

Global competitiveness of rural areas

Creating a territorial development strategy in the light of the LEADER experience

Part 5



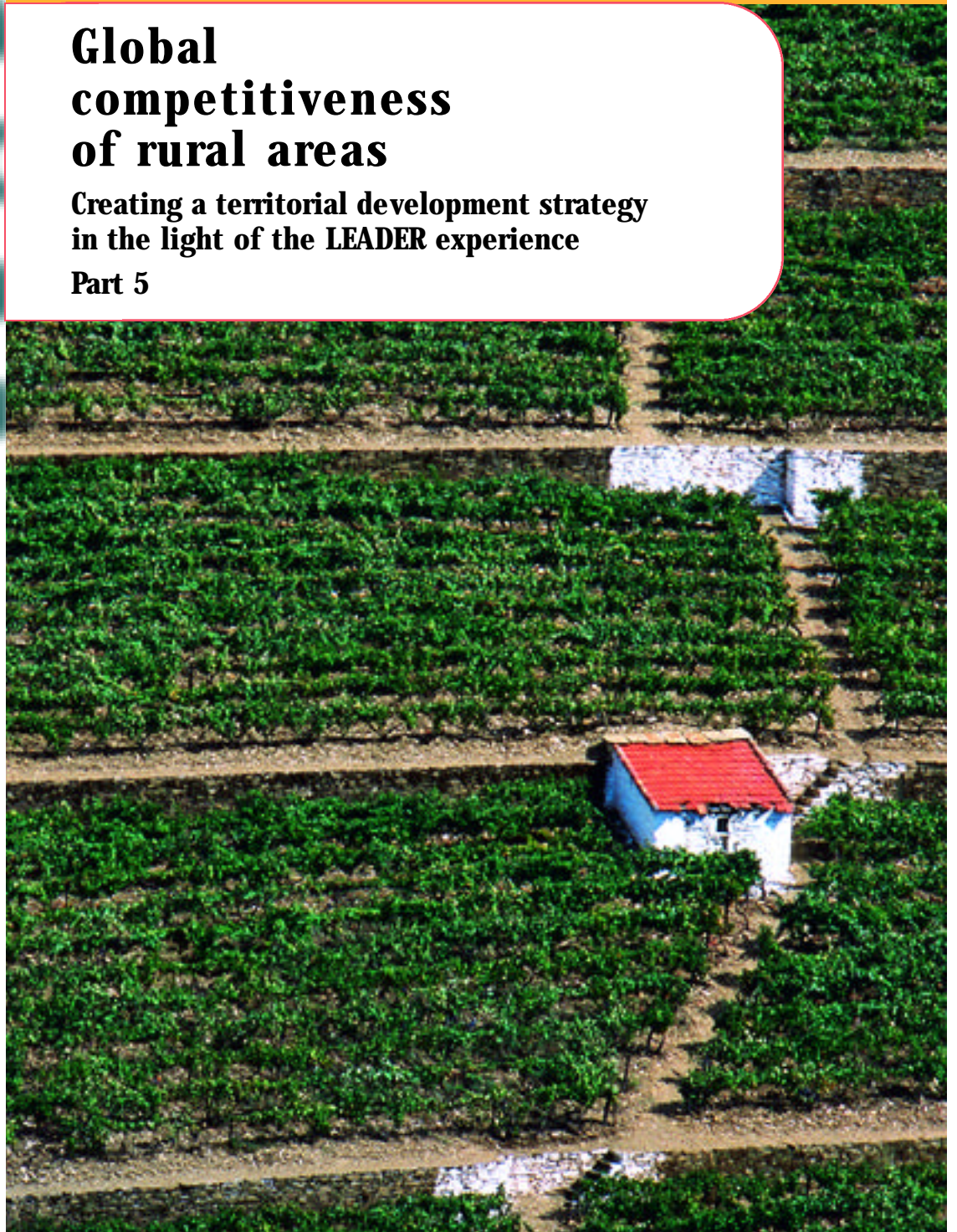
LIAISON ENTRE ACTIONS
DE DÉVELOPPEMENT
DE L'ÉCONOMIE RURALE

LINKS BETWEEN ACTIONS
FOR THE DEVELOPMENT
OF THE RURAL ECONOMY



COMMISSION EUROPÉENNE
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**Creating a territorial development strategy
in the light of the LEADER experience**

Part 5

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*This part was drafted jointly by **Gilda Farrell** (Deputy Director of the LEADER European Observatory from September 1995 to March 2000) and **Samuel Thirion** (INDE, Portugal).*

*It is the product of discussions by the LEADER European Observatory's Innovation Working Group, coordinated by **Gilda Farrell** and comprised of **Eveline Durieux** (LEADER European Observatory), **Martine François** (GRET, France), **Robert Lukesch** (ÖAR, Austria), **Elena Saraceno** (CRES, Italy), **Paul Soto** (Iniciativas Económicas, Spain) and **Samuel Thirion** (INDE, Portugal).*

***Jean-Luc Janot** (LEADER European Observatory) helped to finalise the document. Production coordinator: **Christine Chartier**.*

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Territorial approach to rural development

In the face of the crises experienced by many of Europe's rural areas, there is no doubt that the LEADER Community Initiative has mapped out new paths of development which can now be seen as an important initial response to the need to revitalise and develop rural areas to the full.

The question remains as to whether the paths mapped out by LEADER can be consolidated to allow rural areas to acquire a genuine "territorial competitiveness".

This matter has become all the more crucial now that LEADER II is nearing completion and making way for LEADER+. The transition to the new LEADER phase, which is expected to provide a "plus" in relation to the previous Initiative, could offer an opportunity for the qualitative leap forward. This will require each area to draw up its own "territorial project" aimed at achieving what we term "territorial competitiveness".

What does "territorial competitiveness" mean?

The usual meaning of the term competitive is "to be able to withstand market competition". On the face of it, the term territorial competitiveness has a strictly economic sense. Yet can an area that, for example, produces agricultural raw materials very cheaply, but in deplorable social conditions and with no concern for its environment, really be described as competitive? Such considerations have led us to attribute a broader meaning to the term competitiveness, as expressed by the concept of territorial competitiveness: an area becomes competitive if it is able to face up to market competition whilst at the same time ensuring environmental, social and cultural sustainability, based on the dual approach of networking and inter-territorial relationships. In other words, territorial competitiveness means:

- > *taking the area's resources into account in a bid for overall coherence;*
- > *involving different players and institutions;*
- > *integrating business sectors into an innovation dynamic;*

- > *cooperating with other areas and linking up with regional, national and European policies as well as with the global context.*

The aim of developing a territorial project is therefore to ensure that local players and institutions acquire four types of skills: the skills to assess their environment, to take joint action, to create links between sectors by ensuring that maximum added value is retained, and lastly to liaise with other areas and the rest of the world.

These four skills can be linked with what we call "the four dimensions" of territorial competitiveness, which will be combined differently for each area. They are:

- > **"social competitiveness"** – ability of the players involved to act effectively together on the basis of shared conceptions about the project, and encouraged by cooperation between the various institutional levels;
- > **"environmental competitiveness"** – ability of the players involved to make the most of their environment by making it a "distinctive" element of their area, whilst at the same time ensuring that their natural resources and heritage are preserved and revitalised;
- > **"economic competitiveness"** – ability of the players involved to create and retain maximum added value in the area by strengthening links between sectors and by turning their combined resources into assets for enhancing the value and distinctiveness of their local products and services;
- > **"global competitiveness"** – ability of the players involved to determine the area's role in relation to other areas and to the outside world in general, in such a way as to develop their territorial plan to the full and to ensure its viability within the global context.

In many areas the processes we describe have already begun. However, the crux of the matter now is to ensure that they form part of a long-term approach that is at the core of each area's development strategy.

In presenting this five-part publication, the European LEADER Observatory draws on the experience of LEADER I (1991-1994) and LEADER II (1994-1999) with a view to fuelling the debate among Europe's rural players who are seeking a new form of territorial competitiveness founded on consultation and cooperation.

Part 1 takes as its starting point the focus for developing a territorial strategy; Part 2 tackles "social competitiveness"; Part 3 concerns "environmental competitiveness" as an element of this strategy; Part 4 deals with "economic competitiveness" and Part 5 addresses "global competitiveness".

Each part reviews one aspect of territorial competitiveness, in the following manner:

- > analysis of the background;
- > lessons learned from LEADER and from the experience of local action groups (LAGs);
- > proposed tools and methods;
- > presentation of possible strategies.

Many of the examples used in the different parts of this series refer to measures, activities or enterprises which are presented in more detail in the directory "**Innovative actions of rural development**", published in seven languages by the European LEADER Observatory in 1997 and available in six languages on the "Rural Europe" Internet site (<http://www.rural-europe.aeidl.be>).

This site also contains a great deal of relevant information about the LEADER rural development Community Initiative, as well as most of the publications produced by the European LEADER Observatory.

Brief background: what globalisation means for rural areas

What is commonly referred to as “globalisation” can be summed up as the direct correlation between elements located at diverse points of the globe (people, institutions, enterprises, products, geographical areas, etc.) in spheres open to the entire world, i.e. markets, information, standards, references and legal frameworks.

Globalisation is the product of radical changes in four different fields:

- > Technology (development of transport and ITC (information and communication technologies), in particular the Internet);
- > Economics (change in the scale of production, intensification of international trade);
- > Finance (world movements of capital);
- > Politics (development of international agreements: liberalisation of markets, environmental protection, social regulations, weakening of central government, etc.).

Globalisation therefore has a considerable impact on all aspects of economic, social and political life and on **the positioning and/or definition of the roles of “territories”, the “local level” and “proximity”**, a theme on which this part of the series specifically focuses. Globalisation is calling into question the notions of geography and distance, as well as the collective identities that have been forged by social practices over the years.

As a result, every rural area has to cope with constant realignments of local interests on an unforeseen scale and with unprecedented types of competition, requiring the formation of new alliances and the incorporation of new spheres, etc. Each collective identity must respond to external demands, which often undermines its role in social integration.

Whilst in the past the ideas of a local area and identity represented a kind of recognised collective whole that assured a certain vision of the future, globalisation operates in other spheres of affiliation, making it necessary to explore new means of affirmation and forms of social recognition. The great challenge facing rural areas today is to rediscover “proximity” as a pillar of economic organisation and to harmonise institutional responses.

This fifth and final part of the series on “*Creating a territorial development strategy in the light of the LEADER experience*”:

- > Examines globalisation issues and the effects of globalisation on rural areas, the diverse facets of competitiveness in the global context, as well as the lessons learned from LEADER in terms of globalisation (**Chapter 1**);
- > analyses the components and values that are key to the global competitiveness of a rural area: the area’s image, its degree of openness, the local economic fabric, the area’s level of “governance” (**Chapter 2**);
- > and finally, it looks at creating a global competitiveness strategy by providing numerous examples of transnational cooperation initiatives conducted by LEADER groups (**Chapter 3**).

Chapter 1

Globalisation issues and effects

Globalisation issues and effects

For rural areas, globalisation represents both a threat and an opportunity. It is a threat because it tends to sweep aside geographic, legal, identity-based and other barriers, which, until now, protected the products and the craft-working and cultural traditions of rural areas. Globalisation is also an opportunity because it allows specific products and services to be promoted and marketed without having to worry too much about isolation or distance.

1.1 Different types of globalisation issues and effects

a) Issues and effects in terms of markets

Globalisation aims to break down the barriers and constraints that exist in matching the supply of products and services to demand, particularly constraints relating to legislation, distance and speed of access. It imposes a new scale in terms of volume and methods of distribution. The effects of globalisation are to:

- > sweep aside legal barriers by opening up borders and standardising products, not only within the European Union, but also as part of a raft of multilateral agreements, including that of the World Trade Organisation (WTO);
- > overcome the constraints of distance and access by providing consumers with information about products and services over the Internet.

An apt illustration of this radical transformation is in the publishing and bookselling sector. Nowadays, the Internet makes it possible to put together a comprehensive offer of existing publications. Any visitor to these sites is able to search by theme, key word, author, etc., just as though he were moving at his own pace around a gigantic bookshop, where publications can be reclassified at any time and be presented to him from whichever angle he desires.

Globalisation has therefore introduced a far-reaching change in the services linking supply with demand.

For rural areas, there is no doubt that this transformation represents an opportunity, by allowing them to promote and market specific products and services whilst being much less concerned by problems of isolation and distance. It enables them to establish new types of short distribution channel and to do without intermediaries and distributors. Today, many farm and local producers are discovering the considerable potential of Internet selling, especially where they band together in a network.

Nevertheless, globalisation also represents a threat to rural areas because it tends to sweep aside the geographic, legal, identity-based and other barriers which, until now, have protected local products, as well as local craft-working and cultural traditions.

The gradual elimination of customs barriers is placing products from Europe's rural areas in direct competition with similar products from developing countries, where the price is based on very low wage costs. As a result, embroidery, an element key to the heritage of certain European rural areas (Madeira, northern Portugal, Spain, Greece, etc.) is now in direct competition with embroidery produced by certain Asian countries (China, Vietnam, etc.).

Globalisation has therefore turned the market on its head by placing into direct competition all existing offers in a particular niche. It requires rural areas to position themselves in relation to a new form of world competition and create new skills to attract consumers, which poses two problems for rural areas: one of communication and the other of strategic alliances.

The globalisation of information can also be deceptive, because Internet sites that do not have additional resources to promote their products remain "hidden", lost amongst a vast morass of other sites^[1]. So, today we are witnessing strategic alliances on an unprecedented scale with the aim of attracting more consumers. Major new groups are being set up to control

[1] In June 2000, the Online Computer Library Center, an offshoot of American libraries, included around 7.5 million web sites, 53% up on June 1999. Source: newspaper "Libération" (23/10/00).

several communication media simultaneously (television channels, radio stations, newspapers) and to take advantage of world-famous brand names. Globalisation is therefore becoming a new factor of concentration that calls for considerable investment in the communication sector. Against this trend, offerings that are fragmented and of no distinctive or special quality, as is frequently the case in rural areas, are increasingly in danger of becoming marginalised.

This is why the primary challenge for rural areas today is to **be present in the spheres opened up by globalisation.**

b) Issues and effects in terms of new relations

Globalisation goes beyond directly matching the supply and demand of products and services. From it has sprung a multitude of new relations between people and institutions, regardless of the distances separating them. In a way, globalisation is making the world a smaller place.

Globalisation is therefore opening up a wide variety of areas for cultural exchanges, as well as exchanges of know-how, experiences, etc. It is a catalyst for transfers and allows the expression of new forms of solidarity, which were difficult or impossible to establish in the past, due to the barriers that existed.

For rural areas, these new forms of exchange, transfer, solidarity and so forth can become revitalisation levers, enabling rural areas to:

- > Get to know one another and to exchange experiences and good practices, contacts and relations, etc.
- > Take advantage of experiences that exist elsewhere, including in urban areas.
- > Pool certain services and make them more profitable by extending them to several areas.
- > Find complementarities between areas.
- > Build links of solidarity, especially with areas experiencing the greatest difficulty.

However, all of this requires an ability to renew local potential by building links of interdependence between diverse interests, institutions and areas.

Therefore the second challenge for rural areas in coping with globalisation is to **strengthen collective action, exchanges and forms of solidarity and transfer.**

c) Issues and effects in terms of new forms of expression

By forging new relationships, globalisation also makes it possible to build links between those with similar opinions world wide and allows for the democratic expression of common positions, enabling the people sharing them to make contact, meet one another and get their voices heard, even if initially they were acting in isolation.

This has enabled actors from around the world to discover in one another converging forms of expression for addressing today's problems of environmental degradation, deteriorating trade terms, social problems, etc. A host of groupings are being created that form democratic networks of expression on such issues, including networks of NGOs^[2] for safeguarding the environment, human rights, children's rights, etc.

More than just movements of opinion, such groupings and new forms of expression are being set up to defend common interests. Links are being forged between trade unions, interest groups, etc. that exceed the traditional boundaries of states and sectors of intervention. For example, we are witnessing the emergence of links between farmers' and consumers' organisations to address problems of food safety.

These diverse movements of opinion are spawning new worldwide practices of democracy and "governance", prompting governments to include citizens' movements in international negotiations. They are also a key element for forging proper links between the different levels (local, regional, national and international), relaying decisions negotiated at world level right down to the "grass-roots" level and, conversely, ensuring that what happens in the field is filtered up to the higher decision-making levels. These new democratic forms of expression act as a catalyst for both "horizontal" dialogue between governments and civil society and "vertical" dialogue between the different institutional levels.

With respect to environmental problems, for instance, dialogue is gradually being established between NGOs and government representatives at both local and national levels. Links are being set up between these different levels as a growing number of countries sign up to international agreements like Agenda 21, the United Nations programme to combat desertification, agreements to protect certain species, etc.

[2] Non-governmental organisations.

For rural areas, the new forms of expression and institutional links are key elements in establishing policies, which are tailored to today's realities^[3] and respect diversity. One of the principal means for doing this is to learn from decentralised pilot approaches such as LEADER. However, experience has shown that first this requires consultations between governments and the actors involved "in the field". This means adopting the principle of "active subsidiarity"^[4], which implies that, in order to take local/regional diversity into account, it is first necessary to redefine the methods for drawing up, shaping and implementing public policies, linking the actors and institutions at different levels.

The emergence of regional and national networks of LEADER groups has allowed such forms of dialogue and cooperation to be set up.

In Andalusia, the establishment of a regional LEADER network in 1992 led to a dialogue between the regional government and the LEADER network. This process has made

1. The local level and global markets. Globalisation does not eliminate the advantage of physical proximity, but does make it necessary to demonstrate its value.

In the past, almost everywhere proximity was seen as inevitable due to the impossibility of getting around or gaining access to remote information, products and services. Globalisation removes such constraints and encourages the specific advantages of proximity to be promoted, especially with regard to “quality guarantees”.

Rural areas have had to explain this advantage by better defining why they are different. For example, not only can they sell their products remotely, they can also encourage consumers to come and make their purchases on the spot. This enables them to find out more about the natural, human and cultural environment from which the products come and to experience a different social relationship from that offered by “anonymous” markets. This strategy works for certain market segments and certain types of consumer. Globalisation involves such fierce competition that novel strategies must be found even for differentiated quality products.

For instance, access to markets for products adhering to the quality label “Pays Cathare” from the Pays Cathare LEADER area (Languedoc-Roussillon, France)^[5] is ensured by establishing synergies within networks organised at three levels:

- > **In the production circuit:** homogeneous quality, solidarity and collective image;
- > **In the distribution circuit:** homogeneous quality, transversality and short distribution channels, solidarity, strategy and collective image;
- > **Throughout the area:** members’ adherence to the quality label with the objective of economic, cultural and social development and the creation of a social identity around common references and goals.

Rural areas are obliged to reposition themselves in markets on the basis of “traceability” (identification, throughout the production and distribution chain, of the product’s origin, the producer, the production methods, etc.), i.e. by implementing measures to make it easier to identify the product’s qualitative differences. “Traceability” has become a means to secure markets for quality products in the face of a growing number of cheaper, anonymous products.

Globalisation obliges a rural area to better define the advantages of identity and to promote aspects that are special and unique compared with what is on offer elsewhere. This makes it possible to pinpoint and exploit human, natural and heritage resources that had hitherto largely been ignored, or were even falling into neglect or simply disappearing. It is therefore a significant lever of local development.

2. The local level and exchanges, transfer and solidarity. The relations created by globalisation do not
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This has, for example, encouraged the introduction of greater “flexibility” into labour relations. Agreements between citizens, producers, enterprises, etc. at local level can make it possible to introduce, through consultation and consensus, suitable forms of flexibility that do not undermine the quality of life.

The local level therefore becomes not only an arena for trying out new responses to the earth’s problems (environmental protection, food safety and consideration of consumer demands, and social cohesion), but also the arena for managing conflicts caused by globalisation, in particular the relationship between economic growth and competition and between economic growth and social and civic integration. It is at the local level that the actors’ capacity for innovation can manifest itself by devising appropriate solutions.

The fourth challenge for rural areas in the globalisation context is therefore to **affirm the uniqueness of rural areas, their shared local strategy and their active ability to respond to global problems.**

1.2 Different dimensions of “global competitiveness”

To cope with globalisation, the local level – in particular rural areas – must aim for four objectives:

1. Areas must position themselves in the spheres opened up by globalisation.
2. Exchanges and forms of solidarity and transfer must be developed between areas.
3. A dialogue must be established between socio-economic actors and between institutional levels in order to encourage the emergence of new policies and a new civil service concept based on a territorial approach.
4. The uniqueness of rural areas and their ability to respond to global problems must be affirmed.

These objectives correspond to four types of relationship between the local level and the global level, which may be presented as follows:

Types of local/global relationship	From the local to the global level	Inter-local (links between areas)	Local-global links	From the global to the local level
Objectives for rural areas	Positioning themselves in sectors opened up by globalisation	Developing exchanges and forms of solidarity and transfer between areas to allow them to affirm themselves in the global context	Establishing a dialogue between levels in order to encourage the emergence of policies tailored to the needs of rural areas	Affirming the uniqueness and the ability of the rural world to devise solutions to global problems

These four objectives serve as a reference and common thread running through all the analyses in this part of the series. They are the **“four pillars” (or components) of what may be termed “an area’s global competitiveness”**, namely the capacity of the area’s actors to:

- > Position themselves in the sectors opened up by globalisation;
- > Link up with other areas through forms of solidarity and transfer;
- > Ensure dialogue with the other levels to encourage the emergence of policies tailored to the needs of rural areas;
- > Affirm the uniqueness of their area by providing solutions to global problems.

These objectives are interdependent, in that they consolidate and complement one another. For example, the solutions to the trend towards desertification in certain Mediterranean areas (diminishing water resources and plant cover, soil erosion) rely to a large extent on achieving global competitiveness in the four above-mentioned fields, i.e.:

- > Raising consumer awareness of quality products from production systems that help combat desertification (*from the local level to the global level*);
- > Forms of solidarity and transfer between areas facing such problems (*interlocal*);
- > Ability to establish dialogue with other levels (regional, national, European) in order to adapt the policies concerned (*local-global links*);
- > Local application of international agreements, notably the UN charter on combating desertification (*from the global level to the local level*).

As we see from this example, the interactions between the four aspects of a problem posed at local level also concern society as a whole.

1.3 Lessons learned from LEADER

In relation to these four objectives, LEADER has amassed considerable experience at European Union level, from which a number of lessons can be drawn for the future.

a) From local to global level: positioning in sectors opened up by globalisation

In relation to this objective, LEADER has provided a number of lessons in four fields:

- > New awareness of the impact of flows between the area and the outside world;
- > Incorporation of technologies in order to be better placed in sectors affected by globalisation;
- > Creation of a higher profile, by changing the way urban consumers see the rural world and by drawing media attention to isolated or forgotten areas;
- > Setting up of thematic networks to bring together several areas, enabling them to position themselves more advantageously in the global context.

Lesson one: LEADER has helped to raise greater awareness of the need to control the flow of resources, knowledge and products between the area and the outside world.

Rural areas, especially the most marginal ones, suffer negative flows of resources and the detrimental effects of concentration policies, e.g.: local rural savings funnelled away by urban centres, exodus of young people and skilled professionals to the cities, local products processed elsewhere, etc. All are flows that strip local areas of resources and deprive them of the ability to generate and retain added value. The trend towards concentration has disrupted the management of local areas, as well as access to resources and their exploitation locally.

LEADER has raised the awareness of local actors of the need to better control flows of resources, knowledge and products between the area and the outside world.

The concentration of tourist flows and the imbalances that this causes in rural areas is a prime example. Indeed, the development of tourism in Europe has adhered to a highly polarised model whereby tourists are concentrated at certain points or in limited parts of rural areas, which are in turn characterised by a similar concentration of tourism provision. This model has been extremely detrimental to both the resources and the quality of life of resident populations: congestion, environmental degradation, etc. By contrast, in areas

with few tourists, the lack of services discourages the investment needed to preserve the heritage, for example. This leads to the heritage deteriorating in these areas, in total contrast to areas heavily frequented by tourists. In many cases, areas with significant tourism exist side by side with areas with little tourism. This is why numerous LEADER groups have implemented strategies to “divert” tourist flows. However, it will only be possible to reap the rewards of this approach in the long term, since the measures undertaken so far have usually constituted nothing more than a start.

*The Montefeltro LAG (**Marches, Italy) is implementing a policy of communication inside and outside the area in order to better distribute tourist flows, which at present are concentrated in the city of Urbino and on the coast. This strategy is based on different elements: use of the traditional “Autumn Festival” to boost the area’s attractiveness by using a series of measures (creation of gastronomic routes; publication of an “Atlas of Flavours”, a programme of events, etc.); a fidelity card that could soon be transformed into an electronic “local credit card”; purchase of advertising inserts in specialised tourist magazines and of promotional areas in a number of superstores in Italy and abroad; gigantic posters in the railway stations of coastal towns; and organisation of cultural events to attract the local Urbino clientele.*

LEADER has also taken action – admittedly on a more modest scale – to control financial flows. Certain LAGs (especially in Italy and France) have launched initiatives to keep more savings in the local area⁶.

Efforts have also been made to structure the area’s provision more effectively. Thus we are seeing fewer food and food processing products sold in bulk. This effort has involved the introduction of labels, labelling, new packaging and storage methods, quality control, etc.

[6] See the dossier “Local financing in rural areas”, “Rural Innovation” series, LEADER European Observatory, 2000.

Lesson two: LEADER has helped to overcome the constraints of isolation, distance and low population density by introducing telematics.

Teleworking, teleservices, Internet promotion and sales, on-line newspapers, school networks and interactive sites have proliferated in LEADER areas, all in response to the structural constraints specific to rural areas.

Believing that telematics could inject new dynamic energy into the economy of the Hebrides (Scotland, United Kingdom), in 1994 the Western Isles LEADER group Skye & Lochalsh, in association with the local authorities and a development agency, launched a campaign to raise awareness about information and communication technologies (ITC). One aim of the operation was to promote teleworking. The initiative culminated in an inventory of local computing skills and the creation of several teleworking enterprises which sub-contract publishing work from large public and private organisations. The impact on local employment has been considerable, with the creation of several hundred, mainly highly skilled, jobs, so much so that former residents of the islands have been encouraged to return home.

"Buenos Días Maestrazgo" is the on-line newspaper of the Maestrazgo LEADER group (Aragon, Spain), which works in a heavily depopulated area (five inhab./km²). Since 24 January 1998, the LAG has published a newsletter of around 200 lines five days a week, distributed via electronic mail to its 225-strong mailing list of local actors and external partners in the development initiatives that have been implemented. Furthermore, a tele-centre has been set up in a village of 600 inhabitants and training is organised for aspiring teleworkers.

Lesson three: LEADER has helped to change the way urban consumers see the rural world and to draw media attention to isolated or forgotten areas.

Globalisation obliges rural areas to identify their distinctive characteristics and to publicise them using internal and external communication strategies. In many cases, this is seen as the only hope for keeping alive areas with fragile ecosystems or where the balance depends on protecting the historic and architectural heritage. LEADER has played a key role in this by helping to create distinctive identity images, which have allowed certain rural areas to be perceived as unique within their region, country or even Europe as a whole.

More or less intuitively, local action groups have launched a process of rediscovering aspects specific to each area, by placing importance even on the "lesser heritage" (washhouses, drying sheds, dovecotes, way-side crosses, etc.), on by-gone traditions and on "hidden" family practices and know-how.

The creation of an image that is specific to each area but also of an image common to several areas is one way of ensuring a greater presence on global markets.

Several LEADER groups are members of the initiative "Towards a European territorial brand". In order to guarantee the coherence of the areas' individual approaches with the joint European approach, the groups decided to adopt a joint framework: a "territorial quality charter". The participants consider that "territorial quality" goes beyond prescriptive quality and designations of origin to embrace "territoriality", giving rise to a new form of solidarity that gives priority to the quality of relations between people, areas, products, services, producers and consumers^[7].

Through promotion activities (taking part in national and international fairs and shows), LEADER has also encouraged urban consumers to attach greater importance to product origin. Moreover, "taking the country to the town", has become an objective of numerous LEADER initiatives. They include the 1998 "Rural Fair" in Lisbon (in which all Portugal's LEADER groups participated), the "LEADER Fair" in Stockholm, etc. Other, more modest, events have been held in pursuit of the same objective.

Three LAGs from Italy, France and Scotland (Antico Frignano, Marches de Bretagne and Galloway) are working to revive fine craftsmanship by facilitating exchanges between young rural artists. Travelling shows, a CD-ROM listing the types of art distributed in the three areas and support for design innovation are all ideas for disseminating an alternative image of the rural world in the collective imagination.

[7] See: "Vers une..." op. cit. p. 22-23.

Such activities have attracted media attention. The television and radio stations of different countries (France, Germany, the United Kingdom and also Japan) have reported on these developments. Likewise, local newspapers are giving increasing importance to the changes taking place in rural areas. Furthermore, certain LEADER groups have devised projects and activities specifically designed to attract media attention to isolated and thinly populated areas.

The goal of the “European Wilderness Challenge”, a cooperation project between the LEADER groups of Western Isles, Skye and Lochalsh (Scotland, United Kingdom), Skogslandet (Sweden) and Kalambaka-Pyli (Greece) is to develop a circuit of “multi-sport adventure races” in Europe through wild surroundings in order to attract media attention to their areas. The aim of the LAGs in question is quite simply to transform their areas’ isolation into an asset. Apart from the benefits for local tourist operators, the three groups are hoping to put their area on the world map through massive media coverage, whilst at the same time arousing the interest of commercial sponsors to ensure the long-term future of the project.

Lesson four: LEADER has backed the development of thematic, telematic and commercial networks as a means for making viable offerings, promoting the heritage, etc. through an initiative shared by several areas.

Networks for promoting various activities have been created (bed & breakfast, self-catering holiday accommodation in the country and other dispersed tourist accommodation structures, tourism provision by organic producers, etc.). They express new collective interests, whose consolidation depends essentially on the ability to generate “critical mass” and complementarities between different areas.

Other types of network are also being established, aimed at safeguarding and defending different aspects of Europe’s heritage (e.g. chestnuts and chestnut groves). These networks, some of which are still at an embryonic stage, group together around an idea or common need a number of areas with radically different cultures and traditions. This guarantees the mutual enrichment of all the areas, in spite of the initial teething difficulties. In many cases, such networks are based on a strong national core group that is seeking an opening into Europe.

The “Eurorganic Network” includes two distant Spanish areas (Granada and Navarra), as well as one area in Sar-

dinia in Italy. It proved difficult to extend the network to include northern European areas, at least during the start-up phase. Agreement between the three promoting areas was facilitated by first developing relevant initiatives in each of the areas concerned. For instance, in Sardinia, projects such as “Open organic businesses”, “Eco-canteens”, “Back to school to learn ecology” aroused the interest of the Spanish partners who, in their turn, have already organised an “Environmentally-friendly cultivation week” and an “Event promoting a green diet”. Now the aim is to put the network slogan – “Grow and let grow” – into practical application through a common philosophy (a clean lifestyle, community spirit, looking after one’s health, etc.), the exchange of methods for drawing up technical data sheets on the instruments for promoting organic farming, understanding the regulations in force in Europe and their application in the countries concerned.

This project, which has overcome the differences between participants, began by identifying some common denominators: putting together a joint web site that includes pages specific to each partner; establishing a network of shops (in Granada, Navarra and Brussels), modelled on the “Emporium di Naturale” centre in Cagliari (Sardinia); market surveys; producing a CD-ROM to present the network’s offerings, as well as a cycle of seminars on sustainable development and improving the quality of life.

b) Interlocal: development of forms of exchange, transfer and solidarity between areas

In relation to this objective, LEADER has made possible:

- > The emergence of different forms of solidarity and welcome;
- > Diverse forms of exchange and transfer of know-how between areas;
- > Alliances between several areas in order to achieve complementarity and critical mass.

Lesson one: LEADER has permitted the emergence of forms of solidarity and welcome, not only between European areas but also with other regions of the world.

Local involvement and network exchanges have enabled LEADER groups to develop particularly strong forms of welcome and solidarity: LAGs have conducted visits/exchanges to allow them to learn more about the way certain processes operate. They have organised

promotion opportunities (fairs, events), hosted visitors from every continent, promoted initiatives to facilitate the integration of actors from countries applying for European Union membership, etc.

Thanks to the contribution of nine Portuguese and French development agencies, whose activities included implementing a LEADER programme, Polish development agents working in rural municipalities in the Rzeszów region followed a six-month course combining theory classes with training placements in the LEADER areas concerned.

Initiatives to support fair trade have also been implemented.

Lesson two: LEADER has boosted practices for transferring “tailor-made” know-how and “in situ” innovation.

The LEADER Initiative has helped to respond to the need for innovation and transfer beyond the agricultural sphere, into the social, organisational, institutional and cultural spheres, whilst new concepts and practices are gradually spreading through rural areas:

- > In parallel to innovation in business or the laboratory, the idea of innovating in the fields of collective organisation and promoting the heritage and the local identity has gained ground;
- > Added to the type of innovation geared towards concentration and specialisation is innovation geared towards structuring small-scale production, integrating sectors, etc.;
- > In addition to innovation that draws on exogenous resources is the type of innovation based on often forgotten or even derided local resources;
- > Added to transferable innovation there is the idea of non-transferable innovation, exploiting the specific components of the area.

LEADER has therefore supported the acquisition of relevant knowledge by organising new forms of learning. Transnational cooperation projects that make it possible to pool experiences and complementary resources, as well as to forge closer links with technical support and research centres have played a key role.

The “INOVATOUR” project aims to test innovative methods for combining modern earthquake protection techniques with traditional building techniques, in order to identify which forms of intervention would improve the restoration/rehabilitation of the rural architectural heritage. The project includes four LAGs from Italy, Spain

and Northern Ireland, as well as research centres and laboratories, such as the Site Expérimental d’Architecture (France), Rome’s La Sapienza University and the Polytechnic University of Turin.

Lesson three: LEADER has allowed activities to be made viable by fostering links between different levels of competence.

Certain rural resources and activities are on such a small scale that it is difficult to make them viable individually, especially in markets that demand a strong image or economies of scale. LEADER has helped to explain the benefit of such resources and activities.

This has applied particularly to cultural heritage cases (monuments, traditions, music, etc.). For example, it is always more difficult for an individual area to set up a museum, festival, management structure, etc., especially when it comes to promotion. Furthermore, globalisation calls for increasingly complex images: a church or museum no longer suffices in itself but, by contrast, an “area/museum”, a visitors’ itinerary, a thematic route, etc. are more likely to attract an influx of tourists.

This leads to the gradual emergence of a network rationale: by joining forces, it is easier to reach an appropriate scale, to share complementary resources and to create added value by developing satisfactory joint solutions. This is the case, for example, with museums organised around similar themes in different neighbouring areas.

A cooperation venture was established between the Valsesia area (Piemonte, Italy) and the Virgental areas (Tyrol, Austria), enabling the Valsesia area to profit from the knowledge acquired by the Virgental area in organising life museums. The cooperation between the two LAGs extends to several aspects:

- > *Support for the creation of a new eco-museum;*
- > *Development of an organisational and financial management model tailored to suit this type of structure, and of a service to support the creation of eco-museums in other areas;*
- > *Training for managers and guides.*

The collaboration venture has culminated in the creation of a visitors’ circuit, which is jointly promoted, whilst at the same time enabling each area to position itself differently in the tourist market.

c) Local-global links: dialogue between levels to foster the emergence of new policies

In relation to this objective, LEADER has helped to:

- > Affirm the importance of the local level on the political scene;
- > Define the new functions of the rural world and to shed new light on the ways in which rural and agricultural policies must develop in Europe.

Lesson one: LEADER has helped to affirm the local level in Europe's political and administrative scene

Bringing local actors together around a territorial project enhances their ability to perceive local issues in relation to globalisation, as well as the institutional reforms currently being introduced into the various Member States and the need for vertical consultations demanded by the new context. Furthermore, a territorial project creates new collective references that call for certain changes in public management.

This has led to LEADER partnerships putting forward political and institutional proposals. Such partnerships have become real interfaces for testing out new approaches in the fields of job creation, combating social exclusion, local and regional management, and defining new functions for rural areas.

By supporting the emerging of new collective actors and new forms of interdependence, LEADER is helping to broaden the opportunities for consultation between the local level and the other levels (regional, national). In some countries, the Initiative has been a source of inspiration for new regulatory frameworks. In other words, LEADER has helped to boost "active subsidiarity"^[8].

The new French system of regional planning and sustainable development focuses on local citizenship and makes sustainable local level development the reference for its regional policy. Its ambition is to reinforce geographical communities ("pays") that were shaped by history and economics. This policy was broadly inspired by experience of LEADER and of managing nature reserves.

Lesson two: LEADER has helped to define the new functions of the rural world and to highlight desirable rural and agricultural policy changes.

LEADER emerged within the framework of the 1992 Common Agricultural Policy (CAP) in response to the need to support the new functions essential to keeping the rural world alive and well. The main idea underpinning this reform is to induce farmers to comply, in the long term, with a minimum number of environmental rules. It is hoped, for example, that this will boost the tourism potential of rural areas. In a broader sense, the reforms introduce the concept of "agricultural multifunctionality"^[9].

LEADER has played a key role in this development. The preparatory documents for the World Trade Organisation negotiations (Millennium Round) acknowledge that: *"By promoting the participatory approach, LEADER encourages both agricultural and non-agricultural activities by means of local, often collective, initiatives, aimed at diversification, the promotion of quality regional products, local processing and direct selling and/or other alternative schemes to preserve rural areas by strengthening social cohesion and supporting the viability of rural activities."*^[10]

d) From global to local level: affirming the uniqueness and ability of the rural world to find answers to global problems

At this level, LEADER has helped to:

- > Affirm the identity and image of rural areas;
- > Encourage experimentation with new approaches to society's problems, with particular regard to sustainable development.

[8] For an in-depth analysis of the different ways in which the LEADER experience has been integrated into regulatory frameworks and national rural development initiatives, see "Mainstreaming LEADER in future rural policies", LEADER European Observatory dossier, 1999.

[9] The definition of this multifunctionality is based on three key areas:

- Production of food and fibres;
- Preservation of the countryside and the rural environment.
- Contribution to the viability of rural areas and to balanced regional development.

[10] European Commission, Note for the attention of the Members of the Commission, Millennium Round: the multifunctional role of agriculture, meeting of the Special Committee on Agriculture, Brussels, 20 September 1999.

Lesson one: LEADER has made it possible to affirm the identity and image of rural areas more effectively by making them “identifiable” in their own region or country or in Europe as a whole.

By forcing them to identify and communicate their distinctive characteristics, globalisation helps to affirm the potential of rural diversity.

Thus, communicating and clarifying rural diversity is often seen as the only way to make certain areas viable.

Lesson two: LEADER has helped to test new approaches to society’s problems, with particular regard to sustainable development.

LEADER has supported experimental new responses to the earth’s problems, especially in terms of environmental protection and introducing the concept and practices of sustainable development.

“Espace Rural XXI” is a project that aims to forge links between natural areas, orchards, gardens with character, rest areas, cultural and heritage attractions, etc. by means of walking, cycling and/or riding paths. The aim of this concept, developed by the LEADER groups of Serra de Caldeirão (Algarve/Alentejo, Portugal), Serranía de Ronda (Andalusia, Spain) and Millevaches (Limousin, France), is to ensure the sustainable development of the areas in question and to link the different spaces within a perspective of reclassifying the countryside and limiting “intensive” strategies and infrastructure. The idea was borrowed from the “Sustainable Tourism” concept described in Agenda 21.

Furthermore, organic production experiments are in progress in most LEADER areas, which involves drawing up specifications to include a series of relevant standards.

Conclusion

LEADER has made some important inroads into the four principal objectives of rural competitiveness in a globalisation context. Nevertheless, so far the experience has been limited and has barely gone past the pioneering stage. Indeed, processes like these are fairly long term, and the first results have only been discernible in the latter years of LEADER II. Many questions still remain unanswered. In this respect, it is definitely essential to monitor the development of transnational cooperation projects in order to fully understand what role LEADER plays in positioning rural areas in the global context.

1.4 Room for manoeuvre

LEADER experience shows that considering globalisation issues in relation to rural competitiveness is a highly complex and prolonged process. The question facing LEADER groups is the compatibility between urgency and available means:

- > Urgency of taking the globalisation context into account in the territorial approach;
- > Means and time available for achieving this.

a) Urgency of taking the globalisation context into account in the territorial approach

Taking the globalisation context into account has become a requirement of any territorial strategy. The “global level” gives a new dimension to local development in all its different components: social, environmental and economic.

Faced with this new dimension, a certain urgency has become apparent in LEADER areas, which is not always compatible with the time needed to foster the emergence of projects, test out new functions, innovate and specify provision. Indeed, the changes currently taking place call for constant adaptation and the development of strategies based on factors that are generated at a level other than the local level.

This urgency manifests itself in a number of different ways:

- > **In the assimilation of the new elements of the global context:** this stems from the local level’s need to access information at the global level, to compare it with what exists locally and to set in motion processes that make it possible to appropriate the necessary skills at local level.
- > **In the creation of new elements by the local level:** this is generated by the local level’s need to create innovative responses within the sometimes-restrictive framework of institutional support. LEADER groups, for example, are confronted with the timeframes of Agenda 2000. In fact they fear that the LEADER+ Initiative and the 2000-2006 Structural Funds may be the last opportunity for many of the rural areas in today’s European Union (of 15) to construct the pillars of a long-term rural development policy.

b) Means for achieving this goal

How can rural actors respond to these urgencies? The answer lies in their observation and networking skills. For example, the activities created within the LEADER framework often result from appropriating external ideas or approaches from the global context. They are transformed into a local project, through a gradual process of appropriation and, after a certain amount of experimentation, they culminate in a new need for contact with the global context (networking with other areas within the framework of transnational cooperation), in order to reaffirm the local process. The following diagram illustrates this process.

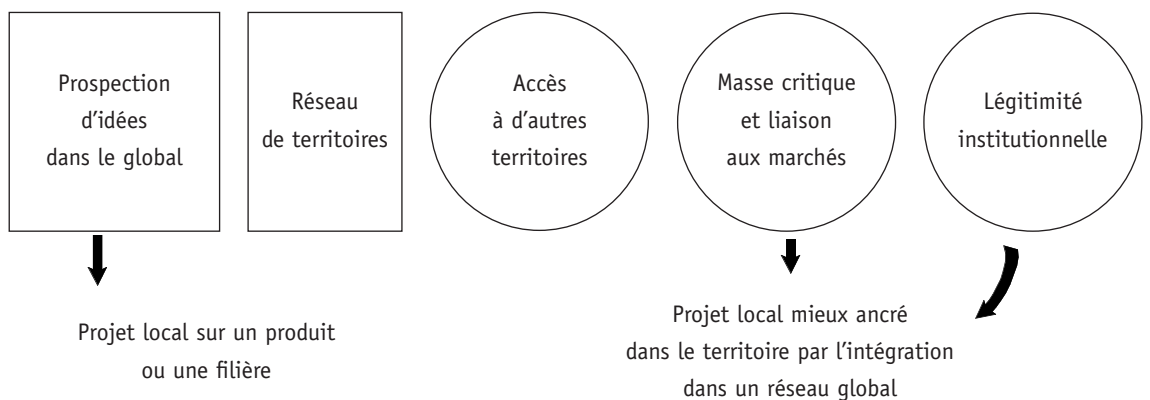
The “variable geometry” networks of rural areas become sort of “intermediate bodies” that facilitate the relationship between the local level and the global level: they allow a “gentle” confrontation between the local level and the global level. They contribute to the viability of local projects by encompassing them within a wider dimension.

Conclusion

Acquiring global competitiveness is one of the most important challenges facing LEADER+. To this end, ways must be found to integrate the “laboratory” function of the rural development Initiative into the network function.

The strategic choices in terms of responding to the challenges of globalisation depend first and foremost on an area’s acquirements, or what is termed its “capital”^[11]. Presented in the next section are a few methodological suggestions for analysing an area’s acquirements.

PROCESS FOR PROSPECTING FOR KNOWLEDGE IN THE GLOBAL CONTEXT IN ORDER TO AFFIRM A PROJECT AT LOCAL LEVEL



Chapter 2

Analysing an area's global competitiveness

Analysing an area's global competitiveness

How is it possible to evaluate an area's ability to acquire global competitiveness? What is its level of preparedness for acquiring it? What gaps are there between the area's level of preparedness and the level of competitiveness it must achieve in order to ensure its long-term survival and optimum development? How can these gaps be closed and what implications does this have in terms of timescales?

These are some of the questions that we might ask ourselves prior to establishing a strategy for acquiring territorial competitiveness in a globalisation context. This calls for an analysis of the area's current situation, or what is termed the area's "capital". Four of the eight components of the area's capital, as presented in the part of this series devoted to territorial competitiveness, are more particularly concerned by competitiveness in the globalisation context. They are:

- > The area's image;
- > External relations;
- > The local economic and business fabric;
- > "Governance".

Each of these components of the area's capital constitutes a basis for global competitiveness in all of its multiple facets:

- > The area's image is essential for positioning the local level within the global level. Hence the question of promoting the area among consumers and the latter's interest in certain specific elements of the area;
- > External relations are a basis for the creation of links with other areas, be they near or far, especially links of solidarity and of knowledge transfer;
- > The area's ability to respond to external developments and to global problems or challenges depends on the local economic and business fabric (from the global level to the local level);
- > Finally, governance and the local management of financial resources facilitate dialogue with other levels, as well as civic expression.

How can each of these elements be evaluated in a rural area and how can they be summarised? That is exactly what this chapter sets out to do.

This task requires four levels of analysis to be distinguished for each of these elements:

- > Analysis of the existing situation;
- > Analysis of practices;
- > Analysis of the organisational systems underpinning these practices;
- > Analysis of values.

2.1 The area's image, a key element for positioning the area within the global context

a) Existing situation: image and symbols of identity

The image of a rural area is never either unique or isolated. It takes a variety of different forms and is built on the ideas and identity symbols that people the imagination of the inhabitants, and which have been forged through social practice over the years.

In the face of the plethora of images currently being produced, rural areas need to clarify their own image in order to be able to affirm it. One of the first tasks is therefore to identify which of the elements forged down through local history portray a positive image to consumers, institutions and other areas.

Another important task is to identify how and in which themes this image can be broken down, in order to link it up with other areas. In fact, it would be difficult to promote a highly specific image in global markets. By contrast, a thematic image linked with other areas makes it easier to promote the area on a more global scale.

The LEADER groups Calatayud (Aragon, Spain), Alto Palancia-Alto Mijares (Valencia, Spain), Montagne Ardéchoise (Rhône-Alpes, France), Les Volcans (Auvergne, France) and Thermenregion Stegersbach (Burgenland, Austria) are working hard on image as part of their cooperation venture in the hydrotherapy sector. The emphasis is placed on quality and personalised service, which meets consumer expectations and hence makes it easier to promote.

b) Practices: promotion

A good image is only a means, rather than an end in itself. It all depends on how this image is used, i.e. first and foremost how it is promoted. This raises a number of questions:

- > Suitability of the image and the promotion practices;
- > Available room for manoeuvre, especially links with the media and existing promotion channels;
- > Ability of the local actors to position themselves at global level.

Below are a few examples of more concrete issues that may arise.

Relations with the media

What are the relations between the area and the media? Have mechanisms been set up to attract media attention? What difficulties have been encountered with these relations? What efforts have been made to target promotion of the area's activities at the specialised press?

What contacts are maintained with the local and regional press? Are activities to affirm the area's image reported in these newspapers? On which occasions?

Does the area have a newspaper or a local radio station that broadcasts news concerning the development of the area and promotes the interventions of LEADER and other programmes? What is the principal readership of the newspaper? What is the audience of the local radio station?

Coordinated promotion of cultural activities, tourist attractions, festivals, etc.

Are cultural activities, festivals, tourist-related events, etc., promoted in a coordinated manner between several villages, entities, tourist centres, etc., in order to achieve a certain impact? Are there any contacts with cultural and artistic circles to ensure greater promotion of the rural community?

In Ireland, the Offaly LEADER group encouraged the festival organisers of twelve districts to join forces in the "Offaly Festival Forum". The organisers have coordinated their programme of activities in such a way as to avoid overlapping dates and have worked to resolve a number of common problems. The Forum has also made it possible to produce advertising material of great quality, presenting a real programme of festivals rather than just a series of isolated ad hoc events, as was formerly the case. Now the Forum has become an unmissable event that is arousing the interest of other regions of the country.

Participation in fairs and other national and international events

Do groups of local entrepreneurs take part in fairs and other specialised events outside of the area? How is the area promoted during such events? What support is provided for this type of promotion by local or regional structures? Have agreements been concluded with actors from other areas in order to increase the impact of participation?

Drawing up inventories of the heritage

Has an inventory been produced of the cultural, architectural, folkloric, culinary and other heritage? Can this heritage be used to promote the area? Have any publications (on paper, CD-ROM, etc.) been made on this basis? How widely are they disseminated? Has joint research been carried out with areas that have a similar heritage? Do any "heritage routes" exist which cross several areas and make it possible to create a common image offering a number of different facets?

In France's southern Massif Central, the "Association pour la promotion des itinéraires du Puy-en-Velay à Saint Gilles-du-Gard" is a group that includes local authorities, private companies and voluntary organisations. The Association set up an initiative called "The Régordane Way", centred on the notion of exchanges between ancient and mediaeval civilisations, the Saracen influence and the tradition of resistance in the Cévennes region. The aim of creating this thematic route, which traverses five micro-regions, is to revive the historical heritage and to promote the landscape, whilst at the same time fostering the development of economic activities. This project is planned to last for several years. The Association has invested a lot of effort to build up a network of contacts with the district councils and the tourist offices involved in the Régordane Way. This approach, aimed at creating links between the tourist sites, should make it possible to promote the heritage in an alternative way, by using a unique and evocative image: the tolerant attitude that has made this area a land of welcome down through history.

Relationship with the Internet

Which web sites have been created in the area or in collaboration with other areas in order to promote a specific image and products? Is their impact monitored?

c) Organisational systems: promotion instruments

The promotion of an image is facilitated by certain specific instruments that make it possible to systematise that image and to increase its impact. They may include, for example:

Linking elements to create an image

There are many different possibilities for linking an area's diverse elements around an image, such as labels, quality marks, designations of origin and geographical provenance, unifying themes, etc. Which ones does the area have? Which promotion mechanisms are used to affirm them?

Links between areas

What types of link with other areas have been set up to promote an image? Have any networks already been set up at this level, or any web sites? On which of the area's elements does promotion focus? With what results?

The transnational cooperation projects between LEADER areas, for example, often include a component for promoting images based on a sum of elements which, were they to be taken at the level of each individual area, would be highly unlikely to have much of an impact.

Existence of specific promotion channels

Are there any specific promotion channels that can be capitalised on (the diaspora, for example)?

Promoting the use of information and communication technologies, which was the subject of a large-scale campaign in the Longford LEADER area (Ireland), has created new synergies fuelled by local skills and creativity. It is at the origin of a virtual link that currently unites the community of Longford with its diaspora scattered throughout the entire world. The latter serves as a sort of interface for promoting the area externally.

d) Values: to what extent do they match what consumers want?

Another element to be taken into account is the level of convergence between the values underpinning an image and the way it is promoted and the values sought by consumers. In particular, the values conveyed by the image must reassure consumers about the specific qualities of local products. It is therefore vital for an area's image to contain elements for identifying the products and their qualitative differences.

Even more than the convergence of values, it is the means available to local actors for ensuring such convergence that are important in the long term, such as:

Feedback mechanisms

Which feedback mechanisms exist in the area for monitoring the impact of the promotion of offerings (in tourism or other fields)?

The South Pembrokeshire LEADER group (Wales, United Kingdom) organised a survey in pubs, restaurants and other public places on tourists' levels of satisfaction with the services provided in the region.

Local organisation for understanding demand

What are the links between rural areas and towns from the same region? And from other regions? How can the links between these two communities be reinforced? Which products make it possible to draw the attention of children, young people and city-dwellers in general to the rural milieu?

2.2 External relations, a key element in establishing links with other partners and areas (interlocal link)

a) Existing situation: links and networks

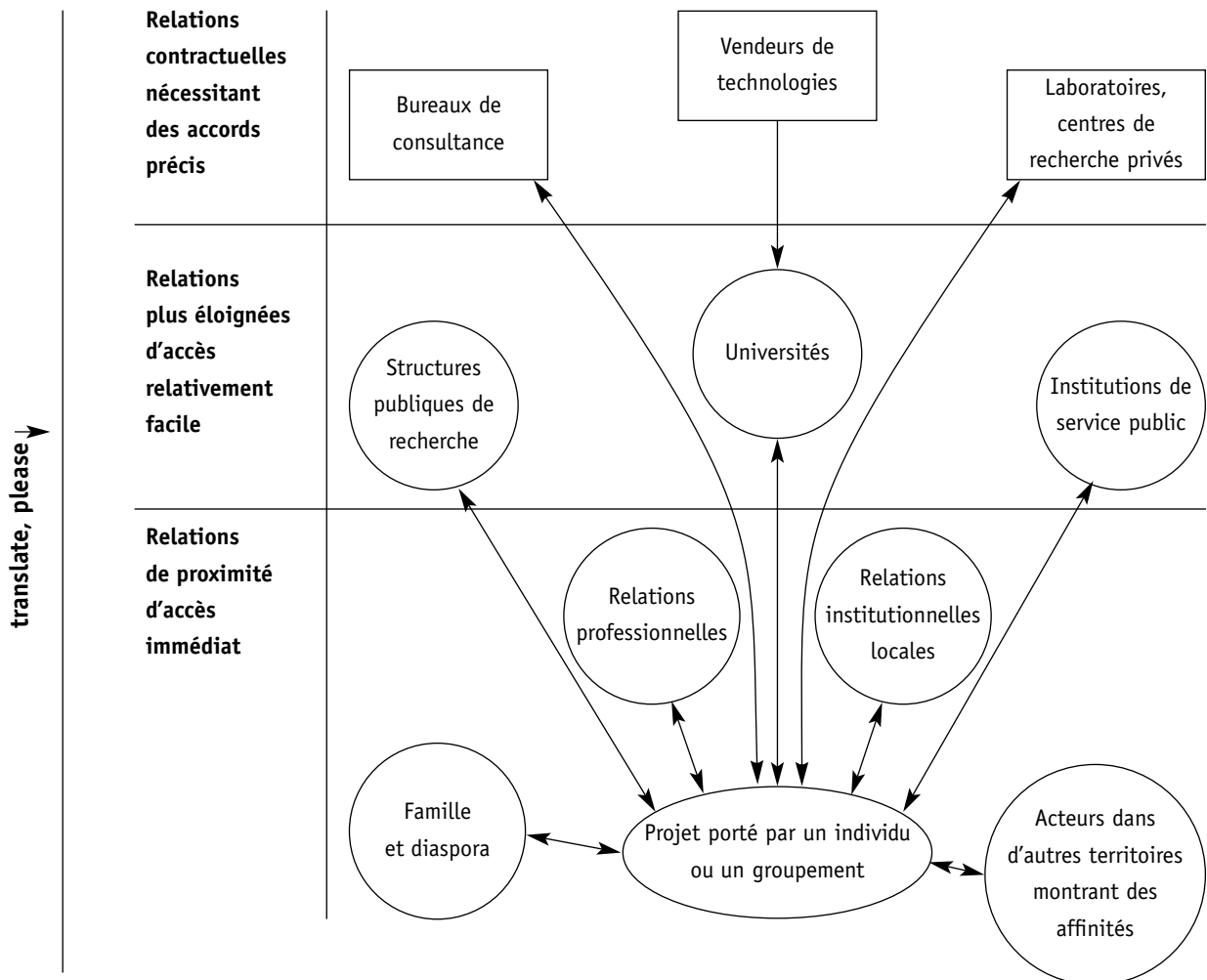
All rural areas have a diversified capital of external relations. Such relations may lead to the creation of “variable geometry” networks, enabling the area to create links with other places and areas, either rural or urban, near or far, and thereby gain access to, or offer, knowledge, resources and forms of solidarity. Such external relations can be distinguished according to their degree of “proximity” (referring more to ease of access than to

distance) by taking the following three levels into account, for example:

- > Links of close proximity;
- > More remote links that are nevertheless relatively easy to access;
- > Contractual links relying on the establishment of specific agreements.

An inventory of existing links can be established at each of these levels, based, for example, on a local project or a project of solidarity with remote areas, or else a project for grouping together several areas in order to achieve critical mass.

MODEL INVENTORY OF LINKS BASED ON A LOCAL PROJECT



1) *Links of proximity*

Any actor or institution develops its relations firstly within a certain number of “circles of proximity”, i.e. milieus in which they feel integrated and with which they can enter easily into contact. In this case, proximity corresponds to ease of contact (in terms of culture, knowledge, history, etc.).

Sometimes the construction of circles of proximity comes up against cultural and language barriers, as well as against implicit social rules that make it difficult to establish contacts. For example, a social development association may meet with some reluctance to establishing contacts with professional commercial milieus and vice versa. In general, there is a tendency for actors to limit their circles of proximity to the milieus with which they have the greatest affinity. This is borne out by the composition of partnerships for developing transnational cooperation projects. Their chances of success depend largely on the affinities and solidarity that they have managed to create by transcending their cultural differences.

In Portugal, LEADER groups are involved in solidarity initiatives with western Timor in Oceania. In this case, the relationship between LEADER areas plays a key role in affirming the project.

2) *More remote links that are nevertheless relatively easy to access*

In the case of a local project this may, for example, concern public structures and services that are useful in carrying out the project. In this case, even if all the public institutions are in principle easy to access, it may be problematic to build the necessary relationships. For instance, an area may have excellent contacts with regional administrations but not with universities and research centres.

3) *Contractual links*

These may involve service providers. In this case, it is also interesting to identify those who play or could play a key role for the types of project to be implemented: database managers, test laboratories, etc.

However, they may also involve remote areas with which cooperation agreements have been established.

b) **Practices: turning relations into exchanges**

An area may possess a good network of relations but fail to take advantage of them. The establishment of links with external partners or with other areas depends first and foremost on effective practices of exchange and collaboration.

European programmes like LEADER have therefore played a key role in the multiplication and consolidation of relations to assist rural areas. They have raised the awareness of the actors in such areas about the importance of relations and mechanisms for managing these relations better. How, though, have they actually altered the practices of exchanges with the outside world and their impact on the local situation? In particular:

- > Are we seeing greater use of information and communication technologies to foster exchanges?
- > Is the information and knowledge derived from these contacts integrated into the area's products and services in order to improve their global competitiveness?^[12]
- > Can these relations create confidence so as to facilitate local investment?

c) **Organisational systems: instruments for systematising exchanges**

How are exchanges and links with external partners and other areas organised? What instruments are used in order to ensure their continuity?

The technical aspect is the first thing that springs to mind, e.g. how good is the communication and telecommunication infrastructure? How difficult is it for the area to communicate with the outside world? Who are the people with Internet access? Are they linked up together? Do they routinely make electronic exchanges? On which occasions?

What forms of organisation are in place locally for systematising exchanges: information services, database management centres, etc.?

[12] *On this subject, see the Observatory dossier: “Apprentissage et recherche pour le développement rural”, which presents an in-depth analysis of the mechanisms for integrating the knowledge from networking activities.*

d) Values

Relations with external partners or other areas for services, exchanges, transfer, solidarity, etc., rely first and foremost on a system of values. This system includes several levels. For example:

- > Does the area have a tradition of openness to the outside world? In what forms and in which fields? Or is it, on the contrary, closed to anything from the outside?
- > What are the most important values shared with external partners and other areas? Does the commerci

The creation in 1981 of a national park in a high valley in the Grossglockner-Oberes Mölltal LEADER area (Carinthia, Austria) aroused the more or less latent opposition of the local population. This led the Park's advocates in 1986 to set up a local development association which, over the years, has transformed this initial hostility into general support for a territorial development model that contains a whole series of ecological measures integrated into the local economy: rational management of water, waste, biomass conversion, use of solar energy, etc. This has led to businesses and private individuals collectively buying solar panels. The valley is gradually becoming a real showcase of sustainable development, whilst at the same time being the first inter-communal structure in Europe to sign the "Climate Alliance between European cities and the indigenous peoples of tropical forests".

The local application of standards often raises the issue of the suitability of such standards to the specific nature of the rural world. So, in numerous countries, the standards established for tourist accommodation have proven inappropriate to the special conditions of rural tourism. Similarly, standards for the food and food processing sector have been defined to suit industrial production conditions and fail to take sufficiently into account rural production constraints in the cottage industry or farm context, etc.

The application of standards calls for negotiations between the different levels, especially between local actors and the national and European levels, so as to define standards tailored to suit the specific conditions of the rural world.

c) Local systems of application

How can the area's actors be organised to ensure that international standards and agreements are applied at local level?

Multiple forms of organisation can exist that would facilitate the application of various standards and agreements in business: business information and support centres, training, etc.

It is also necessary to ascertain the extent to which local businesses are working towards with. For instance, have they commissioned research into subjects concerning their working environment, or included new quality elements?

In 1998, the regional nature reserve and the consular offices of Livradois-Forez (Auvergne, France) embarked upon an initiative to help businesses to adapt to the new standards and certifications, and to encourage them to take the environment into account in their manufacturing processes and development strategy. It is not solely a question of respecting the environment but also of viewing it as a factor of competitiveness for the company. To this end, the LEADER programme has been used in three phases: 100% funding of a "preliminary environmental diagnosis" of the company; 50% funding of a more in-depth environmental audit; and finally, co-financing of the investments recommended in the audit. Thirty-four SMEs participated in the operation. Six have completed the process and in the year 2000 they entered a new phase: achieving ISO standard 14001 certification on environmental controls^[15].

d) Values: "ethical conscience"

Local application of global agreements raises an ethical question: do firms have an "ethical conscience" concerning the area? Are businesses sensitive to issues of identity, affiliation, environmental protection, landscape maintenance, social integration, etc.?

2.4 Governance and the local management of financial resources, a key element in dialogue with other levels (local/global links)

The analysis of this component involves examining:

- > The positioning of local institutions and administrations in the regional, national and European administrative, political and financial context. This also relates to the area's powers of proposal, i.e. "active subsidiarity";
- > The local capacity to create horizontal and vertical links, by fostering partnership and collective approaches to allow rural areas to better position themselves in the global context;
- > The community's level of concern about global issues (environment, sustainable development, quality of life, access to services. The degree of social cohesion and solidarity, etc.);
- > The way in which local interests are expressed outside the area (lobbies, interest groups, pressure groups).

[15] See the article by Jean-Luc Janot ("A 'plus' for the Park") in LEADER Magazine no. 25, Winter 2000.

a) Separating elements defined locally from those defined elsewhere

In order to tackle the issue of links between the local level and the higher and global levels, it is important first of all to identify the distribution between these levels. Which programmes and policies are defined at the higher administrative level (Europe, government, region) and what is the degree of local control over such programmes? Which partnerships exist in the field of managing development policies?

What are the territorialised measures that make possible consultations on how such measures should be devised and applied? Which bodies help to clarify local interests to other levels? What forums are there for exchanges between the different institutions and those representing the citizens' interests?

b) Horizontal and vertical consultation practices

How can partnership approaches be strengthened? How do these partnerships evolve in relation to the challenges from the outside world: by greater integration of the area's multiple interests? By evolving a specialisation for defending specific interests? Which vertical links have been strengthened? By which means?

c) Organisational systems: consultation bodies

This involves analysing the workings of consultation bodies at the following levels:

- > **Local authorities with other administrative and political levels** – How is the local level consulted at the time of planning intervention policies and measures?
- > **Interest groups** – By which means do the organisations, trade unions and economic interest groups working in the area express their interests? What are their contractual powers on the regional and national political scene?
- > **Between public and private partners to better clarify the area's interests** – By which means do local partnerships earn their legitimacy for negotiating with other levels?
- > **With neighbouring areas** – Are there any domains, mechanisms or agreements allowing areas to position themselves collectively in relation to other levels?

- > **With the banks operating in the area** – Are there any mechanisms or agreements with banks or credit cooperatives for funnelling more savings and investment into local projects?

d) Values: civic awareness and participation

How much civic awareness is there about important global issues concerning environmental protection, the quality of life or welcoming immigrants? On which aspects is it easier to mobilise local actors? Do citizens press for international agreements (e.g. Agenda 21) to be integrated at the level of their area?

2.5 Summary

The following table presents a summary of the levels of analysis for each of the four components of an area's capital relating more specifically to global competitiveness:

In order to be able to assure links:	Four key components of the area's capital...	...analysed at four levels			
		1- Existing situation	2- Practices	3- Organisational systems	4- Values
From the local level to the global level	Image of the area	Images and identity symbols	Promotion	Promotional instruments	Level of convergence with the values sought by consumers
Interlocal (links between areas)	External relations	Contacts and networks	Exchanges	Instruments for systematising exchanges	Values of openness and solidarity
From the global level to the local level	Local economic and business fabric	Global issues and challenges to which the local economic fabric must be able to respond	Local application of agreements and standards	Systems for applying agreements and standards locally	Local ethical conscience
Local/global	Governance and local management of financial resources	Distribution between elements defined locally and elsewhere	Horizontal and vertical consultation	Consultation bodies	Civic awareness and participation

This table applied to a rural area makes it possible to summarise an area's state of preparedness for the globalisation context. It reveals the principal failings and shortcomings, as well as the priority areas on which efforts must be focused. It also makes it possible to assess the timescale that must be allowed for resolving these shortcomings, depending on what they are. Obviously, shortcomings in terms of values, for example, will take longer to resolve than local organisation shortcomings. Likewise, changes that involve other levels are much less assured than changes, which are entirely under local control.

So, on the basis of this overall diagnosis of an area's capital, it is possible to define a globalisation strategy. This is the aim of the following chapter.

Chapter 3

Building a global competitiveness strategy

The positioning of rural areas in the global context, including the political arena, calls for a capacity for dialogue, exchanges and transfers between areas.

For rural areas, the strategic issues raised by globalisation are entirely different from those raised by the “external” changes that the rural world has always faced in the past.

3.1 From a wait-and-see approach to taking the initiative

Although for a long time it has been possible for most rural areas to simply adopt a passive or wait-and-see approach, the current context is forcing them to react much more decisively by actively seeking competitiveness. However, this search for competitiveness involves processes of learning based on a combination of hitherto unknown factors. This has led to the emergence of new actors and of new identities and attitudes, which have their own specific requirements. With globalisation, the learning and reference arena for rural areas in the past was usually the national arena, but it has now become Europe or even the whole world.

Furthermore, in the past most rural areas were in a fairly similar situation and any “development lags” were addressed by national governments using “top-down” policies that were applied uniformly everywhere. Technological innovation in the farming sector, for example, was disseminated by public or quasi public services in line with a standard approach. In most cases, relations with the outside world took place via vertical administrative systems.

This is no longer feasible today, when each area must build its n

> **Links of solidarity and transfer:** relations established with areas that are not necessarily close, either geographically or in terms of work themes, but with which links of solidarity and/or knowledge transfer can be established. Such links are often forged bilaterally, having been prompted by the discovery of a common interest. In this area, with the opening up of transnational cooperation to non-European Union countries, LEADER+ could become an ideal forum for testing and consolidating this type of relationship;

> **Links established within a geographic unit (region, country, Europe):** in order to reinforce the capacity for political consultation. These links are vital for the dialogue between the local level and national, regional and/or European administrations. In many countries, LEADER groups have therefore organised themselves into regional, national or European associations, federations or networks in order to present their problems, strategies or views in a coordinated manner and to negotiate with the administrations and institutions concerned.

The experience acquired by LEADER II with these different types of link is summarised in the following table. The correspondence between the types of relationship and the objectives is, of course, meant only as a guide.

FOUR TYPES OF INTER-TERRITORIAL LINK

Experience amassed within the LEADER II framework	Non-geographical links		Geographical links	
	Thematic links	Links of solidarity and transfer	Links within the same geographic administrative unit	Neighbourhood links
	Transnational cooperation for developing common products/services	Ad hoc cooperation experiences with countries from eastern or southern Europe, as well as knowledge transfers between areas within the European Union	Establishment of regional, national and European networks	Many informal agreements and some more formal cooperation ventures, some of which lead to the development of transnational cooperation projects later

3.2.2 Multi-stage process

Establishing links with other areas is a lengthy process involving a number of stages. We can identify four phases in the process:

- > **Discovering a common interest** – This is the phase in which the area’s actors discover similarities, differences and any common concerns likely to give rise to collaboration. In its turn, the transition from an identified interest to a common interest often requires several successive stages, during which preliminary ideas are fleshed out. However, the project can only advance by creating a “win-win” situation, even in the case of a solidarity approach.
- > **Defining a shared strategy** – Creating a win-win situation means thinking about the development of a common strategy. This strategy might, for example, take the form of a series of joint initiatives aimed at developing new activities or reinforcing existing activities.

- > **Implementing the action programme** – This phase of transition from idea to action very often calls for a new learning approach, for which consultations will once more be needed. Sometimes the difficulties entailed by this collective learning process lead to the initial objectives being redefined and the action programme being curtailed.
- > **Gaining recognition** – Common strategies bring with them new collective references and new actors. They often involve the creation of structures, groups, brands, quality charters, standards to be complied with, etc. Lobbying activities are sometimes necessary to get them recognised. Depending on the type of recognition desired, the approach might sometimes involve the support of other areas engaged in similar strategies.

These phases take different forms depending on the four objectives discussed in this part of the series. The following table summarises these different forms.

AGREEMENTS BETWEEN AREAS: POSITIONING PHASES IN THE GLOBAL CONTEXT

	<i>From the local to the global level</i>	<i>Interlocal</i>	<i>Local-global links</i>	<i>From the global to the local level</i>
Objectives	Positioning oneself in globalisation arenas	Creating links of solidarity and transfer	Engaging in dialogue with other levels	Creating local responses to global problems
Phases				
1- Discovering a common interest	Discovering common identities, concerns, views, problems	Discovering > Differences > Needs for solidarity and transfer	Discovering the benefit of joint initiatives	Discovering potential common responses
2- Jointly reflecting on solutions	Finding new market niches Developing appropriate technical responses Organising joint training	Developing a joint project	Establishing a formal network / federation / association	Establishing common standards and a joint project
3- Taking joint action	Creating new products, labels and common methods of promotion	Opening up channels of transfer and solidarity	Conducting initiatives in a formal network	Setting up joint structures
4- Getting known	Finding one's place in the market	Integrating into European and/or international cooperation programmes	Becoming a recognised interlocutor	Gaining recognition from public institutions

The four phases succeed one another in a logical sequence over time but their duration is highly variable depending on the different situations. They may also take a cyclical turn if, for example, new needs/problems emerge that lead to the development of new solutions and so forth.

Furthermore, interactions may also be established between parallel processes: for example, the establishment of networks of LEADER groups at the level of a region or country may help to construct links of proximity regarding themes, solidarity, etc., and vice versa.

3.3 Creation of new collective dynamics: progressing from real links to virtual links

The new collective dynamics being imposed on rural areas frequently manifest themselves as virtual networks. Beyond thematic and geographic links, globalisation encourages the formation of virtual links, i.e. the organisation of joint activities with the aid of telematics. These links necessitate the creation of strong images and **common or collective concepts**.

Within the LEADER framework, these new dynamics are only in their infancy and the collective acquirements they generate must be constantly renewed. For

instance, any web site whose image and content is not renewed quickly loses its appeal. With virtual links, the need for constant renewal of agreements and consultation between areas is beginning to manifest itself.

3.4 Examples of strategies

Global competitiveness brings into play diverse processes that interact with one another, soon leading to complex strategies. This is a new field in which LEADER has amassed relatively little experience.

It is primarily through the discovery of common themes (thanks to LEADER Measure C – “transnational cooperation”) that local action groups have started to learn to reposition their area in the global context by means of networking.

By contrast, “neighbourhood” cooperation (based on geographical proximity) often remains informal. Doubtless this is due to the LEADER approach which, by placing emphasis on territorial development and transnational cooperation, has failed to encourage formal cooperation between nearby areas. It should also be noted that, in order to develop, “neighbourhood” cooperation is just as much in need of a work theme as other types of cooperation.

It is also interesting to note that relations of proximity have sometimes taken shape when the original aim was to start up a transnational cooperation project. In a number of cases, LEADER groups from a single region have developed “proximity” networks in order to engage in transnational cooperation with a single European partner. Finally, it must be stressed that, for the time being, relations of solidarity still remain ad hoc.

Within such a complex framework as this and in light of certain experiments in progress, we confine ourselves here to suggesting a number of lines of future study, based on some examples of measures and strategies implemented by LEADER groups, in particular as part of Measure C of the Initiative^[16].

3.4.1 Positioning the local level in the spheres opened up by globalisation (from the local level to the global level)

A challenge facing businesses, institutions and rural areas is to be present in the new spheres opened up by globalisation

The experience of LEADER cooperation reveals that, albeit embryonic at the outset, the search for concepts common to several areas makes it possible to position the local level in the global context by:

- > Highlighting common potential and problems;
- > Defining local identities and creating new ones;
- > Exploiting resources that in many cases had been forgotten, in order to affirm their uniqueness;
- > Seeking new competitiveness with top-of-the-range traditional products;
- > Positioning rural areas in non-traditional market niches;
- > Focusing on quality and improving product traceability;
- > Defining collective labels that convey new images and new messages;
- > Organising product promotion on an appropriate scale.

LEADER groups have implemented strategic actions for each of these points.

a) Highlighting common potential and problems

Discovering that the problems of one sector or product are common to several areas is very often the starting point for a networking process. Indeed the common approach reveals the potential underlying a narrow context or an isolated vision of individual areas. By taking this approach, even resources to which economic importance are no longer attached, are given a new dimension.

Ten LEADER groups from Spain, France and Italy are working to safeguard and promote the sweet chestnut. This is one of the most traditional and specific forms of agricultural production in certain areas of rural Europe that are now in decline or have even been abandoned. However, the awareness of Europe's citizens in protecting the environmental heritage and the need for rural areas to differentiate their offerings have created the conditions for exploiting chestnut groves once again. The LEADER groups concerned are therefore working to develop their technical knowledge in order to improve chestnut varieties and control disease. They are also in the process of setting up a "European Chestnut Route". Their common concept ("reviving the chestnut tree") has culminated in the launch of collective initiatives that combine local interest with broader horizons: creation of a web site for disseminating scientific information and research results for use by local producers and processors;

creation of a logo to unify diverse activities that have been devised and developed jointly around this resource; staging of travelling exhibitions throughout Europe; organisation of a European gastronomy competition; training on the culinary use of the sweet chestnut.

b) Defining local identities

In the globalisation context, the specific elements that make possible the existence of collective identities are able to develop, grow and find new forms of expression only if they are confronted with other similar identity components. This reinforces the existence and *raison d'être* of the concept of "difference" and leads to clarifying it further.

Collective identities, rooted in specific areas, can therefore only be fully expressed by exercising "horizontal" complementarity with other areas. The creation of a concept around common identity elements enables each area to recognise itself in other areas, whilst at the same time clarifying its own individuality in relation to this common element. The new concept thus becomes an intermediary form of common identity, permitting several areas (the "local level") to jointly reaffirm themselves in the global context.

Four LEADER areas, all situated in a river delta, have grouped together around the common element of the delta, which conveys a specific identity. They include the Evros and Serres groups in Greece (in the Evros and Strymonas deltas respectively), Basso Ferrarese (or "Delta 2000") in Italy (Po delta) and Terres de l'Ebre (Ebre delta) in Spain. These four groups got to know one another during a meeting of rural areas on the theme of "Deltas call for more deltas" organised in Italy as part of Objective 5b of the Structural Funds. This concept, which focuses on complementarities, has enabled these areas to define a whole series of strengths in their identity and culture, associated with their special geographic situation. They have engaged in other common approaches, in particular by jointly offering quality tourist packages. The project has benefited from the individual experience acquired by each of the groups in managing this type of resource. An Internet site and a common logo should reinforce their collective identity and help to promote the delta areas on European and international markets.

c) Exploiting forgotten resources in order to affirm their uniqueness

As with the affirmation and renewal of identity, a concept common to several areas can make it possible to “release” resources whose “individual” value is either diminishing or of little economic or promotional interest.

The “palomares”, traditional dovecotes or pigeon houses, which abound along the border between Spain and Portugal, are popular works of art that are falling into neglect. The fact that they are dispersed means that individually they are of no particular tourist or economic interest. Yet, these resources “locked away” in remote areas are loaded with history and intrinsic meaning. The objective of four LEADER groups from Castilla-Léon (Spain) and one LAG from Trás-os-Montes (Norte, Portugal) is to draw up an inventory of these palomares and to promote them by creating tourist routes and encourage the use of pigeon in the local gastronomy by improving quality controls during processing.

Another cooperation venture between the LEADER groups Portodemouros (Galicia, Spain) and Appennino Parmense e Piacentino (Emilia-Romagna, Italy) is to take the Camino de San Juan de Compostella and the Via Francigena to explore ways of promoting pilgrimage and tourist routes. The development of a joint logo, comprised of a shell (symbol of the Camino de San Juan) and a pilgrim (symbol of the Via Francigena) has underlined the “twinning” of the two areas. The logo also integrates the symbols of the Council of Europe (which has granted the two routes the title of “European Cultural Itineraries”) and highlights the product’s uniqueness. A leaflet (in Italian, English and Spanish) serves to jointly promote the two routes in the European market, taking advantage of recent public relish for travelling along former pilgrimage routes. In terms of local action, the definition of a common strategy for offering similar, standardised services all along the two routes is being pursued.

The LEADER groups of South Mayo (Ireland) and Porthmadog (Wales, United Kingdom) have discovered an opportunity to reposition their areas in the national and European tourist market by focusing on old pilgrimage routes. In the South Mayo area, “Tochar Padraic” has been in existence for at least 500 years and is known as Saint Patrick’s way. In northern Wales, the pilgrimage route following the Llyn peninsula and leading to the Isle of Bardsey, where 2,000 saints are buried, has for many years been the second most important pilgrim destination after Rome. The objective of the two LAGs is to work jointly on promoting these two routes.

d) Seeking new competitiveness with top-of-the-range traditional products

Top-of-the-range traditional products are also being subjected to fiercer competition nowadays. By integrating them into projects of cultural discovery, training or tourism promotion, for example, it has been possible to impart new economic competitiveness to some of these products.

Revitalising the traditional lace and ornamental embroidery industry, activities that are highly sensitive to international competition, is the subject of a cooperation venture between one Italian area (Trasimeno-Orvietano, Umbria) and two French areas (Pays Lunevil-lois, in Lorraine, and Haut-Allier in Auvergne). In these areas, these traditional crafts have survived only due to the determination of enthusiastic amateurs. Current market conditions call for new concepts and special training paths to be identified, in order to develop innovative products in keeping with modern tastes. In Umbria, for example, certain embroidery and lace-making workshops are turning towards the restoration of historic costumes. A permanent training path has been devised which is based on the craftspeople themselves. The idea is to organise a professional retraining scheme to make it possible to position these areas in new, less competitive market niches.

The aim of “EUROTUBER” is to gain recognition for the origin and quality of European truffles, which, nowadays, are difficult to distinguish from Chinese or North African truffles sold on the same markets at much lower prices. This project was warmly greeted by the European Tuber Group, GET (Groupement Européen Tuber), which includes associations of truffle researchers and growers from France, Spain and Italy. The project was devised by three LEADER groups: Reatino in Italy, Pays de Gionno and the Luberon regional nature reserve in France, together with Albarracín in Spain. The aim is to upgrade the entire truffle chain (recovery of traditional harvesting areas, production of plants in specialised greenhouses, cultivation, storage and processing, use of the truffle in traditional gastronomy, marketing).

e) Positioning rural areas in new market niches

In many cases, the search for a common concept responds to a quest for new market niches in order to revitalise problem areas. In this instance, the common concept generally forms part of the process of rebuilding the area's identity based on global demand.

Four LEADER groups (two Spanish, one Scottish and one Austrian) have joined forces in order to more effectively attract a new business clientele to their areas, which had hitherto been overlooked by rural operators. The aim of their cooperation project is to provide services for this new type of visitor, as well as for teleworking enterprises.

f) Improving product traceability by focusing on quality

Common concepts that focus on product traceability and improving product quality also foster the "win-win" principle. Even though many such areas or producers that support these concepts are potential competitors, they find a new dimension for their individual interests in the network.

The electronic identification of livestock and the application of new technologies in cooperatives of specialised small-scale livestock producers is the subject of a cooperation project between the LEADER areas Pays de Gâtine in France and Torrington in England. By developing a joint marketing strategy, producers from the two areas are also seeking to improve the positioning of their products on European markets.

Improving the quality of beef and lamb products in Ireland and Tuscany by increasing product traceability is the objective of the cooperation project established between producers in the LEADER areas of South Kerry (Ireland) and Garfagnana (Tuscany, Italy). Their common goal is also to improve communication with new buyers (even outside of Ireland and Italy), in order to improve the import/e

h) Organising effective product promotion

Many of the concepts common to several areas relate to promotion. The chosen strategies may take the form of joint participation in international fairs, the production of brochures, leaflets or other consumer information material, or else grouping tourism provision for the benefit of isolated operators.

The aim of "ITINERA" is to make typical rural products known to a national and international audience and to promote their area of origin. Seven LAGs (two Italian, two Portuguese, two French and one Spanish) have participated in the creation of a travelling "European showcase", in which producers from the areas concerned participate in specialised fairs in different European countries. The development of a web site helps to present the areas and their products. The partners have succeeded in attracting the interest of the organisers of the Milan international shows, GE.FI (Gestione Fiere di Milano), which have agreed to support the partner LAGs by providing technical advice and mounting a first test exhibition.

Twenty-five Italian, one Swedish (Inlandslaget) and one German (Mittlere Elbe) LEADER group are organising the commercial promotion of small rural tourism structures via a permanent "tourist exchange" on the Internet ("RTN / Rural Tourism Network") (www.ruraltourism-net.com). The exchange aims to boost the areas' presence in international markets by adapting promotion to the needs of local structures, cutting down the number of intermediaries and increasing the circulation of information and knowledge among tourist operators. Of course the promotion of tourist provision includes package holidays as well as individual services. Each area therefore has its own interactive home page on the web to facilitate communication between the service providers, who have all signed a quality charter.

"BIDEARTE", "Réseau d'itinéraires du Patrimoine Culturel Rural", is a group o

Communication sphere

Transhumance culture ruled the life of rural communities for centuries. It has left behind a very rich natural and cultural heritage, which is still dear to people's hearts in spite of the recent decline in transhumance. The objective of the collaboration venture between the La Rioja (Spain) and the Molise and Maiella Verde (Abruzzes) LEADER groups in Italy was to develop an innovative approach for including this identity heritage into the tourist provision of their areas. These LAGs wish to jointly develop a strategy to develop, promote and market the area around this resource, since transhumance is actually little known in northern Europe.

2) A concept common to several areas makes it possible to adopt new, real and virtual scales, even for resour

The aim of the “*Crocus Sativus*” project, launched by two Italian LEADER groups (Eugubino Gualdese Perugia in Umbria and Arca Abruzzo in the Abruzzi region) and the Greek Kozani LAG (western Macedonia), is to develop a new method for growing and processing saffron and to improve product quality by encouraging collaboration between the research world and agricultural producers from these areas. In Umbria, saffron production died out 50 years ago, but young farmers working in a cooperative wanted to diversify their current crops. In the Kozani LEADER area, saffron is, by contrast, one of the most valuable commodities in the local economy: the area grows 1,000 hectares of saffron and employs around 5,000 seasonal workers to harvest and process it. With the support of Perugia University (Umbria, Italy), which for many years has been working to genetically improve saffron, the project aims to find technical solutions for breeding homogeneous, higher quality bulbs. The planned intervention in the Greek area is to develop methods of cultivation for optimising the traditional technique, coupled with technical assistance for making better use of the product. In exchange, the project should lead to the reintroduction of saffron growing in inland areas of Italy, through the transfer of “improved” traditional Greek know-how. The project’s shared concept – “to consolidate the saffron market through cooperation” – is a “win-win” one, since it should produce useful results for all three areas, even though they are potentially in competition.

b) Mutual training

There have been agreements between businesses and producers’ associations from LEADER areas that take a mutual support approach to meeting a set of challenges, either of a technical nature (training, exchanges of know-how), or a promotional or commercial nature (collective participation in fairs and exhibitions, commercial export initiatives).

Producers of traditionally made ham from France (inland Basque country) and Italy (Emilia-Romagna) eventually plan to organise a “Southern European pool of meat curers”, as part of a high-quality approach, coupled with highly efficient development processes. They have embarked upon technical exchanges and started to implement collective promotion. The project was initiated by five traditional meat curers from the Basque country who formed a craft cooperative and had a collective ham drying room built to replace their individual installations.

The cooperation venture is intended to increase their technical and commercial skills, by safeguarding from the competition a source of added value, which makes it possible to pay workers better, whilst at the same time maintaining the social fabric of the areas concerned. Exchanges and visits with enterprises from Emilia-Romagna have allowed the terms of this collaboration to be refined, whilst at the same time preserving the individual interests of each group of entrepreneurs.

Collective training and exchanges of know-how in the dairy farming sector has led to a cooperation agreement between four areas in Portugal (Algarve), France (Corsica) and Italy (Basilicate and Calabria). Small-scale farming and processing sectors characterise these areas, all four of which are situated in low mountains or hills around the Mediterranean. For much of the areas’ population, dairy farming is one of the only activities geared towards the market. Nevertheless, these production pools are isolated and it is difficult for them to achieve the critical mass to enable them to equip themselves with an information system that would give them access to what they need (mastery of production, dairy and cheese-making technologies, commercial development of products, etc.). Furthermore, the promotion of a diversified cheese-making heritage requires dispensations from Community regulations, which is not easy when an area is isolated. The cooperation venture therefore aims to establish common references so as to obtain collective recognition for traditional cheese products. The project is coordinated by CIRVAL (Centre International de Ressources et de Valorisation de l’Information dans les Filières Laitières des Petits Ruminants), a Corsican organisation responsible for promoting Mediterranean dairy farming.

c) Identifying common needs and jointly seeking tailored solutions

The joint discovery of potential complementarities can facilitate the search for the technical solutions needed for experimentation and innovation, a process that also requires a win-win framework in order to succeed.

Two Italian LEADER groups (Valle Elvo in the Piemonte region and Anglona-Monte Acuto in Sardinia), together with two Spanish groups (Montana del Teleno and Valadolid Norte from Castilla-Léon) are cooperating to exploit the wool from native breeds of sheep, which is too coarse for conventional industrial use. New products have been devised to make use of this wool: environmentally-friendly insulation panels, wall hangings, throws, etc.

However, since the necessary investment for research & development, updating designs, marketing, etc. was too expensive for each area in isolation, the four areas pooled their efforts, sharing out responsibilities in line with their individual facilities. For example, since the Valle Elvo LAG is situated in a textile-producing district (Biella), it has forged contacts with certain research & development organisations and specialist companies. The Anglona-Monte Acuto LAG, for its part, organised a trade sector among breeders and craftspeople, etc. The individuality of each partner area has been preserved because the activities to update the design and develop a range of products were inspired by the traditions and environment of each of the four areas concerned.

d) Creating forms of solidarity to foster learning

Created at the initiative of the Els Ports LEADER I group (Catalonia, Spain), "Radio Els Ports" has played a key role in the process of structuring the area and raising the awareness of the local population. Wishing to extend the experiment in providing entrepreneurs living in thinly populated areas with training over the radio, Els Ports made contacts with other LEADER I areas that use local radio stations for distance training (South Kerry in Ireland, Antur Teifi in Wales, etc.). In 1997, the LAG, together with two other Spanish groups (Valle del Jerte and Alcantara in Extremadura) and one Portuguese LAG (Raia Centro-Sul), launched a LEADER II cooperation initiative with the Millevaches LAG (Limousin, France), which supports the "Télé Millevaches" enterprise. This was set up six years ago to broadcast monthly 40-minute local information programmes to a dozen villages. Involving groups of actors, all with some sort of experience in various media, the collaboration venture between these areas is designed to identify communication strategies that are better suited to highly rural areas and to better identify and inform their populations about issues involving their area.

3.4.3 Affirming the uniqueness and ability of the rural world to find responses to global problems (from the global level to the local level)

In LEADER's experience, these capabilities are expressed mainly through strategic initiatives to:

- > Establish common standards for creating new references;
- > Integrate international standards and agreements into local practices;
- > Introduce tools to affirm the need to respect the rural environment in the minds of citizens;
- > Get urban consumers to recognise the quality that results from a more environmental approach;
- > Protect biodiversity.

a) Establishing common standards for creating new references

The maintenance of farming landscapes in mountain areas is coming to rely increasingly on compensation incentives (in particular the agro-environmental programmes of the CAP) and economic and technological developments that have led farmers to adopt non-ecological practices (e.g. the removal of hedgerows). Landscape conservation calls for proposals to be found that will be economically viable in the long term. Furthermore, integrating the landscape issue at the local development level has been found to raise a number of questions: in fact there is no economic participation from businesses that derive their livelihood from the landscape (tourist enterprises), nor is there any contribution to maintaining its quality (there is no system of transfer from the tourist/consumer to the farmer, forestry worker, etc.). By relying on the technical know-how developed within the Réseau Alpin des Espaces Protégés, two member areas of the network (Territoire Ecrins, France and Virgental, Austria) are planning to redevelop activities to maintain landscapes that are currently in a state of neglect, as part of a local and international partnership. The project's ultimate objective is to provide viable responses to the problem of ensuring the survival of landscapes with a strong heritage value.

b) Integrating international standards and agreements into local practices

One of the concerns of LEADER groups is to bring the area and its activities up to par so that the standards and agreements in force throughout the European Union or a larger group of countries can be integrated into management and production practices. We refer particularly to Agenda 21, ISO standards and other regulations regarding organic farming, for example. By integrating these standards it becomes possible to reposition the area in global markets.

b 1 – Organic farming

In order to reposition local wines in international markets, two LEADER areas (one in Italy and the other in Greece) have set up a cooperation project entitled “BIOBACCO”, aimed at allowing local producers to appropriate certain pressing techniques specifically for organically grown grapes (organic grapes are still pressed in exactly the same way as non-organic grapes). With the support of the University of Udine (Italy), the project also aims to create some prescriptive guidelines to complement Community Regulation 2092/91, in order to safeguard the organic quality of grapes during the vinification and bottling process and thereby provide guarantees to final consumers.

“Organic farming schools” is a programme implemented by two LEADER groups (one from Italy and the other from Ireland) for getting organic, eco-compatible farming recognised as an economically viable model. The project aims to train agricultural technicians and operators from the two areas, as well as to teach local officials more about the specific standards and technical processes for organic farming. Two vocational training schools (Ant Ionad Glas – Centre for Organic Education South Limerick/North Cork – in Ireland and Centro di Addestramento Professionale Agricolo F. Mancini in Umbria) are working together to develop training modules to support the process of change and the integration of national and European standards in the sector.

b 2 – ISO 9000ff certification

Two German and three Austrian LEADER groups situated in areas that include nature reserves are working to develop a quality label that complies with the ISO 9000ff standard, relating to tourist regions with a protected environment. Seminars have been organised for administrations, local firms and the actors directly concerned in order to implement the project in a coordinated way. The scope of collaboration and intervention identified at these seminars included the hotel and catering trade, activities to present the areas more effectively to visitors and the promotion of environmentally-friendly travel (“soft mobility”).

b 3 – Introducing Agenda 21 provisions

The objective of the project “Espace Rural XXI” is to establish links between nature areas, orchards, botanical gardens and endogenous coppices, leisure areas, sites of cultural and heritage interest, etc., by means of walking, cycling and riding routes. The concept, developed by one Portuguese LAG (Serra do Caldeirão in the Algarve), one French LAG (Millevaches in the Limousin region) and one Spanish LAG (Serranía de Ronda in Andalusia), seeks to ensure the sustainable development of the areas and to link the different areas within a perspective of reclassifying landscapes and limiting intensive infrastructure. The idea has been borrowed directly from the “Sustainable Tourism” notion set out in Agenda 21.

c) Introducing tools to affirm the need to respect the rural environment in the minds of citizens

Two LEADER groups (Redange-Wiltz in Luxembourg and Pays du Val d’Adour in France) are cooperating to develop a joint teaching tool, for use both to discover the aquatic environment in all its variety and to raise the awareness of the urban population, especially children, about respecting this environment. The tool consists of a training pack for teachers and youth workers involved with children aged three to 12. The training pack brings together various theoretical and practical tools to make this a fun and active approach to the natural aquatic environment – a chance to go on an outing with the children to discover water and a means for developing civic education.

d) Setting up mechanisms to get urban consumers to recognise the quality that results from a more environmental approach

“OLEA” is a project organised by three LEADER groups, two from Spain (Mezquín in Aragon and Guádix in Andalusia) and one from Italy (Presila Krotonese in Calabria), all involved in olive oil production. The olive tree is very important for the ecological balance, the configuration of the landscape and the local cultures historically associated with the olive. However, local producers are finding it increasingly difficult to market their product – even though it has been granted a Designation of Origin – and to integrate new technologies and marketing mechanisms in the globalised market. In order for consumers to differentiate the product better, the project encourages producers to use quality control and apply environmentally-friendly production and processing techniques. In addition to organising progressive joint marketing over the Internet, the project seeks to facilitate the exchange of experiences in various Mediterranean regions in the fields of waste processing and organic production in accordance with European standards.

e) Protecting biodiversity

The neighbouring areas of Redange-Wiltz (Luxembourg) and Bastogne (Wallonia, Belgium) are facing the threat of the extinction of typical Ardennes breeds (sheep, poultry). Aware of the importance of commercial development in preserving native breeds, they have undertaken a cooperation project for conducting studies and applied research, for joint promotion by creating a strong image (logo) and for the production of a promotional brochure stressing the advantages of these rustic breeds over those from anonymous international markets. The groups rely on organisations responsible for preserving threatened breeds to select the most profitable Ardennes breeds. Specifications have been drawn up for certifying the conformity of the Ardennes sheep (breeding, production and development criteria). The research results have made it possible to develop a programme to develop extensive grasslands in the two areas and to prevent these grasslands from being definitively put to fallow, since they are not cost effective for the intensive production of breeds. Furthermore, a marketing strategy is being implemented for the benefit of local livestock producers, processors and restaurateurs: the meat of the breeds concerned is served in local restaurants or processed into various local products.

Since 1995, the Natur- und Lebensraum Rhön LEADER group (Hesse, Germany) has supported an initiative to develop old apple varieties. The industrialisation of apple growing has led to a decline in the traditional endogenous varieties, which has had a major impact on landscape quality. The initiative, which includes around one hundred members, consists of setting up an association to protect native fruit trees. The association has succeeded in marketing this fruit by endowing it with an image of superior quality and has developed a series of by-products (juice, beer) that have been very successful commercially. A cooperation project entitled “Initiative Arbres Fruitières” has been undertaken between the Burgenland LEADER groups (Austria) and the Les Volcans LAG (Auvergne, France) to encourage the establishment of associations for promoting traditional orchards, diversifying by-products, and acquiring know-how about processing and commercial collaboration.

3.4.4 Establishing a dialogue between levels in order to facilitate the emergence of policies that are better suited to rural areas: a new civil service concept? (local-global links)

The local level has often become the prime arena for refining the processes of decentralisation and subsidiarity currently in progress in the various European Union countries. Even though planning at national/regional level still establishes the parameters with which development initiatives must comply, the presence of a strong “local level” is prompting a gradual transition to greater decision-making autonomy.

Ultimately this is a question of boosting the principle of “active subsidiarity” because, in many cases, consultation exists but important decisions continue to be taken by the central authorities. Nevertheless, the relations created with LEADER have made it possible to:

- > Gain recognition from administrations and other organisations for the innovation capacity of local action;
- > Help consolidate the integrated approach by creating networks, associations or federations;
- > Appreciate the benefit of the changes that local action brings about at other levels.

a) Gaining recognition from administrations and other organisations for the innovative capacity of local action

Dialogue, both within the administrative sector and with external organisations, allows an area to position itself with regard to its own powers of innovation and proposal, and to instigate processes for gaining recognition within a wider legal framework or framework of intervention.

One of the objectives of the cooperation initiative launched by four LEADER groups (Châtaigneraie et Sucs d'Ardèche, France; Alta Langa, Piemonte, Italy; Serra de Tramuntana, Balearic Islands, Spain; Ipiros, Epirus, Greece) is to obtain recognition from the European Landscape Convention for terraced fields as a major European heritage. Measures to develop these landscapes as an economic, cultural and environmental heritage, as well as to promote life styles that make it possible to maintain the terraces, have been undertaken as a prerequisite to applying to the Convention for recognition. What the partner LAGs want to do is to build a new, more dynamic, image for the terraces to break with the old-fashioned connotation frequently attributed to them. Using the terraces as a medium for new economic activities, as a choice landscape for developing sustainable tourism, as a living environment for residents, as a source of new jobs associated with old know-how and techniques (dry stone walls, etc.) are all possible development avenues.

b) Helping to consolidate the integrated approach by creating networks, associations and federations

Networks of LEADER groups that have been established at diverse geo-institutional levels (central government, regions) have been effective in advocating at regional and national level the benefit and flexibility of the integrated local approach. In a number of cases, dialogue between LEADER networks and administrations has led to substantial modifications in programming terms.

In Andalusia, the network of LEADER groups and PRODER^[17] is at the centre of one of the most ambitious and best-integrated proposals for rural development in Spain.

Since 1992, Andalusia has advocated an integrated rural development strategy that has many points in common with the LEADER approach. Within this framework, the LEADER I groups achieved much success. This led to a

decision to cover virtually the whole of rural Andalusia under LEADER II. In 2000, there were 50 local development groups in Andalusia (of which 22 were LEADER groups). In this context, Andalusia, together with Aragon, was one of the Spain's first regions to develop a regional rural development network ("ARA"), which currently includes all 50 groups. ARA has become the natural interlocutor between the groups and the regional administration; it also manages a series of coordination, training and transfer projects.

For the period 2000-2006, the government of Andalusia's main objective is to use the social and technical structure of the ARA network as a tool to mobilise support for, achieve consensus and coordinate rural development strategies. Based on this objective, a series of modifications have been proposed, the main ones being to: consolidate the current structure of rural development groups whilst at the same time improving their representativeness and cohesion; simplify the groups' management and their relations with the regional administration; improve internal and external networking, as well as cooperation between them; encourage greater participation from financial organisations in rural development; improve the integration of all policies specifically aimed at rural areas by taking the rural development group as its key element^[18].

c) Appreciating the benefit of the changes which local action brings about at other levels

In some countries, application of the LEADER Initiative has led to in-depth consultations about the content and scope of rural development policies, and has sometimes resulted in institutional changes that are more appropriate to future challenges.

[17] PRODER ("PROgrama de Desarrollo Rural") is a national programme whose principles are similar to those of LEADER.

[18] For further information about this process, contact: José Emilio Guerrero, Secretario General de Agricultura y Ganadería, Consejería de Agricultura y Pesca, Junta de Andalucía, Calle Tabladilla, s/n, E-41071 Sevilla. Tel: +34 955 032275. E-mail: mdiaz@cap.junta-andalucia.es
The LEADER Observatory also has a fairly detailed data sheet on this programme.

*With 37 local LEADER II action groups operating in Ireland, of which 15 also participate in other programmes (such as the Local Development Program – LDP – targeted at disadvantaged groups and social exclusion), a step has been taken towards decentralisation in Ireland. The experiment has given rise to consultations on drawing up a **national strategy** of decentralised and integrated rural development^[19] in which to frame future measures.*

Within this context, a national “LEADER”-type programme has been introduced into the 2000-2006 programming of the Structural Funds. This programme is a major advance that will support development work in the long term and should bridge any gaps between LEADER I and LEADER II.

The Irish White paper on rural development presents a series of provisions that may improve the coordination of measures at national, regional and local levels. It places strong emphasis on the rural dimension of any national policy. A broadly representative “National Rural Development Forum” will be organised in order to discuss current problems and identify suitable responses. Cooperation with Northern Ireland will be encouraged. A fund will be created for financing studies and analyses in the rural development field.

With this White Paper, the local level becomes the arena where sectorial measures are coordinated and harmonised. In order to achieve this, structural changes provide for administrative units to be given wider powers (“area committees”). It is planned to extend their mission to fighting exclusion and they may, if necessary, recruit one or more “development agents” within the local administration.

The Irish reform finally acknowledges that a genuine partnership is being built on four pillars: the local or regional administration, “local” development, national public agencies and the social partners (in Ireland they meet together within a “County Development Board” so as to guide and harmonise all of the development initiatives in the area concerned^[20].

[19] White Paper on Rural Development, August 1999.

[20] For further information on this process, contact:

Liam Fitzgerald, Department of Agriculture, Food and Rural Development
Agriculture House, Kildare Street, IRL-Dublin 2.

Tel: +353 1 607 20 35; Fax: +353 1 676 45 55.

E-mail: liam.fitzgerald@daff.irlgov.ie

The LEADER Observatory also has a fairly detailed data sheet on the changes currently taking place.

Conclusion

Conclusion

To a large extent, the LEADER approach to rural development is based on proximity and the creation of links. These two special dimensions of the Initiative have enabled a large number of marginalised rural areas to turn elements previously perceived as weaknesses or handicaps into resources and opportunities. Another value-added factor of the LEADER Initiative has been subsequently to help to valorise these assets globally.

Proximity – relating to citizens, to ideas and projects and to rural areas – has made it possible to identify, better understand and take a new look at the local resources of rural areas. It has also allowed ideas to be devised for developing these resources.

The aim of creating links – between citizens and organisations, between sectors and areas – is to achieve a sufficient level of commitment in order to allow new energies to be mobilised at local level and to ensure long-term development. So, in most cases, the creation of networks or other forms of collective approach is a prerequisite for the development of rural areas, most of which suffer from demographic weakness, varying degrees of isolation, small-scale businesses, poorly structured and inefficient production sectors, etc.

The added value of LEADER therefore grows as the local programme is implemented. Firstly, proximity enables local resources to be exploited and a social fabric to be created in places where this was no longer thought possible, whilst at the same time fostering a renewed territorial identity. Secondly, the creation of links by establishing often multidimensional networks makes it possible to consolidate the proximity approach by positioning actors and the area in the global economy after constructing the appropriate “critical mass”.

The added value created by proximity is the type of added value that has been the most analysed: redeveloping neglected local resources, organisation of local socio-economic actors, increasing risk-taking, putting ideas and innovations into practical application, etc. The added value generated by creating links has also been analysed, but from an angle internal to the area: multisectorial development approach, collective projects, local partnerships, etc. However, the added value generated by creating links – including virtual links – outside the local level still remains to be validated.

Nevertheless, it is already possible to see evidence of this added value at four levels:

- > Rural areas are appropriating the mechanisms and instruments necessary for positioning themselves in the globalisation process;
- > Solutions are continually being sought to the issues of concentration and centralisation, which tend to marginalise many rural areas;
- > Proposals are being formulated for renewing rural development policies;
- > New types of solidarity are being built which are tailored to the new economic and social contexts and make it possible to overcome the competitive barriers created by globalisation.

Each of these components of LEADER’s added value can come to full fruition only in the long term. In general, local action groups have only recently been creating links outside of the local level, as a result of work conducted at local level, especially as part of the transnational cooperation and inter-territorial ventures promoted by the LEADER Initiative. It is therefore still too early to fully assess their effects.

Globalisation obliges rural areas to open up to a whole range of different dimensions. However, it is not always easy to reconcile this need for “multiple affiliation” with the need to turn proximity into an asset in order to keep rural populations in the area, boost local activities, ensure basic services, etc. Accordingly, the creation of links can in fact culminate in “variable geometry” solutions that allow the local to be allied with the global.

The major value-added factor of LEADER in the globalisation context has been to promote a multi-faceted, differentiated image of Europe’s rural areas. However, this image needs to be continually overhauled in order to take optimum advantage of the possibilities offered by globalisation and to prevent it from generating new processes of rural marginalisation. For many years to come, proximity measures and networking should remain the primary vehicles for countering the challenges of globalisation.

Leader II est une Initiative communautaire lancée par la Commission européenne et coordonnée par la Direction générale de l'Agriculture (Unité VI-F.II.3).

Le contenu de ce dossier ne reflète pas nécessairement les opinions de l'Union européenne.

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Information

Observatoire européen LEADER
LEADER European Observatory
AEIDL
Chaussée St-Pierre 260
B-1040 Bruxelles
Tél +32 2 736 49 60
Fax +32 2 736 04 34
E-mail: leader@aeidl.be



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