Better LEADER practices for Local Development Strategies across the EU

This Infosheet is part of a series of relevant practice examples that Managing Authorities and Local Action Groups have used while implementing the LEADER approach in the 2007-2013 period. The series aims to extend the reach of rural development policy by highlighting what works well in the design and delivery phase of Local Development Strategies (LDS).

Multi-step LAG Selection Procedure

Country: Finland
Organisation: Managing Authority (MA) - Finnish Ministry of Agriculture and Forestry

Objectives
A multi-step Local Action Group (LAG) selection practice was put in place by the Finnish Managing Authority in order to improve the quality of Local Development Strategies (LDS); improve the knowledge of the LAG community; and to reduce LDS/LAG approval timelines.

Key elements of the approach
One of the most important aspects of the multi-step approach is that it necessitates feedback and dialogue between the different stakeholders, the local community, the LAG, and the Managing Authority. This approach recognises that strategy development is a process which it takes time and that there is a real need for all the partners to work together in order to prepare a quality strategy.

Lessons learnt
The multi-step LAG selection procedure has increased the quality and efficiency of LDSs in Finland. It is an iterative approach takes LAG specificities into account. It can also be an effective training and capacity building mechanism.
Objectives and background

Poorly designed Local Development Strategies (LDS) and Local Action Groups (LAG) lead to rejections and delays in their approval. In order to improve the LDS and LAG selection procedure, a multi-step exercise was put in place in Finland. This enables the Managing Authority of the Rural Development Programme (RDP) to give early feedback and help improve the quality of LDS throughout the strategy design and approval process. It also helps the LAGs to ensure that the targets set in their LDS are realistic in relation to the resources available, and measurable. LDS preparation prior to the National Rural Development Programme (NRDP) approval speeds up the operational launch of a new programming period.

Key elements of the approach

The Finnish Managing Authority (MA) sets mandatory and qualitative selection criteria for the LAGs. They are related to the LAG as a legal organisation as well as with the seven specific features of LEADER and the quality of the LDS. During the first step of a LAG assessment, the Finnish MA evaluates the qualitative aspects of the LDS for a:

1. Bottom-up approach
2. Innovative approach
3. Multi-sector integration
4. Equity and sustainability
5. Cooperation and complementarity
6. Realistic budgeting
7. Municipal commitment and co-financing

The second step of the approval procedure consists of written feedback to the LAGs thus enabling them to further develop elements of the LDS that were considered inadequate or only average in quality. The LAGs are given enough time to make the necessary corrections in reality and not just on paper (i.e. months rather than weeks).

The third step is the formal approval of the LAG and its LDS, a process which still allows feedback to the LAG and final updates of the LDS. At this stage, public funds are allocated to each of the approved LAGs. If the funding is considerably less than requested, a LAG has a chance to adapt its targets to the available budget.
In Finland the time frames for the programming period 2007-2013 were as follows:

**STEP 1:** Opening the call for tenders on 4 November 2005 and receiving the LDS proposals by 15 December 2005, thus beginning the evaluation process. The existing LAGs were informed about the procedure in advance during the spring of 2005 so they had almost a full year to prepare their LDS. At the same time, the Finnish Rural Development Strategy was prepared by autumn 2005.

**STEP 2:** Written feedback given to LAGs in May 2006. LAGs were asked to submit their revised LDS by the end of September 2006. In parallel, the National Rural Development Programme was completed by mid-2006.

**STEP 3:** Formal approval of the LAGs and their LDS in August 2007 by the Minister of Agriculture and Forestry – immediately after the European Commission’s formal approval of the Finnish Rural Development Programme.

**Communication aspects**

In step one, the MA organised a public call for tenders, with the mandatory and seven qualitative selection criteria. The selection criteria, the LEADER method and strategic planning were also explained in several national and regional training sessions organised for practitioners. During the second and third steps the MA communicated individually with those LAGs that successfully passed the first step.
Lessons learnt

Benefits

Compared to a one-step LAG selection procedure, where LAGs are either immediately approved or disqualified, the multi-step LAG selection procedure produces better quality LDS and better trained and motivated key actors in the LAG community. The Finnish MA managed to increase LDS quality in 2006-2007 by improving the targeting and indicators, budgeting, equity issues, communication plans and the LAG Board structure.

Starting the LAG and LDS selection procedure well in advance of the NRDP approval (two years before)\(^1\) is more effective since it allows LAGs to become operational more quickly and enables them to start implementing their LDS right after the NRDP is approved.

The multi-step LAG selection procedure encourages interaction and the building of mutual trust and understanding between the LAGs and the MA. By giving names and faces to both organisations – it strengthens relationships that are crucially important during the later LDS implementation phase.

Barriers

The multi-step LAG selection procedure requires more resources from the MA than a one-step process. However it pays back in the form of higher quality and more structured LDS. The MA was also able to use external evaluators in the process, which helped it dealing with all LAGs at the same time.

Lessons learnt

The multi-step LAG selection procedure has increased the quality and efficiency of LDSs in Finland. It can also be an effective training and capacity building mechanism for Member States who will expand their rural territory covered by LEADER during the 2014-2020. The weakest areas can also be offered extra training sessions during the second and third steps of the selection procedure. As major delays in LAG approval and operational launch have been a significant problem in many Member States in the 2007-2013 period, the quick and effective start-up allowed by the multi-step selection procedure should be warmly welcomed in 2014-2020.

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\(^1\) Finland was the first Member State to approve its LAGs and they were made operational in August 2007.