# TOOL #4 CLLD



What is a Community Led Local Development?

A Community-led local development (CLLD) is a method for involving partners at local level including civil society and local economic actors in designing and implementing local integrated strategies through a common decision over EU funds.

### What is a CLLD

#### The European Directive

Community-Led Local Development (CLLD) is a European approach in support of the bottom-up design and implementation of local development actions in and across Member States. Since 1991, European directives have increasingly given attention to local development, specifically through the LEADER approach. Initially addressed to local actors involved in the development of rural areas only, the LEADER approach has, through the years, proved to be an effective and efficient tool in the delivery of development policies. It has existed for almost 30 years, providing an innovative, multisectorial, bottom-up approach in support of European local development initiatives. Since 2014, the European directive has newly named LEADER as Community-Led Local Development (CLLD), the approach aims at supporting local development actions in rural, urban and coastal areas from 10.000 to 150.000 inhabitants. The new approach aims at being more integrated, providing a framework that incentivizes the implementation of rural-urban development projects in peri-urban areas. Moreover, starting from the current programming period 2014-2020, CLLD approach gives access to all European Structural and Investment Funds (ESIF), further strengthening its integrated character for linkages between urban, rural and fisheries areas and transnational partnerships.

#### What is meant as CLLD

Community-Led Local Development supports sub-regional local development actions. Its original ambition is to mobilise and involve local communities and non-institutional organizations, building on the specific potential of each locality and supporting local talent. As part of the European Cohesion Policy 2014-2020, CLLD has proved to foster territorial cohesion and to enable European Agenda's policy objectives to be attained.

CLLD is an **integrated and multi-sectoral approach.** It promotes the collaboration between public institutions and the civil society. Moreover, the programme promotes a multi-sectoral approach whereby the economic, social, cultural and environmental dimensions are comprehensively activated in projects that capitalise on local potential to respond to local needs.

CLLD is an **area-based approach**. The projects designed within the CLLD address the needs of delimited areas that do not have to comply to administrative borders but are rather elastic. The targeted area should be well-designed, offering sufficient critical mass for the implementation of the local strategy. The choice of the area should be consistent with the criteria contained in Article 33 (6) of the Common Provisions Regulation. Accordingly, the population coverage should be minimum 10.000 and maximum 150.000.

CLLD is a **bottom-up approach**. It aims at fostering communication between a variety of local actors, specifically between local administrations and civil society. The set up of a private-public partnership called the Local Action Group ensures the linking of the partners, providing a formal framework in which actors coming from the public, private and voluntary

spheres can initiate a dialogue for the definition of a Local Development Strategy (LDS) of the area at stake.

CLLD is a **space for networking, capacity transfer and cooperation**. The integrated and multi-sectoral approach of the CLLD programme provides an ideal environment for the creation of networks through which local actors can share their specific expertise, building up their local experience and cooperating to the design of a comprehensive response to local needs.

CLLD aims at encouraging local communities to develop integrated, bottom-up approaches to local development. It aims at building up community capacity in order to stimulate innovation, entrepreneurship and capacity for change. It promotes community ownership through increased community participation, eventually leading to an increased trust between authorities and the public and to the efficacy of the resources invested at the local level.

#### Funding model

In the current period 2014-2020, CLLD strategies may be funded by one or more European Structural and Investment Funds (ESIF), such as:

<u>European Agricultural Fund for Rural Development (EAFRD)</u> Funding instrument of the Common Agricultural Policy (CAP), in support of rural development strategies and projects.

<u>European Maritime and FIsheries Fund (EMFF)</u> Funding instrument of the EU's maritime and fisheries policies, supporting coastal communities and maritime environments.

The European Regional Development Fund (ERDF)

Funding instrument of the EU's Regional Policy development, it aims to strengthen economic and social cohesion by correcting imbalances between its regions. Its thematic concentrations are: innovation and research; the digital agenda; support for small and medium-sized enterprises (SMEs); the low carbon economy.

#### European Social Fund (ESF).

Funding instrument of the EU's Regional Policy development, its investments focus on improving employment and education opportunities across the European Union. Moreover, it pays particular attention to the most vulnerable population at risk of poverty.

During the current funding period, Local Action Groups may apply multi-funding strategies with one or more ESI Funds. The consistency and coordination of the multi-funding strategy shall be ensured by the Managing Authorities.

In the EAFRD funded rural development programs, the allocation of 5% of the RDP budget to CLLD is mandatory. CLLD remains an option for the other applicable funds.

In addition to being a tool to redistribute ESIF resources, Member States can make use of the CLLD approach to also distribute their own local, national and regional resources.

#### Governance

CLLD approaches at the local level are led by Local Action Groups. These are non profit public-private partnerships from rural, coastal or urban areas representing the diversity of the local socio-economic reality. Through the CLLD framework LAGs can apply for financial assistance to support the implementation of a Local Development Strategy in their respective territory. At the decision-making level, none of the partners represents more than 49% of voting rights.

Since its testing years, the LEADER approach has aimed at providing a European framework for a multisectorial, community-led and transnational take on local development actions. At first, the European tool LEADER was exclusively addressed to Local Action Groups made up of community members, bypassing both national and regional authorities. A multi-stakeholder approach was only integrated in the following phase of the programme between 1994-1999. During this funding period, LEADER II entrusted national and regional authorities with the responsibility to manage the program at the local level, thus complexifying the composition of Local Action Groups. Starting from 2000, with the LEADER+ programme, the participation of public actors in the decision making process was limited to 50%. Today, under the CLLD approach, no actor can represent more than 49% of voting rights in Local Action Groups. .

#### Perspectives for the next funding period

There is still little information available on the future of CLLD for the next funding period 2021-2027. The Draft Common Provisions Regulation (29 May 2018) tackles the issue of CLLDs in the Articles 25-28. It seems like the future approach will overall remain coherent to the current CPR, apart from a few additions and revisions.

Concerning the Funding system, the Draft CPR provides that in the case of a multi-funding strategy, the managing authority may choose one of the Funds as the Lead Fund. In this case, the rules regulating the use of the Lead Fund shall apply. Moreover, in none of the funds there will be an obligation to invest in CLLD strategies. However, there is an obligation for 6% of ERDF invested at the national level to be devoted to the setting-up of partnerships for local development through various tools, among which the CLLD.

Many are the European actors concerned with the longevity of the CLLD approach. Among them, the European Committee of the Regions (CoR) advocates for the uptake of CLLD, calling for the regulation of a mandatory 8% allocation of all ESIF investments for CLLD. In the recent draft of the Tartu Declaration in December 2019, the European LEADER Association ELARD has declared the need for the LEADER/CLLD approach to avoid becoming a mainstream tool for the Cohesion Agenda. The association is preoccupied with the possibility that Local Action Groups may be falling in the same bureaucratic hindrances of state authorities, weakening the focus on an integrated local strategy approach and neglecting partnerships. ELARD is henceforth advocating for deregulation and simplification of European CLLD framework, to allow LAGs to invest their resources in the animation of the local community and the design of consistent strategies for the development of the area.

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