

NAT-VII/044

# 25th meeting of the NAT commission, 27 November 2024

# **DRAFT OPINION**

# **Commission for Natural Resources**

How post-27 LEADER and CLLD programming could contribute to better implementation of the long-term vision for the EU's rural areas

Rapporteur: Thibaut Guignard (FR/EPP)

Mayor of Plœuc-l'Hermitage

This document will be discussed at the meeting of the **Commission for Natural Resources** to be held from **11:00 to 17:00 on 27 November 2024**. To allow time for translation, any amendments must be submitted using the online tool for tabling amendments (available on the Members' Portal: <a href="https://memportal.cor.europa.eu/">https://memportal.cor.europa.eu/</a>) by **no later than 15:00 (Brussels time) on Thursday 14 November.** A user guide is available at <a href="https://memportal.cor.europa.eu/">https://memportal.cor.europa.eu/</a>.



Reference document

# Draft opinion of the Commission for Natural Resources – How post-27 LEADER and CLLD programming could contribute to better implementation of the long-term vision for the EU's rural areas

#### I. POLICY RECOMMENDATIONS

THE EUROPEAN COMMITTEE OF THE REGIONS (CoR)

#### General comments

- 1. notes that rural regions, which make up 80% of the EU's surface area, often experience a growing feeling of marginalisation, accompanied by a rise in euroscepticism;
- 2. notes that since 1991, in rural areas the LEADER method, subsequently covered by the CLLD (community-led local development) policy instrument through Local Action Groups (LAGs), has demonstrated that it can mobilise and empower local actors around innovative and tailored strategies. This helps achieve European objectives through initiatives rooted in rural areas;
- 3. points to the democratic added value of these territorial approaches. By enabling local communities to play a stronger and more direct role in shaping their development strategies, CLLD helps support the EU's fundamental values, such as citizen participation and social cohesion. The presence of LAGs in rural areas is a real showcase of the European Union, and the majority of rural actors forge links to the EU through LAGs. The New European Bauhaus shares this idea, recognising that the community level is the most appropriate: results can be immediately implemented, seen and felt and different policy areas can be merged into a holistic approach<sup>1</sup>;
- 4. regrets that as matters stand at present, with ongoing challenges and insufficient policy coordination, rural areas are still sometimes left to their own devices and are lagging behind in terms of democratic participation and access to basic services<sup>2</sup>. This all tarnishes the 'European showcase' and feeds euroscepticism which itself is threatening the unity and stability of the EU;
- 5. in the light of recent studies and reports<sup>3</sup>, calls for place-based policies to be bolstered by boosting the capacity of the CLLD/LEADER programme in order to meet the increasing expectations of rural development and territorial cohesion. These programmes have proven to

New European Bauhaus, 2023, pp. 5-6.

Perpiña Castillo, C., Jacobs-Crisioni, C., Barranco, R., Curtale, R., Kompil, M., Vallecillo, S., Auteri, D. and Dijkstra, L., Opportunities and challenges for remote rural areas in the European Union, European Commission, Ispra, 2023, JRC135398; Vilcu, R., Van den Bossche, L., Altman, N., Ziegler, V., Salle, E. and Zomer, B. (2023); Empowering rural areas in multi-level governance processes, SHERPA position paper.

European Commission, Directorate-General for Agriculture and Rural Development, <u>Evaluation on the impact of LEADER on Balanced Territorial Development</u>, Commission staff working document, 2024;

European Commission, Directorate-General for Agriculture and Rural Development, Münch, A., Gorny, H., Badouix, M., Gaugitsch, R. et al., <u>Study on funding for EU rural areas – Final report</u>, Publications Office of the European Union, 2024;

European Commission, Directorate-General for Regional and Urban Policy, Commission staff working document, <u>Communication</u> from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions on the 9th Cohesion Report, 2024.

be effective in empowering rural areas, but they now need to be tailored to meet future challenges;

- 6. questions how CLLD/LEADER, as a tool that is already well established and well known in all rural areas across Europe, can be fully integrated into either the long-term vision for rural areas (LTVRA), driving that vision to achieve its objectives, or the Rural Pact;
- 7. calls for this reflection to be placed in a broader context, namely the fragmentation of EU funding for rural areas. Historically, the European Agricultural Fund for Rural Development (EAFRD) has been the greatest contributor to the development of rural areas, but the increase in common agricultural policy objectives in recent years has left very little room for rural infrastructure and services, or for local development in general;
- 8. believes that other funds the European Regional Development Fund (ERDF), the European Social Fund Plus (ESF+) and the Just Transition Fund (JTF) offer opportunities and solutions for rural areas:
- 9. calls for all European structural funds to support job creation, social inclusion, services for rural populations, and innovation and competitiveness in the rural economy, and to provide adequate infrastructure for rural communities, including a sufficient amount of decent housing;
- 10. considers that steps must be taken to simplify access to this funding. Access is still complicated as the procedure is difficult to understand and coordination between different sources of funding is sometimes limited. In addition, rural areas need to be included as clear target areas;

#### Making it easier for rural areas to access funding

- 11. points out just how important it is to develop a coherent and flexible approach to territorial funding. This will involve simplifying and facilitating access to EU funding through a consolidated multi-fund approach, with a view to EU enlargement and/or until 2027;
- 12. recommends promoting the use of this multi-fund type of funding, while cutting back on the excessive red tape associated with current procedures. One euro spent quickly has a greater impact than one mobilised after years of delays. The 'multi-fund' should be coordinated in Brussels, not by each actor on the ground;
- 13. recommends encouraging managing authorities to draw on best practices in the area of more flexible LEADER funding for the end of the 2021-2027 programming period;
- 14. proposes establishing a new community-led local development fund for the 27 Member States post-2027, based on the principles of CLLD/LEADER. This fund would benefit from a single regulation facilitating the implementation of territorial strategies that are currently multi-fund but which are not fully functional or utilised as they stand. It would deliver on the provisions of the Lisbon Treaty, which introduced the concept of territorial cohesion, and ensure 100% take-up of the financial envelopes granted to the Member States, particularly in rural areas. This fund would cover all types of geographical area, regardless of the degree of urbanisation. However, a

ring-fencing mechanism would be in place to protect the money intended for more vulnerable areas (specifically rural, peri-urban, mountainous, island and border areas). The EAFRD, the ERDF, the ESF+ and the JTF would thus each contribute to job creation, social inclusion, services to rural populations, and innovation and competitiveness in the rural economy and to the provision of appropriate infrastructure for rural communities;

# Building on the momentum of LAGs and engaging stakeholders

- 15. calls for the strategic role of LAGs to be recognised at national and regional level; some of them have been active since 1991, driving innovative solutions geared to the needs of rural areas. These local entities, made up of field experts, have in-depth knowledge of local characteristics and ways to leverage development;
- 16. encourages the managing authorities to ensure greater institutional recognition of LAGs and to support them as they implement a rural development strategy. LAGs need greater resources and autonomy to optimise their territorial impact. Their role goes beyond simply carrying out projects: they are key players in territorial cohesion and the creation of local networks;
- 17. calls for managing authorities to be encouraged to keep up their efforts to adopt a more comprehensive and interactive approach to rural development. The managing authorities must take steps to ensure that their ultimate objective is, once again, territorial cohesion and development. To this end, administrative and financial engineering in rural areas must be bolstered;
- 18. proposes establishing a monitoring system at European level to check that democratic governance mechanisms are fully integrated into the processes for managing funds. This will ensure that local actors are genuinely involved in decision making and that managing authorities comply with the philosophy of participatory development;
- 19. calls for a wider range of civil society representatives to be encouraged to get involved in LAGs, above and beyond the experts and private and public sector representatives who are already involved. Their involvement, or lack thereof, is an indicator of euroscepticism in rural areas;
- 20. calls for young people and women to be encouraged to participate in the decision-making bodies of LEADER projects and in CLLD in the broader meaning of the term;
- 21. considers that more innovative projects should be promoted under LEADER. This would involve proposing rules that are more conducive to innovation (such as less stringent requirements in terms of the sustainability and success of projects) and social innovation. Innovation is by definition risky, and this must be reflected in the implementation mechanisms;
- 22. suggests stepping up communication and education initiatives on CLLD/LEADER in order to enable local actors to harness the full benefits of these programmes. Local authorities, especially in rural and remote areas, need to be better informed about the opportunities that this approach offers with a view to helping them access EU funds;

- 23. proposes that training programmes be set up for local actors, particularly LEADER facilitators and elected representatives, in order to improve their skills in the field of CLLD/LEADER. These programmes should both ensure that participants have a better understanding of the tools available to them and guarantee more stable project management and enhanced team continuity;
- 24. calls for tailor-made support programmes for LAGs, local associations and other potential beneficiaries to be developed. This should make them more aware of how cohesion policy funds are used and facilitate the implementation of projects at local level, until the end of the 2021-2027 programming period;
- 25. proposes, post-2027 and once the new fund is in place, that dedicated training programmes be set up for authorities managing European funds and any traditionally centralised public or private organisation (education system, etc.). These programmes should mainstream the most virtuous principles of CLLD/LEADER (accountability, horizontal management, decentralised decision making and organisation) into Member States' operating procedures in the long term;
- 26. calls for ongoing training to be encouraged. This will offset the frequent turnover of LEADER facilitators, especially in countries with particularly high turnover, and improve local management of funds by ensuring that agents have a better understanding of the mechanisms for funding and territorial governance;

# Demonstrating greater trust in CLLD and LEADER

- 27. calls for mutual trust between stakeholders to be promoted in order to make CLLD more effective. Through LEADER in particular, CLLD has shown itself to be flexible and effective in several Member States, especially where governments and local authorities trust them. This trust is essential if these territorial tools are to be implemented successfully;
- 28. calls for a mutual trust agreement to be proposed between the European Commission, the Member States, managing authorities, LAGs and project promoters. This agreement should seek to reduce over-regulation and to relax monitoring requirements while guaranteeing rigorous management of the funds. The aim is to strike a balance between risk protection and ease of access to EU funding;
- 29. proposes encouraging the use of pre-financing and advance schemes for small projects in all Member States, particularly those run by entrepreneurs, associations and SMEs. Currently, the financing for these projects is often paid out after the work has been carried out; this constitutes a barrier for some local actors which do not have the financial capacity to provide the necessary funds up front;
- 30. calls for the experience of Member States that already use pre-financing options to be shared with Member States which rarely use such options in order to encourage recourse to them;

### Increasing local autonomy while strengthening checks at European level

- 31. calls for measures to encourage and step up the use of rural proofing when shaping European legislation and institutional frameworks. This applies particularly to the next multiannual financial framework, as well as to the national and regional policies of the Member States;
- 32. calls for the territorial evaluation of European policies to be strengthened;
- 33. proposes that all relevant directorates-general of the European Commission be subject to a territorial impact assessment at least twice per programming period. These evaluations would establish a more precise baseline and identify ways to factor rural areas into European policies more effectively;
- 34. calls for the Member States to be encouraged to carry out similar assessments at national level, supported by a harmonised methodology proposed by the Commission. This approach would ensure that rural needs are addressed consistently across all Member States;
- 35. recommends, where necessary, adopting a performance-based approach in order to assess the effectiveness of policies for rural areas. This would involve linking part of the funding to the achievement of specific and measurable objectives, in order to ensure that resources are allocated where they will have a real and lasting impact.

Brussels, ...

# II. PROCEDURE

Title	How post-27 LEADER and CLLD programming could contribute to
	better implementation of the long-term vision for the EU's rural areas
Reference(s)	
Legal basis	Article 307(4) of the TFEU
Procedural basis	Rule 41(b)(ii) of the Rules of Procedure
Date of Council/EP	
referral/Date of	
Commission letter	
Date of Bureau/president's	
decision	
Commission responsible	Commission for Natural Resources (NAT)
Rapporteur	Thibaut Guignard (FR/EPP)
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Date adopted by	27 November 2024
commission	
Result of the vote in	
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unanimity)	
Date adopted in plenary	19 and 20 February 2025
<b>Previous Committee</b>	
opinions	
Subsidiarity reference	