



European Network for
Rural Development

LEADER COOPERATION

FAQs

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General FAQs

Q. Is cooperation an obligatory component of Local Development Strategies?

A. According to EU Regulations, it is compulsory for each Rural Development Programme (RDP) to foresee and reserve a specific budget for cooperation in LEADER.

However, it is not obligatory for all LAGs to use this budget or to carry out cooperation projects unless this is required by their specific RDP. Local Action Groups (LAGs) can decide themselves whether or not cooperation would add value to their Local Development Strategy (LDS).

Q. Is the MA or the LAG responsible for the selection of cooperation projects?

A. According to Art. 34 of the Common Provisions Regulation (CPR); it is up to the LAG to select projects to be implemented under their Local Development Strategy (LDS). However, by way of derogation to this article, Managing Authorities (MAs) may decide to select cooperation projects centrally themselves in some cases.

Member States may even decide to run both centralised and decentralised systems in parallel, by selecting certain types of cooperation projects themselves while leaving others to the LAGs. The crucial point in all cases is to provide timely and accurate information to all potential partners and to avoid unnecessary delays.

Note:

- Where the selection of cooperation projects is delegated to the LAG, a budget for cooperation should be pre-allocated to them.
- Where cooperation projects are selected at a central level, the Managing Authority (MA) is free to develop its own specific rules and criteria to encourage cooperation – this can include making it obligatory for all LAGs if there is a strong case for doing so.

TNC summaries prepared by ENRD Contact Point will provide information on the rules that apply in each case.

Q. Is preparatory technical support mandatory?

A. In programming terms, preparatory technical support is mandatory and should be introduced in all RDPs for the whole programming period in order to boost the uptake of cooperation projects.

However, LAGs are not all obliged to make use of preparatory support in developing their cooperation actions.

Q. Can LAGs cooperate with organisations which are not themselves LAGs?

A. Yes. There has to be at least one officially approved LAG in the partnership, but other partners of a cooperation project can be any *“group of local public and private partners that is implementing a local strategy”*.

The scope of action of these partners/groups has to be similar to that of a LAG. However, they do not have to comply with all the features of LAGs described in Art. 33 of the Common Provisions Regulation (CPR).

- Can an NGO be a partner in a cooperation project?

Yes, provided that the NGO has both private and public members i.e. that it meets the criterion of being a *“group of local public and private partners that is implementing a local strategy”*.

- Can a local government be a cooperation partner?

No. Since the partner of a LAG must be a group of local and public partners, a local authority on its own does not fulfil this criterion.

Q. Which type of areas are eligible for cooperation support?

A. According to the EU Regulation, LAGs may cooperate with other entities that are similar to LAGs both *inside and outside of their own region or country and in both rural and urban areas*.

Managing Authorities may develop their own rules which restrict eligibility to certain types of area, but this is not advised by the European Commission unless there are sound reasons for doing so. The LEADER Cooperation Guidance states very clearly that *“Managing Authorities should avoid limiting the geographical scope of co-operation unnecessarily”*.

TNC summaries prepared by the ENRD Contact Point will provide information about any additional eligibility conditions included by MAs.

- Can LAGs cooperate with partners from areas outside the European Union?

Yes. However, they must meet an additional criterion compared to EU partners: *partners from outside the EU must be located in rural areas*.

Q. What actions are eligible if LAGs cooperate with entities in urban areas or outside the EU?

A. In both cases, the general rule is that operations will only be eligible for EAFRD support if they concern a Local Development Strategy and LAG selected for support under the CLLD/LEADER measure of the RDP. Thus, officially approved LAGs will be able to cover their own cooperation costs under the EAFRD.

The other partners who are not LAGs will have to cover their own costs separately. Joint costs should be split between the partners based on justified criteria set out in the cooperation agreement.

Transnational cooperation with partners in a non-EU country

Where a LEADER LAG from a Member State wishes to develop a transnational cooperation project with partners in a third (non-EU) country.

Q. Does such a LEADER cooperation project necessarily involve more than one LAG as defined under Art 32 of Reg. EU No 1303/2013?

A. No, a single LEADER LAG can cooperate directly with a single partner in a rural territory of a third country provided such a partner body fully meets the conditions specified in Reg. EU No 1305/2013 Art 44(2) (a).

Q. Does the third country partner group have to be involved in managing the delivery of their own local development strategy?

A. Yes, the group has to be based in a rural territory and directly manage and implement its own local development strategy. The strategy should be territorial but may not necessarily include all sectors. No additional requirements apply to the content of the strategy.

Q. Is it essential that the third country partners be a group of public private entities constituted as a legal entity?

A. The third country partner must be a group comprising both public and private entities as set out in Reg. EU No 1305/2013 Art 44(2) (a). It is not essential that the group be formally constituted as a legal entity. This group does need to be capable of delivering its local strategy and developing and delivering a joint project with the LAG. It is recommended that the MS satisfy themselves and demonstrate that these regulatory requirements can be ensured, particularly in the absence of such a legal entity.

Cooperation projects eligible costs

It is normally essential that cooperation projects involve partners visiting one another's territories, associated costs such as accommodation, travel in and to the territory and subsistence are normally eligible costs.

Q. In the interests of simplicity, appropriateness, cost management and coordination it may be more straightforward for such costs to be defined as common costs or for partners to agree that each host country arranges and pays for such expenses. Is such an approach possible?

A. There are three possible approaches which partners may adopt in dealing with such costs associated with mutual visits to their respective territories;

1. partners may agree to cover their own project related costs for their own representatives on all such visits;
2. they may agree that all such costs (or specified costs) are to be regarded as common costs and shared as with any project related common cost; or
3. they may decide that each partner is responsible for meeting all such project related costs (or specified costs) associated with such visits to their respective territories.

Whichever approach is adopted the scope and method of this must be clearly set out in the project cooperation agreement and respect the general eligibility rules set out in the legal framework and RDP concerned.

The agreement should predefine eligible costs including common costs and the scope and method of the approach to be adopted to the costs associated with visits to one another's territories.

As options one and two involve expenditure out with the individual programmes territories and as such must respect the requirements linked to eligibility of operations depending on location set out in Art. 70 Reg EU No 1303/2013, in this respect option two may be more straightforward to manage.

Cooperation outside the programme area

Article 70 (1) of Regulation (EU) No 1303/2013 specifies that “operations supported by the ESI Funds [...] shall be located in the programme area.” This is qualified in Article 70 (2)(b) which further specifies that “the total amount allocated under the programme to operations located outside the programme area does not exceed [...] 5% of the support from the EAFRD at the programme level.” Article 70 (2) (c) requires that in such cases “the monitoring committee has given its agreement to the operation or types of operation concerned.”

Q. As LEADER transnational cooperation projects (operations) normally involve activities carried out outside the programme area do these projects each require monitoring committee approval?

A. It is unlikely that the provisions of Article 70 (2) (c) will apply to LEADER cooperation projects. Most of the operations supported will actually qualify as being located in the programme area. For physical investments such as infrastructure and equipment it is the physical location of the investment which is the determining factor. Such investments are unlikely to be outside the programme area. For operations or parts of an operation that are of a non-material nature, the determining factor should be the location of the beneficiary that incurs the expenditure.

The situation of common costs is similar. As each co-operation partner incurs their and pays for their own share of common costs, these non-material operations will be considered as located in the programme area.

Consequently, only projects which are physically located outside the programme area will be subject to the monitoring committee approval required to satisfy the condition for derogation set out in Art. 70(2)(c). In order to shorten the process of approval, the monitoring committee may give its agreement on the type of operation if some typical operations implemented outside the programme area and common to several LAGs can be identified.

Q. To what extent do the provisions of Regulation (EU) No 1303/2013 Article 70 restrict the scope of transnational cooperation projects involving third (non EU) countries?

A. Article 70 (3) of Regulation (EU) No 1303/2013 allows that expenditure be incurred outside the EU provided that it is limited to technical assistance or promotional activities, the supported operations are for the benefit of the programme area and that the obligations in relation to management, control and audit are fulfilled. Such operations do not count towards the ceilings established in Article 70 (2) (b) CPR nor do they require the approval of the monitoring committee.

Q. Managing Authorities may accept that an operation be implemented outside the programme area but within the Union subject to Regulation (EU) No 1303/2013 Article 70 (2)(b) which requires that the total amount allocated under the programme to operations located outside the programme area does not exceed... 5% of the support from the EAFRD at the level of the programme. What are the implications of this for LAGs engaging in Transnational Cooperation projects which incur such expenditure?

A. The 5% limitation on EAFRD spent outside the programme area applies explicitly at the programme level, it does not apply directly at the LEADER measure or LAG level. The responsibility for managing this therefore lies with the Managing Authority at the RDP level. There may nevertheless be implications for LAGs in that in the event that total programme expenditure outside the programme area is approaching the 5% threshold this could result in the Managing Authority placing restrictions on LAGs.