

THE VOICE OF RURAL EUROPE FOR THE FUTURE OF EUROPE

In the midst of Covid-19 crisis, ELARD Aisbl representing 26 national networks and around 2 200 Local Action Groups - covering an area with a population of more than 150 million inhabitants and 52% of the rural population in the EU - are ready to plan ahead and look to a future together with local, national and European institutions and governments. The future is here and now, and we need to adjust.

Rural areas have been severely affected by the crisis. Especially affected are SMES in the tourism sector, restaurants, cafés and retail. Small scaled producers (fisheries and agricultural products) niched towards restaurants have seen an 80 % or higher drop in sales, and consequently in income.

In some member state, local markets have been closed for up to 1,5 months already, having strong impact of small scaled farmers income. Rural culture practitioners and civil society organisations are seriously affected, since such events are, or were, almost completely prohibited in all member states, which leads to not alone economic problems, but also increased isolation and an escalation in health problems for their members and customers.







Good news from rural areas show, that in some Member states, social life can go on very similar to before. Citizens can go out and enjoy nature, taking care of their physical and mental health, equally. Meeting up with friends and family outdoors or in sparsely populated places is also still possible. Outdoor tourism is peaking in countries without complete lockdown, especially vicinity-tourism from a neighbouring city or village. The demand on healthy local food, is showing an increased demand from customers in local farmers stores, local bakeries, existing or recently created platforms for direct producer-consumer relations and so on. In areas with well-developed infrastructure and broadband, many actors are adjusting to the new situation very quickly, whereas some actors are left behind.

It is ELARDs opinion, that in order to build a resilient Europe, there needs to be a balance between urban and rural areas.

ELARD claims that LEADER/CLLD is an important tool for building a balanced Europe. Local Action Groups (LAGs) cover today 152 746 242 inhabitants, 52% of the rural population in the EU. Even more inhabitants are covered when Fisheries Local Action Groups (FLAGs) and the Urban LAGs, wich are also members, are included. The total number of (F)LAGs in EU today is about 3300 and approximately 2200 of these are affiliated to ELARD, from 26 different national networks.

Following pages are filled with information about this successful method; the eager reader can easily find ELARDs proposals for the future on the last two pages.

LEADER/CLLD 2014-2020

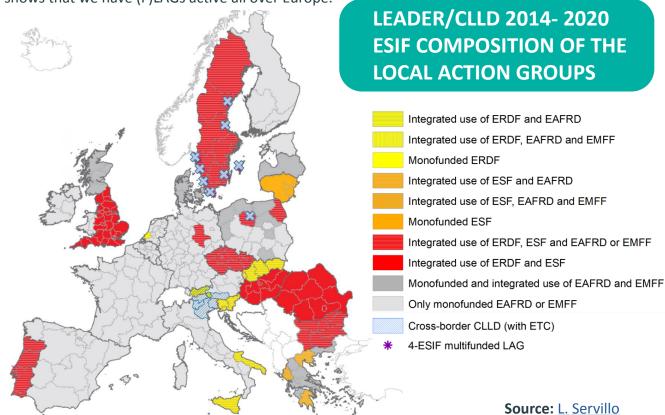
Since its beginning in 1991, LEADER/CLLD has expanded with each programme period. From just 217 LAGs in 1991-93, the number grew to over 800 in 1994-99. Since 2000, LEADER /CLLD is implemented as part of a monofunded rural (or maritime) programme and in the 2007-13 programme period, not least due to the EU enlargement, the number increased to 2,200. In the current 2014-20 period, there are over 3,300 (F)LAGs , with possible discrepancies between sources due to the ongoing processes of approval and withdrawal of (F)LAGs .

GROWING NUMBER OF LAGS OVER TIME

STAGE	DURATION	FUNDS	NUMBER OF LAGS
LEADER1	1991-93	EAGGF, ESF, ERDF	217
LEADER2	1994-99	EAGGF, ESF, ERDF	821
LEADER+	2000-06	EAGGF	893 in EU15 (+250 LEADER+ type measures in 2004-06 in 6MS)
LEADER axis	2007-13	EAFRD, EMFF	2, 200 in EU27
CLLD	2014-20	EAFRD, EMFF, ERDF, ESF	= 3,312 in EU28

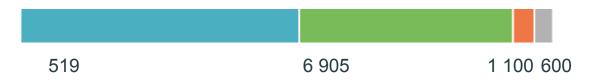
Source: EPRC 2014, from European LEADER Association for Rural Development, and updated by own researh in June 2019

A recent map from Mr L. Servillo, who in 2019 has investigated the abundance of CLLD in EU, also shows that we have (F)LAGs active all over Europe.



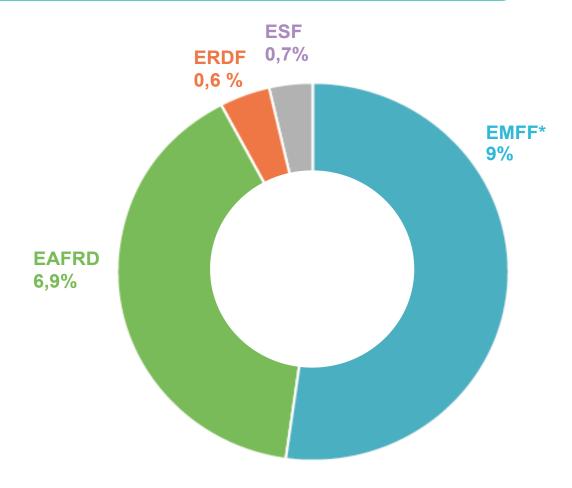
CLLD IN FIGURES

Total CLLD budget per fund (EU contribution Million €)



Total CLLD across ESI funds 9 119 M€

SHARES OF CLLD BUDGET PER FUND



^{*}Data collection, control/enforcement and IMP measures aside.

STRENGTHS OF LEADER/CLLD

Working with CLLD, (F)LAGs bring together local needs with global targets, in a multilevel governance.

ELARD members have identified 5 functions of why LEADER/CLLD fits perfect for the multilevel governance of development as well as of crisis management:

POWER FUNCTIONS

- Function of Democracy: (F)LAGs provide a broad, solution orientated participation on a regional level to improve rural life.
- Function of Labour: (F)LAGs directly provide working places in rural areas and support the creation of new jobs.
- Function of Economy: (F)LAGs support and organise the diversification and resilience of the rural economy and strengthen local added-value chains.
- Function of Climate: (F)LAGs can combine long-term strategies with local actions.
- Function of European policy: (F)LAGs act locally but with an international know-how transfer and exchange, therefore they support European solidarity.

Experience has showed that LEADER and CLLD are especially strong in the following themes:

- Climate change adaptation and mitigation
- Unemployment and integration
- Democracy and a Europe closer to its citizens
- Youth
- Culture and creativity
- NGOs and volunteers
- Supporting SMEs and innovation
- Digitization
- Equality

POWER-THEMES OF LEADER/CLLD

CLIMATE CHANGE MEASURES

Supporting local stores, local producers, local supply chains and similar, LEADER/CLLD is is consequently reducing carbon footprint and through this also strongly supporting the Green Deal. Many activities are characterized in horizontal measures¹, and others are almost exclusively supporting activities to give us a relief on this issue, such as projects to promote renewed energy. LEADER/CLLD is a powerful tool to implement the Sustainable Development Goals (SDGs) on a local level and also has the potential to implement the Green Deal locally².

UNEMPLOYMENT AND INTEGRATION

(F)LAGs have a direct impact on the rural labour market: there are around 7.000 persons directly employed in (F)LAGs³, and 73 500 jobs are expected to be created 2014-20⁴. (F)LAGs include under-represented groups in the LEADER-process, making it possible to give relief and integrate people into work⁵.

In the refugee crisis of 2015, it was obvious that (F)LAGs moved quickly to give relief to people in need, building networks and supporting capacity-building, as well as organizing volunteers. Many projects, especially from the most affected countries such as Germany, Sweden and Austria showed good results⁶.

¹ In the report <u>"Leader i Sverige 2007-2010"</u>, more than 50% of the projects had horizontal targets, of which youth and environmental protection was the two most common

² As also described in the Conclusions from the SEE LEADER Conference 2019, Opatija, Croatia, November 20-22

³ Conclusion, If there are 3300 (F)LAGs in EU and the have approximately 2 employees. 4 RDPs 2014-2020, Key fact and figures"; ENRD

^{5, 6} Many good examples under the ESF part in <u>ELARD Survey report</u>: <u>Best practice of CLLD using ERDF</u> and ESF

DEMOCRACY AND A EUROPE CLOSER TO ITS CITIZENS

CLLD or LEADER is well-proven measures to get Europe closer to citizens. By actively involving all local stakeholders and citizens, it is able to respond to European needs using local means and, as a result, gives visibility to and helps boost the legitimacy of the EU. During current crisis 39%⁷ of the (F) LAGs state that they contribute as an information hub, explaining the supports that are available for NGOs and SMEs locally and regionally, collating what the needs of the area are and what helpers/volunteers are available locally, as well as disseminating good examples of solutions and acting as a hotline etc., and thus being the link from the EU directly to the local actors.

Furthermore, CLLD has a transnational aspect that makes it easy for citizens to connect together and build networks across national borders.

CLLD brings together volunteers and NGOs around Europe.

In addition, our South-East European Members describes the value of LEADER/CLLD as tool to strengthen democracy, especially in accessing countries and countries with a non-democratic heritage⁸.

YOUTH

(F) LAGs have built structures for engaging youth to make the EU's otherwise inaccessible funds available also for young people. (F) LAGs have learned from each other and copied the opportunity to make it easier for young people to seek support on their terms⁹. ELARD and (F)LAGs are also involved in the European Rural Youth Parliament (ERYP), which brings together Europe's rural youth.

CULTURE AND CREATIVITY

A lot of support from (F)LAGs is directed into local art, culture and creative industries. These are often led by SMEs or one-person businesses that are unable to access other sources of finance for creative businesses and culture. Through CLLD, culture is provided directly to rural inhabitants, creating meeting places and engagement in their locality. Through CLLD, it is possible to create attractive, creative places with relatively small resources. During the crisis, $80\,\%^{10}$ (F) LAGs state that projects with events are difficult to complete, and shows the large proportion of event-based projects going on throughout the EU.

^{7, 10}-ELARD Survey: CLLD and LEADER in times of Corona, 26.2-15.4.2020

⁸Conclusions from the SEE LEADER Conference 2019, Opatija, Croatia, November 20-22

⁹ In the report "<u>Leader I Sverige 2007-2010</u>", more than 50% of the projects had horizontal targets, of which youth and environmental protection was the two most common.

SMES AND INNOVATION

SMEs are an important target group of (F)LAGs, either through direct investments in the companies, or in surrounding infrastructure and meeting places that allow the companies to invest further and create new jobs. LEADER also works in many cases with supply chains, capacity building, networking and other relevant activities that assist SMEs to grow and innovation to flourish. In the annual implementation report from 2018, 34,3% of the beneficiaries were SMEs.

LEADER / CLLD also builds networks and educates companies in fields demanded by the companies themselves, for example in the fields of fishing tourism, outdoor tourism, marketing of local products, etc.

RURAL TOURISM/ATTRACTIVITY

A large part of (F) LAG's budget¹¹ is invested in raising the attractiveness of the area in form of investments in, for example, tourism information, adapting existing companies into tourism, hiking trails, cycle paths and other infrastructure.

In these investments into rural tourism many jobs are created, while increasing the attractiveness of the place also for the residents. Some (F)LAGs associates these activities with place-branding campaigns and initiatives for young people.

DIGITIZATION

Several (F)LAGs have been active in contributing to broadband expansion and are still doing so¹². Furthermore, many (F) LAG activities work on finding innovative usage for newly invested broadband. Concerning Smart Villages, in the best practices compilation of ENRD, in 90%⁵ of the cases a committed (F) LAG is involved. In the acute crisis, ELARD questionnaire shows that about 10%¹³ of responding LAGs work with educating local stakeholders in using various digital tools, and that (F)LAGs also serve as service providers by, for example, providing platforms for conferences, making libraries available or supporting schools in teaching technology. Also, digital platforms animated by (F)LAGs are widely used to boost local commerce and supply home deliveries, especially in food products.

¹¹ In the report "<u>Leader I Sverige 2007-2010</u>", 41% of LAGs budgets was invested into tourism ¹² In current programme, excepted results are 4366 operations supported for investments in the support of the support

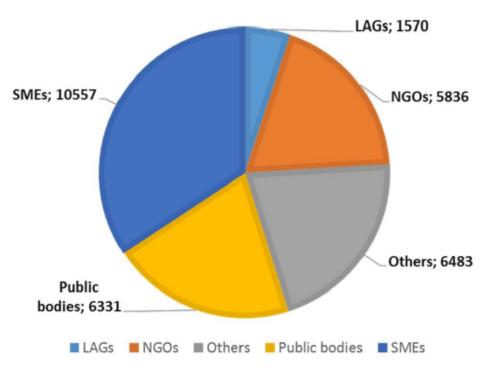
¹² In current programme, excpected results are 4366 operations supported for investments in broadband infrastructure and access to broadband, including e-government services, and 14% of the rural population, 18 billion people, are to get better access to ICT, so <u>"RDPs 2014-2020, Key fact and figures"</u>; ENRD

¹³ ELARD Survey: CLLD and LEADER in times of Corona, 26.2-15.4.2020

GENDER

Gender issues are very important for the majority of (F) LAGs, and this is reflected in both specially targeted projects and initiatives, as well as in an overall, horizontal theme in the local development strategy.

TYPE OF PROJECT PROMOTERS



Source: Annual Implementation report 2018

FURTHER READINGS

(F)LAGs are active in many policy areas, since the methodology is reacting to the needs and possibility of local areas and it must be individually decided by each (F)LAG where their individual strength is.

There are many great compilations of LEADER-work that are available in different places for a detailed picture:

- "A LEADER Journey through rural Europe"
- Leader Achievements, Rural Review no 29, ENRD
- ELARD Survey report: Best practice of CLLD using ERDF and ESF

Examples of some initiatives to meet the current crisis can be found here:

- Rural responses to the COVID-19 crisis on ENRD Homepage
- COVID-19 FLAG Response Message Board on Farnet Homepage

PROPOSAL FOR FUTURE EUROPE IN BALANCE

ELARD urges local, national and European institutions and governments to make use of LEADER/LEADER/CLLD, a long proven and successful approach in their relevant area of operation.

Concerning CURRENT PROGRAMMING PERIOD, ESPECIALLY IN THE CRII+-SCHEME

ELARD calls for

- Enhance the amount of the EARFD towards LEADER/ CLLD, enabling (F)LAGs to assist in our areas of strength, especially Climate change adaptation and mitigation, Youth, Gender, Culture and creativity, NGOs and volunteers as well as Rural Tourism/Attractiveness.
- Enhance the amount of the ERDF towards CLLD, to enable (F)LAGs to assist in our areas of strength, especially concerning support for SMEs and innovation, Bringing EU closer to citizens, digitization and smart villages.
- Enhance the amount of the ESF towards CLLD to facilitate (F)LAGs to assist in our areas of strength, especially in integrating people into the working market, and integration into society.
- Enhance the amount of the EMFF towards CLLD in order for (F)LAGs to assist in our areas of strength, especially in supporting SME with special emphasis on small scale fisheries

(F)LAGs are flexible, engaged and acting already at local level. In order to release the full potential of the (F)LAGs to react to the crisis and assist ind the recovery scheme, there needs to be enough funding (many (F)LAGs have already ran out), and a flexible system to allow this to happen.

Concerning PROGRAMMING PERIOD 2021-2027

ELARD (together with ECoR¹⁴ and EESC¹⁵) calls for

• ring fencing mandatory earmarking of at least 8% for LEADER/CLLD from all ESI funds and EAFRD to fully utilise the potential of the tool and synergies of different funds for integrated local development. (or a corresponding amount to what has been used from EARFD in the current programming period, namely 9 714 Mio €).

In order to make use of the strengths as mentioned above.

¹⁴The CoR's contribution to the renewed Territorial Agenda, with special emphasis on community-led local development (2019)

¹⁵Advantages of the CLLD approach (2017)

- the possibility of multi-fund CLLD uptake in all EU regions, ensuring that a CLLD approach is used for all types of territories: rural (including remote, mountain and island areas), urban, peri-ruban and coastal areas. All EU regions must have an option to use all possible funds to fulfil the needs formulated in their local development strategies.
- In order to fulfil its purpose of supporting 'structural changes, building community capacity and stimulating innovation', the Commission should ensure that all future programmes differentiate CLLD rules and create a simple, enabling delivery system for all aspects of the LEADER/CLLD method.
- using the CLLD to support the implementation of initiatives such as Smart Villages to enable more community- led innovation in rural areas. These initiatives should be properly funded and supported in order to build on existing structures and strategies rather than duplicate them. They must provide an opportunity for linking local innovation in rural areas with larger scale initiatives for Smart Cities and Smart Specialisation at urban and regional level.
- set up a governance model which allows LAGs to act with the LEADER-approach as independent regional network hub for integral development instead of a simple funding organisation
- understands the excellent potential of CLLD as an effective tool within EU accession, neighbourhood and development policies. The ENPARD programme in Georgia can be regarded as an example of good practice
- getting involved in the drafting of the "long term vision" for rural areas that is more important than ever.

ELARD has been facing this crisis with the firm belief that we are stronger together. No rural area should be left behind, and we are positively working as a team, keeping the spirit of a unified Europe prominent.

We are looking forward to your response to our suggestions, and we are at your disposal for clarification, discussion and ideas for our common future.



Additional information: Marion Eckardt

President of ELARD

ELARD Aisbl

Phone: +46 733718289

E-mail: marion.eckardt@elard.eu

www.elard.eu