

# CLLD under ERDF/ESF in the EU: A stock-taking of its implementation

## Final Report

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## Introduction

### a. Background

#### *From LEADER to CLLD*

In the 2014-2020 Cohesion Policy programming period, the Member States and regions are requested to address their specific territorial challenges and needs through targeted investments using an integrated approach to territorial development. Among the new delivery tools to support the implementation of this approach is Community-led Local Development (CLLD), which was introduced in the context of Cohesion Policy extending the already existing LEADER approach for rural development and fishery policy.

The former LEADER approach aimed at triggering endogenous development of identified areas through the mobilization of institutions and local actors, encouraging cooperation between the public, private and civil society sectors that would convey in a local partnership in charge of designing and implementing an integrated development strategy. The previous financial support for LEADER initiative was limited to the European Agricultural Funds for Regional Development (EAFRD) and the European Maritime and Fishery Fund (EMFF). Consequently, the LEADER approach was limited to rural and coastal areas and the possible strategic interventions were limited by the eligible actions allowed by these funds. Despite these limitations, LEADER became, in its life span (1991-2014), one of the most powerful methodological approaches to support strategic place-based development.

Based on the lessons from the past, the new CLLD approach recognizes the importance of the LEADER method, and it extends its potential operational capacity to a wider range of territories and eligible measures. The financial innovation brought by CLLD consists of the possible integration of the European Regional Development Funds (ERDF) and European Social Funds (ESF), with significant expansion of opportunities in terms of territorial targets and thematic interventions. In this way, CLLD not only inherits the LEADER way of a bottom-up approach, but it recovers the methodological experiences of the previous URBAN and EQUAL initiatives. This allows for a bottom-up approach in the entire European territory, integrating the full range of eligible actions, with all types of stakeholders.

#### *The European framework*

CLLD is defined by the Common Provisions Regulation (CPR, N° 1303/2013), which inscribes it as one of the Territorial Delivery Mechanisms (TDM) for integrated approaches to local development. CLLD presents the following characteristics:

- It is tailored to the needs of a sub-regional area;
- A Local Action Group (LAG) should be in charge of the definition of a CLLD Strategy and its implementation, including building capacity of local actors, draw up selection procedures, ensure coherence with the strategy, prepare and publish calls, receive and assess applications, select operations and monitor implementation;
- The CLLD strategy should indicate the target area and the related population, and should contain: a SWOT analysis; a territorial strategy, with a vision, an action plan, and a management and monitoring plan; and a detailed financial structure;
- Support from different funds is encouraged and must be consistent and coordinated, with the possibility to designate a lead fund;

- The strategy and its implementation should be the expression of the territory and its local actors, who should be involved in a thorough participatory process in order to activate bottom-up dynamics;
- CLLD strategies are selected by a committee set up by the Managing Authority, no later than 31 December 2017;
- Support from the ESI Funds concerned can cover operations, but also preparatory support for preparing and implementing the strategy, LAG cooperation activities, running costs linked to the strategy and animation costs to facilitate exchange between stakeholders.

In financial terms, CLLD is compulsory only for EAFRD, in continuity with the former programming period. At least 5% of EAFRD should be dedicated to CLLD in each country, while the use of ERDF, ESF and EMFF is optional. In programme terms however, CLLD is very specific. Unlike other thematic investments, each fund that can support CLLD, has a specific investment priority for CLLD as Territorial Delivery Mechanism. This means that all actions managed by a LAG only need to be reported under this one investment priority, even if the actions are thematically very varied. This is done on purpose to reduce the administrative burden on LAGs.

#### *National and regional implementation*

Cohesion policy is organised under so-called shared management. This means that the framework set by the Commission is further specified and implemented at national and regional level by ministries and Managing Authorities of the (operational) programmes. The Managing Authorities at national and regional levels could decide on two variables: the Funds that include CLLD as Territorial Delivery Mechanism, and whether to integrate the funds or use them for mono-funded Local Development Strategies.

Concerning the former variable, the combinations of funds are multiple, and not all of the Member States (and Regions in decentralised Member States) intended to use CLLD as Territorial Delivery Mechanism for all the four Funds. The most traditional ones preferred to leave CLLD in the old LEADER format, i.e. only supported by EAFRD (which is compulsory for 5% of the allocated budget) and possibly EMFF, while other combination of funds with ERDF and ESF could take place according to each MA's orientation.

Concerning the latter variable, Member States and regions could decide how integrated the different funds could be used for CLLD. On one side of the spectrum Managing Authorities could prefer to have mono-funded LAGs – even if multiple funds were available for CLLD, e.g. LAGs in cities for ERDF and LAGs in rural areas for EAFRD. At the other extreme, MAs could encourage the formation of LAGs that would integrate all available funds for a multi-funded CLLD strategy.

As a consequence, the expected result is a highly varied portfolio of approaches across the EU, due to the combination of different financial set-ups in Member States and regions, the bottom-up dynamics and the consequent tailored approach in various territories, combined with regional and national traditions in local development practices.

#### *Monitoring the CLLD implementation*

The enlargement of funds that can finance CLLD also has repercussions for the monitoring of the CLLD approach by the European Commission. Throughout the LEADER life span, efficient support and monitoring mechanisms have been put in place by the EU Directorate Generals in charge of the pertinent Funds: DG MARE supported the creation of FARNET (Fisheries Areas Network), gathering LAGs that were

funded by EMFF (named FLAG, from Fishery Local Action Group); DG AGRI supported ENRD (European Network of Rural Development), for LAGs funded by EAFRD. These networks have been in charge of fostering exchange between the LAGs, collecting data and periodically performing an overview of the implementation. Moreover, along these years, they started aggregating monitoring data on several aspects, such as financial allocation, numbers of LAGs, approaches and projects. In the previous programming periods this coordination has been capable of giving an accurate state of the art of LAGs making use of both Funds.

This arrangement is now challenged by the opening of the CLLD approach to ESF and ERDF and by the possibility for a multi-fund set-up. First, there is no dedicated monitoring structure for LAGs funded by ERDF and ESF such as the one for EAFRD/EMFF-funded LAGs. Second, appointing LAGs to a specific network becomes more complicated in case they are multi-funded.

It is in this framework that the present study was commissioned. Since the CPR fixes by the end of 2017 the deadline for the selection process of the LAGs and their strategies, it is possible to draw the first state of the art of the CLLD implementation in each Member State. While the LAGs financed by EAFRD and EMFF are still monitored by FARNET and ENRD, the two Directorate-Generals in charge of the ERDF and ESF funds (DG REGIO and DG Employment) decided to commission a study to get the aggregated knowledge on CLLD implementation under ERDF and ESF on an equal footing with data available under EAFRD and EMFF.

#### b. The Expert assignment

In June 2017, DG REGIO and DG Employment gave mandate for the presented expert work to complete their knowledge about how CLLD is currently programmed under ERDF and ESF, and to get more knowledge about individual strategies. This report presents the result of the assignment as a first stock taking of the implementation according to the available sources of information on September 2017.

The purpose of the study was threefold:

- a. Gather basic information about the existing LAGs programmed under ERDF and ESF;
- b. Understand their main characteristics and trends, articulated per country and per transversal themes;
- c. Investigate a sample of LAGs to grasp main challenges and innovations, limits and difficulties.

To achieve this, the current Report draws on the results of two main activities:

1. The identification of all the LAGs using ERDF and ESF through a survey launched in the period July-August 2017 that involved all the Managing Authorities (MAs) who mentioned in their ERDF and/or ESF Operational Programme the use of CLLD as Territorial Delivery Mechanism;
2. a more in-depth analysis of 10 Case Studies, based on a second detailed survey answered by the LAGs under investigation, to better understand their characteristics, differences and similarities, bottlenecks and innovations, and to recommend good practice for further reflection on the CLLD instrument.

The templates used for the two surveys are in Annex 1 and 2, while Annex 3 gathers the report of each Case Study with the LAG Coordinator's answers to the second survey.

The phases of research design and inquiry took in consideration the possibility that either some MAs were still in the approval phase - thus without information, or unresponsive. The latter risk was mitigated

by complementing the missing information with excerpts from MA's Progress Reports and by direct contact between the MA and staff at DG REGIO.

Table 1 gives the characteristics of the assignment, providing the list of the MAs involved, the type of information gathered, and their source.

**Table 1: Managing Authorities and gathered information**

MS	Region	Type of information	Source
Austria	Tirol	Detailed answers	MA's questionnaire
INTERREG AT-IT		Detailed answers	MA's Questionnaire
Bulgaria		Detailed answers	MA's Questionnaire
Czech Rep.		Detailed answers	MA's questionnaire
Estonia		NO CLLD implementation	Geo Unit DG REGIO
France	Auvergne	Available information in late 2017	Geo Unit DG REGIO
	Corse	Available information in late 2017	Geo Unit DG REGIO
	Martinique	Available information in late 2017	Geo Unit DG REGIO
	Martinique	Available information in late 2017	Geo Unit DG REGIO
	Midi-Pyrénées	NO CLLD implementation	Managing Authority
	Nord-Pas de Calais	Available information in late 2017	Geo Unit DG REGIO
Germany	Sachsen-Anhalt	Detailed answers	MA's questionnaire
Greece	Central Macedonia	LAG selection in process	Geo Unit DG REGIO
	Continental Greece	No CLLD implementation	Geo Unit DG REGIO
	Crete	N. of expected LAGs	Managing Authority
	Epirus	Available information in late 2017	Geo Unit DG REGIO
	Ionian Islands	No CLLD implementation	Geo Unit DG REGIO
	Thessaly	Selection in progress	Geo Unit DG REGIO
	Western Greece	Available information in late 2017	Geo Unit DG REGIO
Hungary		N. of expected LAGs	Geo Unit DG REGIO
Italy	Aosta Valley	No CLLD Implementation	Geo Unit DG REGIO
	Apulia	Detailed answers	MA's questionnaire
	Sicily	Detailed answers	MA's questionnaire
Lithuania		Detailed answers	MA's questionnaire
Netherland		Detailed answers	MA's questionnaire
Poland	Kujawsko-Pomorskie	Detailed answers	MA's questionnaire
	Podlaskie	Detailed answers	MA's questionnaire
	Śląskie	NO CLLD implementation	Geo Unit DG REGIO
Portugal	Alentejo	Detailed answers	MA's questionnaire
	Algarve	Detailed answers	MA's questionnaire
	Centro	Detailed answers	MA's questionnaire
	Lisboa	N. of approved LAGs	LAG
	Norte	Detailed answers	MA's questionnaire
Romania		N. of expected LAGs	Geo Unit DG REGIO
Sweden		Detailed answers	MA's questionnaire
Slovenia		Detailed answers	MA's questionnaire
Slovakia		N. of expected LAGs	Progress Report
United Kingdom		N. of approved LAGs	Progress Report



The column on the left represents the starting point of the assignment: the list of national and regional MAs that included CLLD as Territorial Delivery Mechanism in their ERDF and/or ESF Operational Programme.

All the MAs in charge of their specific OP were contacted to verify their availability to answer a detailed survey about the approved LAGs. Most of the MAs reacted positively, some others corrected their status, informing about the decision not to implement CLLD – because wrongly listed or because of political decisions -. Some MAs only provided the number of expected LAGs because of the early phase of the selection process. A few French and Greek regions replied that information will only become available in the late fall of 2017.

To sum up, the investigation relies on the following sources: the big bulk of information comes from the MA survey; few additional data about the expected or approved LAGs in Slovakia and UK come from Progress Reports completed by August 2017; and in the case of Hungary the information about expected LAGs and general financial structure came through interviews with DG REGIO's staff members.

### c. Structure of the Report

Based on the gathered data and supported by more insights from the Case Studies, this report will therefore present several distinct aspects of CLLD implementation under ERDF and ESF.

First it will provide a state-of-play of the programming and implementation of CLLD under ERDF and ESF. The overview conjures up the overall size of the CLLD under ERDF and ESF, and the state of implementation both at European level and broken down per country and region.

The second part will look deeper into the financial articulation. It shows how much financing is involved, through which funds the LAGs are financed, which fund acts as lead fund, and how CLLD in some cases links to other territorial initiatives in cohesion policy such as sustainable urban development (art 7 ERDF), Integrated Territorial Investment or cross-border cooperation. A specific section is dedicated to the cross-border CLLD and its institutional complexity.

The third part looks more closely at the territorial strategy and thematic foci of the CLLD strategies under ERDF and ESF. It articulates the knowledge about the existing LAGs in terms of covered population, territorial foci, territorial themes and specific social targets of the CLLD strategy.

Finally, the report wraps up all the findings in the discussion section, with some conclusive remarks on the current implementation and what challenges and opportunities they point at for the next programming period.

### d. Case Studies

Ten Case Studies (nine plus the Austrian LAG that overlaps with a cross-border one) were selected under suggestion of the involved Managing Authorities, who were asked to indicate one or a short list of interesting cases. The national coverage, and the diversification of their characteristics (in particular Funds involved, territorial focus, and state of implementation) were the criteria adopted for their selection.

The main details of the Case Studies are summarised in the tables and boxes here below. The tables report the main characteristics, such as population, state of the implementation, ESI funds concerned, main territorial focus, territorial themes and social targets of the CLLD strategy. This information was provided by the MAs through the first survey.

In the main text of the report, several boxes add specific insights from the Case Study reports. These boxes (in green) contain relevant quotations given by the LAG via the second survey. More details can be found in the Case Study reports in Annex 3.

### Case Study summary tables

SydostLeader (SE)	ESI Funds	Budget	PA	TO			
	EAFRD (LF)	5.287.288			Mainly rural development	<ul style="list-style-type: none"> <li>Economic development</li> <li>Access to services</li> </ul>	<ul style="list-style-type: none"> <li>Tackling social exclusion and unemployment</li> <li>Youth initiatives</li> </ul>
217.517 inh.	ERDF	537.213		9d			
Projects under implementation	ESF	453.142		9vi			
	EMFF	109.733					

Suwalsko - Sejneńska (PL - Podlaskie)	ESI Funds	Budget	PA	TO			
	ERDF (LF)	2.250.670	8	9	Mainly rural development	<ul style="list-style-type: none"> <li>Economic development</li> <li>Social inclusion</li> <li>Revitalization of degraded areas and cultural heritage</li> <li>Measures against climate change</li> <li>Access to services</li> </ul>	<ul style="list-style-type: none"> <li>Tackling social exclusion and unemployment</li> <li>Marginalised communities</li> </ul>
59.772 inh.	ESF	1.761.579	9	8, 9, 10			
Launch of call for projects	EAFRD	1.113.525					

Nad Orlicí (Cz)	ESI Funds	Budget	PA	TO			
	ERDF (LF)	2.592.587	4 (CLLD)	9	Mainly rural development	<ul style="list-style-type: none"> <li>Economic development</li> <li>Social inclusion</li> <li>Measures against climate change</li> <li>Access to services</li> </ul>	<ul style="list-style-type: none"> <li>Tackling social exclusion and unemployment</li> <li>Enterprising communities</li> </ul>
51.284 inh.	ESF	428.099	2	9			
Launch of call for projects	EAFRD	835.350					

Meridaunia (IT – Apulia)	ESI Funds	Budget	PA	TO			
	ERDF (LF)	3.000.000	6, 3	6h, 3d	Mainly rural development	Economic development	<ul style="list-style-type: none"> <li>Small agricultural enterprises</li> <li>Youth initiatives</li> </ul>
93.806 inh.	EAFRD	8.630.000					
LAG selected	National	17.000.000					

ADAE Rural (PT - Centro)	ESI Funds	Budget	PA	TO			
	ERDF (LF)	657.370	5	9	Mainly rural development	Economic development	<ul style="list-style-type: none"> <li>Enterprising communities</li> </ul>
149.612	ESF	939.761	5	9			
Launch of call for projects	EAFRD	1.967.139					

Regiol (A - Tirol)	ESI Funds	Budget	PA	TO	Mainly rural development	<ul style="list-style-type: none"> <li>Economic development</li> <li>Social inclusion</li> <li>Measures against climate change</li> <li>Demographic retention / support</li> <li>Access to services</li> </ul>	<ul style="list-style-type: none"> <li>Tackling social exclusion and unemployment</li> <li>Enterprising communities: social enterprise and business creation</li> <li>Migrant/refugee integration</li> </ul>
	EAFRD (LF)	2.943.849					
44.186 inh.	ERDF	585.714	5	9			
Projects under implementation	CBC-ERDF	1.497.903	4	9			

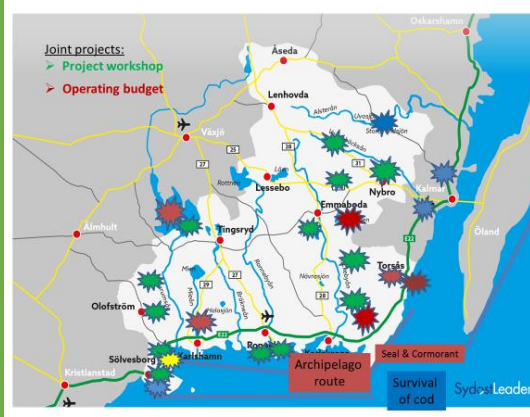
Tatabánya (H)	ESI Funds	Budget	PA	TO	Urban development	<ul style="list-style-type: none"> <li>Development of community-cultural life in Tatabánya</li> </ul>	<ul style="list-style-type: none"> <li>Urban community</li> </ul>
	ERDF (LF)	3.226.000	7 (CLLD)	7.a			
67.043 inh.	ESF	1.613.000		7.b			
Waiting for MA decision							

Gotse Delchev-Garmen-Hadzhidimovo (B)	ESI Funds	Budget	PA	TO	Mainly rural development	<ul style="list-style-type: none"> <li>Economic development</li> <li>Social inclusion</li> <li>Access to services</li> </ul>	<ul style="list-style-type: none"> <li>Tackling social exclusion and unemployment</li> <li>Marginalised community</li> <li>Enterprising communities</li> <li>Business creation and training</li> <li>Life-Long Learning (LLL)</li> </ul>
	EAFRD (LF)	2.500.000					
55.046 inh.	ERDF	1.500.000	1,2	1, 3			
Strategy selected	ESF	760.000	1,2	8,9,10			

Scheveningen (NL)	ESI Funds	Budget	PA	TO	Urban development	<ul style="list-style-type: none"> <li>Social inclusion</li> </ul>	<ul style="list-style-type: none"> <li>Enterprising communities</li> </ul>
	ERDF	431.118	4	9			
55.510 inh.							
Projects under implementation							

**SydostLeader (SE)**

“The Local development area of SydostLeader extends over eleven municipalities of three different counties in southeast Sweden: Blekinge, Kalmar and Kronoberg County”.



**SydostLeader Strategic vision:**

“A cross-border cooperation promoting local development, growth, diversity and attractiveness through:

- *Blue growth*, to create ecologically sustainable, locally managed fish stocks and a better environment
- *Green growth*, to generate exports toward mature destinations, and locally produced vegetables.

The CLLD strategy presents the following three strategic goals:

- Increased attractiveness
- Balanced and sustainable living standards
- Strategic partnerships for local development and growth”

“The development area combines the best from two previous areas, Leader Blekinge and Leader Småland Sydost, together with the former Blekinge Fishing Area Leader. By uniting together in the common area of SydostLeader, they specify and affirm their identity and create even greater opportunities for strengthening the local potential and achieving common sustainable development”.

(From Case Study report)

**Suwałsko - Sejneńska (PL - Podlaskie)**

“The area covers the Suwałki-Augustów Lakeland, which includes 300 lakes and 3 navigable rivers and is made of 15 communes with 59,722 inhabitants”.



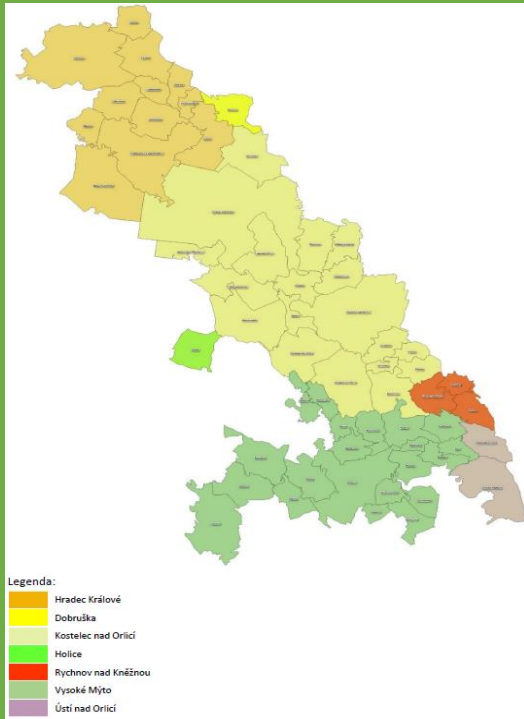
“The strategy, due to the large number of potential problems to be solved, aims at improving the quality of life of the area’s inhabitants including all its aspects. It supports all possible social, age and occupational groups. The primary objective is the economic development of the region (including support for entrepreneurship and social entrepreneurship), elimination of social exclusion areas and the best possible development of degraded areas (revitalization).

The white area in the picture is the town of Suwałki, which is not included in the activities of the Local Action Group. The selection of such an implementation area for the Strategy resulted from two premises:

1. Entry into force of legislation about the area’s minimum population potential under the Strategy (30 000 people) which has forced the creation of groups covering larger areas with more population than those in 2007-13. The area under the activities of the present Local Action Group comprised 3 smaller groups in previous years.
2. High level of cooperation of local groups from the Suwałki region in previous years. The process of combining the potentials of the former 3 groups took place between 2014 and 2015 and proceeded smoothly - each group managed to bring into the new LAG their best qualities”.

(From Case Study report)

Nad Orlicí (CZ)



“The local action group NAD ORLICÍ consists of 58 municipalities (4 of them with status of city) and another 137 territorial units (municipalities, towns and settlements).

The Strategy does not focus only on one specific objective, but it covers several, interconnected objectives, that are shared among the stakeholders.

The goal is to support growth of the urban-rural area through a series of projects, new forms of education, supporting finance flow to the region and encouraging mutual inter-sector partnerships between entrepreneurs, public administration and non-profit sector.

Cooperation is not only the main method of strategy realization, but also has the long-term goal of educating participants to an integrated governance model”.

(From Case Study report)

Meridaunia (IT)



“The area comprises 30 municipalities, and 93,806 inhabitants, with a high percentage of elderly people and depopulation dynamics.

The local economy is predominantly relies on low-income agriculture. Essential services are scarce, especially due to underdeveloped mobility and transport systems.

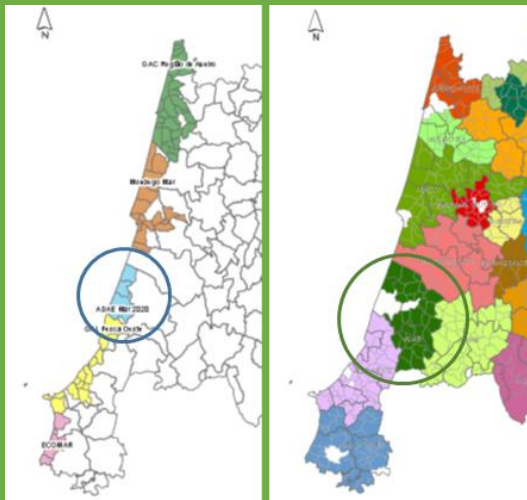
The overall aim is to stop the depopulation of the territory by strengthening the economic capacity of the area and creating new jobs, especially for younger age groups, connecting tourism and agriculture.

The objectives of the strategy are:

- Strengthen social capital, stimulate change in the community and create the basis for innovation;
- Provide systematization of the touristic offer;
- Strengthen the receptivity of the territory;
- Valorise its cultural and natural heritage;
- Foster innovation, diversification and competitiveness of small agricultural enterprises to encourage change in agriculture and to recover and maintain biodiversity in the territory;
- Strengthen the extra-agricultural production system, in particular in the field of typical handicrafts, tourism and personal services”.

(From Case Study report)

**ADAE rural and ADAE mar (PT - Centro)**



“The two LAGs are led by the same partner entity (ADAE) but their territories and the related strategies are different. The territorial overlap is limited and can be verified in the maps (ADAE Mar on the left – blue circle, and ADAE Rural on the right – green circle)”.

“The rural LAG tries to respond to the problems characteristic for rural areas, with emphasis on agriculture as well as the diversification of the agricultural activities. The LAG with a "coastal" vocation bases the strategy fundamentally on fishing activity and other activities associated with the sea and coastal areas. While the rural CLLD is the continuation of the LEADER experience in this territory, the coastal CLLD is brand new.

The fact that there are two LAGs managed by the same entity, focusing on partly overlapping territories, allows the activation of synergies. Partnerships are distinct, although some partners are in both partnerships. The presence of some partners in the two LAGs and especially the ADAE leadership can ensure the complementarity of the strategies, avoiding duplication and redundancy”.

“Both LAGs use ERDF and ESF. However the main fund is EAFRD for the rural LAG and EMFF for the coastal LAG. The application of the ERDF and the ESF, both in the rural and in the coastal LAG, is focused on supporting job creation by financing new enterprises or investing in existing enterprises, leading to the creation of new jobs”.

(From Case Study report)

**RegioL (AT)**

“The area of the LAG RegioL coincides with the Bezirk (District) of Landeck, in Tyrol (Austria). The district forms a geographical, cultural and administrative unit. The LAG RegioL area includes 30 communities and 5 planning associations and it is based on a long planning experience of integrated approach and cooperation (previous LEADER initiative).

The CLLD is merging all local development strategies, which are: national CLLD strategy RegioL; cross-border CLLD strategy TERRA RAETICA, and a local development strategy with 1M regional funding per year. All strategies are managed by RegioL”.



**Terra Raetica (AT-IT)**

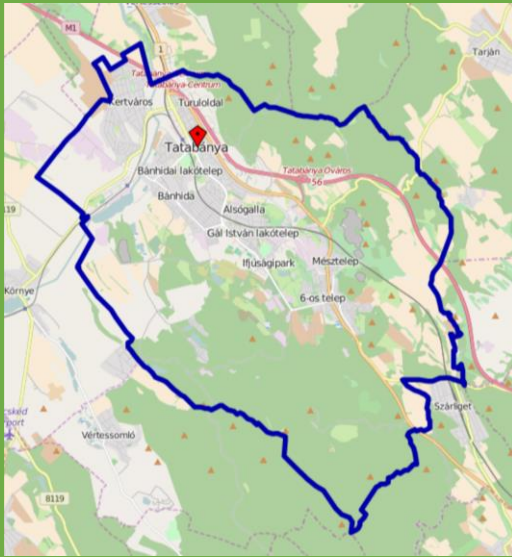
“The region of the LAG Terra Raetica consists of the districts of Landeck (A), Imst (A), Vinschgau/Val Venosta and the region of Engiadina Bassa and Val Mustair (CH) - so called Nationalparkregion –in Switzerland; (5.956,81 km<sup>2</sup>; 79 municipalities). Austrian and Italian regions have national LAGs that are part of the cross-border LAG.

While CLLD RegioL is built on the experience of the previous LEADER approach (same territory, approximately 75% of the previous local stakeholders), CLLD Terra Raetica is brand new.

Terra Raetica incorporates the other LAGs and RegioL is the Lead Partner. It has been built on the former cross border cooperation between these regions. The new element is the common strategy, which is funded directly, and the strong decisional role of the local level also for the CBC CLLD”.

(From Case Study report)

### Tatabánya (H)



“Tatabánya is a county town with 67.043 inhabitants. Its history is characterised by a leading mining industry, now dismissed”.

#### Strategic Vision:

*“As a local cultural centre of the county - with its clean, well-kept, sustainable and modern spaces and services - Tatabánya offers a great opportunity for leisure, recreation and community gatherings. The city’s vivid and colourful cultural life is based on partnerships and cooperation, effecting, affirming Tatabánya’s population retention”.*

#### Comprehensive goals:

1. “Renewal of its social and cultural life, community halls, and community parks of Tatabánya;
2. Strengthening the identity consciousness connected to the districts of the city and developing its population-retaining force”.

“The national Managing Authority designated the frames of local development strategy, which required one contiguous action area to be marked. However the local community decided to extend the strategy to the whole city”.

(From Case Study report)

### GotseDelchev-Garmen-Hadzhidimovo (B)

“The Local Action Group (LAG) incorporates the territory of three municipalities - Gotse Delchev, Garmen and Hadzhidimovo and all the included populated areas - 2 towns and 41 villages. The population of the territory as of 31.12.2016 amounts to 54,449 people”.



“A total of 2.341 enterprises operate on the territory of the LAG in 2014, over 90% of which are micro-enterprises. The processing sector is a structural element of the productive sector of the three municipalities. Leading industries are the textile and footwear industry, the production of leather, food and tobacco industry, as well as the wood, paper and cardboard industry and the rubber and plastic industries. The LAG area has excellent ecological characteristics in terms of air, soil, noise and pollution, which allow the development of organic farming and tourism”.

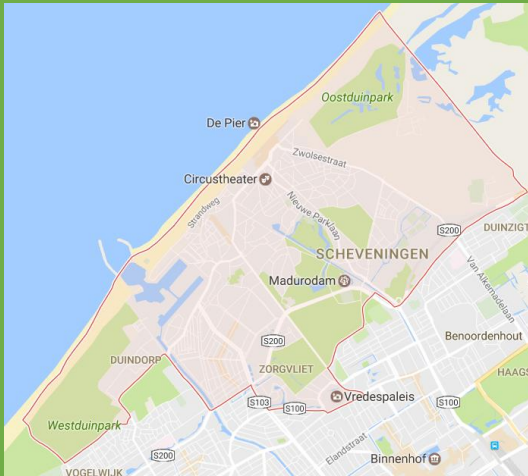
“In accordance with the identified needs and characteristics of the three municipalities, the CLLD strategy has set the following **common strategic objective**:

*Sustainable development on the territory of the municipalities of Gotse Delchev, Garmen and Hadzhidimovo by stimulating the local economy, improving the environment and the quality of life, increasing the capacity of the human resources and utilizing the local potential and the identity of the territory”.*

(From Case Study report)

### Stichting initiatief op Scheveningen (NL)

“The Scheveningen area of The Hague city counts 55.976 inhabitants, with a lower percentage of migrants than in the rest of The Hague and a stronger local identity. The average income in Scheveningen is lower than the average in The Hague, with marginalisation effects that need tailored social inclusion measure”.



“The area has potential (harbour, beach) which can only be exploited by more collaborative actions between local parties and government. The goal is to promote social inclusion by enhancing living environment, increasing employment, and creating educational opportunities.

Additionally, the aim of the CLLD is to achieve more sense of democracy. Residents of Scheveningen tend to believe that they have no influence in the policy making of The Hague municipality”.

(From Case Study report)



## 1. Overview: the CLLD initiative with ERDF and ESF in the EU

### a. Overall figures about CLLD in the current period

The LEADER programme started in 1991 and since then its application has had a steady growth curve. Table 1 indicates the progress of the initiative, with a growing number of established LAGs. It is interesting to note that after the first two experimental periods, the LEADER initiative became exclusively linked to the rural development fund and in the last period also to EMFF. In those years the numbers indicate a consolidation of the initiative, becoming a reference for territories characterised by smaller settlements and prevailing rural and/or coastal areas. The decision to extend the approach again to include ERDF and ESF in the current programming period (2014-20) constitutes an interesting challenge in terms of enlargement of the thematic intervention and diversified territories that can make use of this approach.

**Table 2: Historic development of the LEADER/CLLD approach**

Stage	Duration	Funds	Number of LAGs
LEADER1	1991-93	EAGGF, ESF, ERDF	217
LEADER2	1994-99	EAGGF, ESF, ERDF	821
LEADER+	2000-06	EAGGF	893 in EU15 (+ 250 LEADER+ type measures in 2004-06 in 6 MS)
LEADER axis	2007-13	EAFRD, EMFF	2,200 in EU27

**Source:** Adapted version of EPRC 2014, from European LEADER Association for Rural Development.

The overall number of established LAGs in the current programming period is not yet available. As mentioned in the Introduction, the LAGs financed by EAFRD and/or EMFF have long standing established monitoring structures, which are self-implemented by the LAGs who send their data to the network of pertinence. Being still in the making, the overall number of LAGs under EAFRD and EMFF can only be estimated, and it is reasonable to imagine a number of about 2000 LAGs. This confirms that the mainstream CLLD application will be still the 'old LEADER approach'.

This study is able, however, to estimate the novelty of LAGs using ERDF and/or ESF, although the exact number can still vary according to the last changes in the ongoing selection processes in few countries. Table 3 indicates the first finding of the study.

**Table 3: CLLD implementation with ERDF and ESF**

Stage	Duration	Funds	Number of LAGs
CLLD using ERDF/ESF	2014-2020	EAFRD/EMFF + ERDF / ESF	362
		ERDF / ESF	193
		Not yet specified	132
<b>Total</b>			<b>687</b>

The sole ERDF and/or ESF based LAGs constitute the real novelty of this programming period. The table shows that almost two hundred LAGs are exclusively supported by the newly available funds, out of an estimated total of seven hundred LAGs that will use ERDF or ESF in combination with other funds. Among the sole ERDF / ESF LAGs, there is a dominating presence of 100 Hungarian LAGs, about which there is no other available information at the moment, other than that they are programmed under ERDF and ESF and that they will be mainly targeting urban areas (as also shown by the Hungarian Case Study). The remaining ERDF / ESF LAGs have also a predominant urban focus, (as further reported in section 3.b) and consist of the Lithuanian and Dutch LAGs, as well as some Polish and Portuguese ones. The sole ERDF/ESF quota includes also four Cross-border LAGs along the Austrian and Italian border. They make use of the Cross Border Cooperation programme (CBC – ERDF), although they are overlapping with national LAGs supported by different ESIF (see section 2.d).

Nevertheless, the multi-fund option of combining ERDF and/or ESF with one of the other two Funds is the most frequent option. This is in line with the expectations of the European Commission, who supported the idea of enriching the LEADER approach with a wider variety of eligible interventions. This allows for a more holistic place-based strategy in areas that are predominantly rural and in most cases have experience with previous LEADER initiatives.

The table also shows that some LAGs still have an undefined financial structure, mainly because they are in the selection phase and expected to be formed by the end of 2017.

#### SydostLeader (SE) – Multi-fund added value

“In an area of extensive and merged land and water areas, with both large urban areas, rural areas and archipelagos, the multi-fund concept provides the opportunity to achieve more effective development.

The multi-fund framework enables the use of the right fund for specific actions, depending on the LAG's local knowledge, the areas/projects needs and not least the project applicant's implementation capacity.

However, it is crucial that the LAG has sufficient knowledge about the possibilities and limitations of the various funds”.

(From Case Study report)

#### b. Figures of approved / expected LAGs

The following table indicates the distribution of LAGs using ERDF and ESF, either alone or in combination with other funds, in each country and region. They are distinguished in approved and expected LAGs by the end of 2017.

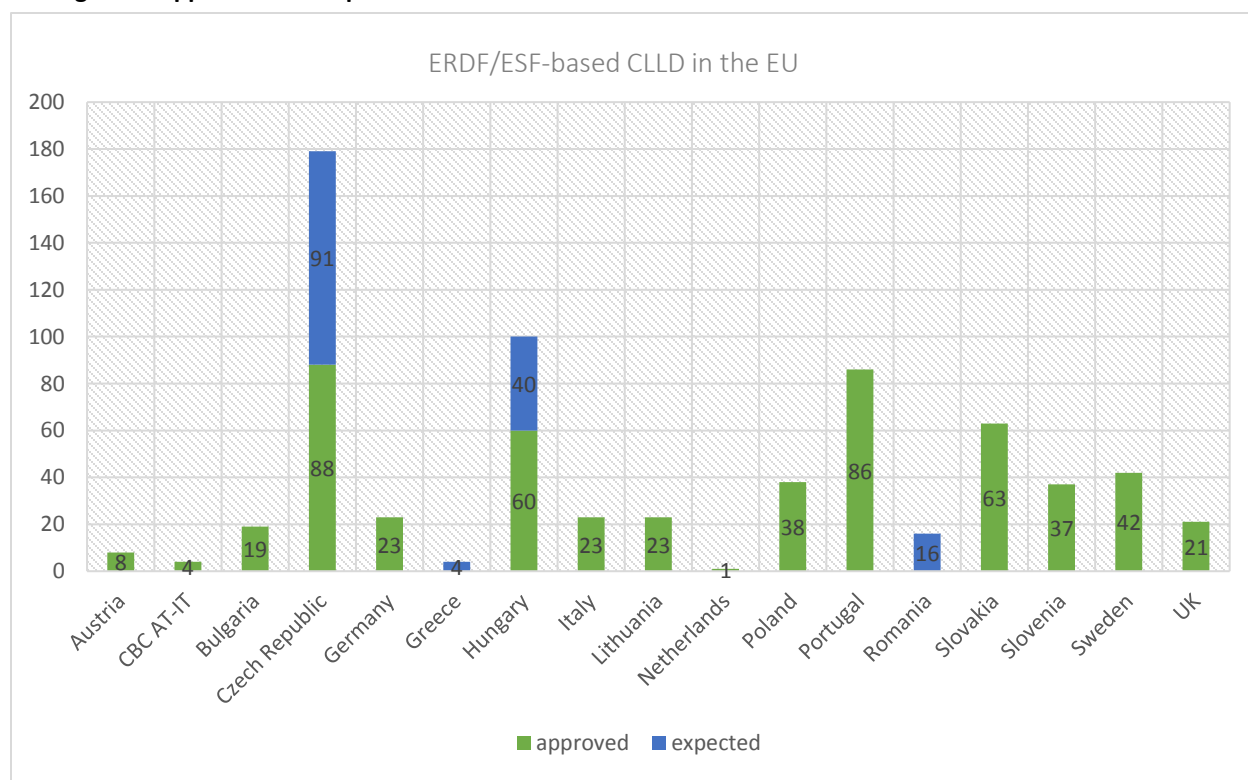
**Table 4: Approved and Expected LAGs**

Country	Region / State	Approved	Expected	Total
Austria	Tirol	4		4
Austria	Tirol + CBC	4		4
CBC AT-IT		4		4
Bulgaria		19		19
Czech Republic		88	91	179
Germany	Sachsen-Anhalt	23		23
Greece	Crete		4	4
Hungary		60	40	100
Italy	Apulia	1		1
Italy	Sicily	22		22
Lithuania		23		23
Netherlands		1		1

Poland	Kujawsko-Pomorskie	26		26
Poland	Podlaskie	12		12
Portugal	Alentejo	12		12
Portugal	Algarve	9		9
Portugal	Centro	29		29
Portugal	Lisbon	15		15
Portugal	Norte	21		21
Romania			16	16
Slovakia		63		63
Slovenia		37		37
Sweden		42		42
UK		21		21
	<b>Total</b>	<b>536</b>	<b>151</b>	<b>687</b>

The overall distribution with 18 Member States using the new funding opportunities of CLLD, shows the success of the initiative and its application. At the same time, it presents a diversified degree of implementation. Table 4 and Figure 1 indicate on the one hand a general good reception of the multi-fund structure with ERDF and ESF in most of the EU13 Member States, while there is a certain reluctance in countries that have implemented the LEADER programme in the last programming periods. In the former, the Czech Republic stands out with the highest number of LAGs, almost half of which are still not approved. They are followed by Hungary, Slovakia, Slovenia and Bulgaria. About the latter group it is interesting to notice that in some countries only few regions have implemented the CLLD approach, such as Tirol (A), Sicily (IT) and Sachsen-Anhalt (D).

**Figure 1: Approved and Expected LAGs**



Within this picture, it is also worth mentioning Portugal and Sweden, who adhered with all their regions to the implementation of LAGs with integrated funds. In some other cases, MAs have decided to go only for a pilot case, such as in the Netherlands with only one urban LAG, which represents a sort of pilot case for bottom-up urban interventions, and in Apulia Region, which has experimented only one multi-fund structure for an existing LAG already in place since the previous programming period. Ultimately, a special mention should be dedicated to the four cross-border LAGs along the Italian-Austrian border. They have a very specific administrative and financial structure that will be further detailed in section 2d.

#### Suwalsko - Sejneńska (PL - Podlaskie)

“The main added value of the CLLD approach is the ability to influence almost all areas with deficits in the social sphere and lack of infrastructure.

In the previous programming period (2007-13), we frequently encountered problems that we could not address with suitable instruments because of our single-fund strategy. Some of the problems (especially those in the social domain) were completely beyond our reach, and some of them, after exhausting our support resources, were left only half-way solved.

The CLLD approach reduces these types of problem. Practically all social groups in our area could be targeted by our LAG with some support proposal”.

(From Case Study report)

#### c. Implementation of ERDF/ESF based CLLD: current situation (September 2017)

The approved LAGs indicated in figure 1, except Slovakia and UK (no detailed information available), can be further investigated, based on the information gathered through the survey filled-in by the MAs.

Four possible stages were presented to the interlocutors through the survey:

1. LAG selected;
2. Strategy selected;
3. Launch of call for projects;
4. Projects under implementation.

Even if the CPR indicated that only strategies are to be selected, and need to be selected first before the LAGs get any allocation for implementing it, the first category was introduced to indicate the phase in which the MA identifies (even informally) the interested areas or the potential local groups or even only the number of LAGs that will be financed.

The aggregate state of play in Figure 2 indicates the general positive stage of implementation of the CLLD at the time of the survey (September 2017).

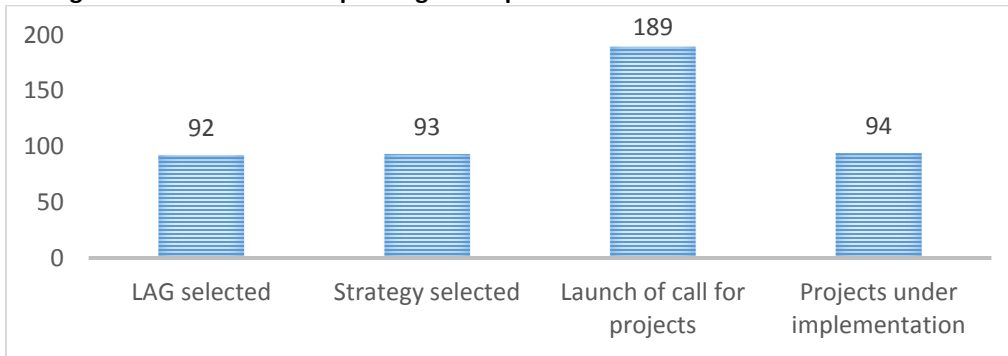
#### RegioL (A) – Administrative costs as main challenge

“The main challenge encountered when launching the implementation of the project was caused by the administrative burden due to the EU regulations. The management costs are about 30% of the budget. For the implementation of similar regional programmes the administration costs cover about 10% of the budget. This means that the administration of the EU instrument requires about 3 times efforts that other similar programmes. This is due to the complexity and the detailed documentation regarding the financial implementation. The complexity has been raising significantly from LEADER II to LEADER+, axis LEADER and now CLLD.

This is limiting the participation of potential actors, who cannot or are not willing to fulfil the EU requirements (e.g. SMEs, municipalities)”.

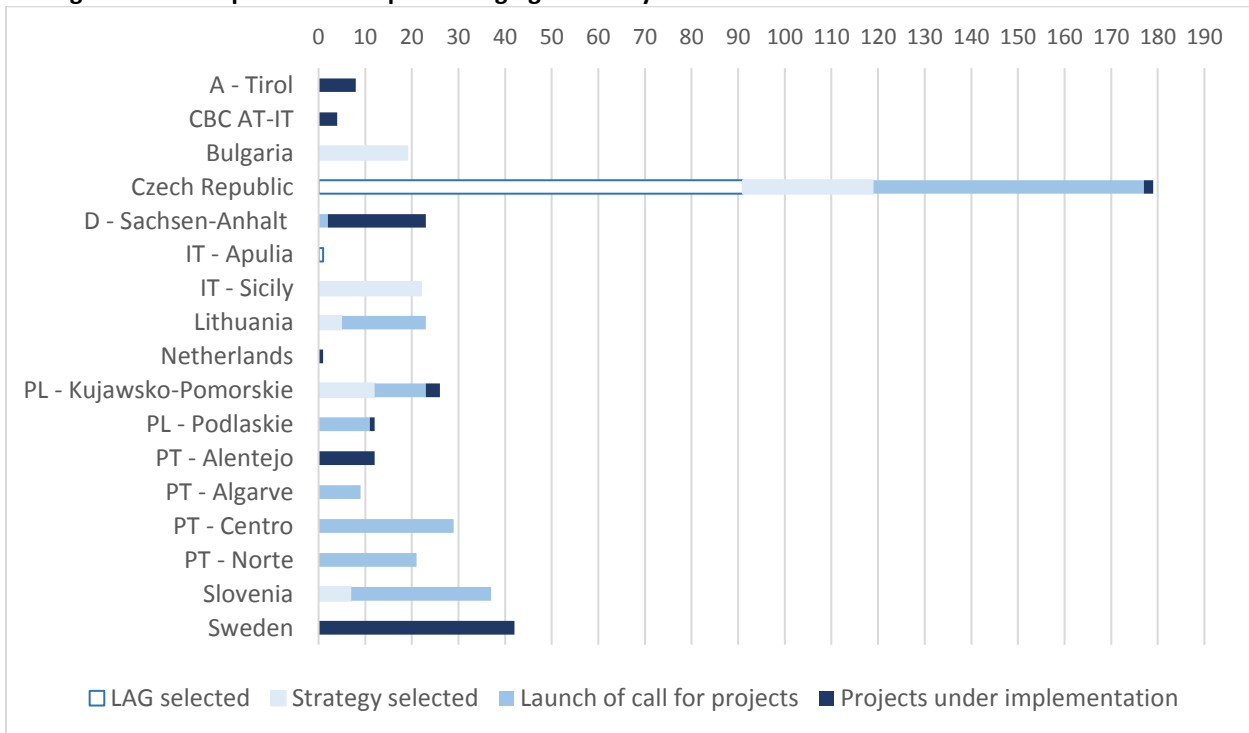
(From Case Study report)

**Figure 2: Number of LAGs per stage of implementation**



The bulk of LAGs appear in the phase of launching calls for projects, while almost 1/5 of the overall LAGs have already reached the phase of project implementations. The LAGs that are still in the early stage are mainly those of the Czech Republic (plus the category ‘Not yet specified’ of Table 3). On the opposite, the LAGs already in the phase of project implementations are mainly in Tirol, Sachsen – Anhalt, Alentejo, in the Polish regions, and in Sweden.

**Figure 3: LAG implementation per Managing Authority**



The chart in Figure 3 shows the state of implementation per Member State and region, indicating the different speeds across the EU.

## 2. Financial articulation

### a. Financial structure of the LAGs

The overview of the financial composition of the LAGs that use ERDF or ESF in various combinations starts with a basic distinction between mono- and multi-fund structures. As Table 5 indicates, the adoption of a mono-fund CLLD structure with ERDF and ESF concerns only Lithuania, the Netherlands and few Polish LAGs in Kujawsko-Pomorskie region. These are all LAGs with an urban focus, and financed by ESF in the Lithuanian and Polish cases and by ERDF in the Dutch case.

#### NAD ORLÍČ (CZ) – Allocation of resources and MA's criteria

“The LAG is a non-profit organisation with no own resources to finance its activities.

LAGs in the Czech Republic are financed for 95% by the integrated regional operational programme, priority axis 6.4. Community led local development. The allocation was decided by the managing authority according to size of territory, number of residents, number of schools and number of operational programmes.

Expenditure will be enough to hire 2 or 3 employees and finance the overhead costs of the LAG. The co-financing of 5% covered by membership fees, allows small municipal costs”.

(From Case Study report)

**Table 5: Multi/mono-fund structure and Lead fund**

Country	Region / State	Mono-fund	Multi-fund	Lead Fund				
				ERDF	ECT	ESF	EAFRD	EMFF
Austria	Tirol		8				8	
CBC AT-IT			4		4			
Bulgaria			19				19	
Czech Rep.			88	88				
Germany	Sachsen-Anhalt		23				23	
Italy	Apulia		1	1				
Italy	Sicily		22	22				
Lithuania		23				23		
Netherlands		1		1				
Poland	Kujawsko-Pomorskie	7*	19			16	10	
Poland	Podlaskie		12	3		3	6	
Portugal	Alentejo		12	12				
Portugal	Algarve		9			9		
Portugal	Centro		29			29		
Portugal	Norte		21			21		
Slovenia			37	8			28	1
Sweden			42				42	
	<b>Total</b>	<b>31</b>	<b>346</b>	<b>135</b>	<b>4</b>	<b>101</b>	<b>136</b>	<b>1</b>

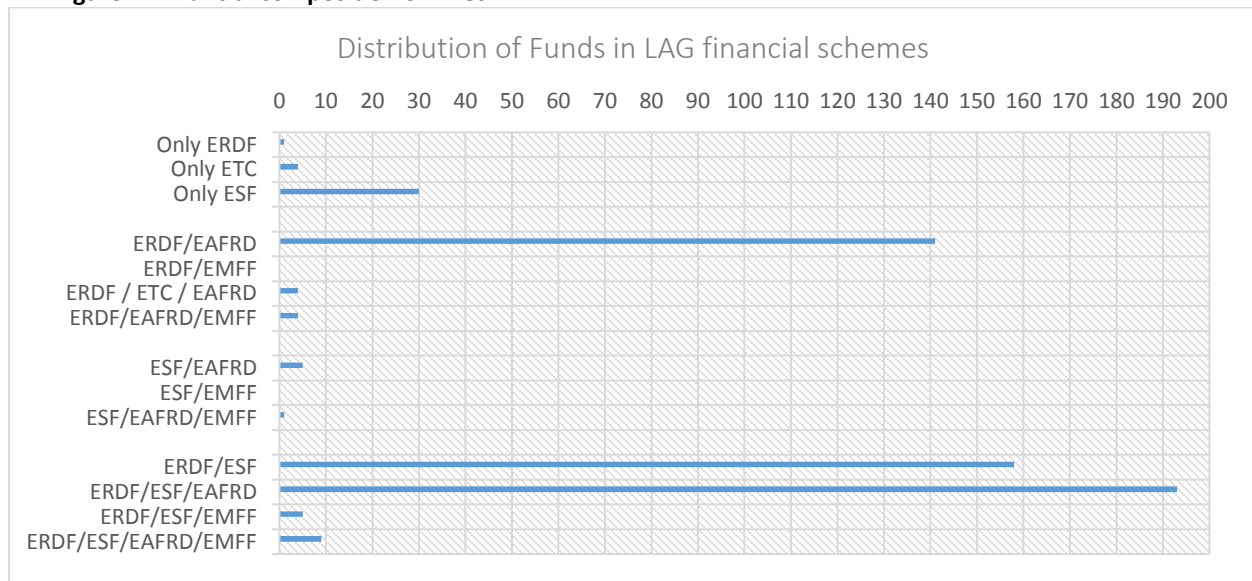
\* The 7 mono-fund LAGs in Kujawsko-Pomorskie Voivodeship are financed by ESF

Table 5 shows a tendency to have a regional/national uniformity in the approach. It means that the MA has a framing role – and in some cases a top-down attitude - in setting the conditions in which LAGs are formed. Diversified solutions in the same MA took place only in the two Polish regions and in Slovenia. Finally, the aggregated numbers indicate the equal distribution of cases between ERDF and EAFRD as Lead fund (135 vs 136), and slightly less for the ESF (101).

The decision concerning the Lead Fund is usually due to the opportunity to reduce the administrative burden and to cover the management cost of the LAG, or to the accustomed knowledge about management procedures because the LAG already has previous LEADER experience.

The combination of funds of the LAGs’ financial structure shows an interesting variety of approaches. Figure 4 and Table 6 show the specific details.

**Figure 4: Financial composition of LAGs**



The most recurrent combination of Funds is ERDF, ESF and EAFRD, and in second place ERDF and ESF. If the latter group is characterised by a strong presence of Hungarian LAGs, the former approach is applied in several Member States and regions. The same can be said for the third combination in terms of number of cases, i.e. the ERDF and EAFRD multi-fund structures. On the contrary, a complete integration of all the ESI Funds can only be observed in a few Swedish cases and one LAG in Kujawsko-Pomorskie vovoideship (PL). Finally, Lithuania uses ESF to support mono-funded LAGs for urban interventions, while some Bulgarian and Swedish LAGs combine ESF with EAFRD. Interestingly, there are also 5 LAGs in the Central region of Portugal that are multi-funded with ERDF, ESF and EMFF, but without EAFRD – probably because of their coastal characteristics.

It is worth mentioning that the multi-level approach in CLLD can be pursued in two ways: only at strategy level, with mono-funded projects; and both at strategy and project level, with projects that can be financed by a combination of various funds.

**Tatabánya (H) – Collaboration model**

“The cooperation between local professional organizations dates back decades. In 2013 the Agora Fórum (regular professional forum) was established, which can be considered as an exemplary model of collaboration.

The organization is responsible for the operational tasks of the strategy implementation. Operational costs are also supported by the Managing Authority under the ERDF framework up to 15% of the total cost. These tasks are: strategy planning; functional community management (animation) and communication; programme-mentoring and monitoring tasks; administrative and financial implementation; animation of micro-region; and generating projects”.

(From Case Study report)

**Table 6: Types of LAG’s financial structure distributed per Member states / Regions**

Financial structure	Financial structure per MA							
<b>Only ERDF</b>	Netherlands							
1	1							
<b>Only CBC-ERDF</b>	CBC A-IT							
4	4							
<b>Only ESF</b>	Lithuania	Kujawsko-P.						
30	23	7						
<b>ERDF/EAFRD</b>	Austria	Bulgaria	Czech Rep	Apulia	Sicily	Slovenia	Sweden	Slovakia
141	4	2	13	1	22	33	3	63
<b>ERDF/EMFF</b>								
0								
<b>ERDF / CBC / EAFRD</b>	Austria							
4	4							
<b>ERDF/EAFRD/EMFF</b>	Slovenia							
4	4							
<b>ESF/EAFRD</b>	Bulgaria	Sweden						
5	3	2						
<b>ESF/EMFF</b>								
0								
<b>ESF/EAFRD/EMFF</b>	Sweden							
1	1							
<b>ERDF/ESF</b>	Podlaskie	Alentejo	Algarve	Norte	Lisbon	Hungary		
158	1	12	9	21	15	100		
<b>ERDF/ESF/EAFRD</b>	Bulgaria	Czech Rep	Sachsen-A.	Kujawsko-P.	Podlaskie	Centro	Sweden	
193	14	75	23	18	11	24	28	
<b>ERDF/ESF/EMFF</b>	Centro							
5	5							
<b>All four ESIF</b>	Kujawsko-P.	Sweden						
9	1	8						

In the former case, the projects need to follow the eligibility criteria of each fund, making the process more rigid. In the latter case, the funds are managed with more flexibility. Despite the fact that the latter option embeds more profoundly the logic of integration, there are evidences that its application is rare. Several Case Studies pointed at the administrative complexity to implement multi-funded projects as main discouraging reason. In this case, the conditions for multi-funded projects need to be well-established by the MAs, which have a crucial role in setting up the process.

**GotseDelchev-Garmen-Hadzhidimovo (B) – Project capacity**

“In order to meet the diverse sectoral needs of the territory, the CLLD strategy is funded by EAFRD, ERDF, and ESF. Each measure of the strategy can be funded only by one fund. The possibility to finance a single measure by multiple funds / programmes was discussed during public events with stakeholders on the LAG territory, but given the limitations in the legislative sphere, the “cross-measures” were not included.

At the same time, there are no limitations on the number of projects implemented by an applicant under the Strategy. If an applicant is eligible under measures funded by different sources, he / she may submit project proposals under the respective measures and implement the projects if he / she has the necessary capacity”.

(From Case Study report)



## b. Financial characteristics of the ERDF/ESF-based LAGs

The financial distribution of the ESI funds per Member State and region, as reported by the MAs in the survey, is represented in Table 7 and Figure 5. The overall amount indicates the importance of the EAFRD, which remains the main contributor in multi-fund structures. At the same time, the table registers a higher use of the ERDF in comparison with the ESF.

**Table 7: Distribution of ESIF in ERDF/ESF-based LAGs**

Country	Region / State	ERDF	CBC-ERDF	ESF	EAFRD	EFMM
Austria	Tirol	5,543,700			20,833,668	
	CBC AT-IT		13,126,919			
Bulgaria		14,309,997		11,116,958	27,489,389	
Czech Republic		173,077,987		32,027,970	62,291,460	
Germany	Sachsen-Anhalt	7,138,000		4,077,000	36,602	
Italy	Apulia	3,000,000			8,630,000	
	Sicily	65,366,250			56,456,159	
Lithuania				14,423,226		
Netherlands		431,118				
Poland	Kujawsko-Pomorskie	33,576,777		29,682,237	36,746,343	900,000
	Podlaskie	20,999,999		20,063,573	13,958,831	
Portugal	Alentejo	24,999,000		12,300,000		
	Algarve	3,560,000		4,700,000		
	Centro	18,005,195		25,007,232	51,637,921	8,909,631
	Norte	18,000,002		30,000,002		
Slovenia		23,207,595			31,690,733	4,990,985
Sweden		14,211,063		14,277,020	166,692,263	8,311,970
	<b>TOTAL</b>	<b>425,426,682</b>	<b>13,126,919</b>	<b>197,675,219</b>	<b>476,463,369</b>	<b>23,112,586</b>

In the fine-grain details, it is recognisable that an almost equal distribution of resources among the three funds (EAFRD, ERDF and ESF) was used in the Polish and Portuguese regions, and in Bulgaria. On the contrary, an important bias can be seen in the Czech Republic (towards ERDF) and in Sweden (towards EAFRD).

The table 7 also indicates whether the ERDF and ESF budget lines mentioned in the table are significantly lower (red) or higher (blue) than those originally programmed in the respective Operational Programmes (in black are the budgets which match or have minor differences with the programmed one). It is evident that in most of the cases the real budget that has been deployed is lower than what

### SydostLeader (SE) – Co-financing and multi-fund at project level

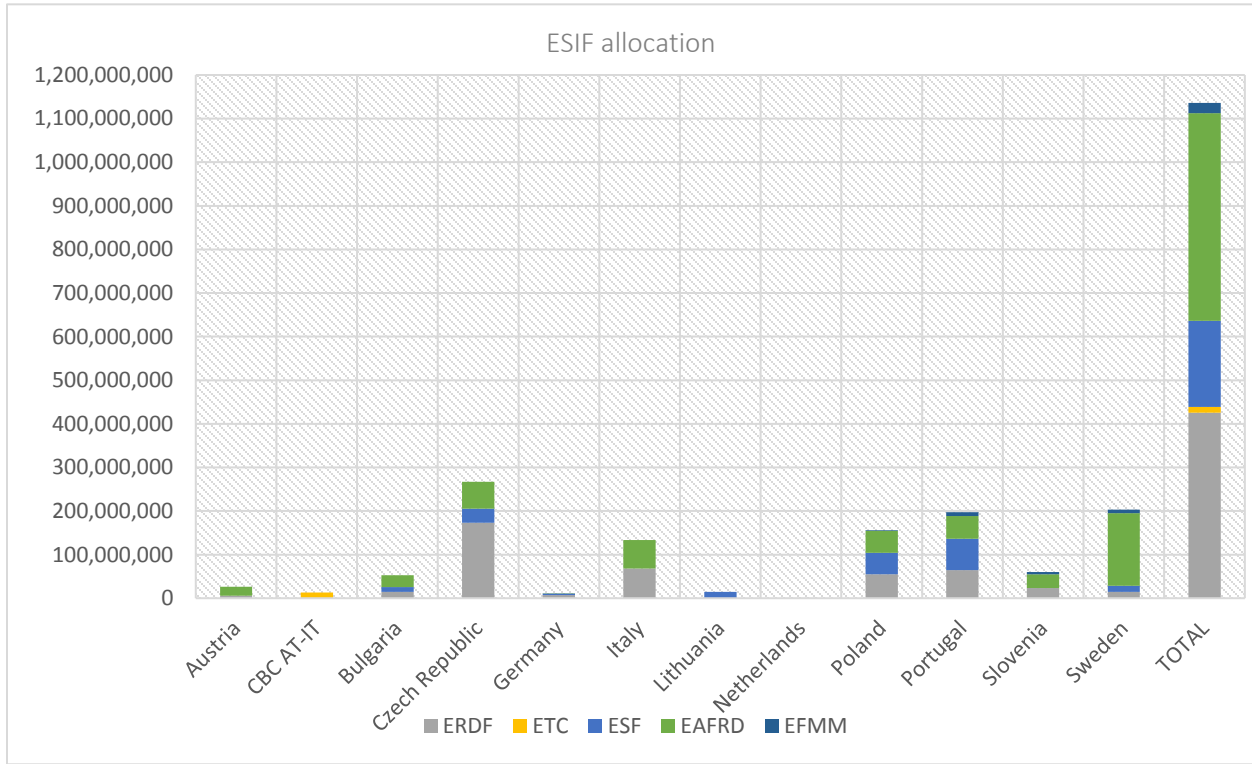
“In the ongoing process, with so far 29 prioritized projects, SydostLeader has managed to co-finance numerous projects with almost EUR 1 million financial resources from other public organizations as well as private co-financing. However, co-financing is not structured in the form of agreements (equivalent) but is handled from project to project, depending on its needs and opportunities. Total project value for the ongoing 29 projects means that the return rate on the invested LAG capital is currently 13 times the money.

SydostLeader has a financing model with a common pot to be used jointly for development projects for the whole area's needs. Municipal government co-financing is billed annually and in advance”.

(From Case Study report)

was originally estimated, with the only exception of the Sicily Region in Italy. The general negative discrepancy is probably due to the optimistic estimation at the beginning of the programming period, and an adjustment in the implementation phase.

**Figure 5: Distribution of ESIF in ERDF/ESF-based LAGs**



These figures might present some changes in the future though. In Germany for instance, the overall budget dedicated to CLLD is a fix percentage of the Fund, and it gets distributed through three tranches, of which only the first one has been allocated at the moment. The table reports only this first tranche, while the following ones will be evaluated in the future.

In some other cases, such as the Sicilian one, the budget is an approximation, and it will be determined only by the capacity of project financing.

**ADAE Rural (PT) – Critical bottlenecks**

“The decentralized governance model, based on decision-making autonomy in project appraisal, selection and management, assigns responsibility to the population. They can formulate their wishes or dissatisfaction and propose solutions, adapt the intervention to local realities and specificities. However, the CLLD management is very dependent on centralized guidelines albeit using a methodology inspired by the decentralized and territorialized Leader approach. Therefore, the supported initiatives may not always meet the expectations of local actors.

The existence of a multi-fund is beneficial to the potential beneficiary. However, the operational mode in the articulation of funds in terms of access to electronic platforms, combined with the bureaucratic burden makes the process too complex from the point of view of the final actors.

Local development strategies are not compatible with complex procedures. These procedures present excessive uniformity of objectives, and standardization of financing frameworks”.

(From Case Study report)

### c. CLLD as part of another Territorial Delivery Mechanism

The CPR inscribes CLLD as one of the Territorial Delivery Mechanisms (TDM) for integrated approaches to local development. The other TDMs are Integrated Territorial Investment (CPR, article 36) and Sustainable Urban Development (ERDF regulation, article 7), and complementarity among them was envisaged. See for instance different combinations presented in the document “Scenarios for Integrated Territorial Investments” (EC, 2015).

Table 8 shows the Territorial Delivery Mechanisms that are complementary with LAGs that use ERDF or ESF in the various contexts. It is noticeable that Lithuania, who is using CLLD mainly for urban areas, activated complementarity with both SUD and ITI, as well as for the Dutch case. At the same time, few LAGs in Sicily (IT) and in Alentejo (PT), and all Swedish LAGs, which have a predominant rural approach, are also combined with the ITI initiative.

#### Meridaunia (IT) – Widespread animation with 150 meetings!

“The foreseen initiative to involve community participation will start as soon as the Local Action Plan is approved. Since Monti Dauni areas covers 30 municipalities with structural mobility and transport limitations, the animation is a key (and critical) challenge for the success of the strategy. A very busy calendar of appointments in each Municipality has been scheduled.

In order to reach young people and reduce youth migration, we will hold meetings in each secondary school, to inform young people (before they move out for University) of the local opportunities, so they can decide to come back after their studies. In addition, we will reach each municipality to inform public and private stakeholders about the project calls and all the opportunities. We think we will reach each municipality 4 times for each year: about 120 meetings!”  
(From Case Study report)

**Table 8: Complementarity with other TDM**

Country	Region / State	Approved LAG	SUD	ITI	CBC
Austria	Tirol	8			4
	CBC AT-IT	4			
Bulgaria		19			
Czech Rep.		88			
Germany	Sachsen-Anhalt	23			
Italy	Apulia	1			
Italy	Sicily	22		6	
Lithuania		23	6	17	
Netherlands		1		1	
Poland	Kujawsko-Pomorskie	19			
Poland	Podlaskie	12			
Portugal	Alentejo	12		12	
Portugal	Algarve	9			
Portugal	Centro	29			
Portugal	Norte	21			
Slovenia		37			
Sweden		42		42	
	Grand Total	377	6	77	4

Finally, four of the 8 Austrian LAGs are involved in cross-border LAGs, as further development in the following subchapter.

#### d. The cross-border LAGs

A specific section is necessary for the Austrian-Italian cross-border cases, because they represent an original way of complementing different territorial instruments and funds through a combination of national and cross-border LAGs.

The aim was to activate cross-border strategies supported by different Funds in order to address themes that are shared among the Alpine territories and along the border. However, the different financial and administrative arrangements in the Italian and Austrian regions constituted a major impediment in the construction of the cross-border institution.

Therefore the MAs opted for a sort of two-layer structure (see figure 6), in which the cross-border LAG embeds the national LAGs. The main actors remain the national LAGs, who have the direct management of all the projects. Moreover, their national CLLD strategy includes some additional shared cross-border themes.

The cross-border (CBC) LAGs combine 2 or 3 'national' LAGs from both AT and IT, whose representatives are formal members of the cross-border LAG. Moreover, one of the Austrian ones is also the Lead Partner, with coordinative function of the cross-border strategy.

The four cross-border LAGs (in the grey cells) and their articulation in national LAGs (white cells) are listed in Table 9, which also indicates the Lead Partners (in bold).

**CBC Terra Raetica (AT-IT) – transnational workshops**

“The CLLD strategy Terra Raetica is articulated in transnational thematic working groups (see picture below) in which the regional development agencies work together.

When local actors get in contact with their local development agencies (one of the three LAGs) with ideas that have a transnational dimension, they are directed to the transnational thematic working groups (i.e. Natura Raetica, Cultura Raetica, etc.). There the project gets further developed till it can be presented to the decision board (INTERREG Rat) of Terra Raetica”.

**Thematische Arbeitsgruppen mit Projektideen aus**

- AK Natura Raetica
- AK Cultura Raetica
- AK Mobilita Raetica
- AK Humana Raetica
- AK Terra Raetica Tourismus

**Kernarbeitsgruppe**

Strategische Steuerung/Externe Begleitung Dr. Klaus Wallnöfer

(From Case Study report)

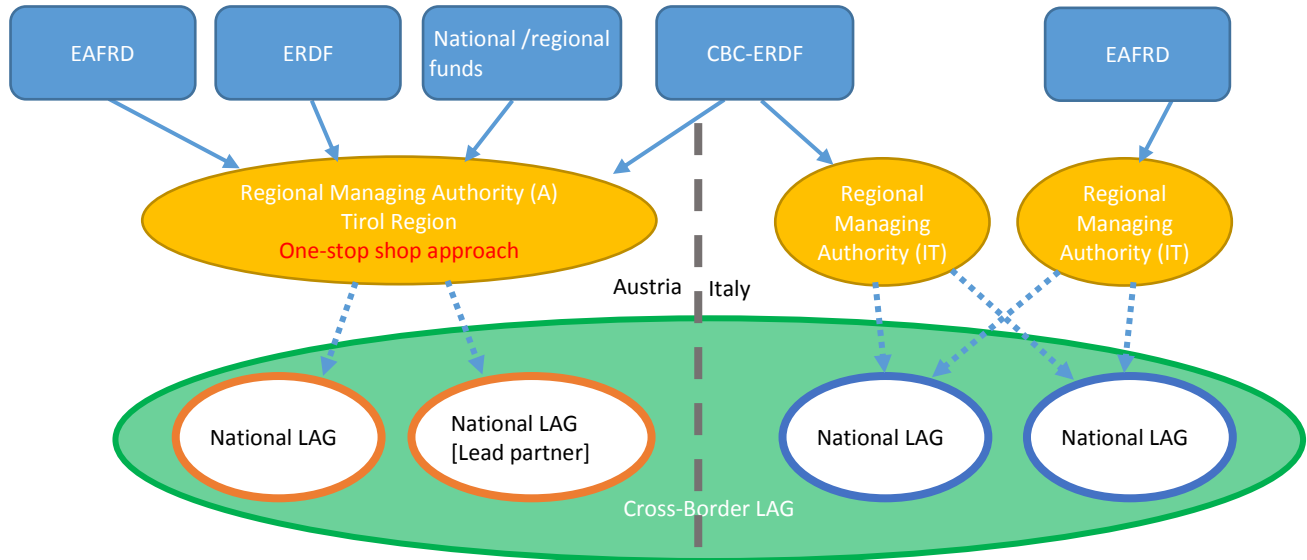
**Table 9: Articulation of the four Cross-Border LAGs**

<b>Terra Raetica</b>	CBC AT-IT		
<b>RegioL Regionalmanagement Landeck</b>	<b>AT</b>	<b>Tirol</b>	<b>LP</b>
Regionalmanagement Bezirk Imst	AT	Tirol	
Comunità comprensoriale Val Venosta	IT	Trentino Alto Adige	
<b>Dolomiti Live</b>	CBC AT-IT		
<b>Regionsmanagement Osttirol</b>	<b>AT</b>	<b>Tirol</b>	<b>LP</b>
Bezirksgemeinschaft Pustertal	IT	Trentino Alto Adige	
Gal Alto Bellunese	IT	Veneto	
<b>Heuopen</b>	CBC AT-IT		
<b>LAG Region Hermagor</b>	<b>AT</b>	<b>Carinthia</b>	<b>LP</b>
Open Leader S.Cons. a R.L.	IT	Friuli Venezia Giulia	
Euroleader S.cons.r.l	IT	Friuli Venezia Giulia	
<b>Wipptal</b>	CBC AT-IT		
<b>Verein Regionalmanagement Wipptal</b>	<b>AT</b>	<b>Tirol</b>	<b>LP</b>
Bezirksgemeinschaft Wipptal	IT	Trentino Alto Adige	

In both sides of the border the regional authorities frame the activities of ‘national’ LAGs: the Austrian LAGs are multi-funded by EAFRD and ERDF, while the Italian LAGs are mono-funded by EAFRD. The cross-border LAGs are financed by the CBC-ERDF programme.

The administrative and financial structure is explained in the scheme in Figure 6.

**Figure 6: Structure of the CBC LAG between Austria and Italy**



The key territorial actors are the national LAGs, who manage the projects according to their specific strategies. They are also part of the cross-border LAG, and consequently they share a common cross-border strategy and related projects. However, the way of managing the funds for the implementation of the projects is different in the two countries, as presented in Table 10.

In Austria (Tirol and Carinthia), the cross-border strategies get merged with the national LAGs. In Italy (Bolzano, Veneto and Friuli Venezia Giulia) the cross-border strategy is managed in addition (or in parallel) to the mono-EAFRD CLLD (former LEADER).

**Table 10: Main differences between the two sides of the CB LAGs**

	<b>Austria: Tirol and Carinthia</b>	<b>Italy: Trentino Alto Adige, Veneto and Friuli Venezia Giulia</b>
LAG structure	Multi-fund	Mono-fund
Local level management	Each national LAG pursues a one-stop shop approach: it manages all the projects under the same structure, integrating all the funds (EAFRD, ERDF, and CBC-ERDF) and strategies.	Each national LAG is mono-fund (EAFRD). However, the national LAG manages all projects, which are financed by separate funds and respond to different strategies.
Regional level management	One unit of the same Department is in charge of the 3 funds.	There are 2 regional bodies dealing with separate funds (CBC-ERDF and EAFRD). There is coordination between the two agencies at regional level.

Projects	They are managed by the national LAG, which coordinates the combined strategies (national and cross-border ones). The cross-border projects are executed in coordination with the cross-border LAG. There are synergies between the national CLLD projects and the CBC CLLD projects.	They are managed by the national LAG, which coordinates two different strategies and related funds. There are synergies between the national CLLD projects and the CBC CLLD projects.
Strategy	The national CLLD strategy integrates also the themes of the cross-border one (fully integrated in the SWOT, strategy and objectives, as an additional axis, financial plan , result and output)	There are two separate strategies and the national LAG is in charge of both.
CLLD Management costs	Lead fund (EAFRD) pays for all the management activities	INTERREG programme Italy Austria pays the management of CBC-ERDF projects. The EAFRD pays the management of national CLLD projects

What appears to be crucial is the “one-stop shop” approach, as defined by the Tirol MA. It consists of the capacity at regional level to unify the procedure for all the Funds, and to simplify the procedures for the LAGs at local level. The Austrian LAGs are in charge of a strategy that combines interventions supported by different Funds, including cross-border and national ones. Since the integration of the different Funds is operated at regional level, the LAGs have only one interlocutor for the financial implementation of the projects.

**Suwalsko - Sejneńska (PL) – Way to simplification**

“The main obstacles for implementation of multi-fund strategies are different systems of implementation of individual funds at the national level. This creates a lot of uncertainty, both for LAG staff as well as beneficiaries who in previous years became accustomed to simple single-fund strategies. In our opinion, there should be a separate dedicated body responsible for implementation of combined-funds strategies at the national and regional level to standardize their implementations and create a coherent framework for such implementation”.

(From Case Study report)

**RegioL (A) – Key factor of success**

“The strongest added value of CLLD in relation to other traditional policy approaches is that today LAG RegioL is a one-stop shop regarding integrated development for all regional, state and EU-funding in our region. The capacity to coordinate integrated development is at its best and people in our region know about our expertise in this field. Bottlenecks or limitations hindering the utilisation of the CLLD approach are limited thanks to the support of the regional department. This is the key factor of success”.

(From Case Study report)

### 3. Territorial strategy

This third section shows the different aspects that characterise the CLLD strategies. It is mainly based on the answers provided by the MAs through the first questionnaire (Annex 1), and reinforced with specific insights from the Case Studies. In the following sub-sections it is shown how the CLLD strategies cover different sets of population, have different territorial foci, and are characterised by a combination of territorial and social targets. The options in the first questionnaire were not presented as mutually exclusive, and multiple choices were envisaged. In this way, it has been possible to avoid strict categorization and to gather more nuances. In particular the questionnaire did not use the Thematic Objective categories or other established lists of items as options for identifying the thematic content of the CLLD strategy, in order to allow more freedom in the choice.

#### a. Population covered by the strategy

According to the rules defined by the CPR, the area covered by a CLLD strategy should fit in the range of 10,000-150,000 inhabitants, although derogations are permitted where justified.

The graph in Figure 7 shows the differences in population size among territorial foci, with the urban LAGs covering fewer inhabitants. Interestingly, the LAGs with a bigger population are those focusing on coastal regions, while those with a rural and urban-rural focus tend to be similar in population size.

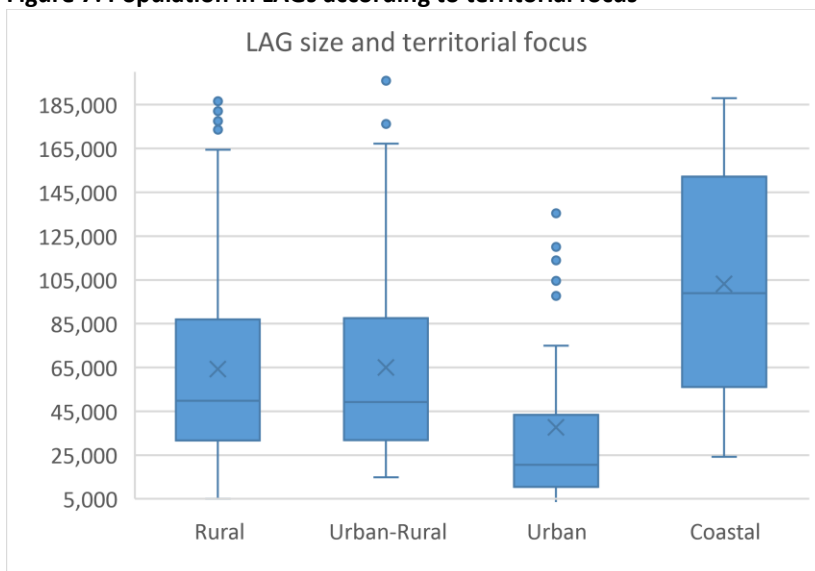
**NAD ORLICÍ (CZ) - Good practices**

“We can underline the following good practices in our activities:

- Active involvement of the community in strategy making for their territory.
- Support and co-working on strategy in individual municipalities as a way to teach municipal government to cooperate with non-profit organisations.
- Support of local heritage management - for example mapping small monuments, growing of traditional trees, etc.
- Cooperation among local actors, e.g. shared activities between local producers, restaurants and canteens”.

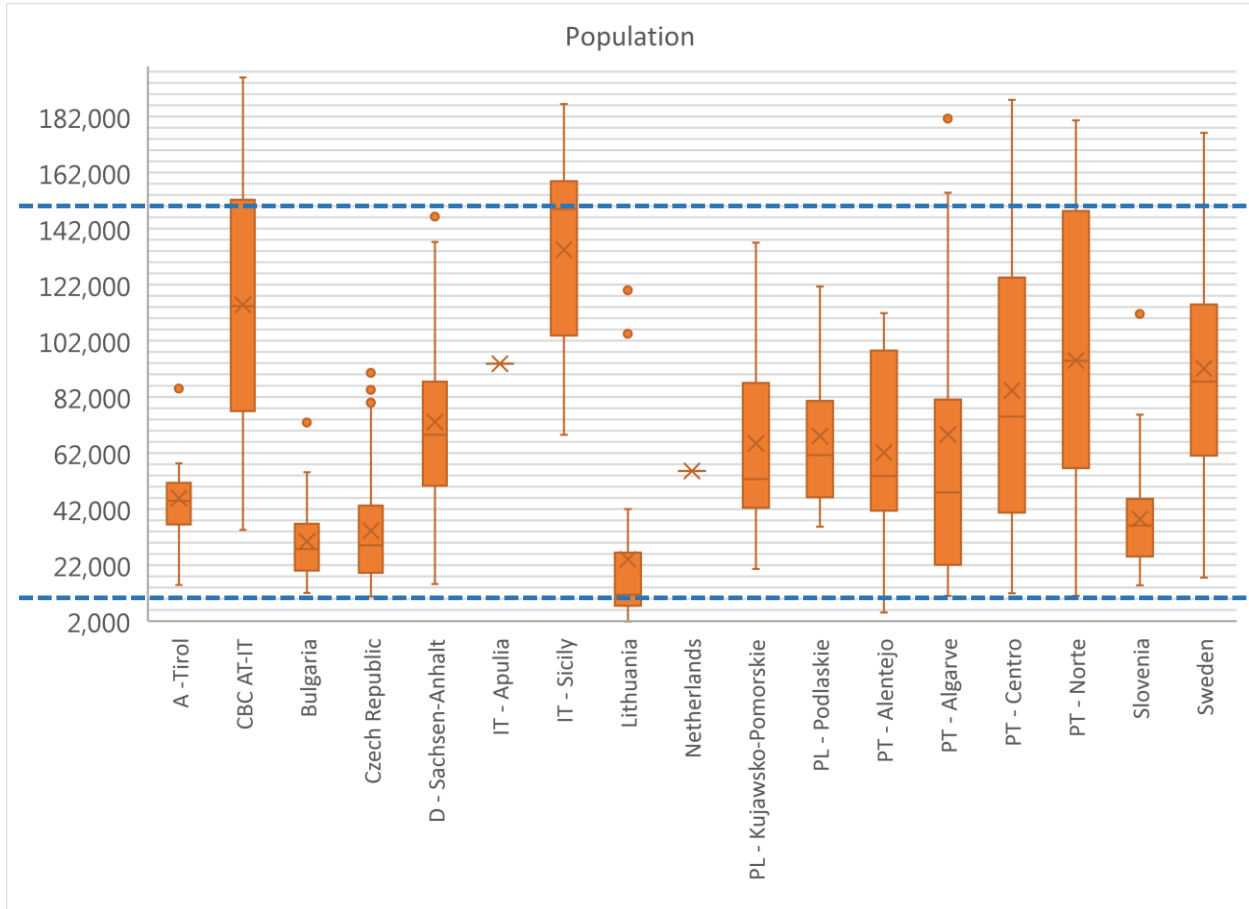
(From Case Study report)

**Figure 7: Population in LAGs according to territorial focus**



The various population sizes of the established LAGs in the different Member States and regions is presented in the graph of Figure 8, which shows a large variety of cases and also consistent derogations. It confirms the tendency of having smaller LAGs in case of predominantly urban initiatives (i.e. Lithuania, Netherlands), and bigger LAGs in case of large territories, such as the cross-border and Sicilian ones.

**Figure 8: Population in LAGs**



b. Main territorial focus of the strategy

The result presented in the chart of Figure 9 clearly shows that, albeit the integrated use of ERDF and ESF, a clear predominant rural development attitude characterises the majority of CLLD strategies. Almost 2/3 of the LAGs indicate a focus on rural development. This is in line with the figure concerning the allocated EAFRD budget and with the perception that most of the LAGs were partially or entirely present in the previous

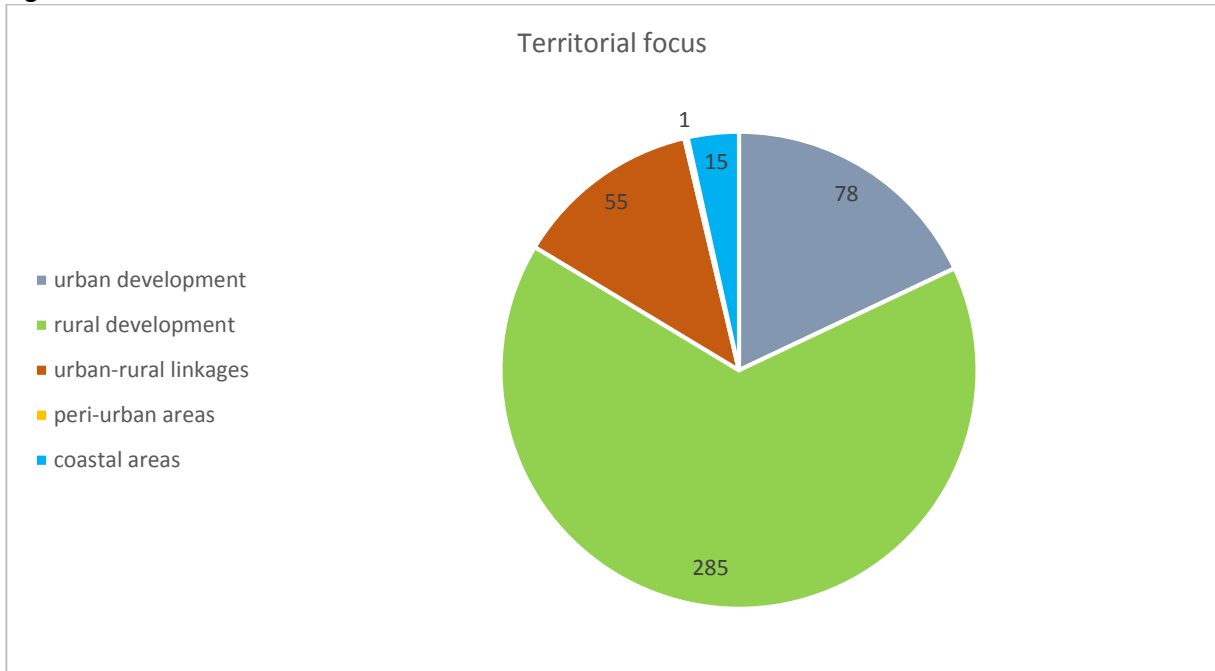
**Meridaunia (IT) – Differences from the previous LEADER**  
 “The strategy is tailored to the needs and vocations of the area. It pursues two main goals: first, remedy the lack of generational turn over and lack of innovation in the field of agriculture, the main economic sector of the area; second, reinforce the historical, cultural, archaeological and natural beauty of the area, in order to create an integrated touristic offer.  
 The experience of the previous LEADER programme taught us that the LAG should be directly involved in tourism promotion because private partners are too weak (at the moment) to face this challenge.  
 The main differences from the past are: the value attributed to agriculture (especially for small farms), its connection with tourism, and the activities aimed at strengthening the social capital of the area and creating networks”.  
 (From Case Study report)



programming period, and they took the chance of increasing the range of thematic interventions, integrating rural and/or regional development, and/or social inclusive measures.

Nevertheless, the table shows that CLLD strategies cover also a large range of territorial foci, including urban, coastal and peri-urban areas.

**Figure 9: Territorial focus of the LAGs**



When the results are articulated per MA, as in Figure 10, some interesting patterns emerge, such as:

- A consistent number of urban themes in the CLLD strategies in Lithuania and Sachsen-Anhalt, with few additional ones in Sweden, Portugal (Norte and Algarve), and Kujawsko-Pomorskie;
- An extensive attention to urban-rural linkage in Sweden and Slovenia,
- The combined attention to urban and rural development in Sachsen-Anhalt;
- The lack of urban development attention in the Czech, Italian and Bulgarian cases, despite the extensive use of ERDF, especially in the Czech Republic. This is probably due to the prevailing importance of the larger scale, other than a singularly small urban dimension;
- The presence of coastal development theme in several regions.

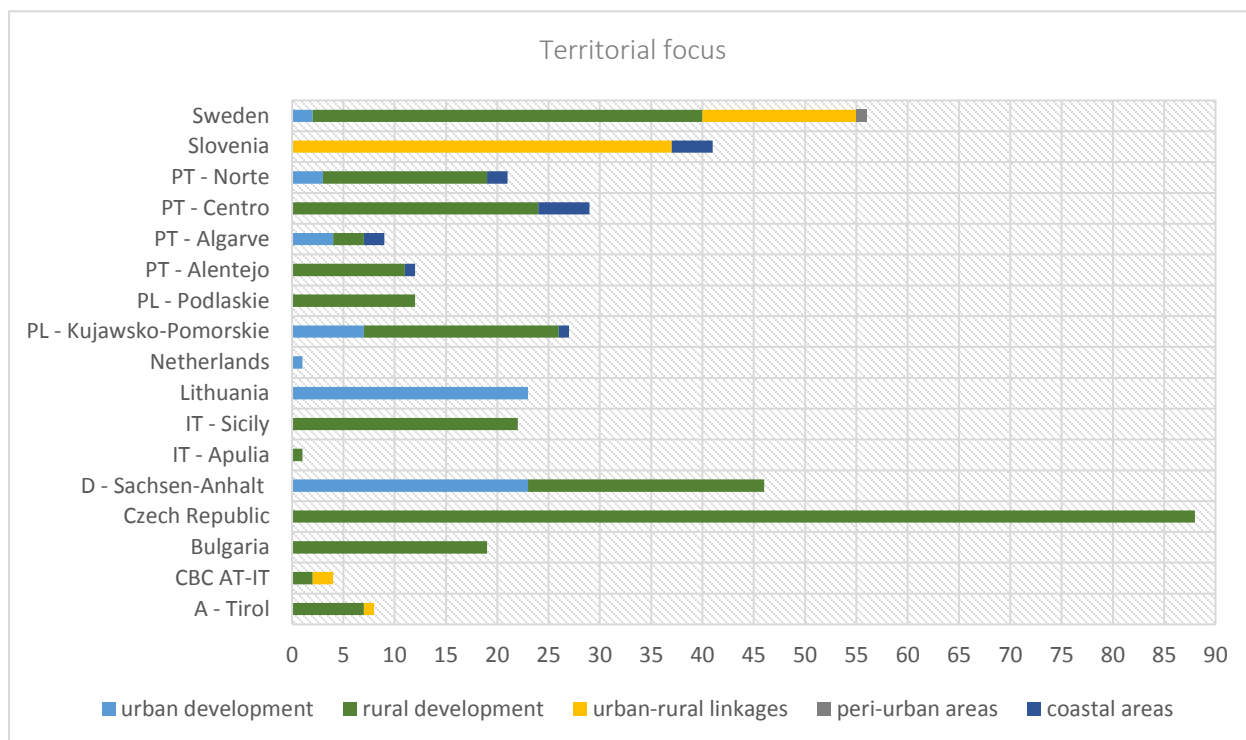
#### Suwalsko - Sejneńska (PL) –Outcome indicators

“The Local Development Strategy of the "Suwalsko - Sejneńska" LAG for the years 2016-2023 proposes goals and projects which pose challenges to the whole community of the LAG - local authorities, municipalities, entrepreneurs, non-governmental organizations, residents and external partners. Basic outcome indicators about planned achievements within the framework of the Strategy are:

- 50 supported enterprises
- 480 supported people at risk of social exclusion
- 1.5 ha of the area undergoing revitalization
- 32 km of modernized tourist paths
- 2 supported incubators (non-profit enterprises)
- 4 renovated historical buildings
- 15 supported facilities of social, cultural and educational infrastructure,
- 37 Renewable Energy Sources (RES) installations set up in private household”.

(From Case Study report)

**Figure 10: Territorial focus of the LAGs per country/region**



**c. Main thematic focus and challenges of the strategy**

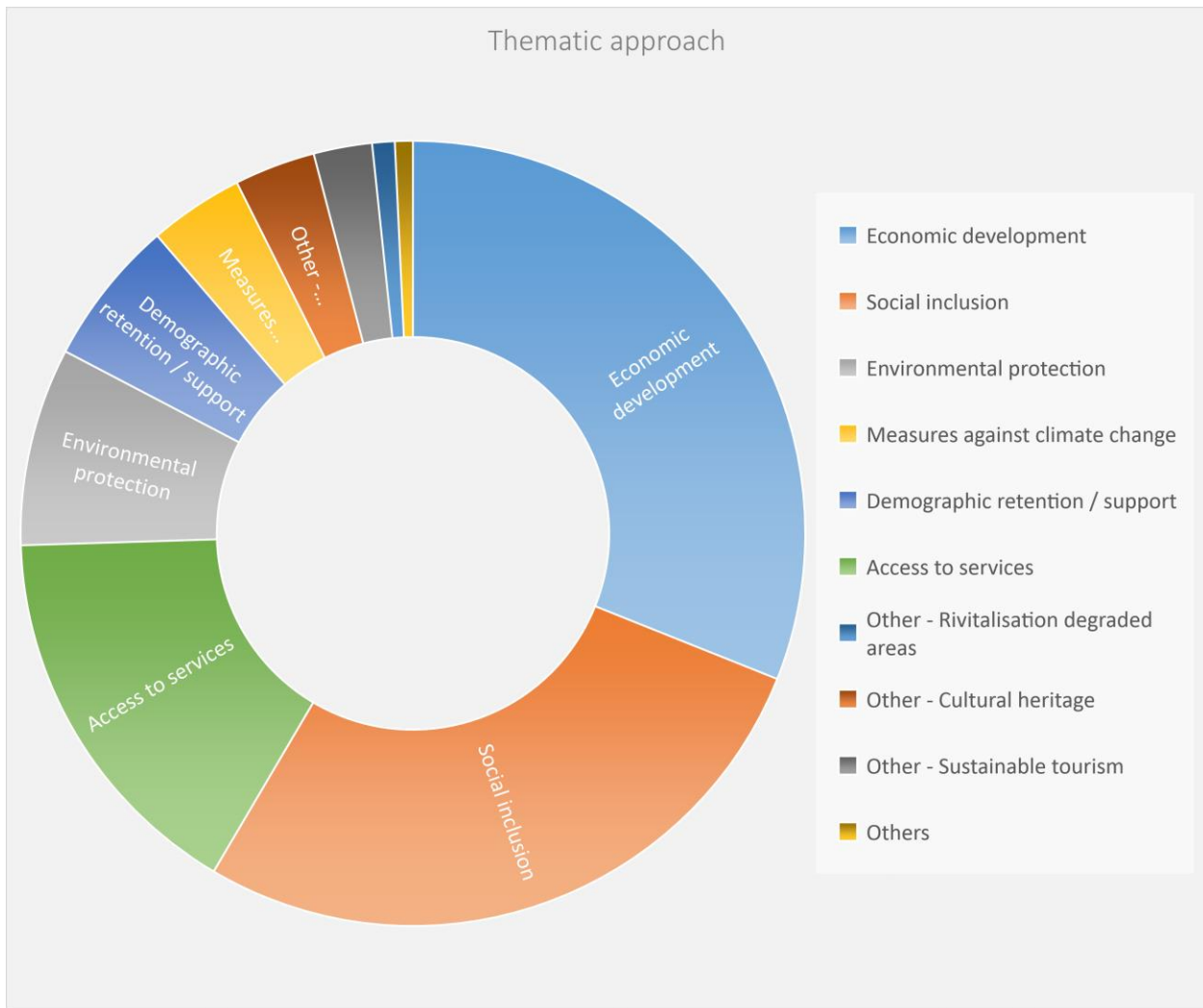
The overview of the thematic approaches presents variegated results both in terms of distribution of themes and of regional / national characterisation. The aggregated distribution of themes is presented in figure 11.

Here two main thematic components appear predominant: economic development and social inclusion. This is in line with the philosophy of CLLD, which is dedicated to the development of territories (both urban and rural) through a tailored CLLD strategy based on the specific needs of the place (place-based approach), and therefore combining economic development and social inclusion trajectories. Moreover, it reflects the fact that CLLD is usually programmed under Thematic Objective 9, which is dedicated to social inclusion.

In line with this general attitude, the third more frequent category is access to services. It indicates the necessity to think about a large portion of territories characterised by small and medium urban areas. They are areas often smaller than, or cut off from, functional labour markets and catchment areas for major public and private services (health, education, retail, business services and transport hubs).

**Meridaunia (IT) – Sub-regional governance model**  
 “The establishment of interaction among the 30 municipalities, most of which small villages, over several years, can be considered an important good practice and legacy for the territory. The governance process allowed this territory to participate in various community programmes (LEADER, IPA, etc.), as well as in the national programme for Internal Areas in synergy with CLLD. This new approach has triggered a land governance model that has created a turning point with the past, overcoming the isolation of individual municipalities and laying the foundations for a constantly evolving process of development”.  
 (From Case Study report)

**Figure 11: Thematic approach of the Local Development Strategies**



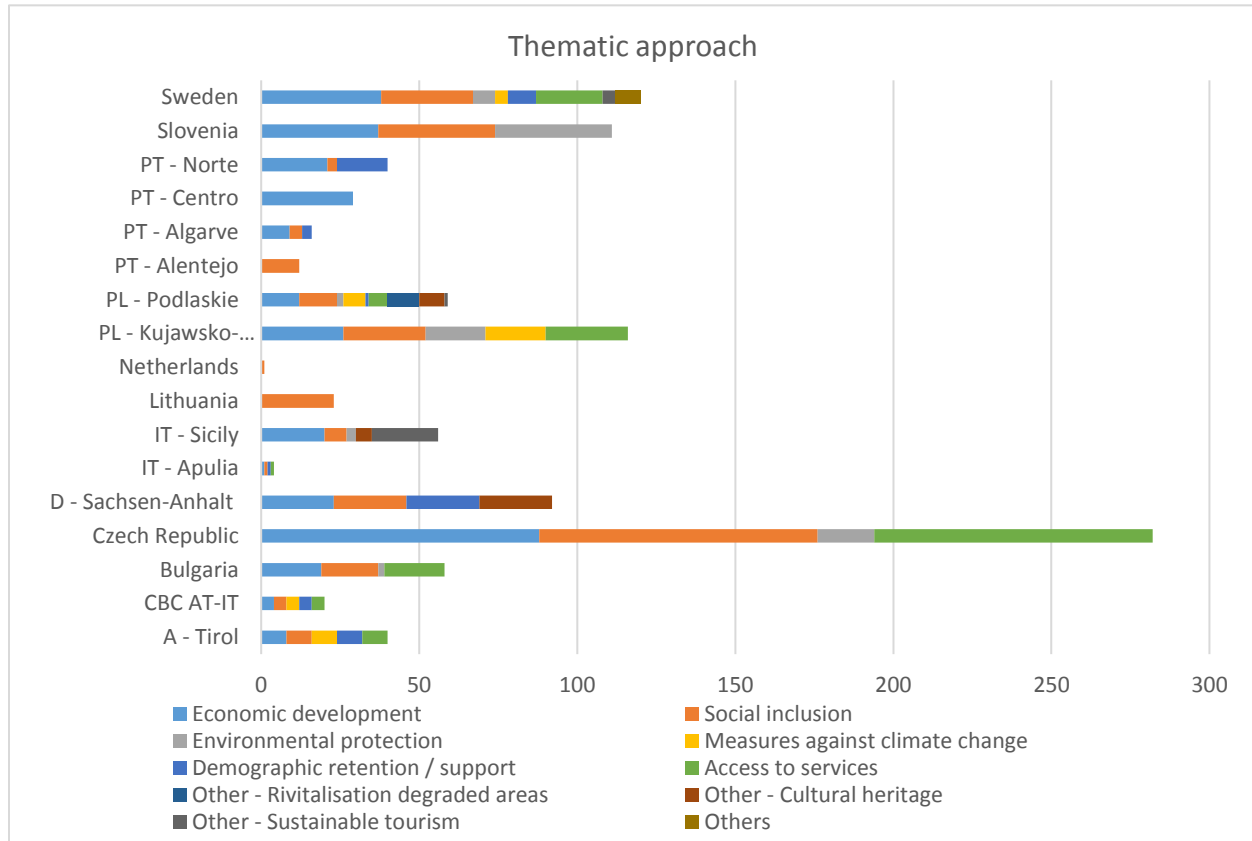
Hence, the re-thinking of access to services in order to overcome territorial limitations is a recurrent theme in the CLLD strategies. Finally, the environmental dimension and the needs of protection / restoration appears less prominent but still present, together with strategies to retain population. Also worth mentioning is an intensive use of the alternative category ‘other’, for which a specification was requested. In these cases, the role of cultural heritage and sustainable tourism emerges as relevant. Also following from the Case Studies: the role of sustainable tourism is often pursued as complementary to endogenous economic development based on other leading activities (agriculture or productive sectors).

When articulated per country or region, the mix of thematic approaches - and in particular between economic development and social inclusion appears overall distributed, while a singular

**Suwalsko - Sejneńska (PL) – Economic development**  
 “As indicated by the CLLD strategy area and social consultations, a good chance for the development of the local economy is entrepreneurship based on local resources and increasing the competitiveness of existing businesses through the implementation of innovative solutions. The results of the consultations in each of these areas have shown, in particular, that preference should be given to businesses operating in the tourism support sector and related trading in products of local origin”.  
 (From Case Study report)

connotation characterises only Lithuania (social inclusion) and the Portuguese Region Centro (Economic Development).

**Figure 12: Thematic approach of the Local Development Strategies per country/region**



d. Specific social targets of the strategy

The questionnaire for MAs included an enquiry on the social targets of the CLLD strategies. This is relevant because of the use of the ESF among the possible funds, with a consequent thematic focus on the social groups addressed by the strategy. Peculiarly, all MAs indicated social targets for the LAGs, even those who did not use ESF, except the Sicily region who indicated no specific social targets for the Sicilian LAGs.

Figure 13 reports the aggregated results of the enquiry, showing a pattern somehow similar to the territorial thematic approach.

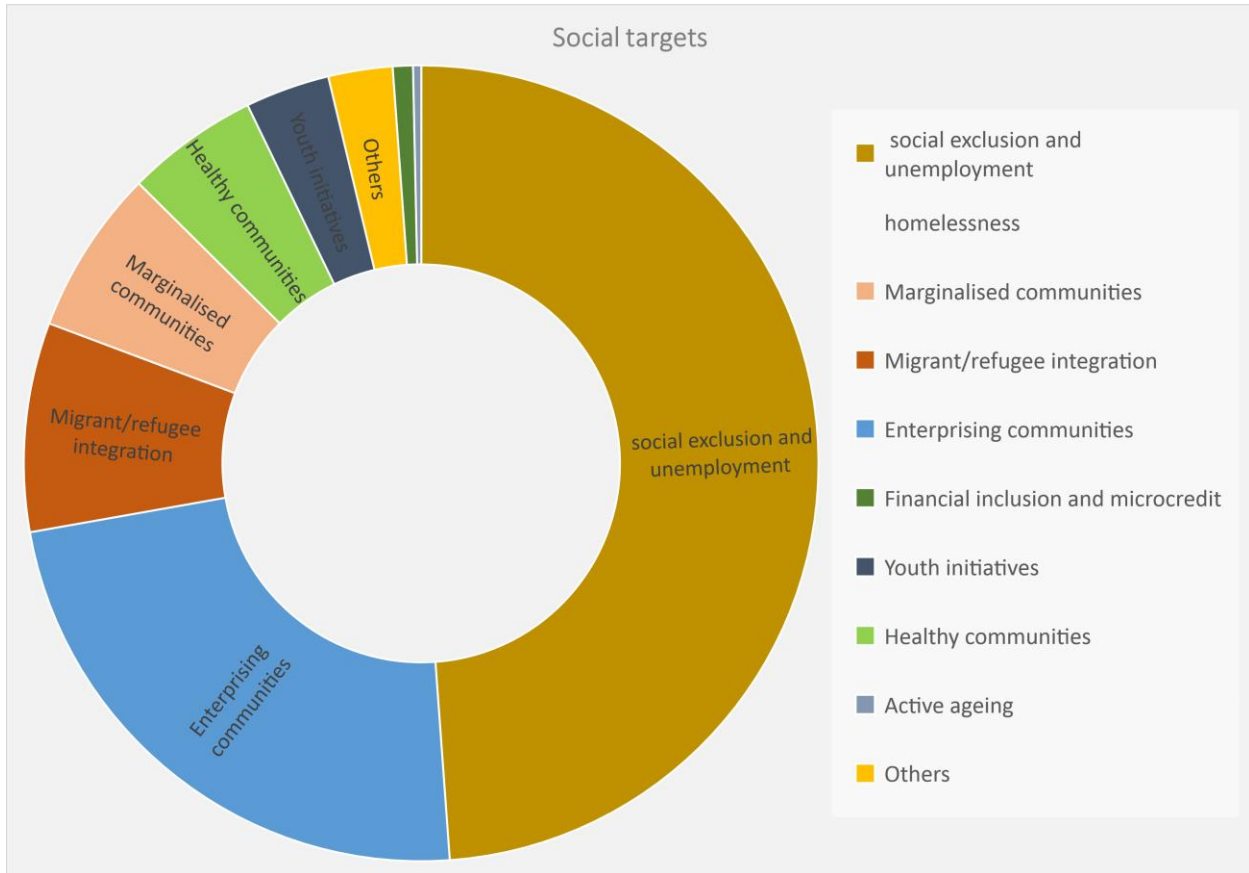
**ADAE rural (PT) – Long standing Association in charge of the LAG**

“The ADAE is a living force in the region. It was created in 1994 and in 2015 the informal partnership was consolidated and formalized. It is made up of several entities: various municipalities, harbour administrations, Regional Energy Agency, a variegated number of Associations (Cultural heritage protection, Tourism, Agriculture, Environmental, Civil and Sport, and Business) Professional School and Universities, Banks, local producers.

Throughout its existence, the ADAE has been implementing, developing and managing community funds in a wide range of areas (Technical and financial support, Management of EU and national funds, training and professional qualification, support to farming, etc.)”.

(From Case Study report)

**Figure 13: Social target of the LAGs**



The aggregated figure here above shows an equally devoted attention of the CLLD strategies to enterprising communities and social exclusion and unemployment, albeit a larger share for the latter. This is in line with the predominant combination of economic development and social inclusion foci emerging from the overview. The aim of migrant and refugee integration and the tackling of marginalised communities are also relevant social targets for a series of CLLD strategies.

When broken down per country and region, as reported in Figure 14, the data reveal that social exclusion and unemployment is the most widespread target, both for LAGs in predominant urban areas and for those in rural areas – the only exception constituted by the LAGs in the Central region of Portugal. At the same time, it is interesting to notice a significant focus on migrant/refugee integration in Sweden, Lithuania and

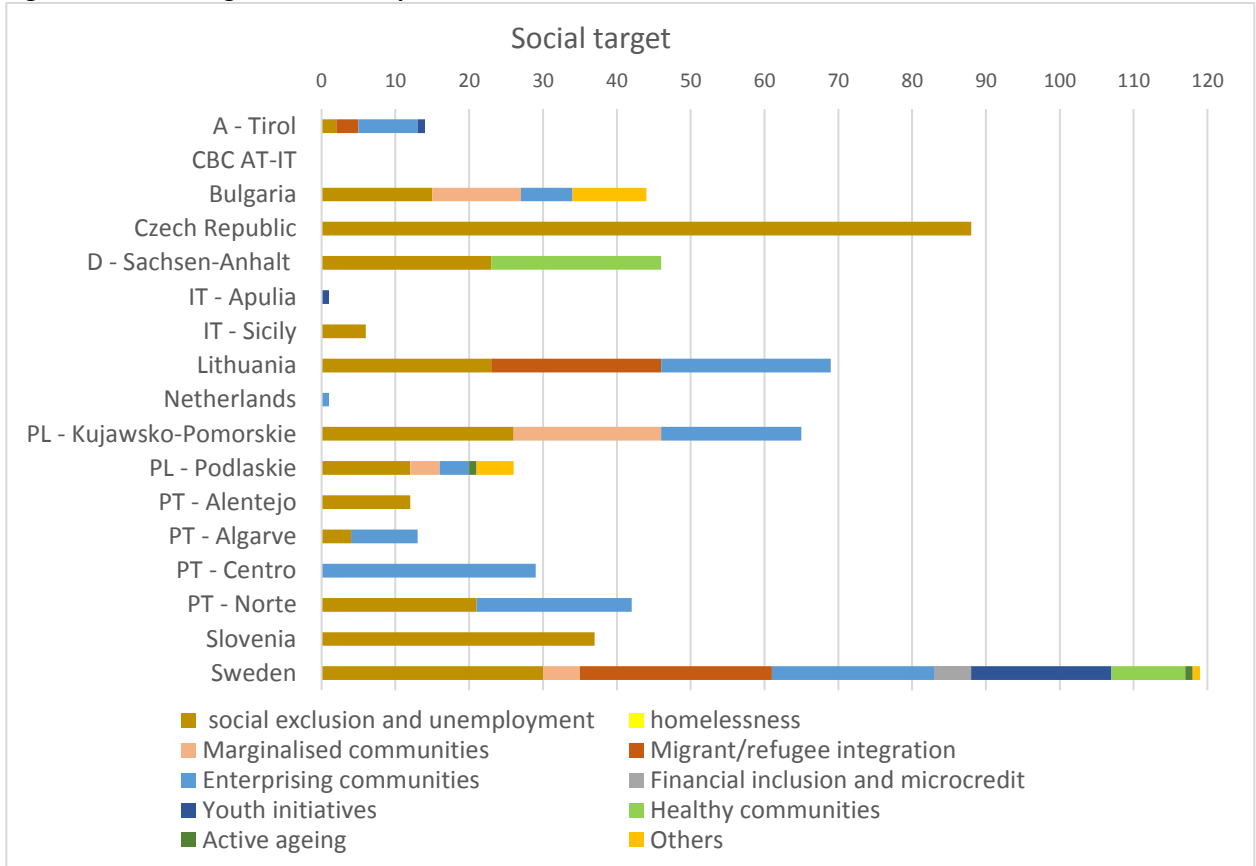
**RegioL (A) and Terra Raetica (A-IT) – Project implementation**  
 “The current implementation of the two CLLD strategies is characterised by the following situation:  
**RegioL:** The board of the LAG Landeck decides on projects 4 times a year. About 40 projects have already been selected.  
**Terra Raetica:** The Terra Raetica board decides on projects 2 times a year. About 20 small-medium projects have already been selected.  
 The projects have a strong impact in the field of labour market, innovation, renewable energy and tourism. Concerning social inclusion, they encompass the following measures:

- Empowerment for girls and women with migrant background (RegioL);
- Mobile social worker for the youth of Landeck (RegioL);
- Refugees involved in the cultivation of the natural heritage area (RegioL);
- Child care for families in touristic areas - weekend and holidays, in addition to the public child care (RegioL and Terra Raetica)”.

(From Case Study report)

Austria, and on marginalised communities in Sweden, Poland and Bulgaria. Healthy communities appear as relevant theme only in some German and Swedish cases.

**Figure 14: Social target of the LAGs per MA**



**Scheveningen (NL) – The role of a mediator**

“In the stage of strategy development, the municipality of The Hague hired a professional mediator to bring all stakeholders together such as local parties and policymakers. The mediator is still involved in the organisation (SIOS). It wasn’t easy to bring all the parties together. There are some divergent interests among different stakeholders (local resident groups, local entrepreneurs, and local authorities). Bringing all the groups together with the support of a proper mediator has been helpful in achieving the overall goal of setting up a shared bottom-up initiative”.

(From Case Study report)

## 4. Conclusion

### a. Discussion

The result of this first stock taking about CLLD implementation under ERDF and ESF shows a broad but geographically varied uptake of this new CLLD approach. A total of 44 ERDF and ESF programmes in 18 Member States mentioned CLLD as Territorial Delivery Mechanism for an estimated amount of 1.8 billion euros in the current programming period (DG REGIO source). This will support almost seven hundred LAGs in different financial combinations. About two hundred of these LAGs will be financed by ERDF and ESF alone, which constitutes a pure novelty of this programming period.

Given that the use of CLLD in this programming period is optional under ERDF and ESF, we can qualify this uptake as a success. It also confirms the consistent expansion of the CLLD (former LEADER) approach over the consecutive programming periods, both in financial resources and in supported LAGs. The numbers also show a remarkable success of the multi-fund approach of CLLD. The opportunity of activating multiple funds, including the newly available ERDF and ESF, has been well received in several contexts, hereby strengthening the integrated, place-based and bottom-up approach of cohesion policy.

However, the distribution of CLLD across Europe sees important differences. On the one hand there are important financial allocations and a massive use of the multi-fund approach in some of the EU13 Member States, in particular the Czech Republic, Hungary and Slovakia, and to a lower extent in Slovenia, Romania and Bulgaria. On the other hand, most of the countries that have a longer experience with the LEADER programme showed a minor interest in implementing the multi-fund opportunity. In general, only few regions in the EU15 Member States (Italy, Austria, Germany, Netherlands), accepted the challenge to activate new financial arrangements, with the only exception of Portugal, which adopted several multi-funded LAGs in all its regions, Sweden, and probably Greece.

Although the study did not specifically look into the reasons for this difference in attitude, it is plausible that there are different reasons. One first reason could be that the successful tradition of the LEADER approach in the EU15 has paradoxically impeded financial and thematic innovation. Several regions and countries might have adopted a conservative choice of maintaining the existing EAFRD mono-funded LAGs, leaving the experimentation of an integrated approach to other Territorial Delivery Mechanisms such as Integrated Territorial Investments and Integrated Sustainable Urban Development. In this respect the French region Brittany is an interesting case. The region is entirely covered by CLLD and ITI, but its rural LAGs are mono-funded by EAFRD, its coastal LAGs by EMFF and the ITIs by ERDF.

#### Meridaunia (IT) – Bottlenecks and rigid administration

“The registered bottlenecks are primarily related to the bureaucracy and the management of the 30 municipalities, involving two different Management Authorities. It is time consuming and affects the strategy approval.

The implementation procedures are far too rigid. A LAG should be a smart tool for local development, with large autonomy in the implementation phase, in compliance with legislation, and with a strong role for the MA in controlling procedures and monitoring the implementation of the strategy.

Instead the LAG is becoming like a public authority with the same implementation procedures (sometimes even more limiting) as public bodies and very far from citizen needs”.

(From Case Study report)

A second reason might have to do with the more limited financial support in combination with a stronger thematic concentration in the EU15. More developed regions need to allocate 80% of their ERDF resources to thematic objectives 1, 2, 3 and 4. This leaves only 20% of these already smaller budgets to all other 7 thematic objectives. This includes thematic objective 9 – Social Inclusion, under which CLLD is

programmed. Therefore leaving very little financial room for more developed regions for CLLD experimentation under this fund.

A third reason that came out of the analysis of the Case Studies, is the almost inevitable bigger administrative burden when combining multiple funds, even in the CLLD setup where much is done to reduce complexity for the LAGs as much as possible.

Some multi-funded ways of implementing CLLD by Member States and regions appear particularly innovative. An interesting case is offered by the Managing Authority of the Tirol region, which adopted a so-called ‘one-stop shop’ that allows the merging of funds at regional level and the fine-tuning of the different procedures in the CLLD strategy management for the LAGs. Another case is Sweden where the funds supporting CLLD are brought together in one single programme. It is important to make these approaches visible, and to deepen the challenges and the adopted solutions. They could become references for those countries that will consider the multi-fund option for the next programming period.

When looking closer at the individual LAGs we can observe that even when LAGs are multi-funded by ERDF and ESF, the multi-funded LAG often corresponds to a reconfiguration of former local partnership, with retailing of the pertinent area and few new actors and new institutional interactions.

The territories that have seen the application of CLLD with ERDF and ESF vary from large rural portions with several dozens of municipalities to small-scale urban neighbourhoods. The CLLD strategies combine a mix of rural and urban development initiatives, with involvement of marginalized communities and local entrepreneur forces, addressing several themes among which social inclusion, environmental issues, and access to services, and reinforcement of territorial attractiveness for sustainable tourism.

However, the capacity to address the urban dimension is the major novelty of the 2014 -2020 programming period. This has been applied especially in Lithuania and in the Polish region Kujawsko-Pomorskie, with respectively 23 and 7 ESF mono-funded LAGs, and by the single ERDF mono-funded Dutch case.

At the same time, also in rural areas the presence of small and medium sized towns can benefit from integrated resources to address urban-rural linkages and social exclusion. In this perspective, the rural and the urban dimensions of the local development strategy are no longer distinguished, and have the possibility to activate mutual synergies. This is confirmed by the strong investment in access to services of general interests, which is a typical vulnerability of many territories characterized by small settlements (Servillo et al., 2014). As shown by the Italian and the Czech Case Studies, the rethinking of the accessibility to services through innovative forms of provision is crucial to overcome territorial inequality, and it is part of a wider strategy to retain population that otherwise would tend to move toward larger urban areas.

#### **Terra Raetica (A-IT) – A message to the EU Commission!**

“CLLD Terra Raetica changed the role of local stakeholders because of the increased possibility to coordinate better the cross-border projects at local level according to a coherent strategy. On the one hand, the local stakeholders have now more direct influence on the project management (they do not depend anymore on the regional level for project decision). On the other hand, the LAG management needs to check if the projects are able to reach the expected goals (output-based approach on local level) and if the applicants are capable of implementing the projects. As a consequence, there is a higher commitment to the development of the cross-border strategy, particularly from local stakeholders.

From this perspective, a stronger message for the EU is to promote the use of all funds for CLLD.

The first draft of the EU regulations set up CLLD for all funds as a requirement, but after negotiations with the Member States it remained compulsory for ERDF, and only optional for the other funds. On national level it strongly depends on the stakeholders in each programme if integration is foreseen.

Therefore a “stronger incentive” in using all the ESI Funds would help to consolidate this approach”.

(From Case Study report)



The combination of enterprising communities and social exclusion is in line with this vision of local development and place-based approach. In this vision endogenous resources of places, especially characterized by low degree of urbanization, need to rely on a diffuse tissue of SME and self-entrepreneurship. As shown by almost all the Case Studies, but in particular by the Polish, Swedish, Italian and the Portuguese cases, the tissue of SME and self-entrepreneurship in these specific contexts is fragile but at the same time it constitutes a rich ground for new business initiatives and measures against unemployment.

The presence of themes such as integration of migrants and refugees, marginalized communities but also sustainable tourism shows the receptivity of these territories, whose potential is high both in terms of residents (migrants and refugees) and of visitors. This approach is especially visible in the CLLD application in Tyrol (Austria) and the overlapping Italy-Austria cross-border LAG.

However, the application of CLLD, and especially its multi-fund versions, is not free of bottlenecks and challenges. Among the issues pointed out by the Case Studies, the administrative burden related to public procurement and selection processes, and the consequent loss of time and administrative costs for the application of very strict EU rules emerge as the biggest challenges. In several cases the administrative procedures cause long delays in the strategy implementation, as mentioned by the Czech Case Study, at the detriment of the capacity to maintain an updated strategy and action plan. Moreover, the Austrian case explained that management costs for CLLD can be three times higher compared to similar national or regional bottom-up initiatives.

In part related to the administrative complexity, it also emerged that if in theory the multi-fund approach can also be applied at project level, in reality, multi-funded projects barely exist. The multi-fund approach remains confined to the strategy level, and its implementation is done through mono-funded projects. Therefore, further administrative simplification is required to foster true integration at local project level. Both the Swedish and the Austrian cases seem to be experimenting administrative solutions for that.

Finally, it is possible to point at the important role of the LAG itself, the local administration and the higher government levels in facilitating the LAG's activities. The Czech and the Portuguese cases have shown the importance of a local agency committed to the development animation activities, while the mobilization of local actors by a mediator has proven a turning point in rebuilding trust in the Dutch case. However, the capacity to gather social and economic resources of tailored territories or inner urban areas for local development, the effective coordination of integrated development and the enabling of out-of-the-box thinking, is sometimes hampered by administrative constraints and the quality of the multi-level governance dynamics. More can be done to create a positive environment for bottom-up initiatives and to reduce long and burdensome procedures which have a very negative impact on the ability and motivation of LAGs to take the future of their territory in their own hands.

## b. Conclusive remarks and recommendations

From an EU policy perspective, the introduction of CLLD constitutes an interesting change of direction, upscaling the LEADER approach from a rural development niche to a broader method of integrated local development. The bottom-up nature and the capacity to gather crucial stakeholders of tailored territories for coherent integrated development actions are part of an exceptional method that has been applied in some pilot initiatives in the past with different fortunes, but that has faded away in the last programming periods. The new methodological opening seems to bring back the possibility to reconnect the LEADER

method with the experiences of the URBAN initiative supported by DG REGIO and the EQUAL initiative supported by DG Employment.

The preliminary findings of this report give an indication about how CLLD has been interpreted and how the integration of ESI Funds constitutes a potential powerful way to support integrated local development. It provides a first picture of the established LAGs using ERDF and ESF, and presents some specific insights from a number of significant cases in different national contexts. Bottom-up initiatives, if properly stimulated, appear to be able to address very pertinent societal questions such as social inclusion, fight against unemployment and consequently against depopulation of areas with specific fragilities, as well as integration of refugees and migrants. All topics that are highlighted in the 7<sup>th</sup> Cohesion Report. Despite limitations and drawbacks, they constitute interesting examples of structuring local development strategy both in urban and rural contexts.

Furthermore, CLLD can offer an interesting answer to the demand for new democratic participation and direct involvement of local groups. The bottom-up form of governance triggers new way of approaching the territory, often overcoming the isolation of individual municipalities and laying the foundations for a shared development strategy. It creates the condition to pursue social innovation, not only tackling well-known problems, but also determining procedures that lead to the identification of unexpressed needs and innovative development strategies.

Obviously, it is mandatory to start addressing the problems and the bottlenecks that emerged from this study in order to enable the innovative character of these initiatives. Mutual learning between LAGs and between MAs should be one of the main supportive actions of the EU Commission. In particular, some good practices should be flagged up, in order to become role models for national and regional interpretations of rules and procedures. As an example, the one-stop shop approach adopted by the Tirol region could become an important reference for MAs to support LAGs in a virtuous way.

For the next programming period, the need of simplification of procedures appears compelling, especially for multi-funded strategies. In this perspective, it is essential to go further in the investigation of CLLD implementation in different parts of Europe and in the evaluation of its bottlenecks and innovations. This would allow for an even better exploitation of the innovative potential CLLD in fostering bottom-up and integrated initiatives across Europe.

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