Community-led local development: making it a success

In this common statement, a number of European civil society organisations and networks with a long experience and deep knowledge of local development welcome the proposals of the European Commission for Community-led Local Development (CLLD)...

... and call for action by European, national, regional and local stakeholders to ensure that this initiative can be turned into a major strand of the Common Strategic Framework (CSF) and Partnership Agreements which encompasses all the funds and covers different urban, rural and fisheries areas, building on past successes of the CLLD approach and overcoming obstacles encountered in its application.

[1] Positive new proposals for CLLD

The European Commission has put forward proposals for the 2014-2020 period, which are constructive and encouraging, and envisage the CSF funds (ERDF, ESF, EARDF, EMFF) working together in support of CLLD.

To strengthen territorial cohesion, the Commission addresses the role of cities, functional geographies and sub-regional areas facing specific geographic or demographic challenges. One way to tackle them will be to facilitate the implementation of integrated local development strategies and the formation of local action groups (LAGs) based on the experiences of the LEADER approach.

The Commission proposes a single methodology regarding CLLD for the CSF Funds, which:

- *focuses on specific sub-regional territories;*
- *is community-led, by local action groups composed of representatives of local public and private socio-economic interests;*
- *is carried out through integrated and multi-sectoral area-based local development strategies, designed to respond to local needs and potential; and*
- *includes innovative features in the local context, networking and, where appropriate, cooperation.*

This single methodology will allow for connected and integrated use of the Funds to deliver local development strategies.

The Commission envisages that the main aims of CLLD will be to:

- *encourage local communities to develop integrated bottom-up approaches where there is a need for structural change in response to territorial and local challenges;*
- *build community capacity and stimulate innovation (including social innovation), entrepreneurship and capacity for change by encouraging the development and discovery of untapped potential from within communities and territories;*
- *promote community ownership by increasing participation within communities and build the sense of involvement and ownership that can increase the effectiveness of EU policies; and*
- *assist multi-level governance by providing a route for local communities to fully take part in shaping the implementation of EU objectives in all areas.*

Incentives for delivering operational programmes through CLLD are proposed (e.g. higher co-financing rates from the CSF Funds) and the Commission also envisages that a substantial budget will be devoted to CLLD, but only in the case of EARDF a compulsory ring-fencing of 5 % for CLLD has been specified.

[2]The lessons from past implementation of CLLD

We regard this framework as a well-considered, spirited step that can take further decentralised governance and can contribute towards sustainable development. Indeed, it builds on more than 20 years of experience with LEADER and other initiatives and programmes which adopted and fostered a local development approach, starting in an experimental way in the 1980's outside the framework of EU structural funding.

This experience reveals that for relatively small investments the approach has unleashed a myriad of job-creating local initiatives, which have been extremely popular, and have allowed local communities to explore sustainable solutions to many of the challenges posed by the Europe 2020 Strategy. It also reveals that this approach has come up against a series of obstacles and bottlenecks when put into practice, as highlighted below.

- The "LEADER method" is by far the most systematic and widespread application of CLLD in Europe and worldwide. Still, while the method itself is widely supported, its implementation through the LEADER axis of the current rural development programmes of the EAFRD has limited the scope for local innovation and initiative. Local actors complain about too much interference from public administrations, too little room for local decision making, too narrow scope of eligible projects and activities, and dwindling voluntary engagement of citizens.
- A similar approach has been successfully implemented since 2007 in the European Fisheries Fund and has interesting lessons for how the approach can help deal with the specific challenges faced by certain groups of the community. However, the partnerships are only just starting, reminding us of the long timescales required for sustainable results.
- Although they did not incorporate all the key components of CLLD, Community Initiatives like URBAN and EQUAL demonstrated the value of a local development approach but many of their innovative aspects have been diluted with their integration into mainstream programmes. URBACT has taken some of the principles forward through the co-production of local action plans based on multi-stakeholder local support groups, but these have no formal access to funds for implementation.
- Many other locally based initiatives, like Local Agenda 21, Transition Towns, Territorial Employment Pacts, local campaigns against poverty, unemployment or discrimination have shared objectives and/or target groups with CLLD but, usually, they have not been coupled with funding instruments and CLLD-type governance arrangements.

Two general points should be highlighted from the application of CLLD and other local development approaches so far.

First, although CLLD has overall been a success, its full potential has not been realised because of the way in which it has been implemented, by being narrowly perceived as a "delivery tool" and, especially, by its incorporation without any special provisions in mainstream programmes run by administrations steeped in a tradition of a top-down delivery of grant aid.

Second, CLLD poses a double challenge for national administrations in delegating decision making to non-public institutions, like the local action groups, and in bringing different funds together. A largely voluntary exercise of integration under the new ERDF, ESF, EARDF and EMFF rules is unlikely to succeed except in a small number of committed Member States and regions. Administrations are usually structured along rather than across funds and cross-fund coordination requires an effort to introduce appropriate steps up front and the willingness to sustain them over time.

For these reasons, we are concerned that inadequacies in the provisions on CLLD at EU level and the way they will be translated into "reality" at Member State level can seriously underrate this great opportunity afforded by the initial proposals put forward by the Commission.

[3] **A great opportunity, not to be missed**

These obstacles must be overcome so as not to "squander" the new CLLD opportunity by letting the planning and implementation of CSF actions drift away from the spirit of CLLD in 2014-2020. We see CLLD not only as a mechanism for better coordination of the Funds, but also as a unique opportunity to make the most out of the social capital, dynamism, innovation, and other features of CLLD in a way that will revitalise many aspects of the European model in many policy spheres, and can be a very strong contribution at local level to EUROPE 2020 strategy. This will imply different levels of challenge, as highlighted - in ascending order of ambition - in the following three fields:

First, in relation to community-led development in rural, coastal and inland fisheries areas, initial feedback shows that most stakeholders, particularly those who have been involved with this approach for a longer time, embrace a refreshed application of the "LEADER method" and welcome learning from the past and dealing with the criticisms which have been levelled at the way LEADER is being implemented in the current period.

Second, in cities and urban agglomerations, the potential for applying participative approaches to a range of urban challenges is huge and the Commission has for the first time suggested a specifically earmarked priority for sustainable urban development in the structural funds.

Europe as a whole faces challenges which require particular attention, often large and long-term investments, and cross-scale policy approaches, such as: an appalling number of young people without a job, social and economic welfare and social equity in post-growth times; a scarcity of natural resources, environmental and climate protection; resilience of local communities and the intercultural nature of many of them; ageing and inclusion of new population groups; countering disparities and combating discrimination; equitable access to knowledge and information, and democratic control. On all these issues CLLD can make a difference by providing entry points and experimental ground for participative, amply shared, innovative and durable solutions.

Third, European policy making has entered a crisis of legitimacy. Citizens are largely uninformed, if not alienated from the European institutions and mechanisms of decision making. In many cases, the benefits of European interventions remain hidden. A simple continuation and updating of past programmes will certainly exacerbate this worrying erosion of European spirit. CLLD offers the potential for renewing the European development perspective. It could foster innovation in thousands of local arenas, showcasing Europe's resourcefulness and sowing hope and solidarity in difficult times. The challenge of CLLD is to revitalise local democracy by new ways of involving citizens, open news perspectives, and invent new local economies and societies.

We believe that all types of community and area can benefit from a favourable framework that allows and fosters innovative and participative solutions through community-led development.

Regarding different **types of area** one can foresee:

- **across rural Europe,** a rejuvenated LEADER with local groups able to pursue once again truly innovative strategies, diverse and inclusive partnerships which put emphasis on strategic foresight, dialogue and cooperation;
- **in cities,** local action groups forming in the deprived housing estates of large cities; the old and the young, the shop owners and the unemployed, the established inhabitants and the new dwellers, citizens and city officials coming together to reconstitute public life, to regenerate vital services and to gradually revitalise neighbourhoods, through innumerable micro-projects;
- **in coastal and inland fisheries areas** local partnerships instilling new life in fishing villages by bringing fishermen closer to their customers, to find additional income from new activities, and encouraging community initiatives about sustainable use of the natural resources;
- and, **new partnerships between different areas**: rural areas and market towns, cities and peri-urban areas, fostering social innovation and new forms of enterprise.

Regarding pressing **economic, social and environmental issues** one can envisage:

- local action groups implementing zero-carbon strategies, integrating resource saving investments with decentralised energy production, ”smart” grids, mobility solutions, etc; (more than 70% of greenhouse gas emissions depend from lifestyle patterns and CLLD is actually the only approach which meets people where they actually live and work);
- local action groups taking on the growing need for urban gardening and developing strong and tangible links with sustainable family farms through community-based local and regional food supply chains, green education for the youth growing up in urbanised, often deprived environments and reducing the growing trends towards malnutrition, obesity and lack of motion, thus contributing to public health;
- local action groups building up networks nurturing intercultural dialogue, organising cross-cultural projects and events, strengthening rural-urban links, raising awareness by having fun together and learning from each other;
- local action groups running local and regional funds which aim at helping micro and small entrepreneurs with no access to the banking system to start or expand their businesses and to build up cooperation structures within the area and with partners from abroad;
- partnerships promoting innovative use of IT to engage citizens in dialogue and exchange over key issues; exploring social innovations in public services; developing local action plans against poverty or to support particular groups like migrants, young people and women...

[4] Our proposals for the best way to get results

No doubt, the great potential of CLLD presents challenges for the creativity of local stakeholders. It also presents great challenges for the policy administrators at EU and Member State levels to put in place a workable framework that will enable this potential and creativity to thrive.

First, we have learned from the experience of the application of CLLD in the past, especially:

- the importance of a truly decentralised, self-determined, accountable decision-making by those concerned and committed to a common cause;
- the specificity of CLLD which needs specific rules and procedures, different from other strands of mainstream programmes;
- the need to give a fresh impetus to strategic frameworks at European, national and regional levels, which in practical terms means engaging all stakeholders the soonest possible in working out how CLLD should be implemented on the ground in the best way.

Second, we need to find answers, suitable for different environments in different Member States, to key implementation issues:

- **A “functional” local area.** Such definitions will need to respect the characteristics of different types of area and the nature of the problems tackled by the local strategy. This issue is particularly pertinent in large urban areas where “solutions” to problems of deprived neighbourhoods cannot be pursued only at neighbourhood level.
- **Integrated strategies.** Whilst a fully integrated territorial strategy is the ideal, it will be important to acknowledge and accommodate particular dimensions or priorities, regarding sectors (e.g. fisheries) or target groups (e.g. Roma), without falling into sector-based or category-based approaches, which would be counter-productive.
- **Governance.** A variable geometry of horizontal and vertical partnerships, involving civil society and public authorities in manifold ways and complementary roles, and without being dominated by any of the stakeholders, should be anticipated and catered for to meet different local requirements.
- **Delivery systems.** The “devil is in the detail” and for that reason as many as possible of these details (e.g. Simplified Cost Options) should be spelt out up front, particularly in relation with match funding mechanisms which can guarantee sufficient autonomy and flexibility to local stakeholders.

Overall, practical issues regarding CLLD in the 2014-2020 period have so far been addressed to a greater extent and detail in the case of EARDF and EMFF, than in ERDF and ESF. Therefore, we believe that there is a particularly urgent need for the provisions of ERDF and ESF regarding CLLD to be developed further in order to become fully equivalent and compatible with those of the other Funds.

[5] EU and Member State policy stakeholders are called to act

We call on the EU institutions and Member States to open the debate with local stakeholders to set up appropriate structures and procedures providing a fertile ground on which CLLD can be sown, develop and flourish, becoming not only an instrument for urban and rural renaissance but also a valuable strand of the Europe 2020 agenda - contributing much needed smart, green and sustainable growth, which reaches directly communities in need and contributes to a prosperous and inclusive Europe.

Therefore, we call on the members of the **European Commission**, the **European Council**, and the **European Parliament** to:

- give priority to CLLD in their inter-institutional negotiations;
- embrace CLLD as an economic, social and institutional innovation, a key tool for the Europe 2020 strategy at the local level, rather than a transient footnote on mainstream structural fund policies and programmes;
- ensure that the same or equivalent basic requirements regarding CLLD are included in all four of the CSF Funds;
- establish early deadlines for the selection and approval of local strategies and local action groups (earlier than 31/12/2015 for the 1st selection round to avoid a funding gap for existing groups, and not later than 31/12/2016 for the 2nd round so as not to disadvantage newcomers and allow sufficient time for implementation).

We specifically call on the **European Commission** to:

- establish a CLLD implementation scheme, which fully respects and facilitates the application of all main components of CLLD and a streamlined use of combined funds;
- ensure that specific provisions for CLLD, in line with the above, are included in all Partnership Agreements and accompanying detailed agreements between national and regional/local partners;
- ensure also that multi-funding is not used in order to diminish the volume of financial support that has previously been provided for CLLD type operations by a particular fund, such as EARDF funding for LEADER;
- embark without delay in a broad information campaign aimed at national, regional and local policy makers, administrations, the civil society and other stakeholders on the scope and potential of CLLD.

We specifically call on the **Member States** governments and administrations to:

- work closely with the European Commission, the regional and local stakeholders in preparing the Partnership Agreements on the lines suggested above and, specifically, define a clear strategy and budget for CLLD;
- activate without delay, jointly with local stakeholders, preparatory support on the application of CLLD in a variety of environments - urban, rural, urban-rural, fisheries-dependent, cross-border – using technical assistance funding from the current period; and encourage local stakeholders to make use of CLLD in a creative way to address a wide range of issues;
- pursue actively a simplification of procedures and reduction of bureaucracy for beneficiaries and local partnerships (LAGs), combined with increased autonomy of the LAGs, by inter alia making separate provisions for CLLD within the relevant operational programmes and by adopting the Commission's CLLD implementation scheme (above).

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