

CHAPTER VII

An integrated multisectoral approach

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CHAPTER VII



European Commission Notices to the Member States

LEADER II

ref. 94/C180/12

Notice to the Member States laying down guidelines for global grants or integrated operational programmes for which the Member States are invited to submit applications for assistance in the framework of a Community Initiative for rural development – LEADER II (Links between actions for the development of the rural economy).

LEADER+

ref. 2000/C139/05

Commission Notice to the Member States of 14 April 2000 laying down guidelines for the Community Initiative for rural development (LEADER+)

LEADER II dossiers

Innovation notebooks

No. 4: Assessing the added value of the LEADER approach (1999)

No. 5: Developing rural services (1999)

No. 6: Creating a territorial development strategy in the light of the LEADER experience – Part 4: Economic competitiveness (2000)

No. 8: Fighting social exclusion in rural areas (2000)

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LEADER Magazine

No. 24: Unifying theme(s), integrated territorial development (Autumn 2000)

**Examples****“Innovative actions” factsheets**

E10 - E15 - E23 - E24

M01 - M14 - M18 - M25 - M38 - M42 - M45 - M53

P03 - P17 - P22 - P23 - P32 - P37 - P52

S32 - S39

T01 - T09

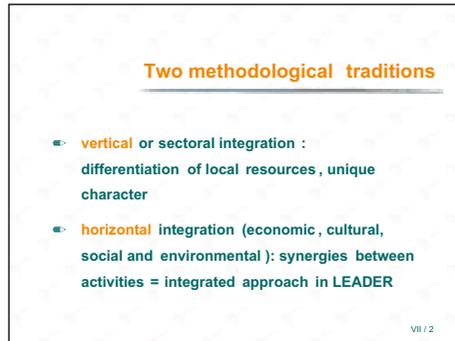


Links between actions and the multisectoral approach are aspects that characterise the LEADER Initiative, whose acronym stands for *“Links between actions for the development of the rural economy”*.

- > LEADER is not a sectoral development programme; the local action plan obeys a multi-sector rationale, integrating several sectors of activity.
- > The aim of introducing the concept of links between actions (integrated multisectoral approach) is to make the rural innovation programme more coherent by linking actions and projects. It also aims to use all available local economic synergies by reinforcing production chains and encouraging interaction between players and sectors in the area.
- > This approach helps to improve the economic competitiveness of rural areas because it makes it possible to develop local resources. It prompts socio-economic players to act in concert, to produce goods and services that cannot be transferred outside the area and to keep maximum added value in the area.
- > It makes it possible to adapt to new functions and new demands: safeguarding resources, forms of solidarity, welcoming new residents, etc.

The concept of *“unifying theme”*, which is at the heart of the LEADER+ programme, reinforces this vision.





Two methodological traditions

- vertical or sectoral integration : differentiation of local resources , unique character
- horizontal integration (economic , cultural , social and environmental) : synergies between activities = integrated approach in LEADER

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LEADER relies on at least **two distinct methodological traditions** for putting local economic strategies into practice:

> The first approach is to add value to local resources by capitalising on their distinctive characteristics. The aim is to give the area a comparative advantage to make it less vulnerable to the transferral of these resources outside the area. This involves considerable professionalism to convert local resources into saleable products and services, to guarantee and enhance their quality and to improve their presentation and marketing.

In other words, the aim of this initial approach is to carefully analyse all of the activities of production chains, so as to put local producers in touch with consumers (**vertical integration, throughout a production chain**). The general aim is to do the utmost to ensure that these activities are carried out in the region itself to ensure that maximum added value is retained locally.



E23, P03, P23,
P32, P37, T01

M01, M14, M25,
P17, P22, T09

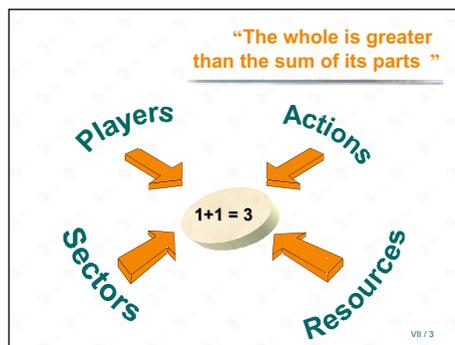
Two methodological traditions

- **vertical** or sectoral integration :
differentiation of local resources , unique character
- **horizontal** integration (economic , cultural, social and environmental) : synergies between activities = integrated approach in LEADER

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> The second approach is to fully exploit existing or potential synergies between the different local activities by means of **horizontal integration**. This is the integrated approach. Just one example of this approach is when local restaurants include in their menus typical food products from local producers, thereby stimulating local tourism as well as sales of local products.

Neither of these approaches is the sole province of the LEADER programme, but the implementation of LEADER I and II has allowed considerable experience to be amassed on exactly where either approach can be used, the link between the two and the conditions for their success.



The theory behind the LEADER approach is that the horizontal integration of players, actions, sectors and resources gives added value (greater creativity and inventiveness) to each action or sector participating in the process.

Integration can involve:

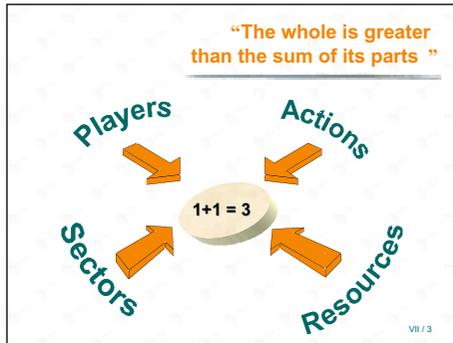
- > individuals and **local players** (private, public or associations, whether they consider themselves primarily as competitors or ignore one another despite living side by side, etc.);
- > projects and **actions** (in the economic, social, cultural and environmental fields).
- > rural areas and their **resources** (natural, cultural and heritage);
- > **sectors** of activity (agriculture, craftworking, industry, commerce, services, etc.)

This approach means that the actions and projects included in local action plans should not be designed individually and in isolation (e.g. training courses separate from grants for creating farm accommodation) but, on the contrary, they should form part of an **overall strategy** and be linked and coordinated within a coherent whole.



E15

M42



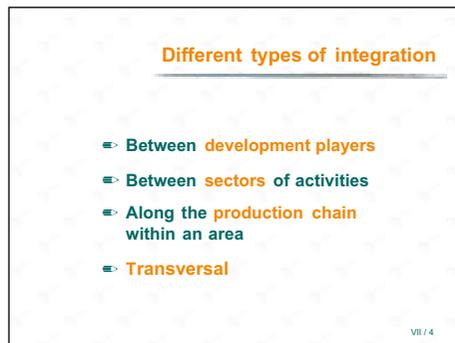
The integrated approach is sometimes vital in obtaining the **critical mass** (minimum quantity) needed for a project to succeed.

*The European Commission Notice to the Member States concerning LEADER+ stipulates that the new rural development Initiative “will support rural areas which show a willingness and ability to devise and implement an integrated and sustainable pilot development strategy, supported by the presentation of a development plan (...) structured around a **strong theme typical of the identity of the area concerned.**”*

This provision concerning unifying themes underlines the need for integration between actions.



P03



Integration between development players

For example, the creation of a product or service requiring the contribution of a wide range of public and private players and associations.

Integration between sectors of activity

One example in Germany is the integration between the breeding of “Rhön sheep” and use of the animal to safeguard the environment and the landscape, with the sale of its meat to local restaurants, which has an impact on tourism. Another example, in Ireland, is the recycling of waste from local mushroom farms into quality compost for the horticultural and gardening sector.

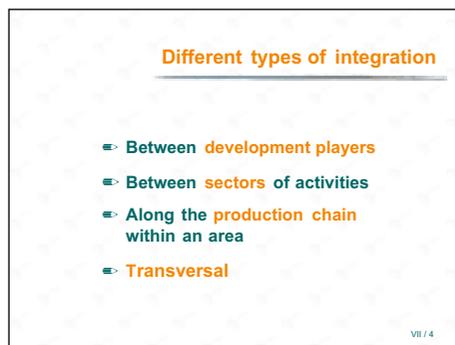
Integration along the local production chain

Using the area’s resources throughout the entire process of upgrading a product, service, project or specific theme by incorporating as far as possible the upstream phase (e.g. using local raw materials in production) and the downstream phases (distribution and marketing), as well as the intermediary processing phases, by seeking to create the maximum number of links between each of these and existing or potential activities in the area. This approach makes it possible to take action in many different fields – including socially – and to introduce innovations in production processes that are strategic for the area concerned.



P23

P32



Transversal integration (environmental, economic, social, cultural)

A global vision of intervention involving the economic, social, cultural and environmental sectors means that the largest possible number of actions must include a multisectoral dimension.

In all cases, the integrated approach is a gradual process, of which the starting point might be:

- > a project;
- > an action promoted by an enterprise, an individual or group, or sector – In many cases the bid for integration starts with a need and/or desire to diversify, redevelop, expand the customer base, improve access to markets, etc., leading to a need to establish a partnership;
- > a unifying theme – In this case, several sectors of activity are involved in a local cooperation venture from the outset.



E10, E24,
M38, M45,
P17, P22, P52

Objectives of integration

- ⇒ Boosting local economic competitiveness :
 - going beyond sectoral approaches
 - creating or enhancing synergies
 - promoting collective processes
 - encouraging adaptation of the agricultural sector

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One general objective is to **boost local competitiveness**, i.e. the area's ability to cope with competition whilst at the same time ensuring environmental, economic, social and cultural sustainability through networking and local links.

An integrated multisectoral approach is particularly appropriate for boosting “**economic competitiveness**”, i.e. the ability of development players to retain maximum added value in the area by creating or reinforcing links between sectors and by combining resources to capitalise on the uniqueness of products and services and ensure that they cannot be transferred outside the area.

More specific objectives relating to planning the local programme are to:

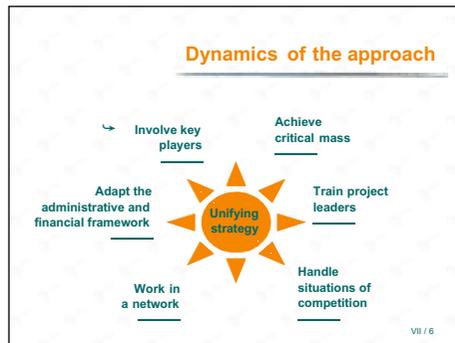
- > **go beyond sectoral and thematic approaches** by coordinating them within a transversal approach to interventions – This is where the advantage of a unifying theme comes in;
- > **create synergies** or encourage ones that already exist between the different players and sectors;
- > increase the general effectiveness of the support programme and the viability of individual actions by integrating them into a **collective process**;
- > **encourage adaptation of the agricultural sector** by means of the **multi-functional approach** (links between agriculture and tourism or between agriculture and the environment, etc.).



M18

M01

S39



In brief, the integrated approach requires:

1. The involvement of key players from the different sectors by:

- > creating development “forums” or other forms of exchange;
- > seeking common objectives;
- > notifying results;
- > involving skills.

2. Sufficient critical mass in terms of manpower, activities and resources.

3. Project leaders to be receptive to different outlooks, attitudes and ways of working.

4. Handling situations of competition or even conflict.

5. Working in a network through recognised and accepted intermediaries.

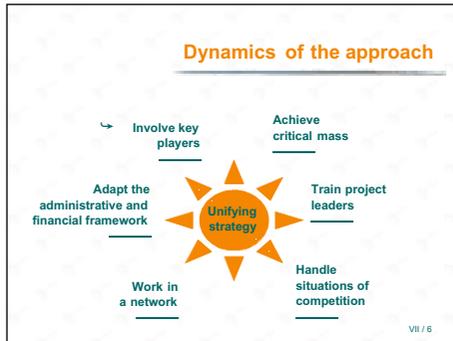
6. Adapting the administrative and financial framework (decentralised decision-making and management, as well as coordination of resources).



T09

E10

M53



Providing support throughout the process and technical assistance are key to the success of the integrated approach. LEADER groups have therefore focused their efforts on:

- > **facilitation** – “Animation” in the field and capacity building, preliminary negotiations between interest groups, establishing a favourable working atmosphere, consensus regarding objectives, participation in project selection, dissemination of results;
- > **establishing links with the various institutions** (role of interface and enlargement of the local partnership);
- > **adapting the administrative and financial framework** (lobbying public administrations, integrating several funding sources, seeking appropriate legal forms).



V/8-9

V/14-18

IX



Generally speaking, the integrated approach has advanced the local approach by means of:

- > **changing attitudes** by drawing the players together around joint projects, learning to work in cooperation rather than as rivals, a greater sense of and/or a change in the collective identity;
- > **inclusion of social groups** that are often ignored or only benefit from social programmes (elderly or disabled people, etc.);
- > **adding value to neglected or undervalued resources** (rediscovery and revitalisation of old local know-how, updating of traditional products, etc.);
- > **making projects viable** by organising producers in order to achieve critical mass or to respond to various demands which, taken in isolation, would not be solvent, etc;
- > gains in terms of **local competitiveness**: economies of scale, “multiservice” concepts, optimisation of infrastructure, making facilities multipurpose and increasing their use for a wide range of activities, new transport combinations, adapting skills to new needs through training, etc.



M38, P23, S32

P03, P32

A thumbnail version of the slide content, showing the title and the four bullet points in a smaller font size. The background is light blue with a pattern of small white stars.

... is still limited

- Simple collection of projects
- Requires substantial technical assistance
- Concentrated in the main fields of activity (e.g. tourism and products)
- Needs time, sometimes incompatible with other public policies

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However there is still a long way to go in consolidating this approach:

- > in some areas the integrated approach has often simply been a **collection of projects**;
- > the approach has required **significant technical assistance** and has failed in areas where such technical assistance was poor or inappropriate;
- > in many cases **only the main areas of intervention were included**, such as local products, tourism or the craft industry, whilst many other sectors of activity have continued to be administered in the traditional manner;
- > **since it is a long-term process**, the integrated approach is sometimes incompatible with programme deadlines or the constraints of other public policies. Taking into account a unifying theme at the actual project design phase is a major lever in this respect.

**From integration
to sustainable development**

"... meet the needs of the present world population without compromising the ability of future generations to meet theirs"
(Rio Summit, 1992)

- integrate economic growth , social development and natural resource management
- a long-term vision (future generations)

➔ a dimension of LEADER+

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This aspect of the LEADER approach relates to the concept of “**sustainable development**”, defined at the Rio de Janeiro Summit in 1992 as a mode of development that is meant to “...*meet the needs of the present generation without compromising the ability of future generations to meet theirs*”.

The concept **integrates economic growth, social development and natural resource management** into an ethic of respecting the right of local communities to participate in decision-making.

The integrated approach ties in with this definition by creating a medium to long-term **vision of the area’s future**, forging links between generations, accepting that time is needed for strengthening solidarity and cooperation or taking into account heritage and environment aspects as assets for local development.

*The European Commission Notice to the Member States regarding **LEADER+** stipulates that in the new Initiative, “The pilot nature will be assessed on the basis of the development strategy...” which “must put forward means of achieving sustainable development which are new by comparison with previous practice in the area concerned...”.*



E24, T09

Looking ahead

- ⇒ Experience of integrated operations completed or in progress?
- ⇒ Means to achieve these actions (resources, duration, skills, etc.)?
- ⇒ Impediments?
- ⇒ Impact of the experience on each action?
- ⇒ Added value for the area?

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Provide one or two examples of potential integrated operations or ones already conducted in the area, specifying the partners involved and the fields of action:

Partners involved	Example 1	Example 2
Farmers		
Craftworkers, traders		
SMEs		
Associations		
Tourism professionals		
Training institutions		
Local authorities		
Other		

Looking ahead

- ⇒ Experience of integrated operations completed or in progress?
- ⇒ Means to achieve these actions (resources, duration, skills, etc.)?
- ⇒ Impediments?
- ⇒ Impact of the experience on each action?
- ⇒ Added value for the area?

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Fields concerned	Example 1	Example 2
Vocational training and job assistance		
Rural tourism		
Craft industry and local services		
Developing and marketing farm products		
Environment/living environment		
Equal opportunities		
Transnational cooperation		
Other		

Looking ahead

- Experience of integrated operations completed or in progress?
- Means to achieve these actions (resources, duration, skills, etc.)?
- Impediments?
- Impact of the experience on each action?
- Added value for the area?

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Which **resources** were required to implement such integrated operations (“animation”, technical support, funding, etc.)?

What are the obstacles to conducting such actions?

1. One sector of activity dominates the area?
2. Individualism of the players?
3. Long delays between project design and development?
4. Administrative procedures?
5. Differing funding timetables?
6. Other obstacles?

How much value does an integrated multisectoral approach add to such actions?

1. Improves the viability of projects?
2. Greater synergy?
3. Creates lasting links between players?
4. Other types of added value?

How can a “unifying” theme be envisaged in the programme? How can the coordination and integration of actions be facilitated?