



Local development needs

LEADER case study Using the multi-fund approach to meet distinct local needs effectively

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The Local Action Group (LAG) Kostenets 2010 in Bulgaria has designed its development strategy with a strong focus on local needs. After extensive consultations with stakeholders, including employers and residents, it was clear that rural depopulation was an important issue. Feedback from businesses showed that the continuous drain of the working population to urban areas would eventually lead businesses to relocate or close down. The support of local businesses therefore became a key measure in the LEADER strategy for 2014-2020.

Main concerns included poor working conditions, health risks, transport, low investment regarding health and safety standards, and overall fragile relationships between employers and work force. To address these, the LAG allocated a budget of € 300 000 based on the rationale that, by improving working conditions, the overall health and job satisfaction would improve and workers would not want to move away. Simultaneously, positive impacts on productivity would be achieved.

Although the 'Good and safe labour conditions' project was perfect to address rural de-population in line with the LEADER strategy, many of the project's activities laid outside the remit of European Agricultural Fund for Rural Development (EAFRD) funding. Instead, the European Social Fund (ESF) of the Operational Programme Human Resource Development 2014-2020 was the more appropriate source of funding.

This was the first time that LAG Kostenets embraced the multi-fund approach. The main challenge was to develop new contacts and relationships with the ESF Managing Authority and to learn about ESF application requirements, while no additional staff nor resources were made available. Nevertheless, it was clear that, without the support of LEADER, "our companies would never have had the courage and know-how to apply for ESF funding at the national level on their own" (LAG Executive Director). LAG staff was prepared to take the challenge.

Following the LEADER information campaign, the up-take of the project was higher than anticipated. Eight businesses wanted to get involved, instead of two as originally foreseen. Although this required more work for the LAG, it was agreed to finance all of them - with a smaller amount of funding - so that a larger proportion of workers would benefit from the initiative.

From July 2018 to March 2020, the project funded various improvements including the purchase of health and safety equipment, improvements of the workplace environment, and free transportation for workers. The funding ranged between € 15 000 and € 51 000 per company and benefitted a total of 100 workers.



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The expected intangible benefits also emerged. LAG staff noticed increased levels of motivation, a better work atmosphere and improved relationships between employers and employees. Some employers also started to invest their own resources in further improvements.

Thanks to the project, trust and confidence in Europe have substantially increased among the local population, the LAG's staff have acquired experience in dealing with different funding regimes and authorities and have strengthened their know-how and confidence.

Key recommendations are:

1. Design projects that correspond to the real needs in the community and access funding sources accordingly.
2. Stay in touch with project beneficiaries to accompany the implementation of the projects.
3. Be courageous and proactive in collaborating and providing support at all levels to foster trust and good relationships for the future.

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