



European LEADER Association for Rural Development – AISBL

*Finnish Presidency January 2011 – December 2012*

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*The European LEADER Association for Rural Development (ELARD) is an international non profit making association set up to improve the quality of life in rural areas and to maintain their population with sustainable integrated local development. ELARD brings together over 600 hundred Local Action Groups established under the LEADER method and is committed to involving all stakeholders in local rural development.*

## ELARD reaction to the EC legal proposals for the CAP after 2013

Following the official presentation (12.10.11) of the legal proposals for the CAP after 2013, with the present communication ELARD wishes to express its positions on the proposals concerning the future of the LEADER approach and the Agricultural and Rural Development policy as a whole.

ELARD welcomes the fact that the Commission acknowledges the key role that LEADER plays in the development of rural areas. And its commitment to guaranteeing the continuation and application of LEADER as a compulsory aspect of all rural development programmes.

We are content about the safeguarding of at least 5% of the total EAFRD budget towards LEADER. We welcome the introduction of a minimum threshold in the funds reserved for LEADER given that in the past the allocation of funding determined by Member States has in some cases been inadequate. Having said this ELARD strongly believes that the 5% minimum allocation of the RDP funds to LEADER is far too small. ELARD will make every effort to ensure that most Member States follow its recommendation of a 10% minimum allocation. Additionally it is highly important that the minimum allocation must refer both to EC funding and national match funding. Very welcome is the higher EU co-financing rate for LEADER, 90% in less developed regions and 80% in other regions in comparison to 75% and 50% in the standard rural development measures.

The extension of Local Development to all structural funds (including ERDF and ESF) coincides with ELARD's objective to spread the LEADER approach to new policy fields.

The fact that the Common Strategic Framework (CSF) will ensure better coordination of local development initiatives than before is regarded as a positive outcome. We should note however that the CSF initiative may prove to be an ambitious one. Knowing the very sector-minded national administration it might take a while to create real cross-sector cooperation for better local development coordination. The CSF must be implemented in such a way so that it doesn't cause delays in the LAG's launch of the new programming period.

ELARD welcomes the simplification of the rules for the implementation of Transnational Cooperation Projects (TNC) by the Local Action Groups. In fact during the current period the complexity of the rules governing this process has deterred many groups from engaging in TNC projects. Specifically we view the chance offered to



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LAGs to cooperate with diverse entities as well as the clear time limitation set for the decision making process as very positive developments.

A considerable amount of Local Action Groups have reported difficulties in managing their extended duties under the mainstreamed LEADER. Therefore ELARD strongly supports the increase of the LAGs' maximum animation and running costs from 20% to 25% of the overall budget.

ELARD has worked extensively towards spreading LEADER among territories with no prior application of the method. Therefore we see the establishment of a "LEADER start-up kit" as a positive development which demonstrates the Commission's commitment towards our goals.

Overall the Common Agricultural Policy, despite its greening objective, can be criticized for its unwillingness to let go off the outdated "old rural policy paradigm". This paradigm looks at the countryside solely through the lens of agriculture, even though the latter's role in the economy has been steadily decreasing. We acknowledge that agriculture still remains one of the cornerstones of rural economy and recognize its importance in maintaining the production throughout the European Union; however ELARD believes that at the same time we must work towards diversifying the rural economy and equally supporting other industries which can often be more important for the local economy and job creation than agriculture. ELARD continues to fight for a more balanced rural development policy in the EU and a shift towards what the OECD defines as a "new rural policy paradigm".