

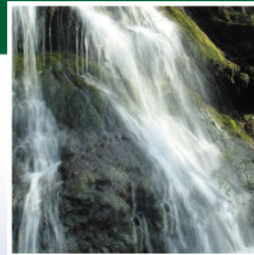


ELREN

European Leader+ Renewable Energy Network



Carlow LEADER
Rural Development Co. Ltd.



Chapter 1

Introduction to the LEADER Programme in the EU




**TIPPERARY
INSTITUTE**



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1 Introduction to the LEADER Programme in the EU

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1.1 Objectives

Having completed this section of the training course and manual, learners should:

- Be familiar with the background to LEADER;
- Know how LEADER has evolved at European Level;
- Understand how a Local Action Group operates;
- Be familiar with the structure of LEADER in Ireland.

1.2 Some Terms

Actions:	Actions 1, 2 and 3 refer to Local Actions, Co-operation Actions and Networking Actions respectively. These are activities that Local Action Groups (LAGs) undertake in implementing LEADER at local level
Co-operation:	Interterritorial – Joint work between LEADER groups from the same EU state
Co-operation:	Third country transnational – Joint work between LEADER groups from EU states with similar groups from states that are outside of the EU
Co-operation:	Transnational – Joint work between LEADER groups from different EU states
LEADER:	A methodology applied to rural development in the EU since 1991
LAG:	Local Action Group: The key agency in delivering LEADER at local level
Managing Authority:	The government ministry with responsibility for LEADER at national level
Measures:	An area or focus of work within LEADER
National Network Unit:	An agency that supports LEADER groups at national level in developing co-operation initiatives

Operational Programme: A national programme designed for the implementation of LEADER

Themes: Specific focuses for development in rural areas in LEADER+

1.3 LEADER – Origins and Background

LEADER – ‘Liasion Entre Actions pour le Development d’Economie Rurale’ is a Rural Development Programme part-funded by the European Union. LEADER was launched in 1991 by the then Commissioner for Agriculture, Ray MacSharry. The need for measures aimed at addressing rural decline and out-migration had been apparent for some time, particularly in countries such as Ireland and Portugal where rural populations were in continuous and chronic decline.

Attitudes towards rural areas as being backward or unproductive were changing and support for rural services, enterprise and infrastructure as an alternative to urban expansion was seen as a legitimate aspiration. On a more immediate level, in the early 1990s the CAP reform programme which sought to reduce subsidies to agricultural production, was a very unpopular political issue throughout rural Europe and there was a genuine fear that it would further hasten the decline of the rural economy. As rural dwellers moved out of farming as a result of CAP reform, it was crucial that some alternative economic opportunities be available to them. Indeed the EU Rural Development Programme is now often referred to as the second pillar of CAP.



Figure 1.1 Ray MacSharry (EUROPA, 2007)



Figure 1.2 LEADER logo (EUROPA, 2007)

It was in this difficult economic climate that LEADER I was launched as a pilot initiative aimed at facilitating economic and social regeneration in rural areas.

The programme sought to do this through promoting the development of local territorial development strategies that would be

- innovative,
- integrated,
- participative.

Crucially, the territorial development strategies and plans should be developed at local level and should involve local actors in their development. Furthermore, the actions that resulted from these strategies would be decided upon and approved at local level, albeit within a framework that was agreed at EU and at national levels.

While the EU provided substantial core funding for LEADER, national governments also contributed as did the private sector through the matching funding requirement for projects. This co-financing mechanism¹ ensured both national and local commitment to the programme and to the individual projects.

1.4 The LEADER Method

Since the original LEADER I pilot programme (1991-1994), there have been two successor programmes, LEADER II (1994-1999) and LEADER+ (2000-2006). There have also been national programmes that adopt the LEADER approach, such as the National Rural Development Programme in Ireland. The nature of the LEADER approach to Rural Development has remained fundamentally unchanged over this period and is based on what are known as the specificities of LEADER as outlined in Table 1.1.

¹ The proportions of EU and match funding varied according to the objective status of the region in question but averaged at 33% EU, 33% National and 33% Private Sector funding under LEADER I.

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 cooperation	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.

Ex-post Evaluation of the Community Initiative LEADER II

Table 1.1 The Specificities of LEADER
(EU Commission, 2003)

1.5 Administration and Delivery of LEADER

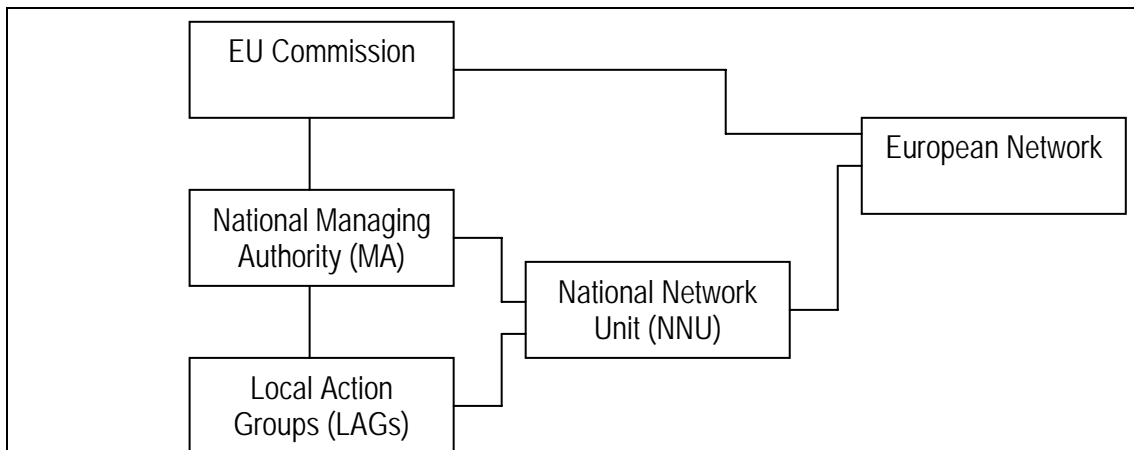


Figure 1.3 Administration and delivery of LEADER

1.5.1 Local Action Group (LAG)

The most important mechanism for the delivery of LEADER at local level is an agency described as a Local Action Group or LAG. LAGs are representative of the various social, economic and political sectors in local areas.

The management of the LEADER programme at local level by Local Action Groups (LAGs) comprises a number of elements.

- 1) Each LAG must define its geographic area of operation, encompassing a coherent region with between 10,000 and 100,000 inhabitants. Such regions can vary in size from 477km² (ADRAMA in Portugal) to 14,425km² (PPKRY in Finland) with the most common geographic area being between 1500-2500km².
- 2) All LAGs operate to a pre-approved strategic plan for their areas. These multi-sectoral plans must be developed locally and then submitted for approval to the relevant national authority.
- 3) The LAGs are then responsible for the implementation of these plans over the duration of the LEADER programme. The plans outline the objectives of the LAG with regard to Local Actions, Co-operation Actions and Networking Actions (also called **Actions 1, 2 and 3** respectively) described below in more detail.

1.5.2 Local Actions (Action 1)

Each LAG is required to compile a strategic development plan for their area. The structure of the plan is clearly defined in the guidelines developed at European and national levels and is required to address a number of **measures**. A broad selection of these is as follows:

- Training
- Analysis and Development (commission of feasibility studies, plans, resource audits, development of prototype products and services)
- Innovative rural enterprises, craft enterprises and local services/facilities
- Exploitation of agriculture, forestry and fisheries products
- Enhancement of natural/built/social/cultural environment
- Environmentally friendly initiatives
- Animation and capacity building. This is described as “the stimulation and development of community groups through effecting attitudinal change in general and in stimulating enthusiasm and developing skills and resources so as to promote enterprise and employment” (LEADER II Ex Post Evaluation Report)
- Rural and Agri-Tourism

It should be noted that many countries have restricted these measures to reflect national or regional priorities and to complement other programmes they may have in operation.

LAGs are required to pay particular attention in their strategic plans to the development of youth and women in their areas. A new element was introduced under LEADER+ requiring each LAG to identify a strategic priority or **theme** for their area. These had to be drawn from four possibilities,

- 1) **The use of new technologies** to help increase the competitiveness of products and services in rural areas
- 2) **Adding value** to local products and facilitating access to markets for small production units
- 3) Making best use of **natural and cultural resources**, including the enhancement of sites of Community interest

4) Improvement in the **quality of life** of rural areas

Once the LAG has compiled and submitted their strategic plan, the plan is evaluated by their **managing authority** (the government ministry with responsibility for rural development). This evaluation should ensure

- compliance with the technical requirements of the programme,
- the capacity and competence of the LAG as an organisation to deliver their plan,
- consideration of the strengths of the LAG when compared with other LAGs who may have submitted tenders to deliver the programme in the same region.

Once the strategic plans have been evaluated, contracts are awarded by the managing authority to successful LAGs. LAGs are then in a position to employ staff and award grants as part of their developmental remit in accordance with the approved plan and subject to strict financial control and impact evaluation criteria.

1.5.3 Co-operation Actions (Action 2)

In addition to their local action budget, LAGs are allocated funds specifically for the purpose of building **partnerships**. These partnerships can be between LAGs within the same country (**interterritorial**), between LAGs from different countries (**transnational**) or with similar groups in non-EU countries (**third country transnational**). The importance and the scale of this co-operation has increased over the lifetime of the three LEADER programmes to the extent that under LEADER+ there are in excess of 300 transnational projects within participating states creating over 2000 working relationships between LAGs. The idea behind such co-operation is that

- projects in local areas which might not be able to achieve critical mass on their own could become viable when one or more partners from other local areas join the project
- Learning from practical work in different local areas can quickly and effectively be transferred to other local areas. This learning could relate to methodologies employed in developing projects, to particular

innovative projects that might be easily replicated elsewhere, or to sharing of outcomes or findings from projects etc.

1.5.4 Networking Actions (Action 3)

The third type of action under the LEADER programme provides funds for the establishment of ***National Network Units (NNU)*** in each country as well as a centralised ***European Network (European Rural Observatory)***. The role of the NNUs is to facilitate interterritorial and transnational co-operation, to support the organisational development of the LAGs and to provide information on the national programme and its progress to the EU Commission. The European network has a similar role at a trans-EU level.

1.5.5 LAG Structures

The work of the LAG is overseen by a Board of Directors that must be comprised of a partnership of community, state and private-sector interests (i.e. members of the local and business communities, local government, social partners, representatives from state agencies etc). It is required to have a majority of board members drawn from the non-statutory sector. The Directors of the LAG are responsible for governance and management of the programme at local level, and for grant approval. These duties should be carried out in accordance with the Programme Operational Rules and the local strategic plan. The day-to-day animation and delivery of the Programme itself is the responsibility of the LAG staff.

LAGs have evolved into different legal formats in different countries – limited companies in Ireland, non-profit consortia in Italy, inter-municipal associations and nature parks in France, but also cooperatives, associations and joint-stock companies in other parts of Europe.

1.6 The Managing Authority

The Managing Authority is the national agency with ultimate responsibility for the delivery of the LEADER programme at national level. The Managing

authority is the government ministry with responsibility for rural development.

The role of the Managing Authority includes

- development of the National Operational Programme for LEADER. This is done in consultation with the EU Commission and requires the approval of the Commission
- selection of LAGs
- assuming responsibility for ensuring proper financial control of LEADER funds
- monitoring and evaluation of the implementation of the LEADER programme
- reporting to the EU Commission with regard to all of the above.

1.7 LEADER+ in Ireland



Figure 1.4 LEADER in Ireland (CLnH, 2004)

Ireland has participated in all three LEADER programmes. Under LEADER I, seventeen “local action groups” (LAGs) were appointed to implement the programme. Under LEADER II, these, as well as 17 new LAGs, were appointed. This effectively extended the Programme to cover all rural areas of the country.

Under LEADER+, 22 LAGs have been funded, each of which ran LEADER II in their particular areas. In rural areas not selected under LEADER+, a National Rural Development Programme (NRDP) is in place.

This is based upon the LEADER model, and includes 13 LAGs and three “collective bodies” or national organisations who have a particular role in supporting rural development. (Muintir na Tire, Irish Country Holidays and

Irish Farmhouse Holidays). Figure 4 above indicates approximate geographical sizes of LEADER groups in Ireland. The NRDP is complementary to LEADER+ in a geographical sense – the combination of the two programmes ensures that all rural areas of the country are served by a Rural Development programme. It is also complementary in a sectoral sense: in areas served by LEADER+, NRDP is also delivered but it is targeted at rural development measures that are not covered under the Irish LEADER+ programme (e.g. rural tourism is not a measure that is addressed by LEADER+ in Ireland but it is addressed under NRDP).

The Managing Authority for LEADER in Ireland is the Department [Ministry] of Community Rural and Gaeltacht Affairs. It is unusual in a European context that the LEADER programme is managed by a ministry other than the Ministry of Agriculture. Tipperary Institute provides the National Network Unit under the name “Irish LEADER support Unit” while Comhar LEADER na hÉireann is a membership-based network representing the interests of LAGs.

1.8 How has LEADER performed?

1.8.1 The Three LEADER Programmes

Since 1991 LEADER has undergone three phases or programming periods:

LEADER I

The first programme, referred to as LEADER I, operated from 1991 to 1994 and even though it was experimental in nature, the ex-post evaluation highlighted the fact that 217 LAGs in 12 countries managed the delivery of €1.1Billion² to approximately 22,000 local projects, creating 25,000 full time job equivalents. The evaluation highlighted the achievements of the programme in building local partnership organisations and networks as well as promoting innovative approaches to participatory development.

² In technical publications for this period the financial figures are expressed in ECU which predated the Euro and was of equivalent value at the time of the introduction of the Euro in 1999.

LEADER II

LEADER II ran from 1994 to 1999 and saw an expansion to 906 LAGs in 15 member states administering a total budget of €5.4Billion and creating or consolidating approximately 100,000 jobs. Again there was a strong emphasis within the evaluation on the quantitative impact of LEADER II and its value for money when compared with other funding mechanisms.

“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.”

Ex-post Evaluation of the Community Initiative LEADER II

LEADER +

The third round, LEADER+, has been operating from 2000 to 2006 and could be said to represent a maturing of LEADER into a significant local and European-wide initiative. The total number of LAGs included in the programme is 873 administering approximately €5Billion. While the final evaluation of LEADER+ has not yet been published, the programme has been given a strong endorsement by the EU Commission through the central role anticipated for the LEADER method in delivering the Agricultural and Rural Development Fund for 2007-2013. This vote of confidence has been reflected at national level where many countries have invested significant resources in funding parallel national programmes that use the LEADER methodology, such as the National Rural Development Programme in Ireland.

1.9 Sources of Further Information

EU Commission http://ec.europa.eu/agriculture/rur/leaderplus/index_en.htm
Irish LEADER support Unit <http://www.ilsu.ie>

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