

The legal proposal for LEADER post-2013

(Articles 28–31 CSF-Funds Regulation;
Articles 42-45 EAFRD Regulation)

DG AGRI G.1

Extended EN RD Leader sub-committee meeting

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European Commission
Agriculture and
Rural Development

Rural development in a new framework

Europe 2020 strategy

Common Strategic Framework (CSF)

– covering the EAFRD, ERDF, ESF, Cohesion Fund and EMFF, and reflecting EU2020 through common thematic objectives to be addressed by key actions for each of the funds

Partnership Contract

– national document outlining the intended use of the funds in the pursuit of EU2020 objectives

Rural development policy: EAFRD

Other CSF funds (ERDF, ESF, CF, EMFF)

Innovation, Environment and Climate Change as cross-cutting objectives

Priorities

Fostering knowledge transfer and innovation in agriculture, forestry and rural areas

Enhancing competitiveness of all types of agriculture and farm viability

Promoting food chain organisation and risk management in agriculture

Restoring, preserving and enhancing ecosystems dependent on agriculture and forestry

Promoting resource efficiency and supporting the shift towards a low carbon and climate resilient economy in agriculture, food and forestry sectors

Promoting social inclusion, poverty reduction and economic development in rural areas

Rural Development Programme(s)

Community-led local development

- Exists as LEADER (EAFRD) and Axis 4 of the EFF; applicability of the method extended to ERDF and ESF
- At the moment, local action groups (EAFRD/EFF) potentially benefit from the other Funds, too, but not in a coordinated way
- The common approach for all policies as set out in the proposed provisions enables MS and territories/LAGs to coordinate the integrated use of all CSF Funds



Reminder

- **Background:** The Common Strategic Framework (**CSF**) to strengthen the coordination and integration of EU policies for the delivery of the Europe 2020 strategy: **Territorial development on sub-regional level as a cross-cutting issue for inclusive growth**
- **Legal proposals of the Commission for 2014-2020:** A common instrument/approach to support community-led local development: based on a single set of rules with policy-specific features
 - Reinforcing multi level governance through „multi-funded“ local development strategies
 - To improve strategic choices at Member State level regarding local development



LEADER / Community-led local development

- **Legal basis: Art. 28-31 CSF-Funds Reg. + Art. 42-45 EAFRD**
- **Overview:**
- **Art. 28 CSF-Funds Reg:** Definition of method; consistency and coordination between CSF Funds; possibility for „lead Fund“
- **Art. 29 CSF-Funds Reg:** Local development strategies (Minimum requirements; selection procedure – in view of „multi-funding“)
- **Art. 30 CSF-Funds Reg + Art. 42.1 EAFRD:** Local action groups (division of roles with authorities; minimum tasks)
- **Art. 31 CSF-Funds Reg:** Operations that will be supported
 - + **Art. 43 EAFRD:** Preparatory support
 - **Implementation of operations under the LDS**
 - + **Art. 44 EAFRD:** Preparation and implementation of cooperation activities
 - + **Art 45 EAFRD:** Running costs and animation



Definition – Art. 28.1 CSF-Funds Reg.

(a) **Focused on specific sub-regional territories**, *which should be rural in case of LEADER/EAFRD, but can also be mixed with urban or coastal in case of coordinated “multi-funding)*

→ *Requirements on the definition of the areas and the population in delegated acts (Art. 29.6)*

(b) **Community-led**, by local action groups composed of representatives of public and private socio-economic interests, where at decision-making level neither the public sector nor any single interest group shall represent more than 49% of the voting rights

(c) Carried out through **integrated and multi-sectoral area based local development strategies**

(d) Takes into consideration **local needs and potential, including local innovation, networking, cooperation**



Consistency and coordination between the CSF-Funds: Art. 28.2 CSF-Funds Reg.

- Consistency and coordination of the support to community-led local development (CLLD) between the CSF Funds as guiding principle

→ ensured through coordination of:

- Capacity building
- Selection and approval of the local development strategies
- Funding of the implementation of the LDS



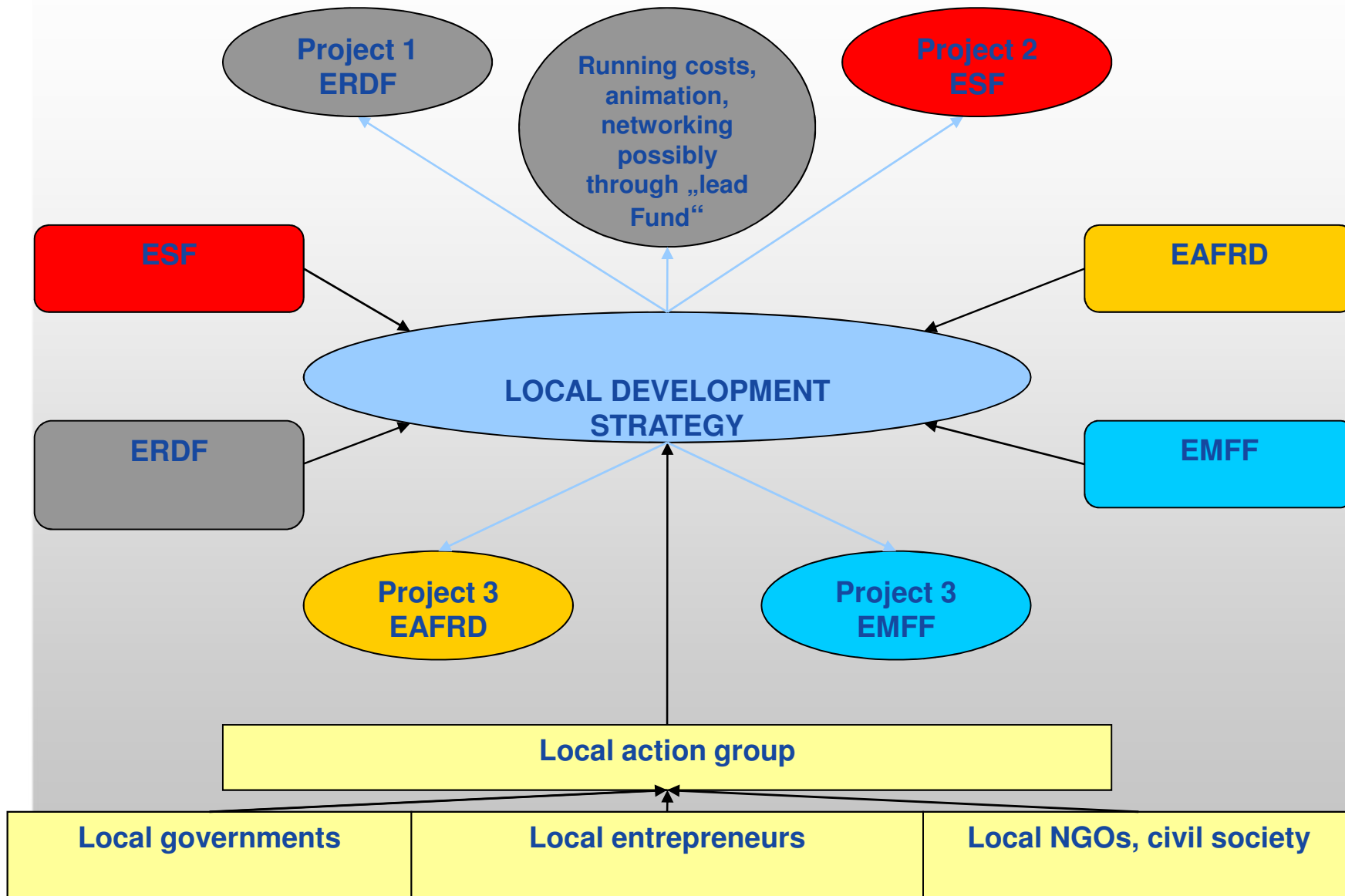
„Multi-funding“ of LDS/ „Lead-Fund“:

Art. 28.3 + 28.4 CP Reg

- **Art. 28.3 CSF-Funds Reg:** Local development strategies are selected for EU funding by a selection committee under the **responsibility of the relevant managing authorities** (see Art. 29.3); *can be financed from several EU instruments in parallel ... “Multi-funding” as an option!*
- **Art. 28.4 CSF-Funds Reg:** If the decision of the selection committee determines that the LDS requires multi-fund support (as requested in the LDS, see Art. 29.1 c+g), MS **can** designate a „**lead Fund**“ which covers all management costs (running costs, animation and networking)– *simplification in management; choice of the “lead Fund” will probably depend on the activities foreseen in the LDS and the area in question*
- **Art. 28.5 CSF-Funds Reg:** Local development carried out by the CSF Funds shall be **carried out under one or more priorities of the programme.**



Example of a „multi-funded“ LDS



Local development strategies: Art. 29 CSF-Funds Reg.

- Art. 29.1: Minimum requirements for LDS
 - (a) the **definition of the area and population** covered by the strategy;
 - (b) an **analysis of the development needs and potential of the area**, including a **SWOT analysis**;
 - (c) a description of the strategy and its **objectives**, a description of the integrated and innovative character of the strategy and a hierarchy of objectives, including **clear and measurable targets for outputs or results**.
 - (d) a description of the **process of community involvement** in the development of the strategy;
 - (e) an **action plan** demonstrating how objectives are translated into actions;
 - (f) a description of the **management and monitoring arrangements of the strategy**, demonstrating the capacity of the local action group to implement the strategy and a description of **specific arrangements for evaluation**;
 - (g) the **financial plan of the strategy**, including the planned allocation of each of the CSF Funds.



LDS selection/approval process: Art. 29.2 to 29.5 CSF-Funds Reg.

- Art. 29.2: MS shall define criteria for the selection of LDS. Fund-specific rules *may* set out selection criteria. → *EAFRD Reg. is not setting out selection criteria.*
- Art. 29.3: Managing authorities have to set up the selection committee → *in case of „multifunding“, the authorities responsible for the different Funds*
- Art. 29.4: LDS should be approved by the end of 2015 → *to allow sufficient time for implementation*
- Art. 29.5: The decision to approve a local development strategy by the managing authority should
 - set out the allocations of each CSF Fund
 - set out the roles of the authorities responsible for the implementation of the relevant programmes for all implementation tasks relating to the strategy



Local action groups:

Art. 30 CSF-Funds Regulation

- Art. 30.1: Principle that LAGs shall design and implement the LDS as well as responsibility of MS to define the roles of the LAG and the authorities for all implementation tasks
- Art. 30.2: Legally constituted structure or lead partner in administrative and financial matters
- Art. 30.3: Minimum tasks of LAGs
 - (a) **Building the capacity** of local actors to develop and implement operations;
 - (b) Drawing up a **non-discriminatory and transparent selection procedure and criteria for the selection of operations**, which **avoids conflicts of interest**, that shall **ensure that at least 50% of the votes in selection decisions are from the non public sector partners**, providing for the **possibility of appeal against selection decisions** and **allowing selection by written procedure**

(c to g on next slide)



Local action groups: Art. 30 CSF-Funds Regulation

- Art. 30.3: Minimum tasks of LAGs (*continued*)
 - (c) Ensuring **coherence with the LDS when selecting operations**, by **prioritising them** according to their contribution to meeting the strategies' objectives and targets;
 - (d) Preparing and publishing calls for proposals or an ongoing project submission procedure, including definition of selection criteria;
 - (e) Receiving applications for support and assessing them;
 - (f) Selecting operations and fixing the amount of support, and where relevant, presenting the proposals to the responsible body for final verification before approval
 - (g) Monitoring the implementation of the LDS and the operations supported and carrying out specific evaluation activities linked to the LDS



Eligible actions under Leader: Art. 31 CSF-Funds Reg + Art. 43-45 EAFRD

4 categories of actions:

- **Preparatory support:**
→ Art. 31 (a) CSF-Funds Reg + **Art. 43 EAFRD**
- **Implementation of operations under the LDS:**
→ **Art. 31 (b) CSF-Funds Reg**
- **Preparation and implementation of cooperation activities:**
→ Art. 31 (c) CSF-Funds Reg + **Art. 44 EAFRD**
- **Running costs and animation up to 25% of the LDS budget:**
→ **Art. 31 (d) CSF-Funds Reg + Art 45 EAFRD**



Art. 31 (a) CSF-Funds Reg + Art. 43 EAFRD: Preparatory support

- Scope: capacity building actions prior to the implementation of the LDS
- 2 types of preparatory support (exclusive!):
 - (a) „LEADER start-up kit“: allows rural territories to "test" the Leader method (“Phasing-in”)
 - (b) preparation of LDS: explicit support for the preparation of the LDS which will be submitted for selection
- *The use of the "Leader start-up kit" is an option for the MS.*
- *In case a MS decides to offer the "Leader start-up kit", territories will be allowed to opt for the "Leader start-up kit" or the preparatory support for capacity building in view of preparing and implementing a fully fledged LDS, depending on their degree of maturity or willingness to implement an LDS for the whole funding period.*
- *budget outside of the LDS budget (Art. 31 b, c & d)*
- *Respective support schemes have to be designed in the RDP*



Art. 31 (a) CSF-Funds Reg + Art. 43 EAFRD: Preparatory support

Art. 43.1 (a) EAFRD: „LEADER start-up kit“

- **Scope:**
 - Capacity building actions for for groups who did not implement Leader in 2007-13;
 - Support for small pilot projects
- **Definition of eligible costs in a delegated act (Art. 43.2)**
 - *So far envisaged:*
 - *training actions to prepare local actors to carry out a responsible role in the delivery of local development actions or a local development strategy (preparation; implementation);*
 - *studies of the area concerned;*
 - *actions related to public relations regarding the action (pilot schemes)*
 - *administrative costs of the structure coordinating the implementation of pilot project schemes*
 - *pilot project schemes*
- **Target beneficiaries: not necessarily constituted LAGs as under Art. 30 CP Reg., but public-private partnerships which seek to become a LAG and who want on the long-term to implement a LDS.**



Art. 31 (a) CSF-Funds Reg + Art. 43 EAFRD: Preparatory support

Art. 43.1 (b) EAFRD:

Capacity building, training and networking with a view to preparing and implementing a local development strategy

- Definition of eligible costs in a delegated act (Art. 43.2)
→ *so far envisaged:*
 - *training actions to prepare local actors to carry out a responsible role in the delivery of the local development strategy (preparation; implementation);*
 - *studies of the area concerned;*
 - *actions related to public relations in view of the preparation of the strategy;*
 - *administrative costs of already existing LAGs during the preparation phase (operating and personnel costs, but to a lesser extent than after selection of the LDS)*
- To be taken into account: *Funding should be provided to all LAGs or LAGs under formation who want to submit a LDS; taking into account different degrees of experiences of rural areas with the Leader approach*
- *Territories which are not selected for funding for a LDS in the further process under Leader could later receive funding for projects with a territorial dimension under the "Cooperation" measure (Art. 36 EAFRD) as public-private partnerships (then with less demanding criteria)*
- *Coordination with the other CSF-Funds (see Art. 28.2 CSF-Funds Reg!)*



Art. 31 (b) CSF-Funds Reg: Implementation of operations under the LDS

- *No respective article in EAFRD Reg.*
- *Legal proposal does not suggest (as it is currently the case in Art. 64 Reg. 1698/2005) that the implementation of projects under the LDS can be linked to the implementation of standard measures*
- ***Principle: Any operation funded under a LDS should contribute to one or several priorities under the RD objectives. [Support should in any case not be restricted to the eligibility conditions of the standard measures.]***
- *MS have to demonstrate that innovative and integrated projects get preferential treatment under their eligibility rules.*
- *Important: Coordination of „multi-funded“ LDS (projects to be supported by either EAFRD or ERDF, ESF, EMFF)*



Art. 31 (c) CSF-Funds Reg + Art. 44 EAFRD: Preparation and implementation of cooperation

Scope (Art. 44 EAFRD):

- **Implementation of cooperation projects** (as before: „interterritorial“ and „transnational“)
 - **preparation of cooperation projects:** preparatory technical support, on condition that LAGs can demonstrate that they are envisaging a concrete project
- also with LAGs in 3rd countries and with non-rural LAGs
- In case the selection of coop. is centralised, MS have to ensure ongoing application (...*not yearly or half-yearly calls*)
- MS administrative procedures have to be made public, including a list of eligible costs
- Approval of TNC cooperation projects no later than 4 months after the submission
- Approval of TNC projects has to be communicated by MS to the Com. (...*as today*)



Art. 31 (d) CSF-Funds Reg + Art. 45 EAFRD: Running costs and animation

- **Art 45.1 EAFRD** Running costs: costs linked to the management of the implementation of the LDS through the LAG; *further defined in Art. 68.1 EAFRD*
- **Art. 45.2 EAFRD** animation costs:
 - costs to cover actions to inform about the local development strategy;
 - project development tasks
- **Art. 45.3 EAFRD:** Definition of eligible costs in delegated act

To be taken into account...

- **Art. 31 (d) CSF-Funds Reg:** Running costs and animation shall not exceed 25% of the total public expenditure incurred within the LDS
- **Art. 42.2 EAFRD:** LAGs may request the payment of an **advance** from the PA if such possibility is foreseen in the RDP. The amount shall **not exceed 50% of the support related to running costs and animation.**



Minimum spending / maximum co-financing rates for Leader

- LEADER is **compulsory** with a minimum of **5%** of the EAFRD funding per MS.
- Maximum co-financing rates (Art. 65.4 EAFRD Reg.):
 - up to 80% in “other regions” (instead of 50%);
 - up to 90% in the less developed regions (instead of 85%)



Networking instruments for Leader

- **On EU level: European Network for Rural Development**
 - Support national networks (Art. 52.3 (f) EAFRD)
 - Support transnational cooperation initiatives (Art. 52.3 (f) EAFRD)
(→ *not only for Leader*)
 - Specifically for LAGs (Art. 52.3 (g) EAFRD):
 - Create synergies with the activities carried out on national and regional level by the respective networks with regard to capacity building actions and exchange of experience; and
 - cooperate with the networking and technical support bodies for local development set up by the ERDF, the ESF and the EMFF as regards their local development activities and transnational cooperation



Networking instruments for Leader

- **On the level of the Member State:
National Rural Network**
 - Support of the LAGs for monitoring and evaluation of their local development strategies (Art. 55.3 (b) (iii) EAFRD Reg)
 - Provision of training activities for programme implementing bodies and local action groups in the process of formation (Art. 55.3 (b) (iv) EAFRD Reg)
 - Networking activities for LAGs and in particular technical assistance for inter-territorial and transnational cooperation, facilitation of cooperation among LAGs (Art. 55.3 (b) (vii) EAFRD Reg)



Community led local development under cohesion policy

- **This local development approach is optional for ERDF and ESF.** Member State indicates in the OP whether and where community led local development will be implemented - can be the entire territory
- **Incentives:**
 - where MS decides to create a separate priority axis for community led local development the co-financing rate can be increased by 10% points;
 - Reimbursement of management costs for local actions groups who apply for support from different EU instruments through the "lead Fund" as an option;
 - In the case of ERDF, all actions under community led local development can be financed under the thematic objective no 9: **promoting social inclusion and combating poverty**, regardless of the nature of interventions involved
 - In the case of ESF, all actions under community led local development can also be financed **under the thematic objective 9 with a dedicated investment priority**



FARNET - Community led local development under the EMFF

- Proposal on the EMFF Regulation to be adopted on 30 November 2011
- Objectives: local development strategies shall :
 - maximise the participation of the fisheries sector in the sustainable development of fisheries areas;
 - ensure that local communities fully exploit and benefit from the opportunities offered by maritime and coastal development.
- No ring-fencing but Axis 4 of current EFF is 13%
- MS to indicate in their OPs the fisheries areas (coastal, inland) eligible for EMFF funding



Thank you for your attention!

