

At the end of this session, Margare Bateson-Missen (DG AGRI) reminded SoLTD members that the provision of data for monitoring and evaluation regarding local action groups and their activities, as required by the implementing regulation, was obligatory. She also encouraged SoLTD members to share their questions and concerns with DG AGRI regarding simplification and the performance framework via email before Easter.

### Update from Subgroup members on their LEADER related activities

SoLTD members representing ELARD, the Danish Managing Authority (Denmark) and the Slovenian Managing Authority (Slovenia) provided updates on their LEADER related activities.



### ELARD LEADER Congress and activities

**Marion Eckardt (Vice President, ELARD)** provided an update on the activities of ELARD, including the ELARD LEADER Congress held in December 2023 in Brussels. The event gathered 650 participants from EU Member States and non-EU countries (including Turkey, Ukraine, and others) and was constituted of several workshops discussing various aspects of LEADER, as well as the adoption of the ELARD Resolution post-2027. Follow-up activities to the Congress are expected in 2024. Among other ELARD activities, the launch of the ELARD Knowledge Hub was mentioned as one of the most notable, engaging 67 LAGs directly in the projects ELARD's LEADER community has been working on. The project "Our common future", led by the Austrian LEADER Forum (one of ELARD's member organisations), was also mentioned as focusing on added value and how it affects the work of LAGs.

### State of play for LEADER in Denmark

**Dea Cordt Kragh (National Network, Denmark)** described the context for the 26 Danish LAGs operational since May 2023, which use a relatively small budget of 12.4 m Euro/year on average. The operation of LAGs is simplified through the use of simplified cost options, including standard salary categories developed for projects. Denmark is working on cooperation guidelines for transnational cooperation, and specific hourly rates for salaries in projects are also being developed. Interregional and transnational cooperation is expected to be activated in autumn 2024.

### LEADER related activities in Slovenia

**Marjeta Jeric (Slovenia, Managing Authority)** talked about Slovenia's approach to making CLLD multi-funding available to LAGs through extensive harmonisation of regulations, management structures, procedures, and further simplifications, including the Managing Authority acting as a 'one stop shop' for LAGs and common national regulations for calls for strategies, as well as for implementation of strategies applied by both relevant ministries (for agriculture, and for regional development). The level of harmonisation and coordination achieved in Slovenia made the use of the lead fund option unnecessary. Simplified cost options are also offered to LAGs. Two different IT systems are used for the two funds (EAFRD, ERDF) in CLLD.

### Inspirational practices from the Member States

In this short session, inspirational LEADER practices and projects related to making LEADER younger, smarter, and simpler were presented from Estonia, Austria, and Finland.

#### Tartu County Youth Fund, Estonia

**Kristiina Tammets (Estonian LEADER Union)** described youth-related activities in the area of Tartu, an area characterised by a higher than average youth population and a unique collaboration between rural and urban areas. Based on this, the LAG made a strategic decision to involve young people in LEADER activities through fostering youth entrepreneurship and small-scale projects developed and implemented with small funds by young people aged between 12-26. The initiative was established in 2010, and has been ongoing since. It owes its success to factors such as cooperation with other project partners and the county municipality association. Over 200 small-scale projects have been successfully implemented, and have mobilised approximately 3500 young participants. Additional benefits included experience and skills gained by young people in idea development and project implementation. The initiative remains relevant and inclusive through the involvement of youngsters in actively disseminating information about activities and events, a most recent example of which being Tartu's tenure as the European Capital of Culture. Another important factor is the LAG operating as a local development agency, implementing projects with funding from multiple sources, and not relying only on LEADER funding.

#### Bodenkoffer Soil Kit, Austria

**Stefan Niedermoser (Leader Forum Austria)** described the "Bodenkoffer" initiative. Bodenkoffer is a soil kit developed at the initiative of the Austrian LAG Oberinnviertel-Mattigtal to address farmers' needs regarding simpler and cheaper measurement of and access to various soil indicators of soils on their farms. The initiative was launched in 2019, and comprises tools for physical, chemical, and biological analysis of soils, conveniently packaged in a compact toolbox, and complemented with relevant online analytical tools on a digital platform. The tool is accessible to farmers, farmers' organisations, and educational institutions. Since its launch, more than 300 soil kits have been distributed and used in Austria, Germany, Luxembourg, Italy, Slovenia, and El Salvador.

## The use of Simplified Cost Options (SCOs) in LEADER Finland

**Kaisa Eerola, Juha-Matti Markkola, Pia Poikonen** (Managing authority, National Network and Local Action Group, Finland) described the use of simplified costs (SCOs) in LEADER. The use of SCOs in Finland is built on experiences gained in the previous programming period, and this experience was instrumental in extending the range of SCOs for this period. A wide range of SCOs is used in the 2023-2027 programming period, including a standard percentage used for calculating salary costs, holiday payments, employer social security contributions in projects, lump sums for small-scale projects for small business support, and others. Experience with SCOs is that their use is increasing among beneficiaries, while some concerns remain regarding administrative processes. Extensive planning and an efficient IT system are crucial elements. From the LAGs' perspective, the extended use of simplified cost options has increased the number of applications from small businesses. The continuous availability of a reliable IT system is considered essential. It was also considered important that rules and procedures need to be interpreted and applied in the same way in different regions. **The Finnish Network Support Unit (NSU)** supported a one-year process for developing a method to demonstrate **the added-value of LEADER**. This began with an innovation camp, and developed templates, procedures, surveys, and other tools for demonstrating the added value of LEADER in the mid-term and long-term in an inclusive manner. National indicators and final project reports have an important role in this process, while standardised templates allow for aggregation of data at the national level. Two national campaigns per year relating to LEADER will be also launched, one of the most recent being linked to the EU elections, and the Finnish NSU is also exploring the potential of using AI for future reports.

## Introduction to the interactive session (EU CAP Network)

An **interactive session** with three discussion groups collected and explored SoLTD members' proposals for the most important LEADER related support activities from the EU CAP Network in the framework of its upcoming annual workplan, including activities related to making LEADER younger, smarter, simpler.

## Interactive session on ideas for LEADER activities in the next annual workplan of the EU CAP Network, including making LEADER younger, smarter, simpler

In preparation for the discussion sessions, SoLTD members shared their achievements related to specific factors identified by the 1<sup>st</sup> meeting of the Subgroup relating to making LEADER younger, smarter, simpler. Notable examples included: introducing rural innovation systems as a CSP intervention (Austria), a webinar / massive open online course (MooC) on managing resilience for LAGs (Austria), on-going links with LAGs and assessment of projects every six months (Belgium), national youth LEADER days and coordination group for youth LEADER workers (Finland), a CLLD subcommittee involving LAGs, MA and PA (Poland), an exhibition about LEADER youth projects (Estonia), monthly meetings with the Paying Agency (Portugal), and guidance for umbrella projects (Poland).

## Summary of group discussions

The discussion has resulted in several cross-cutting and theme-specific proposals (on making LEADER younger, smarter, simpler) from participants for topics to consider for the next annual workplan of the EU CAP Network. Topics that could be of cross-cutting relevance included supporting and facilitating cooperation through online cooperation fairs; a new approach to good practices and their dissemination ensuring that these reach the local levels; and ensuring a better understanding by all stakeholders involved in LEADER implementation of the importance of LEADER features in local democracy and for enabling LEADER contribution to their Long-term Vision for Rural Areas. Focusing more specifically on youth and LEADER, participants proposed prioritising the building up of a community of young rural LEADERS by following up on the Young LEADER Forum event planned in June, and by scaling up from existing national and local youth forums. Collecting examples of what rural youth could and had done in terms of developing rural areas and keeping them vibrant and attractive was also proposed. The 'smart' proposals included addressing the knowledge gap that exists in the LEADER community regarding useful applications of AI, and integrating 'smart' approaches in all strands of LEADER work. The top priority suggestions related to topics relevant for simpler LEADER included collecting and sharing information on various applications developed by the Member States; the development of simplification guidelines relating to various uses of SCOs based on good practices; and involving Paying Agencies in informal meetings with Managing Authorities for discussions on the simplification of LEADER.

## Summary of the day & AOB

**Anna Nowak-Wood (DG AGRI, unit D1)** summarised the positive outcomes of the meeting, and noted that good practices from the ENRD website would soon be available on the EU CAP Network website.

Among the AOB points, **Urszula Budzich-Tabor** from the Rural Pact Support Office talked about their focus on the local level, and introduced an upcoming policy lab on "Bringing the Rural Pact closer to citizens" planned for May 2024.

**Antonia Gamez Moreno (head of unit D1, DG AGRI)** shared the link to and information on the DG AGRI Survey on the administrative burden of farmers.

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, and participants were thanked for their active participation during the meeting.

