



The ESF and community-led local development: Lessons for the future

ESF Transnational Cooperation Platform
Community of Practice on Social Innovation

Written by ICF
February 2022



EUROPEAN COMMISSION

Directorate-General for Employment, Social Affairs and Inclusion
Directorate G — Funds: Programming and Implementation
Unit G1 — European Social Fund +

Contact: Marianne Doyen

E-mail: Marianne.DOYEN@ec.europa.eu

*European Commission
B-1049 Brussels*

The ESF and community-led local development: Lessons for the future

ESF Transnational Cooperation Platform
Community of Practice on Social Innovation

This report has been written by Leda Stott (study lead), Karolina Jakubowska, Inga Pavlovaite, Nazia Chowdhury and Astrid Hampe-Nathaniel and reviewed by Urszula Budzich Tabor and Stefan Kah.

The authors would like to thank all the stakeholders consulted for their input into the study.

Manuscript completed in January 2022.

This document has been prepared for the European Commission by ICF with the help of an external expert, Leda Stott. The document reflects the views only of the authors, and the European Commission is not liable for any consequence stemming from the reuse of this publication. More information on the European Union is available on the Internet (<http://www.europa.eu>).

Luxembourg: Publications Office of the European Union, 2022

© European Union, 2022



The reuse policy of European Commission documents is implemented based on Commission Decision 2011/833/EU of 12 December 2011 on the reuse of Commission documents (OJ L 330, 14.12.2011, p. 39). Except otherwise noted, the reuse of this document is authorised under a Creative Commons Attribution 4.0 International (CC-BY 4.0) licence (<https://creativecommons.org/licenses/by/4.0/>). This means that reuse is allowed provided appropriate credit is given and any changes are indicated.

For any use or reproduction of elements that are not owned by the European Union, permission may need to be sought directly from the respective rightholders.

EN PDF ISBN 978-92-76-40700-3 doi: 10.2767/224469

KE-09-21-329-EN-N

Table of Contents

| | |
|---|-----------|
| Executive summary | 8 |
| 1. Introduction | 13 |
| 1.1 Purpose of the report..... | 14 |
| 1.2 Methodology | 15 |
| 2. Legal and political context of CLLD in the ESF 2014-2020 | 16 |
| 2.1 What is CLLD?..... | 16 |
| 2.2 CLLD in the ESF..... | 17 |
| 2.3 Factors impacting the use of CLLD at national level..... | 23 |
| 3. Implementation of CLLD with ESF funding | 27 |
| 3.1 Overview of the CLLD approach in the ESF | 27 |
| 3.2 Planning CLLD in 2014-2020 and implementation progress..... | 28 |
| 3.3 Local Action Groups using ESF funding | 33 |
| 3.4 Characteristics of ESF-funded CLLD operations | 37 |
| 3.5 Ways of implementing CLLD in the ESF..... | 41 |
| 3.6 CLLD implementation: challenges and solutions | 43 |
| 3.7 Added value of CLLD for the ESF..... | 52 |
| 4. Social innovation in CLLD projects | 59 |
| 4.1 What is social innovation and why is it important?..... | 60 |
| 4.2 CLLD and social innovation | 60 |
| 4.2 How has CLLD in the ESF contributed to the promotion of social innovation? | 63 |
| 4.3 How can Member States promote socially innovative CLLD? | 65 |
| 5. Conclusions and recommendations | 66 |
| References | 72 |

| | |
|--|-----------|
| Annex 1: List of managing authorities consulted | 78 |
| Annex 2: List of community-led local development case studies | 79 |
| Annex 3: List of Operational Programmes with community-led local development..... | 80 |

List of abbreviations and acronyms

| | |
|---------------|---|
| CLLD | Community-led local development |
| CPR | Common Provisions Regulation |
| EAFRD | European Agricultural Fund for Rural Development |
| EFF | European Fisheries Fund |
| EMFF | European Maritime and Fisheries Fund |
| ENRD | European Network for Rural Development |
| ERDF | European Regional Development Fund |
| ESIF | European Structural and Investment Funds |
| EU | European Union |
| FARNET | Fisheries Areas Network |
| FLAG | Fisheries Local Action Group |
| LAG | Local Action Group |
| LDS | Local Development Strategy |
| LEADER | Liaison entre actions de développement de l'économie rurale (Links between actions for the development of the rural economy) |
| NGO | Non-governmental organisation |
| OP | Operational Programme |
| SFC | System for Fund Management in the European Union |

List of tables

Table 1. Progress in implementation of community-led local development in ESF funding, by Operational Programme (planned budget, cost of selected projects and declared amounts by beneficiaries)..... 30

Table 2. Types of target groups in community-led local development activities funded by the ESF..... 38

Table 3. Types of ESF-funded community-led local development support 38

Table 4. Different ways of programming community-led local development in ESF Operational Programmes..... 41

Table 5. Different financing levels of preparatory support for Local Action Groups to develop strategies and/or provide running and animation costs..... 47

Table 6. Recommendations for uptake and successful implementation of community-led local development in the new programming period 2021-2027 67

List of figures

Figure 1. The seven principles of LEADER/community-led local development..... 17

Figure 2. The partnership principle and community-led local development – a timeline19

Figure 3. Funds covered by CLLD..... 20

Figure 4. Community-led local development implementation process 22

Figure 5. Factors affecting the use of ESF funding for community-led local development23

Figure 6. Progress in implementation of community-led local development in the ESF (planned budget, cost of selected projects and declared amounts by beneficiaries)29

Figure 7. Average ESF funding per Local Action Group..... 32

Figure 8. Local Action Groups per Operational Programme (total number of Local Action Groups in territory vs Local Action Groups using ESF funds) 34

Figure 9. Local Action Group funding structure incorporating ESF funding..... 35

Figure 10. Challenges encountered in implementing the community-led local development approach..... 43

Figure 11. Support provided to Local Action Groups by managing authorities..... 46

Figure 12. Innovation during crises..... 49

Figure 13. Ten practical tips for successful CLLD 51

Figure 14. Overview of the added value of community-led local development for the ESF 53

Figure 15. Social innovation in the ESF+ and the 4Ps 60

Executive summary

Community-led local development (CLLD) is a bottom-up approach to policy development that encourages local people to form a Local Action Group (LAG) – a partnership that designs and implements an integrated development strategy for their area. The CLLD approach was first used in the 1990s by the EU LEADER¹ programme to encourage the development of rural areas with co-financing from the European Agricultural Fund for Rural Development (EAFRD). Its success saw CLLD extended to fisheries and coastal areas in 2007-2013, with funding from the European Fisheries Fund (EFF) (later the European Maritime and Fisheries Fund (EMFF)), and then to urban areas in the 2014-2020 programming period, with funding from the European Regional Development Fund (ERDF) and the European Social Fund (ESF). LAGs were thus able to pursue local development strategies using both individual funds and a combination of up to four EU funds, including the ESF.

The uptake and expansion of CLLD in the ESF between 2014-2020 responded to the need for integrated, locally developed solutions to address a wide range of local problems relating to employment, social inclusion and poverty reduction. While the use of CLLD was at Member States' discretion, ESF funding opened up a broader range of eligible themes, target groups and projects for Local Action Groups. CLLD at local level was particularly effective where LAGs had previous experience of CLLD in other funds and/or where the managing authorities provided them with additional support.

During the 2014-2020 programming period, 11 Member States (Bulgaria, Czechia, Germany, Greece, Hungary, Lithuania, Poland, Portugal, Sweden, Romania, United Kingdom (UK)²) implemented CLLD in 19 ESF Operational Programmes (OPs). Although the introduction of CLLD in the ESF took time, a total of 578 LAGs used ESF funding during the period, amounting to 17% of all LAGs using ESI Funds. The majority of these were multi-funded, with the lead fund usually being either the ERDF or EAFRD.

As well as being able to address broader themes and target groups, incentives for adopting the CLLD approach included the facilitation of integrated approaches to local development and programme funding support, and more space for experimenting with new approaches. CLLD uptake was also viewed as a way of stimulating better political dialogue and developing more trusting relationships in local communities. In spite of these factors, however, some countries were reluctant to adopt the CLLD approach. Although not unique to the ESF, this reticence related to issues such as administrative complexity, a tendency to continue working in silos, and concern about possible competition between different funds. Other disincentives included difficulties in connecting local needs to ESF Thematic Objectives at EU level and the existence of similar, nationally funded interventions. In addition, managing authorities using ERDF and ESF funding for CLLD could not rely on the kind of support networks available to those managing EAFRD and EMFF funds.

CLLD using ESF funding was implemented in different ways in different Members States. The largest proportion of LAGs (465 or 78%) were multi-funded, where the ESF was not the lead fund. In these cases, ESF funding was often paired with EAFRD and ERDF funding (53%) or ERDF funding alone (34%). In some cases, LAGs (83 or 14%) were implemented using a combination of multiple funds, where the ESF was the lead fund. Only 49 (8%) LAGs were implemented using ESF funding alone.

¹ *Liaison entre actions de développement de l'économie rurale* (Links between the rural economy and development actions).

² The report covers the 2014-2020 programming period when the UK was an EU Member State and benefitted from ESF funding.

Themes covered by ESF-funded CLLD projects varied across the Member States but were generally focused on three types of support: access to employment; social inclusion and education. With an explicit focus on marginalised and socially excluded groups in local communities, the wide range of target groups encompassed by these projects included employees, the unemployed and those at risk of unemployment, women, young people, refugees and migrants, senior citizens, ex-offenders, people with disabilities, vulnerable children and those at risk of poverty.

In countries such as Greece, Hungary and Lithuania, ESF funding covered a narrow range of interventions and support while in others, Czechia, Poland and Romania, the scope of CLLD support was much broader. Member States also differed in their approaches to project selection, with calls for projects announced and selected by LAGs or where LAGs prepared ideas for projects for managing authorities to approve. Where managing authorities approved projects themselves, such as Lithuania, they were better able to oversee the focus, quality and likely success of projects. Conversely, calls for projects that were announced and managed by LAGs, such as Poland, ensured selection based on local expertise and knowledge.

The implementation of CLLD was accompanied by a number of challenges at both programme and Local Action Group level. At programme level, difficulties in coordinating CLLD across multiple funds were primarily related to strategic changes in the rollout of the new approach and issues affecting administrative capacity. These challenges had repercussions at LAG level, most notably in terms of the time and resources needed for paperwork, thus delaying project implementation. Other challenges at local level included short funding cycles, the difficulty of building community awareness, and the lack of diversity of project promoters.

Both managing authorities and local action groups took action to address implementation challenges. As well as introducing measures such as dedicated CLLD administrative units and contact points, and the development of written materials and guidelines for LAGs, a number of managing authorities organised capacity-building workshops, meetings and seminars on eligible costs, horizontal principles, simplified cost options and evaluation of 'soft' projects. At local level, LAGs and project promoters conducted awareness-raising and communication activities to promote local engagement and worked to ensure that while projects targeted specific needs, they also benefitted the community as a whole.

The findings of this study suggest that the most appropriate **implementation methods for CLLD rely on the maturity of the LAGs and their experience in selecting, implementing and running projects, and the nature of LAG relationships with managing authorities.** Efforts to overcome constraints further suggest that successful implementation of CLLD rests upon ten key factors (see Figure 13):

1. Careful consideration of time and the complexity of managing authority delivery systems, particularly with regard to the time lapse before beneficiaries receive funding decisions.
2. Attention to the small size of CLLD grants, which means that one could envisage lighter rules concerning applications and reporting than for larger projects.
3. Cross-fund coordination and efforts to reconcile diverse delivery rules, reporting obligations and institutional practices.
4. Limitations on additional rules that go beyond EU legislation ('gold plating') as they may discourage potentially valuable projects and increase error rates and audit risks.
5. Allowing scope for local actors to experiment with new ideas and ways of working that might promote innovative responses and solutions to their problems.
6. Ensuring a broad selection of stakeholders at all stages, from strategy development to decision-making and project implementation.

7. Creating linkages between public and private actors, different sectors of the local economy, existing and new projects, and encouraging projects implemented by several partners.
8. Learning from experience, analysing lessons and making necessary changes to managing authority delivery systems or rules and future LAG strategies.
9. Differentiating CLLD from mainstream approaches so that the added value of their bottom-up character is acknowledged.
10. Developing a common understanding of CLLD among all the actors involved so that there is clarity about its objectives, potential and specificity.

Where constraints have been overcome the CLLD approach has proved to offer important added value to the ESF. As well as promoting core ESF themes such as social capital and inclusion, the working methods of CLLD have reinforced the EU's 'partnership principle' by empowering local stakeholders to address social issues in an integrated way. Findings from across the 11 Member States that used CLLD in ESF funding suggest that its added value is manifested in role, scope, process and volume effects. Role effects demonstrate CLLD's role in **stimulating structural changes that promote social inclusion and labour market participation, particularly by empowering local communities** and assisting their transition from passive 'recipients' of support to active change agents. Scope effects show that **CLLD has provided wider access to EU funds in remote communities** which, in turn, has enabled more vulnerable groups to be reached. In this regard, one of the main advantages of CLLD is that it **allows LAGs to determine and address both the specific and diverse needs of local communities**. The role and scope effects of CLLD are complemented by process effects that **build trust by involving local users in the design of services**. CLLD has also enabled managing authorities to develop a **better understanding and appreciation of local needs** and **enhance local governance** by involving target groups in decision-making processes about the use of ESF funds. Finally, by reaching a greater number of target groups in local communities, CLLD has also had volume effects in terms of the dimension of projects or outputs. At local level, **more projects and target groups are supported** because of the increase in the number of actors able to access EU funding, often for the first time, through smaller grants.

By exploring new solutions to tackle local problems, and by cooperating with non-traditional partners, CLLD can be understood as a social innovation mechanism. The socially innovative dimension of CLLD, however, was not always recognised as such by managing authorities, whose primary focus was on addressing local needs. Managing authorities such as Bulgaria, for example, indicated that a specific focus on innovative solutions had not been considered. In other Member States, due to their delivery of new solutions to local problems, several projects were identified that could be qualified as having promoted social innovation by promoting behavioural changes among target groups (Lithuania) and creating new products and processes (Poland). According to respondents from managing authorities and LAGs, CLLD encouraged different perspectives and ways of working through the development of new partnerships to solve local issues, thus creating an enabling environment for inclusion while empowering citizens.

Based on research, testimonies and analyses, the following **recommendations** have been compiled for the attention of the European Commission, managing authorities, LAGs and local actors on facilitating the uptake and successful use of CLLD in the ESF+ in the 2021-2027 programming period (and beyond) (for details see Table 6):

- **More communication and sharing of learning:** LAGs and other actors want more open and regular communication across all EU funds. Exchanges of different LAG experiences are essential for knowledge sharing and community building among geographically dispersed localities and actors. Learning can be facilitated by creating links within and between actors and projects, and by drawing lessons from both within and outside different Member States with special attention given

to what has worked and what has not, and the reasons for this. To support such processes, efforts by the Commission to promote detailed information exchange about CLLD experiences across Member States and ESI Funds are recommended. As well as clarity around funding priorities and the launching of calls, ESF+ managing authorities should provide support and guidance through national and transnational exchanges that enable LAGs to share their experiences and ideas. LAGs and local actors can also work to ensure that local-level learning is fully captured and shared through dedicated information channels.

- **More administrative flexibility:** CLLD has the potential to deliver tailored solutions to citizens, but this can only happen if its activities are transparent, accessible and responsive to the changing needs of local communities. Managing authorities and intermediate bodies should be ready to support LAGs with more flexible administrative structures and processes. Limiting additional rules around issues such as eligibility criteria is advised so that projects are not discouraged by administrative burdens over and above EU legislation. Careful consideration should also be given to the amount of time it takes for beneficiaries to get decisions on projects and receive funding. As most CLLD grants are small, recipients should not be obliged to follow the same delivery rules as those for larger projects. Better coordination across funds is also needed so that LAGs and beneficiaries do not have to comply with different sets of funding rules and procedures. Here, the Commission is encouraged to promote integrated CLLD approaches that counteract silos of expertise, fragmented fund management and short-term partnerships while also raising awareness about the difference between CLLD and other programmes, particularly in relation to the small size of grants and more flexible delivery rules. At LAG level, local development strategies should be regularly reviewed and made accessible to ensure responsiveness to changing community needs and concerns.
- **More autonomy for LAGs:** To allow for the best solutions for addressing local issues and challenges to emerge, LAGs should be allowed more room for experimentation, including the authority to implement innovative ideas in their own communities, without financial risk. Efforts by the Commission to support the development of flexible procedures, exchanges and frameworks that encourage social innovation and experimentation are encouraged. At the same time, managing authorities should ensure that they leave scope for the development of innovative solutions to tackle local challenges by reducing rigid administrative processes and reporting requirements, and offering skills building and information exchanges to support this. LAGs should also be encouraged to reach out to non-traditional partners to explore new ideas and perspectives that stimulate innovative local development approaches.
- **More diverse target groups:** It is vital to ensure the inclusion of a range of different stakeholders in project development, decision-making and implementation. The development of a common understanding of CLLD objectives, potential and specificity among all the actors involved should be encouraged through dialogue and exchanges between managing authorities, LAGs and beneficiaries. Promotion by the Commission of a wider definition of the target groups that can participate and benefit from CLLD projects would enhance social inclusion at local level. ESF+ managing authorities could also encourage greater diversity in partner selection with guidance on including 'non-traditional' partners in LAGs. At LAG level, meanwhile, consideration should be given to the inclusion of diverse local actors in projects and links should also be made with local

networks, coalitions and partnerships that focus on areas relevant to chosen investment priorities.

- **More diverse indicators to measure progress:** The Commission is encouraged to further differentiate CLLD from mainstream approaches with strong acknowledgement of the bottom-up character of CLLD initiatives. To capture and measure different forms of progress, Commission guidance on ‘soft’ indicators and measurements that allow beneficiaries to demonstrate improvements in the local community should be endorsed. This would do much to assist the potential for mainstreaming resulting from the use of CLLD. ESF+ managing authorities could offer capacity building opportunities to support the use of soft indicators for monitoring and measuring the progress of CLLD strategies and projects. LAGs and local actors should also be encouraged to engage in developing and sharing ideas for improvements to CLLD measurement systems.

1. Introduction

Recent years have seen a revival of interest in local development at both European Union (EU) and national level, for both economic and political reasons. In responding to the effects of the 2008 financial and economic crisis, many citizens sought local development solutions to revitalise the economy and create jobs. Alongside efforts to empower local communities to achieve inclusive growth and ensure that ‘no one will be left behind’ (European Commission, 2020, p. 8), policy-level directives have stressed the importance of good local governance in delivering citizen-centred reform programmes (European Commission, 2017). The aim of such efforts is to increase cohesion in the EU, with priorities closer to, and owned by, citizens (European Commission, 2010).

Community-led local development (CLLD) has become a priority for the European Structural and Investment Funds (ESI Funds). Using a bottom-up approach to policy development, CLLD encourages local people to come together to form a local partnership or Local Action Group (LAG) to design and implement an integrated development strategy for their area. Such strategies simultaneously reflect the needs of the area and build on the social, environmental and economic strengths of the local community (European Commission, 2018a).

The 2014-2020 Common Provisions Regulation (CPR) 1303/2013 for the ESI Funds sets out the reasons for focusing on CLLD across different funds:



Territorial cohesion has been added to the goals of economic and social cohesion by the [Treaty on the Functioning of the European Union] TFEU, and it is necessary to address the role of cities, functional geographies and sub-regional areas facing specific geographical or demographic problems. To this end, and to better mobilise potential at a local level, it is necessary to strengthen and facilitate community-led local development by laying down common rules and ensuring close coordination for all relevant ESI Funds.

Source: Recital 31, Regulation (EU) 1303/2013.

CLLD is derived from the approach first used in the LEADER programme ‘links between actions in the rural economy’ (*Liaison entre actions de développement de l'économie rurale*). Introduced in 1991, this approach sought to engage local actors in the design and delivery of strategies to develop rural areas, with co-financing from the European Agricultural Fund for Rural Development (EAFRD). Its success saw CLLD extended to fisheries and coastal areas in 2007-2013, with funding from the European Fisheries Fund (EFF) (later the European Maritime and Fisheries Fund (EMFF)), and then to urban areas in the 2014-2020 programming period, with the addition of new funding sources from the European Regional Development Fund (ERDF) and the European Social Fund (ESF). LAGs were thus able to use both individual funds and a combination of up to four EU funds, including the European Social Fund (ESF), to pursue local development strategies.

The ESF focuses on flexible and collaborative ways of promoting employment, social inclusion and access to services for the vulnerable and marginalised through a partnership between the European Commission, national and regional authorities, NGOs and social partners, and by using co-financing and shared management to encourage ownership at national and regional levels. The ESF also emphasises the need for efforts to integrate local voices in programme cycles through place-based partnerships and participative

approaches that seek to improve public services and modernise labour market institutions³. This way of working clearly coincides with CLLD's bottom-up approach to policy development which will remain an important feature in the ESF+:



Member States shall support actions of social innovation and social experimentation, including actions with a socio-cultural component or strengthening bottom-up approaches based on partnerships involving public authorities, the social partners, social enterprises, the private sector and civil society.

Source : Article 14, Regulation (EU) 2021/1057 (ESF+ Regulation).

However, the relative novelty of CLLD in the context of the ESF suggests the need to document and evaluate different experiences of CLLD in order to assess the implications for its future application in the ESF+.

1.1 Purpose of the report

This report was prepared as part of the work of [the Community of Practice on Social Innovation under the ESF Transnational Cooperation Platform](#). It summarises the key challenges and solutions relating to ESF-funded CLLD in the period 2014-2020, with a view to providing recommendations for the 2021-2027 programming period. The report seeks answers to the following questions:

- **What was the rationale for the uptake and expansion of CLLD in the ESF in the 2014-2020 programming period at Member State level?** The report examines why CLLD approaches were promoted in the ESF during the 2014-2020 programming period by Member States / managing authorities and the extent to which those reasons were borne out.
- **How was the CLLD approach implemented in the ESF in the 2014-2020 programming period and to what effect?** Which Member States programmed CLLD with the ESF? What are the characteristics of ESF-funded CLLD practices? What factors encouraged or discouraged the use of CLLD in the ESF? How was CLLD supported by managing authorities? The report provides an update⁴ on the use of CLLD in the 2014-2020 programming period and identifies challenges and opportunities encountered by managing authorities in its use. It showcases good practice examples of support provided to CLLD by managing authorities from the ESF and other EU funds.
- **What is the added value of CLLD for ESF-funding?** The analysis explores the added value of CLLD for the ESF and its endorsement of the ESF's strong thematic focus and tradition of stakeholder engagement.
- **How can CLLD build community capacity and stimulate social innovation?** What is innovative in the CLLD projects already implemented? The study examines

³ See: <http://ec.europa.eu/esf/main.jsp?catId=55> and <http://ec.europa.eu/esf/main.jsp?catId=527>

⁴ Servillo prepared the first stocktake of CLLD implementation under the ERDF/ESF using the information sources available in September 2017.

how CLLD can enable social innovation at local level, using examples and case studies on the extent to which LEADER/CLLD principles were applied by LAGs.

- **How should CLLD be programmed in the ESF+?** The report identifies the core lessons from the implementation of CLLD in order to improve its use in the ESF+.

Section 2 examines the political and legal context for the CLLD approach and the funding options available to LAGs. Section 3 details how different Member States used the CLLD approach under the ESF in the 2014-2020 programming period and assesses its added value for the ESF. Section 4 analyses the various ways in which the CLLD approach stimulates social innovation. Finally, Section 5 synthesises the findings and makes recommendations for using the CLLD approach in the ESF+.

1.2 Methodology

The report is based on evidence from:

- A desk review of existing materials and literature relating to CLLD, including relevant reports from the ESF Transnational Platform's Thematic Network on Partnership and data from the System for Fund Management in the European Union (SFC 2014)⁵. A list of the materials reviewed is provided in the Reference section.
- Interviews and written consultations with 15 managing authorities of Operational Programmes (OPs) that have implemented and/or plan to implement a CLLD approach. The full list of those consulted can be found in Annex 1.
- An online workshop on innovative CLLD projects in different Member State contexts, which took place on 12-13 April 2021 as part of the activities of the Community of Practice on Social Innovation.
- Semi-structured interviews with a selection of project beneficiaries and LAG representatives, identified through interviews with managing authorities and desk research. The interviewees represented LAGs that have used different ESF funding options (mono vs multi-fund strategies in urban and rural areas). Based on the interviews, three case studies were drafted. A list of the case studies is provided in Annex 2.

Emerging findings were shared and discussed with a review task force composed of interested managing authorities and thematic experts. The Community of Practice on Social Innovation under the ESF Transnational Cooperation Platform was also consulted.

⁵ The System for Fund Management in the European Union provides an electronic data exchange system for all official exchanges of information between Member States and the European Commission concerning management of Common Provisions Regulation (CPR) funds.

2. Legal and political context of CLLD in the ESF 2014-2020

This section examines the political and legal context for the CLLD approach, as well as the funding options available to LAGs. It also highlights the importance of the CLLD approach and its links to core ESF aims and objectives.

Key findings

- In the 2014-2020 programming period, local development was positioned by the European Commission as an important means of achieving Europe 2020 goals, especially employment and poverty reduction targets. During this time, the European Commission facilitated wider access to CLLD through the Common Provisions Regulation (CPR) covering urban areas, leaving the use of CLLD in ESF funding to Member States' discretion.
- The uptake and expansion of CLLD by Member States within the ESF in 2014-2020 reflected the need for integrated, locally developed and locally led solutions to address a wide range of local problems. It also responded to core ESF Thematic Objectives such as social inclusion.
- Factors that contributed to the uptake of ESF funding for CLLD included a broader range of eligible themes, target groups and projects for LAGs, and the facilitation of integrated approaches to local development. The uptake of CLLD was further enhanced by managing authorities offering targeted support and LAGs building on previous experiences of CLLD in other EU funds.
- While not exclusive to the ESF, administrative complexity, silo mindsets, and competition between the different EU and national funds available for local development inhibited the use of CLLD. Other disincentives for CLLD uptake included the difficulty of connecting local needs to ESF Thematic Objectives at EU level, and attempts to avoid duplication with other, nationally funded programmes promoting local development.
- Although a number of seminars involving the ESF were held on CLLD and documents such as the [*Guidance for Local Actors on Community-Led Local Development and the Guidance for Member States and Programme Authorities on Community-led Local Development in European Structural and Investment Funds*](#) (European Commission 2018 a and b) were developed and shared no new ESF/ERDF support network or structure was created to mirror those existing for EAFRD (European Network for Rural Development (ENRD) or the EMFF (Fisheries Areas Network (FARNET) (see Box 1).

2.1 What is CLLD?

CLLD is derived from the LEADER approach, which was first proposed in the 1990s in response to the failure of traditional, top-down policies to address the problems faced by many rural areas in Europe.

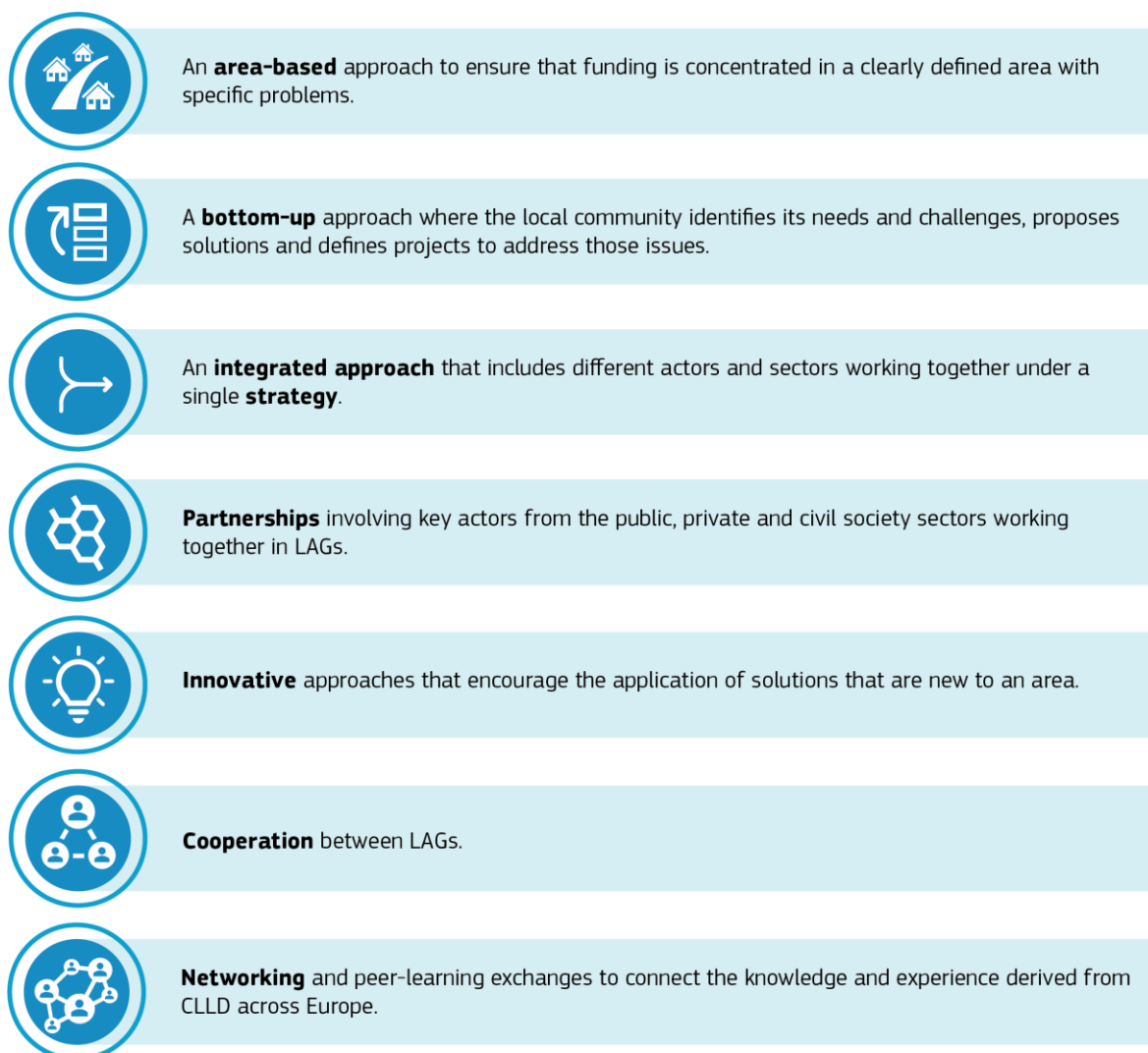
“

The idea was to engage the energy and resources of people and local organisations as development actors rather than beneficiaries, empowering them to contribute to the future development of their rural areas by forming area-based Local Action Group (LAG) partnerships between the public, private and civil sectors.

Source: [LEADER/CLLD explained | The European Network for Rural Development \(ENRD\)](#)

The central aim of CLLD is to encourage local people and organisations to develop local partnerships to design and implement integrated local development strategies (LDS) that builds on local assets. This approach is based on the application of seven key LEADER/CLLD principles (ESF Transnational Platform, 2016).

Figure 1. The seven principles of LEADER/community-led local development



Source: ENRD, LEADER/CLLD explained and What is CLLD? | FARNET (europa.eu).

2.2 CLLD in the ESF

During the 2014-2020 programming period, CLLD was adopted by 11 Member States (Bulgaria, Czechia, Germany, Greece, Hungary, Lithuania, Poland, Portugal, Sweden, Romania and UK) in 19 ESF OPs. Of the 589 LAGs using ESF funding, 465 were multi-funded and the ESF was usually not the lead fund. By the end of 2020, nearly 6 000 projects had been selected, amounting to an investment of EUR 707 million or 3% of the total ESF funding in these OPs. Of EUR 319 million or 45% of the planned total. The selected projects reported a total expenditure of EUR 72 million by the end of 2020.

Full details of how CLLD was implemented using ESF funding are provided in Section 3 of the report. Here, attention is given to the drivers for CLLD in the ESF and the factors impacting its use at national level.

2.2.1 Drivers for CLLD in the ESF: the partnership principle and LEADER

In the 2014-2020 programming period, the European Commission placed greater emphasis on the importance of local development, facilitating wider access to CLLD. This focus drew on the dual strands of stakeholder ownership and multi-level governance central to the EU's '[partnership principle](#)' which are set out in the 2014 [European Code of Conduct on Partnership \(ECCP\)](#) (European Commission, 2014a). The ECCP is a delegated act that provides common standards for partner involvement in programme preparation, implementation, monitoring and evaluation, and in the preparation of Partnership Agreements between the European Commission and individual EU countries that present plans by national authorities for using European Structural and Investment Funds (ESI Funds) in Operational Programmes (OPs).

The partnership principle is based on the premise that job creation, competitiveness, economic growth, improved quality of life and sustainable development require cooperation between public authorities and social partners, non-governmental organisations (NGOs), civil society organisations and individual citizens, and that these connections support effective delivery of ESI Funds (Stott, 2016). By involving citizens in decision-making and implementation processes, partnership should also assist in promoting democracy and assists policy coherence at different levels of governance (Stott, 2016).

In the 1990s, CLLD's predecessor, the LEADER programme used a partnership approach to support local-level rural development (Figure 2). Adopted by the EAFRD between 1991 and 1993, LEADER was introduced as a financial instrument for 217 areas in disadvantaged rural regions. The success of this experimental phase led to the development of LEADER II (1994-1999), with the establishment of 900 LAGs, and LEADER+ (2000-2006) which covered all types of rural areas.

Between 2007 and 2013, LEADER became a central part of the EU's rural development policy, covering 2 416 rural territories across all Member States. It was extended to fisheries policy, with funding from the EFF (later the EMFF and EMFAF)⁶ and the establishment of Fisheries Local Action Groups (FLAGs). Based on lessons learnt from the LEADER experience and its successful use as an important and efficient instrument for territorial development (European Commission, 2018a), the Commission decided to extend the CLLD approach, as it became known, to rural, fisheries and urban areas in the 2014-2020 programming period, using other ESI Funds, namely the ERDF and the ESF (ESF TN, 2016).

⁶ In July 2021, the Fund became known as the European Maritime Fisheries and Aquaculture Fund (EMFAF).

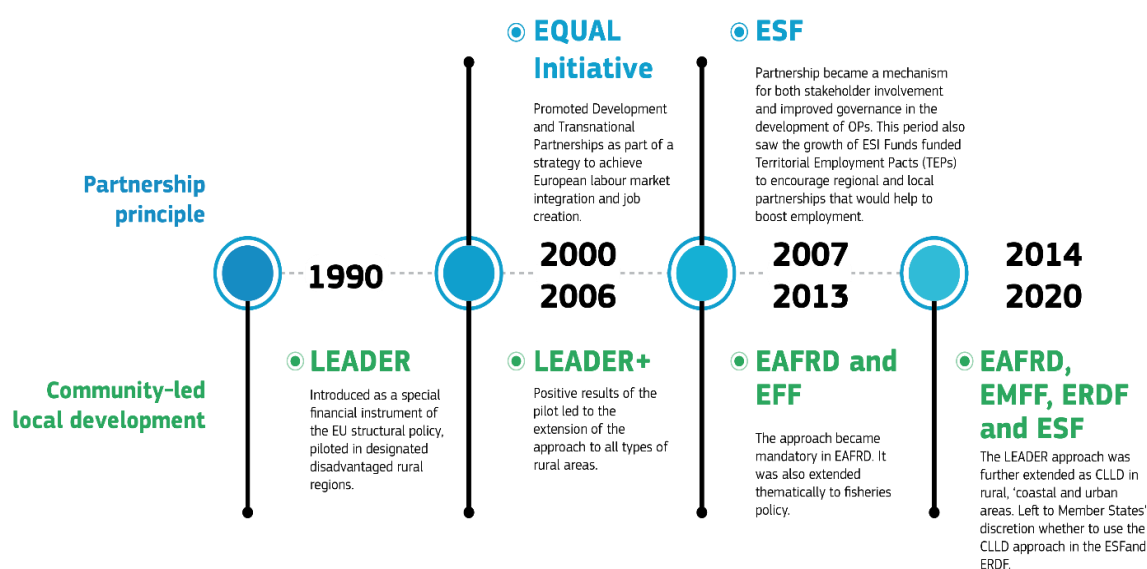
Alongside Territorial Employment Pacts⁷ and local employment partnerships⁸, the LEADER programme influenced the establishment of the [Development and Transnational Partnerships](#) promoted by [the European Commission's EQUAL Initiative](#) (2000-2008). Rather than working in a common geographical area, these partnerships aimed to bring together actors, such as local and regional authorities, public employment services, training bodies, NGOs and social partners to tackle common themes (e.g. discrimination and inequality) using innovative approaches.

“

The partnership principle turned out to be one of the most effective and appreciated factors of EQUAL [...]. Of most note is the important role of the partnerships in the development, validation and mainstreaming of innovation.

Source: Schoenhofer et al., 2009.

Figure 2. The partnership principle and community-led local development – a timeline



Source: ICF based on European Commission (2018a), ESF TN (2016) and [the European Commission's EQUAL Initiative](#).

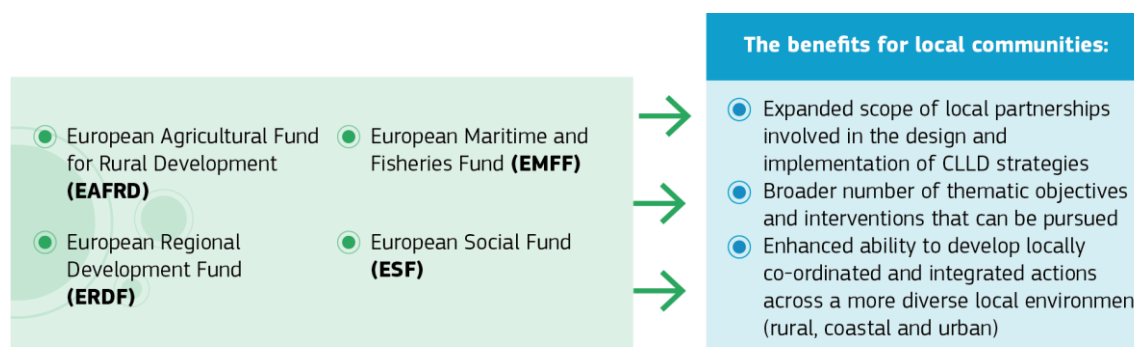
In the 2014-2020 programming period, ESI Funds were seen as an increasingly important means of achieving Europe 2020 goals, especially employment and poverty reduction targets (European Commission, 2018a). The Commission envisaged that the new regulations would create opportunities for closer cooperation at local level within cities, making these goals more achievable (European Commission, 2018b). Programming CLLD under the ESF was intended to achieve results similar to those obtained in the EAFRD and EFF. It was also hoped that CLLD would harness the ability of local actors to foster new opportunities, along with socioeconomic benefits, diversification of activities, and expansion of networking and innovation (Birolo et al., 2012; ESF TN, 2016; Kolomycew, 2017, cited in Kola-Bezka, 2020).

⁷ See: https://ec.europa.eu/regional_policy/archive/innovation/innovating/pacts/down/pdf/pactfin_en.pdf

⁸ See: <https://www.oecd.org/employment/leed/45514943.pdf>

Figure 3. Funds covered by CLLD

The ESF and ERDF have a specific Investment Priority for CLLD as a Territorial Delivery Mechanism. To reduce the administrative burden, all actions managed by a LAG only need to be reported under this one Investment Priority, even if the actions are thematically varied.



(*) At programme level, at least 5% of EAFRD funding must be dedicated to CLLD in each country, while the use of CLLD under the ERDF, ESF and EMFF is optional. LAGs are free to choose the funds they wish to use from those available for CLLD in a given Member State or region.

Source: ICF based on Servillo and Kah (2020).

In the 2014-2020 programming period, Article 32(4) of Regulation (EU) 1303/2013 (Common Provisions Regulation, CPR) created the opportunity for a Local Development Strategy to be funded by a single ESI Fund (mono-funding) or by more than one ESI Fund (multi-funding) (European Commission, 2018a). This development was intended to facilitate the sustainable implementation of multi-dimensional and cross-sectoral interventions for all EU funds in local areas with rural, urban, and coastal dimensions (Kola-Bezka, 2020).

While it was mandatory for Member States to allocate 5% of EAFRD funding to CLLD, there was no requirement for Member States to do the same for other ESI Funds. LAGs therefore continued to be funded primarily by the EAFRD, which accounted for EUR 7 billion of the EUR 9.3 billion (75%) of ESI Funds allocated to CLLD in 2014-2020 (Kah, 2020). ESF and ERDF funds accounted for 19% of that total, with the remaining 6% covered by the EMFF (Kah, 2020). Differences in managerial structures and delivery mechanisms for funding increased administrative complexity and affected the extent to which LAGs used the multi-funded CLLD option (Servillo, 2017).

2.2.2 CLLD as a new approach in the ESF (2014-2020)

The CLLD approach is aligned with the social inclusion objectives of the ESF. It encourages community participation and local level action to generate new ideas and solutions, often among groups outside of mainstream ESF support. Rather than a stand-alone investment, CLLD in the ESF also has the potential to create synergies at local, regional and national levels which could enhance social innovation in the longer term.

In the 2014-2020 programming period the ESI Funds – in particular, the ERDF, ESF and Cohesion Fund – supported 11 [Thematic Objectives](#). [The ESF supported](#) four of them (8-11). CLLD was included as one of the ways in which the ESF could support the achievement of Thematic Objective 9– promoting social inclusion, combating poverty and any discrimination (Article 3(1)(b)(vi) ESF Regulation) (European Commission, 2014b). CLLD could be either mainstreamed under the selected Investment Priorities of the ESF programme (Article 12, ESF Regulation) or programmed under the CLLD Investment Priority (9vi) as a new feature (European Commission, 2018b). Member States/regions could also define the priorities addressed by CLLD in their OPs or in subsequent calls for

proposals (European Commission, 2018a). The extent to which Member States programmed CLLD in the ESF – whether through ESF mono-funding or multi-funding – depended on a variety of country-specific factors and the priorities agreed by Member States in their Partnership Agreements with the European Commission.

Despite its promotion in the relevant regulations, in implementing CLLD at European level, the ESF and ERDF managing authorities and LAGs did not have access to the same level of support and guidance received by their colleagues in rural and fishery policies (Lukesch, 2018a). This left a gap in the learning, exchange and conceptualisation of CLLD, especially in urban areas. Highlighting the importance of this kind of operational support, the ESF Managing Authority in Czechia joined meetings of European networks in rural policy to benefit from the learning and guidance offered to rural CLLD stakeholders, and also organised study visits⁹ to Austria and Sweden in order to build its capacity to implement CLLD and reflect on the suitability of financing and implementation options. The Austrian Managing Authority, which is considering stronger linkages with the CLLD approach under the ESF+, also mentioned study visits as a useful tool for future peer-to-peer learning exchanges on CLLD.

Box 1. EU-level community-led local development support and mutual learning

- In 2014, the European Commission developed the document [Guidance for Local Actors on Community-Led Local Development](#) to complement its [Guidance for Member States and Programme Authorities on Community-led Local Development in European Structural and Investment Funds](#) by assisting in the design of efficient delivery mechanisms for CLLD.
- The [European Network for Rural Development \(ENRD\)](#) is a hub for exchanging information on the use of CLLD in the EAFRD.
- The [Fisheries Areas Network \(FARNET\)](#) shares expert advice and assistance for those implementing CLLD in the EMFF. The network identifies and disseminates successful responses to key challenges for coastal, fisheries and aquaculture areas across Europe.
- The four European Commission directorates general (DGs) responsible for the ESI funds organised transnational learning seminars on CLLD in 2015 and 2019 (led by DG MARE), 2016 (led by DG AGRI) and 2017 (led by DG EMPL and DG REGIO)¹⁰.
- The ESF Transnational Network on Partnership (2015-2019) offered support on the implementation of the partnership principle and the ECCP at different levels of governance. It held a series of events on local place-based partnership approaches, including CLLD¹¹.
- Run by a group of experts, the [Local Development Network \(Ldnet\)](#) provides good practice examples, policy concepts and methodological contributions on aspects of

⁹ The study visits explored good practices in the application of the CLLD approach in funds other than ESF. Austria did not use the CLLD approach in its 2014-2020 ESF programme.

¹⁰ Transnational seminar “Implementing CLLD across the ESI Funds”, Edinburgh, Scotland, 8-10 December 2015; Transnational CLLD Seminar “Achieving results the CLLD way: Putting the method to work” Båstad, Sweden, 6-8 December 2016; The third European Seminar on CLLD, Győr, Hungary, 8-10 November 2017 and the “Community-Led Local Development (CLLD) Conference - Local action in a changing world”, Brussels, Belgium 3-4 December 2019.

¹¹ These included a network meeting focused on CLLD in February 2017 and the workshop ‘Working together in community-led local development approaches’ at the ESF Transnational Network Conference held in Brussels on 21-22 May 2019.

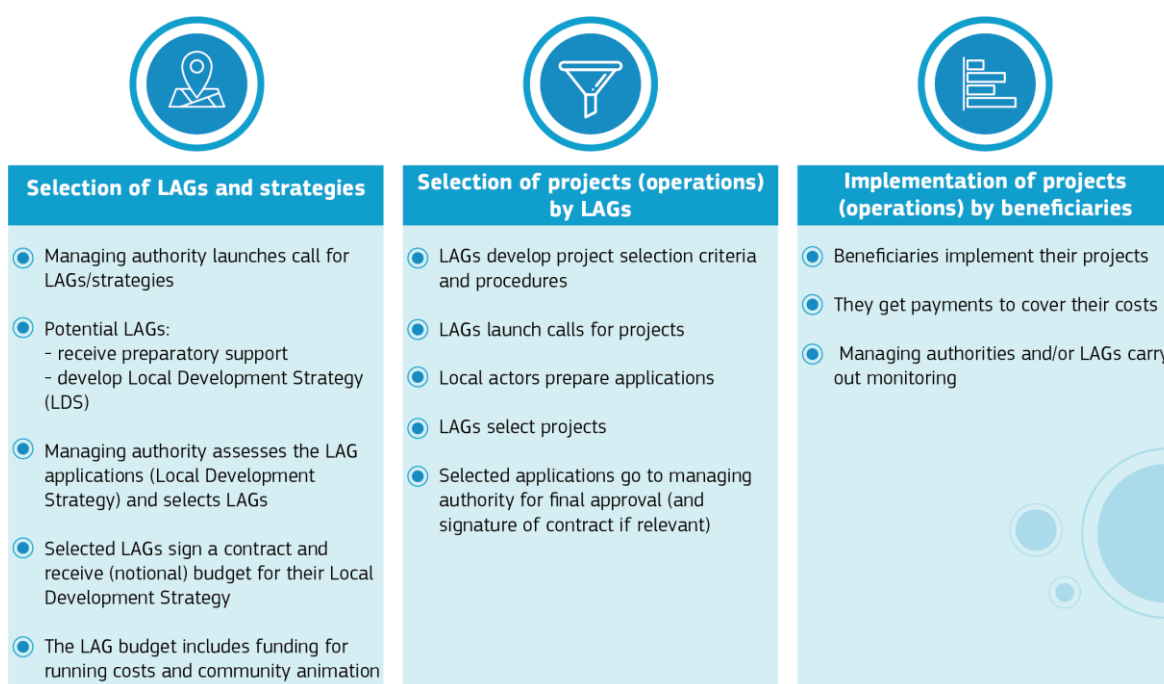
local development in urban, rural and coastal areas, including case studies with an emphasis on social inclusion.

2.2.3 Overview of the CLLD implementation process

Implementation of CLLD follows a three-stage process:

1. Selection of Local Action Groups (LAGs);
2. Selection of projects by LAGs;
3. Implementation of projects by beneficiaries for target groups.

Figure 4. Community-led local development implementation process



Source: Budzich Tabor based on CPR 2021-2027 (European Commission, 2021b) and Guidance on Community-led Local Development in European Structural and Investment Funds (European Commission, 2014c).

Within this overview, it is important to note that:

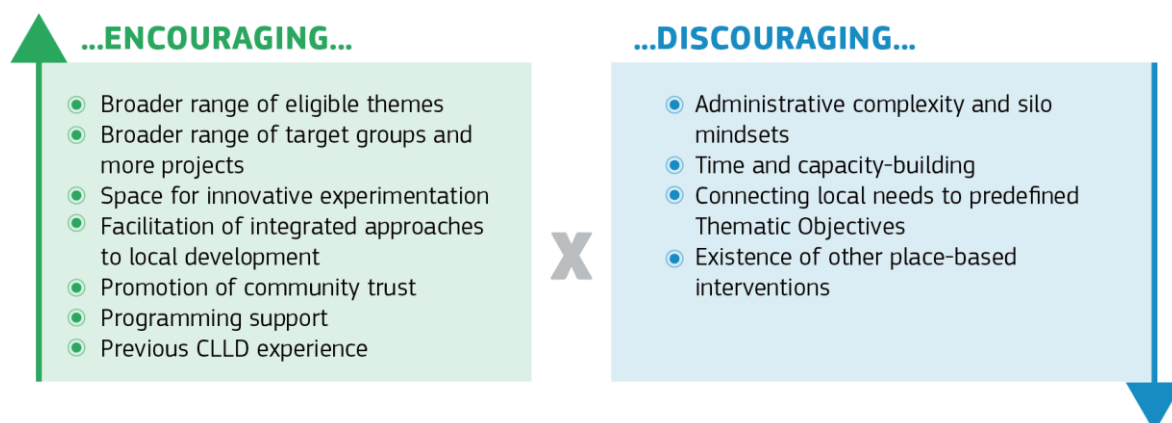
- Although the roles of managing authorities and LAGs usually coincide with those outlined in Figure 4, some managing authorities launch calls for projects, develop selection criteria and/or select projects. Article 33 of the CPR for the 2021-2027 programming period, however, states that LAGs will carry out **all** of these tasks **exclusively** (Article 33(3c-d) of CPR 2021-2027, European Commission, 2021b).
- Contracts take different forms between managing authorities and LAGs for the Local Development Strategies (LDS), and between managing authorities and project beneficiaries (sometimes without the official involvement of the LAG). In some cases, a formal decision is sufficient.
- In some Member States, LAGs do not have periodic calls for projects but can accept applications from local beneficiaries at any time.

- Calls for LDS (and projects) can have one or two stages, i.e. an initial expression of interest followed by a more detailed application.
- Selection criteria and procedures for local projects can be outlined in the LDS, in which case they are assessed by the managing authority during the LAG selection process. While some managing authorities insist on project selection criteria being approved by the monitoring committee, this may not always be necessary¹².
- According to Article 33(5) of CPR 2021-2027, LAGs can both implement their own projects (European Commission, 2021b), and be beneficiaries of cooperation projects (with other LAGs). Selection procedures in such cases can be different from those for projects implemented by other local actors.
- Payments can be made on the basis of proof of payments or as advance payments. In both cases the final declaration of costs normally occurs when the project is fully completed.
- Article 34 of CPR 2021-2027 states types of costs supporting CLLD: (a) capacity building and preparatory actions supporting the design and future implementation of the strategy; (b) the implementation of operations, including cooperation activities and their preparation, selected under the strategy; (c) the management, monitoring and evaluation of the strategy and its animation, including the facilitation of exchanges between stakeholders that should not exceed 25% of the total public contribution to the strategy (European Commission, 2021b).

2.3 Factors impacting the use of CLLD at national level

At Member State level, familiarity with local development approaches and partnerships existed in the ESF prior to the 2014-2020 programming period, with programmes addressing social exclusion using elements of CLLD (i.e. EQUAL, Local Employment Initiatives and Territorial Employment Pacts). Many Member States thus saw obvious advantages in the expansion and uptake of CLLD through new funding options. Other factors, however, discouraged the uptake of CLLD (Figure 5).

Figure 5. Factors affecting the use of ESF funding for community-led local development



¹² DG REGIO, for example, has interpreted this as unnecessary. Response to a query, DG REGIO internal documents.

Source: ICF based on literature review and interviews with managing authorities.

2.3.1 Incentives for CLLD uptake

The introduction of new funds for CLLD implementation resulted in an expansion of the share of overall funding spent on CLLD and the number of LAGs (Servillo and Bruijn, 2018). The reasons for this uptake are various and encompass perspectives on both what the ESF adds to CLLD, and what CLLD adds to the ESF, including:

- **Broader range of eligible themes:** The ability to programme CLLD through the ESF broadened the number of policy areas for Member States to address important challenges at local level (Servillo and Bruijn, 2018). This also increased the scope for local actors to design and implement Local Development Strategies (LDS) to address issues relating to social inclusion in a locally coordinated and integrated way across more diverse local environments (rural, coastal and urban). A broader range of eligible Thematic Objectives was now open to LAGs provided that two conditions were met: firstly, if managing authorities included CLLD in the relevant programmes; and, secondly, if the LAGs chose to use funds in their LDS. This also increased the ability of local actors to respond more effectively to territorial needs.
- **Broader range of target groups and more projects:** The multi-fund option was very convenient for managing authorities and LAGs because they could combine different scopes of intervention using two or more funds (e.g. in Poland, Romania). In the Polish region of Kujawsko-Pomorskie, the LAG could support infrastructural investments funded by ERDF if they were linked to a 'soft' project (e.g. training) funded by ESF. Opening CLLD up to other funding streams such as the ESF stimulated the creation of new urban LAGs. This also allowed existing LAGs to increase their funding base and widen the scope of their work by, for example, adding more projects and broader target groups to the promotion of social inclusion, employment and labour mobility (Servillo, 2017).
- **Space for innovative experimentation:** The fact that guaranteed funding was available to LAGs from other funds provided space for innovative experimentation with CLLD approaches in the ESF. Long-term ESF funding was also seen as opening up possibilities for the generation of economies of scale (Kah, 2019).
- **Facilitation of integrated approaches to local development:** Access to multiple funding streams allowed for expanded partnerships, development of LDS, and improved synergies between services within a locality. This served to enhance the ability of local actors to tackle social issues across integrated urban, social exclusion and urban-rural dimensions (Servillo, 2017). Funding for the ESF Thematic Objectives also encouraged areas characterised by low urbanisation to be more receptive to themes such as the integration of migrants and refugees, the needs of marginalised communities and sustainable tourism (Servillo and Bruijn, 2018).
- **Promotion of community trust:** CLLD uptake in the ESF was viewed as a way of stimulating better political dialogue and developing more trusting relationships in local communities. The Managing Authority in Czechia, for example, explained that by funding actions locally, CLLD brought European funds closer to citizens and allowed them to directly voice their needs and find solutions to local problems. In Poland, the regional approach embraced by the Polish Managing Authority meant that CLLD was introduced by the Podlaskie regional OP as an approach that aimed to reach 'local communities and beneficiaries more directly with ESF support.'

- **Programming support:** Some managing authorities made it easier for LAGs to apply an integrated funding approach to their LDS. In Sweden, for example, the Managing Authority adopted a one-stop-shop approach, with ESF and ERDF funds supporting CLLD in a single programme that harmonised different procedures with strategic management of LAGs (Box 4). In Romania, the Managing Authority chose to programme CLLD¹³ across two OPs, the ESF-funded Human Capital OP and ERDF-funded regional OP, in order to obtain more effective and integrated local-level solutions (e.g. harmonising community health and social centres with local employment and family support infrastructures).
- **Previous CLLD experience:** CLLD was easier to use for those LAGs that could capitalise on the previous experiences of project design and preparation of funding applications for LDS used for other ESI Funds (Servillo, 2017; Kah, 2019). In Germany, Poland and Greece, for example, experience with LEADER helped LAGs to carry out tasks such as announcing calls, training potential beneficiaries and monitoring projects more effectively.

2.3.2 Disincentives for CLLD uptake

Some Member States were unenthusiastic about using the CLLD approach in the ESF. Their reasons included concerns about the administrative burden involved, challenges related to complexity, silo mindsets, and competition between different EU and national funds. The interviews for this report also identified contextual reasons for their reluctance to use CLLD.

- **Administrative complexity and silo mindsets:** Despite managing authorities' efforts to reduce complexity for LAGs with multifund Local Development Strategy, the processes for project selection under each fund implied a significant administrative burden. This, coupled with the time required to ensure that each set of rules was applied, tended to constrain CLLD uptake. This complexity is illustrated in findings from interviews with managing authorities and from the literature. The ERDF Managing Authority in Austria, for example, reported that the management costs of the CLLD approach in EAFRD and ERDF could be up to three times higher than those for similar national or regional bottom-up programmes (Servillo, 2017). Higher administrative costs were also reported in Czechia. This was due to the smaller size of projects and a higher number of projects implementing LDS than in other calls for ESF projects. As a result, about 1 200 were obliged to follow the same rules as larger projects, all of which were later monitored by the Czech Managing Authority.

Concerns were raised by Austria about the risk of introducing a new approach such as CLLD in ESF programming due to the potential error rates that may be incurred in small projects delivered by inexperienced beneficiaries. This highlights the importance of capacity building and support mechanisms provided by Member States.

Many of the Member States interviewed noted that the persistence of traditional silos within governance structures was a concern, as was the fact that delivery systems remain largely separate both at EU and Member State level. They reported that the ministries and departments responsible for different funds did not necessarily know one another, cooperate well, or work together. In Bulgaria, for example, five ministries were responsible for the funds that could co-finance the CLLD approach,

¹³ Romania has three parallel separate strands of CLLD for LAGs: urban-rural (ERDF and ESF), rural (EAFRD) and fisheries (EMFF, coast and along Danube).

and cooperation between them required time, coordination, and a willingness to try out this new approach.



Over time, we became closer and now we are working in a smooth way but in the beginning, it was very challenging to prepare the CLLD structure for implementation because we didn't know each other, and we had to establish a very close connection in a short time.

Source: Interview with Bulgarian Managing Authority.

The Greek Managing Authority noted that the main challenge in using the CLLD approach in the ESF was to develop and apply a new implementation model where the calls were launched by LAGs. The managing authority or intermediate body were thus not fully responsible for the projects that would take place or for the local actors that would implement them.

- **Time and capacity-building:** While most respondents accepted administrative complexity as a temporary obstacle in the move towards more citizen-centred local development, the time required for this transition was an issue. Complex administrative procedures at both managing authority and LAG level, and subsequent long delays in LDS implementation, also had implications for trust and motivation in local communities.

The Coordinating Body for EU Funds in Greece stated that some of the regional OPs that had planned to use the CLLD approach chose not to do so due to the time needed to build the capacity of managing authorities and LAGs to plan and design appropriate procedures and interventions. These concerns were echoed by the Czech Managing Authority which noted that although LAGs were interested in ESF funding, the time required to put new funding in place delayed implementation¹⁴. Due to the Managing Authority's limited resources, it was decided that only 151 of the 180 LAGs in Czechia would be financed by the ESF.

- **Connecting local needs to predefined Thematic Objectives:** As well as having to deal with different managing authorities for different funding streams (e.g. EAFRD, ESF) and distinct fund-specific rules and responsibilities for the approval of Local Development Strategies, LAGs also experienced difficulties in connecting local needs to Thematic Objectives set out at EU level and in designing interventions, particularly ESF-funded interventions, that would complement other programmes such as LEADER. Although the CLLD approach covered a range of social issues, some LAGs struggled to connect local needs to the bigger picture of community-led growth and cohesion in Europe. In such cases, the support of a dedicated advisory service for CLLD, instituted by the managing authority or an intermediate body was helpful (see Section 3.6.3 for examples from Germany and the UK).

Existence of other place-based interventions: In some countries, the existence of other local employment initiatives and local development partnerships meant that CLLD was not considered. In France, for example, the 'Territories Without Long-Term Unemployed' (*Territoires Zéro Chômeur De Longue Durée*) project developed by the national administration in 1995 had been implemented in 10 communities by 2019, with plans to extend it to a further 50 communities with possible ESF funding (ESF Transnational Network

¹⁴ Although CLLD takes longer to implement, this slowness can be compensated by the development of more efficient processes. In Poland, for example, the EMFF delivery system for 2014-2020 was based on experienced FLAGs and regional intermediate bodies. According to the [mid-term evaluation of EMFF implementation in Poland \(December 2020\)](#), CLLD (priority 4 of OP RYBY funded under EMFF) performed better than other (mainstream) priorities in terms of amounts committed and spent, and indicators reached. This was despite Polish FLAGs supporting many small projects rather than big investments.

on Partnership, 2019). In Ireland, existing local projects and programmes using both EU and state funding were viewed as reducing the significance of the added value of CLLD (Miller, 2014). In addition, all activities within the Irish ESF OP were national in nature and implemented through relevant government departments and agencies. While there was certainly space for local and regional groups to apply for funding through open calls for proposals within these activities in order to avoid duplication and keep programming within budget, the provision of funding for particular local areas was not felt to be necessary (ESF Transnational Network on Partnership, 2019).

3. Implementation of CLLD with ESF funding

This section outlines the various ways in which CLLD has been implemented under the ESF across EU Member States during the 2014-2020 programming period.

Key findings

- During the 2014-2020 programming period, 11 Member States (Bulgaria, Czechia, Germany, Greece, Hungary, Lithuania, Poland, Portugal, Sweden, Romania, UK) used CLLD in 19 ESF OPs. The total investment planned for CLLD was EUR 707 million or 3% of the total ESF funding in these OPs. By the end of 2020, nearly 6 000 projects had been selected, amounting to a total investment volume of EUR 319 million or 45% of the planned total. Implementation was slow. The selected projects reported a total expenditure of EUR 72 million by end-2020.
- 589 LAGs used ESF funding during the 2014-2020 programming period. The majority of these (465) were multi-funded and the ESF was usually not the lead fund.
- While the themes covered by CLLD projects varied between Member States, most support offered by LAGs was one of three types: (1) access to employment, (2) social inclusion and (3) education.
- The added value of the CLLD approach for the ESF included the empowerment of local stakeholders to address social issues in an integrated way and the ability of previously excluded local providers to access EU funds. When managing authorities, intermediate bodies and participating organisations collaborated more closely (especially across funds), they were able to involve new stakeholders and deliver more outputs to a greater number of target groups in local communities.

3.1 Overview of the CLLD approach in the ESF

During the 2014-2020 programming period, 11 Member States (Bulgaria, Czechia, Germany, Greece, Hungary, Lithuania, Poland, Portugal, Sweden, Romania, UK) implemented CLLD with ESF funding. The uptake of CLLD by the ERDF and ESF was generally viewed as successful (Servillo, 2017).

The CLLD approach was used in 19 OPs across different Member States¹⁵. CLLD was also planned¹⁶ under 14 OPs in several Member States (Germany, Greece, Spain, France, Italy, Poland) but later cancelled due to budgetary constraints, lack of institutional capacity, or lack of uptake from LAGs (see Annex 3). Some of these OPs may have mistakenly reported on the use of funds under the CLLD dimension code¹⁷ in their annual implementation reports.

Most Member States opted to implement CLLD in the ESF through one national OP (Czechia, Hungary, Lithuania, Romania, Sweden) or a regional OP (Germany). Two Member States implemented CLLD in different categories of regions through a single OP. In Romania, the Human Capital OP implemented CLLD in both more developed and less developed regions. Similarly, in the UK, CLLD was programmed in all three categories of regions (more developed, transition and less developed) through the OP England. Several Member States implemented CLLD through two or more national OPs (Bulgaria) or regional OPs (Greece, Poland, Portugal).

The **administrative choice of programming CLLD in the ESF via national or regional OPs** was based on multiple factors. Where ESI Funds had previously been managed at regional level, for example, ESF-funded CLLD was also likely to be regional (e.g. Germany). Often, the administrative set-up followed longstanding national traditions of centralisation or decentralisation. It is worth highlighting, however, that these OP implementation structures in the ESF may change in the 2021-2027 programming period.

3.2 Planning CLLD in 2014-2020 and implementation progress

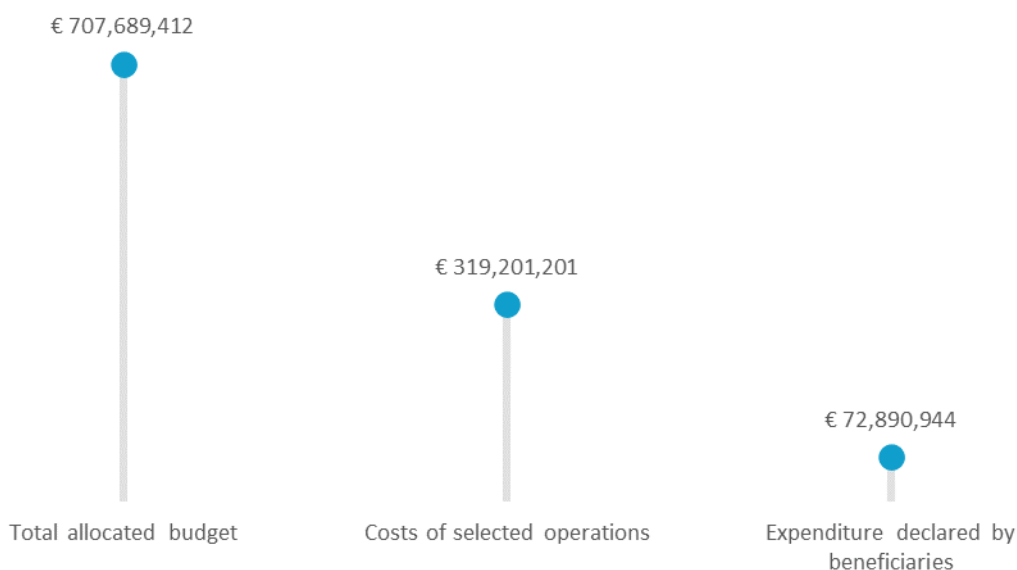
Figure 6 presents the total EU and national budget allocated to CLLD across the 11 Member States that programmed CLLD using ESF funding during the 2014-2020 programming period. The figures, which provide information on the three phases of EU budget spending: planning (or allocated budget); selection and declaration of expenditure, show that of the EUR 707 million allocated for CLLD in the ESF, less than half this amount, EUR 319 million, was used for the costs of selected operations and only EUR 72 900 million was declared by beneficiaries for CLLD implementation.

¹⁵ In addition, the Regional OP Śląskie (Poland) supported projects of LAGs in the open calls for projects. The OP was excluded from the analysis as the CLLD approach was not followed in full.

¹⁶ According to data for ESF funding planned under Investment Priority 9vi (CLLD strategies) and/or financial data categorised by Territorial Delivery Mechanism. Based on SCF 2014 as of 2019 (export on 4 February 2021).

¹⁷ The ESF dimension code for CLLD is 114 (Source: Commission Implementing Regulation (EU) No 215/2014, Annex I).

Figure 6. Progress in implementation of community-led local development in the ESF (planned budget, cost of selected projects and declared amounts by beneficiaries)



Source: SFC 2014 data extracted on 4 February 2021 and data provided by managing authorities as of 2020. The financial information consists of the EU amount topped up with the national co-financing to ESF funds.

By the end of 2020¹⁸, CLLD projects selected across these 11 countries amounted to EUR 319 million, or 45% of the total budget planned for CLLD. The overall expenditure declared by beneficiaries was EUR 72 million by autumn 2020 or 23% of the value of selected operations.

Table 1 shows EU and national funding for CLLD per OP, in terms of planned, selected and declared amounts as of 2020. Over half of the total budget for CLLD in the ESF was planned in just three programmes: OP Human Capital (30%) in Romania, OP England (12%) in the UK, and OP Employment, Human Capital and Social Cohesion in Czechia (10%).

A closer look at the share of costs of selected operations in the planned budget shows marked differences. Lithuania and Sweden selected operations at a higher value than the budget allocated for CLLD¹⁹. By the end of 2020, four regional OPs had made good progress in the selection of projects with over 80% of funds already dedicated to CLLD operations: Peloponnesus (Greece), Podlaskie (Poland), Kujawsko-Pomorskie (Poland) and Lisboa (Portugal). Conversely, the OP Centro in Portugal, OP Human Capital in Romania and OP Epirus in Greece selected projects amounting to only 15% of the total budget planned for CLLD. Of the 19 OPs using CLLD, only two (Sweden and UK) declared expenditure amounting to over 40% of the total value of all selected projects under ESF CLLD. While this suggests solid implementation in these OPs, it also raises concerns about other OPs and indicates the need for additional information to complement this finding and explore why expenditure was so much lower.

¹⁸ Data for three Operational Programmes in Germany, Portugal and Romania refer to state as of the end of 2019.

¹⁹ Sweden reported on the total eligible costs that beneficiaries included in their applications. However, not all of these costs were fully covered by the programme. The co-financing rate varies between 40% and 100%.

Table 1. Progress in implementation of community-led local development in ESF funding, by Operational Programme (planned budget, cost of selected projects and declared amounts by beneficiaries)

| MS | Year of data | OP | Planned budget (EU + national) [column: a] | % of total CLLD budget across OPs [column: b] | Costs of selected operations [column: c] | % costs selected operations in planned budget [calculation of columns: c/a] | Expenditure declared by beneficiaries [column: d] | % declared expenditure in costs of selected operations [calculation of columns: d/c] |
|----|--------------|---|---|--|---|--|--|---|
| BG | 2020 | Science and Education for Smart Growth | € 5 191 471 | 1% | € 2 635 035 | 51% | € 15 669 | 1% |
| BG | 2020 | Human Resources Development | € 49 748 700 | 7% | € 23 173 907 | 47% | € 717 964 | 3% |
| CZ | 2020 | Employment, Human Capital and Social Cohesion | € 67 294 721 | 10% | € 44 303 365 | 66% | € 9 713 967 | 22% |
| DE | 2019 | Sachsen-Anhalt | € 9 522 296 | 1% | € 3 076 235 | 32% | € 523 620 | 17% |
| EL | 2020 | Epirus | € 2 000 000 | 0% | € 300 000 | 15% | € 14 113 | 5% |
| EL | 2020 | Peloponnesus | € 6 250 000 | 1% | € 5 674 924 | 91% | € 1 528 626 | 27% |
| EL | 2020* | Central Macedonia | € 7 500 000 | 1% | € 2 244 200 | 30% | 165 572 | 7% |
| HU | 2020 | Territorial and settlement Development | € 39 412 359 | 6% | € 7 823 544 | 20% | € 245 372 | 3% |
| LT | 2020 | EU Structural Funds Investments | € 22 164 826 | 3% | € 28 361 558 | 128% | € 9 258 292 | 33% |

ESF AND COMMUNITY-LED LOCAL DEVELOPMENT: LESSONS FOR THE FUTURE

| MS | Year of data | OP | Planned budget (EU + national) [column: a] | % of total CLLD budget across OPs [column: b] | Costs of selected operations [column: c] | % costs selected operations in planned budget [calculation of columns: c/a] | Expenditure declared by beneficiaries [column: d] | % declared expenditure in costs of selected operations [calculation of columns: d/c] |
|----|--------------|---------------------------------|---|--|---|--|--|---|
| PL | 2020 | Kujawsko-Pomorskie Voivodeship | € 29 868 942 | 4% | € 24 511 806 | 82% | € 8 617 090 | 35% |
| PL | 2020 | Podlaskie Voivodeship | € 23 968 206 | 3% | € 21 056 304 | 88% | € 7 234 627 | 34% |
| PT | 2020 | Norte | € 48 000 003 | 7% | € 33 785 469 | 70% | € 29 091 | 0% |
| PT | 2020 | Centro | € 29 420 273 | 4% | € 3 588 516 | 12% | € 589 078 | 16% |
| PT | 2019* | Alentejo | € 17 048 475* | 2% | € 4 131 517* | 24% | € 453 876* | 11% |
| PT | 2020 | Lisboa | € 31 193 030 | 4% | € 24 949 436 | 80% | € 5 723 360 | 23% |
| PT | 2020 | Algarve | € 8 375 000 | 1% | € 3 235 595 | 39% | € 108 663 | 3% |
| RO | 2019 | Human Capital | € 211 978 216 | 1% | € 31 333 396 | 15% | € 2 688 753 | 9% |
| SE | 2020 | Community-led local development | € 13 411 527 | 2% | € 15 574 270 | 116% | € 8 616 167 | 55% |
| UK | 2020 | England | € 85 341 367 | 12% | € 39 442 124 | 46% | € 16 647 044 | 42% |
| | | Total | € 707 689 412 | 100% | € 319 201 201 | | € 72 890 944 | |

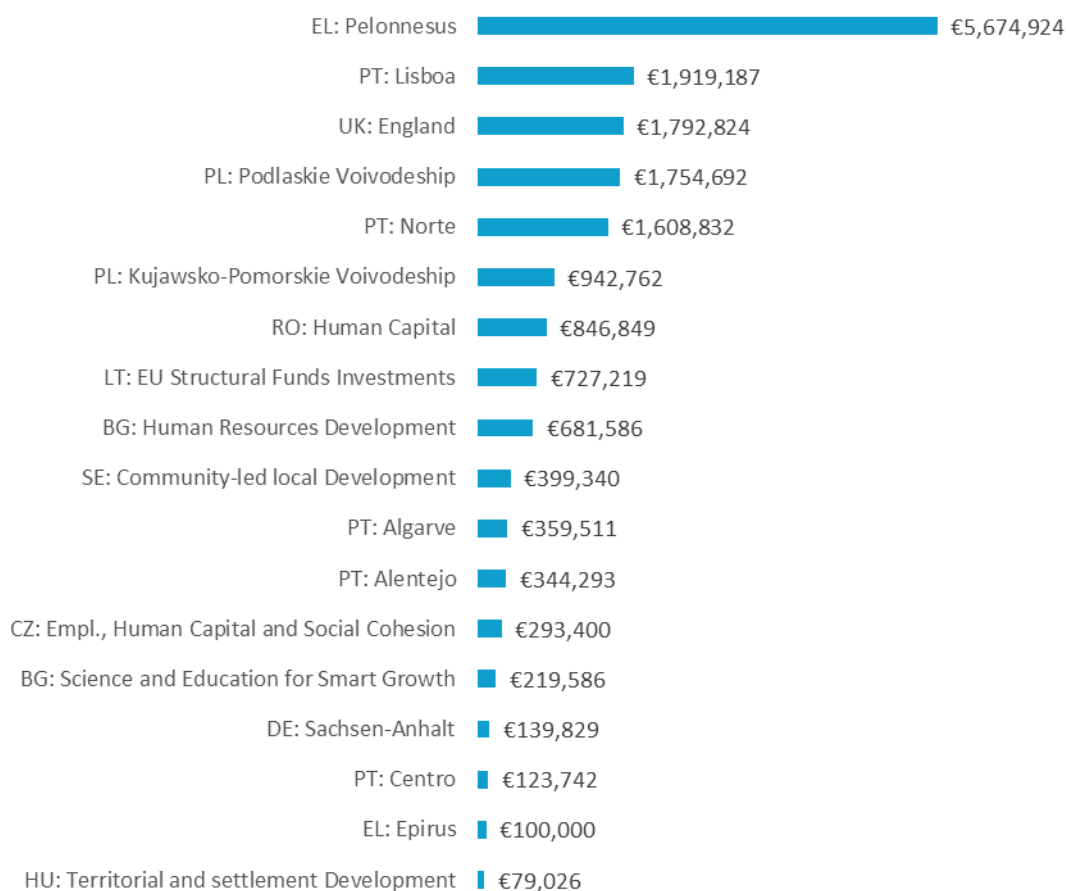
(*) Data taken from SCF 2014 or based on desk research with additional data provided and/or validated by managing authorities.

Source: Planned budget, costs of selected operations and expenditure declared by beneficiaries.

Nearly 6 000 CLLD projects were selected across the 11 Member States that programmed CLLD using ESF funding during the 2014-2020 programming period, ranging from one in Peloponnesus (Greece) to over 1 200 projects in Czechia.

The budget size per LAG varied significantly (Figure 7). Among the different OPs, the project supporting implementation of the [ARKADIA 2020 strategy](#) in the Peloponnesus region of Greece was the largest (EUR 5 million). Although far smaller, ESF support per LAG in Portugal, UK, and Poland also showed a relatively high budget investment. Among the OPs with the smallest budgets per LAG were those of the OP Territorial and Settlement Development in Hungary (EUR 79 thousand).

Figure 7. Average ESF budget per Local Action Group



Source: ICF calculations based on data from SFC 2014, programming documents and most recent data provided by managing authorities on the costs of selected operations and number of selected projects. Data not available for Regional OP for Central Macedonia in Greece.

3.3 Local Action Groups using ESF funding

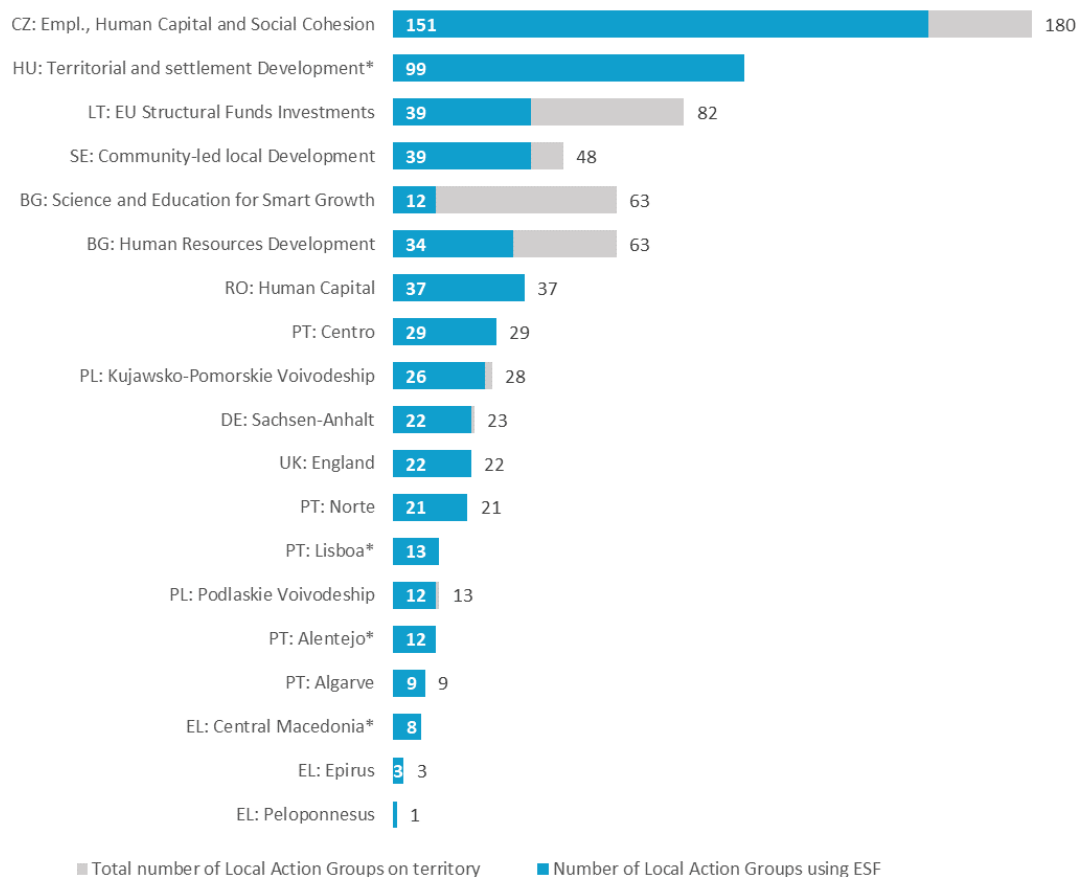
The different sources consulted as part of this study indicate that 578 LAGs used ESF funding during the 2014-2020 programming period²⁰. This figure corresponds to 17% of all the 3 337 LAGs using ESI Funds (Kah, 2019 updated data, May 2021).

A few managing authorities did not reach all the LAGs in the territory covered by the specific OP with ESF funding (Figure 8). The managing authorities we interviewed gave several reasons for some LAGs opting not to use ESF funding:

- Limited human resource capacity of the managing authority to serve all LAGs meant that eligibility criteria based on socioeconomic indicators were introduced to finance activities only in the most deprived areas (Czechia).
- Insufficiency of planned ESF budget to cover all LAGs (Hungary).
- Hesitancy in applying for and complying with new LAGs regulations for ESF funding (Poland).

²⁰ [JRC's STRAT-Board database](#) identifies 576 ESF funded LAGs. The discrepancy between the study and the database occurs in: Germany (Sachsen-Anhalt) (23 LAGs according to JRC. The ESF MA consulted stated that of 23 LAGs in the region only 22 LAGs implemented ESF projects, hence 22 are reported in the study), Greece (11 LAGs according to the JRC compared to 12 reported by the coordinating body and EC desk officers), Hungary (98 LAGs according to the JRC compared to 99 reported by the managing authority), Portugal (82 LAGs according to the JRC compared to 94 reported by the managing authority) and United Kingdom (23 LAGs according to the JRC. Here, the ESF MA provided information about the withdrawal of one LAG since JRC data were collected, hence 22 LAGs are reported in the study).

**Figure 8. Local Action Groups per Operational Programme
(total number of Local Action Groups in territory vs
Local Action Groups using ESF funds)**

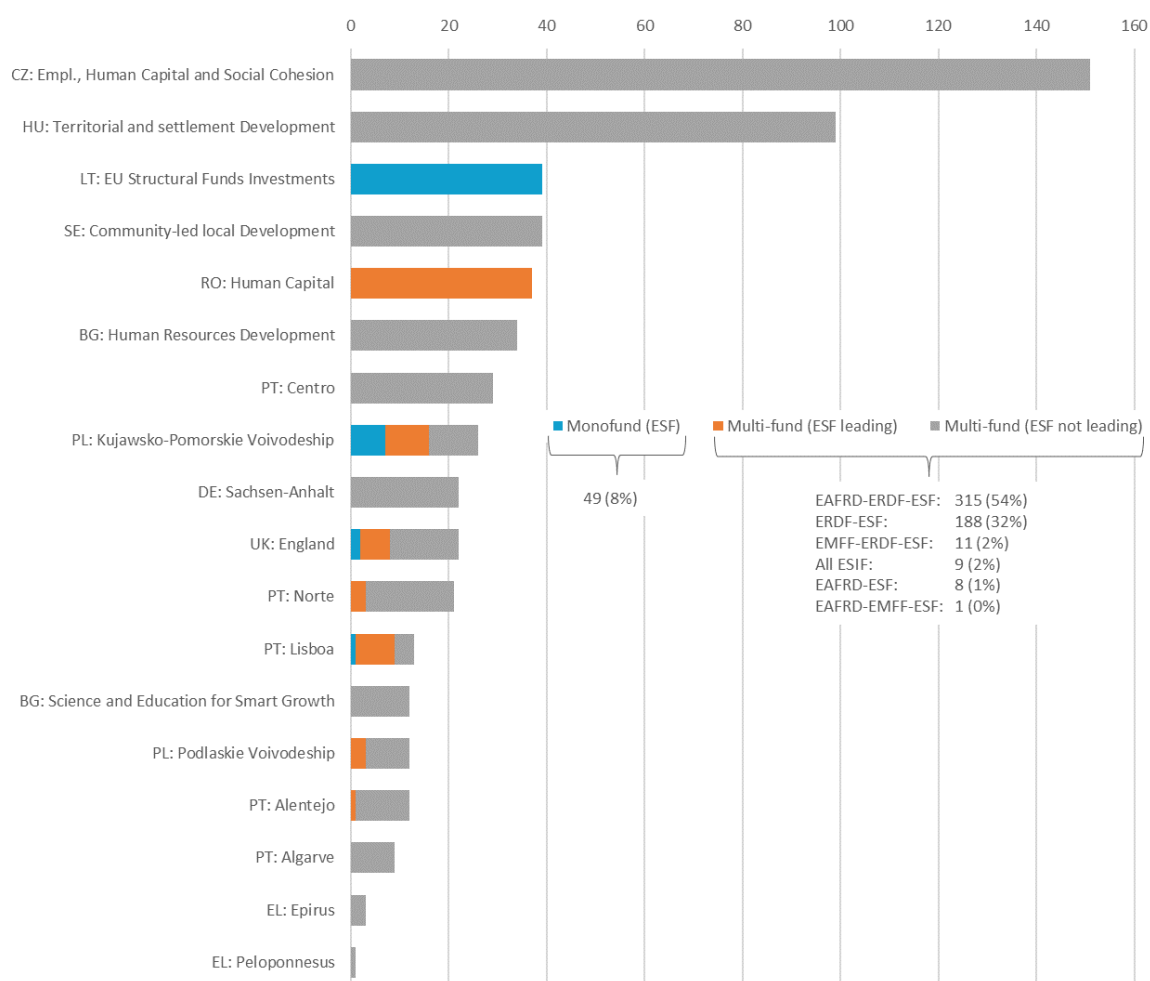


(*) Missing data on the total number of LAGs in the territory covered by the OP.

Note: In Bulgaria, 11 LAG strategies were financed from both ESF Programmes.

Source: Data provided by managing authorities, DG REGIO internal database and study research.

The largest proportion of LAGs using ESF funding (465 or 78%) were multi-funded, where the ESF was not the lead fund. ESF funding was often paired with EAFRD and ERDF funding (53%) or ERDF funding alone (34%). A sizeable proportion of LAGs (83 or 14%) were implemented using a combination of multiple funds, where the ESF was the lead fund. Among LAGs where ESF funding was used, only 49 (8%) were implemented using ESF funding alone.

Figure 9. Local Action Group funding structure incorporating ESF funding


Source: Data provided by managing authorities, DG REGIO internal database and study research. Data not available for Central Macedonia Regional OP in Greece.

Box 2. Local Action Groups – examples

Poland

- In 2017, the region of Kujawsko-Pomorskie in Poland had a registered unemployment rate of 12.8%, the second highest in Poland. Some 9.5% of people lived in extreme poverty compared to the Polish average of 7.4%. ESF funding for CLLD in the regional OP for Poland was EUR 36.7 million, almost 7% of the total ESF regional OP budget.

The Krajna and Pałuki LAG in this region was financed by multiple funds (the ERDF, EAFRD and ESF), which were used in an area characterised by high levels of long-term unemployment (especially among women), ageing communities and an increasing number of people on social benefits. A small number of companies had the potential to create jobs but professional qualifications were generally low and infrastructure relatively poor. As a result, many young people were leaving the area to find employment elsewhere.

The LAG used ESF funds (EUR 700 000) to promote the social integration of people at risk of poverty and exclusion, and to strengthen community organisation through umbrella projects. The intention was to coordinate the social integration component of the LDS with other elements funded by the EAFRD (EUR 1.2 million) to develop businesses in the area and the ERDF (approx. EUR 1.3 million) to improve infrastructure for social inclusion.

The expected outcome of the ESF-funded LAG intervention is to support 450 people at risk of poverty and an additional 50 in the surrounding area by 2023. It is expected that 18 people (4% of a total of 450 people) will have found employment as a result of LAG support and 33 people (7%) will start looking for a job. Although the result indicators may appear modest compared to other ESF interventions, it is expected that over half of those supported will increase their social activity (253 people or 56%).

The selected projects range from EUR 10 000 for social activation to EUR 30 000 to support active employment. Projects implemented in 2020 aimed to:

- activate seniors and people who need help in daily activities through English language classes, modern cooking classes and physiotherapy (dance and Pilates);
- support youth in their education and ambitions via sport activities, scientific experiments, and programming training (youth clubs);
- support families through parents' school and family activities;
- integrate people with disabilities and their carers by developing their interests and providing physiotherapy;
- activate unemployed and inactive through vocational training and job placement.

Source: Budzich Tabor (2016) and LAG for Krajna and Pałuki (2020 and 2021)

UK

- CLLD projects in Hull received a mixture of funding from the ESF and ERDF with a total budget of EUR 8.7 million. There are currently 19 CLLD projects, 13 of which are financed solely by the ESF, three with ESF and ERDF funding and three with a mix of other EU funds. The projects operate in a city-based LAG with a population of around 130 000 people and are expected to conclude in 2022.

The CLLD approach in Hull supports those who are far removed from employment to enter the labour market with specialist help for people struggling with mental health issues. It also refurbishes community hubs to provide local people with guidance and support, offers networking opportunities, bridge language barriers and provides assistance in understanding the benefit system.

The LAG is composed of local organisations, Hull City Council and City regeneration, a project management organisation that works in a consortium with smaller specialist local organisations that do not have the capacity to manage large sums of public funding and provides guidance on funding rules and regulations.

Source: Information provided by the UK Managing Authority.

3.4 Characteristics of ESF-funded CLLD operations

The focus of CLLD is local people, both in terms of their needs and their involvement in addressing those needs. According to Servillo (2017), LAGs using ERDF and ESF funding show that bottom-up initiatives in different national contexts can effectively address issues such as social inclusion, unemployment and the integration of refugees and migrants. CLLD initiatives can also guard against the depopulation of areas with specific vulnerabilities.



Even the best experts cannot think better than local people. Therefore, the process needs to be simple and more accessible for the people, not for the administration. Local people have to remain the reference point.

Source: Dacian Cioloş, Member of the European Parliament (MEP) and Head of the European Parliament Renew Group. FARNET Conference, December 2019.

ESF-funded CLLD projects cover a range of policy areas and target groups, and Member States differ in the breadth of operations available to LAGs. Some Member States, such as Portugal, have established very specific eligibility criteria that reflect national managing authority priorities and oblige potential LAGs to carefully tailor their applications to these priorities. Once an LDS has been agreed the LAGs then implement it under close supervision. Other Member States, such as Lithuania, launched broader funding calls that left more room for new ideas and space for experimentation that is conducive to bottom-up social innovation (see Section 4).

The wide range of target groups encompassed by ESF-funded CLLD projects included an explicit focus on marginalised and socially excluded groups in local communities, such as:

- Employees, including those at risk of unemployment;
- Unemployed people;
- Local communities/residents;
- Young people;
- Refugees and migrants/migrant girls and women;
- Dependent seniors/senior citizens;
- Ex-offenders;
- People with disabilities/learning disabilities/women with disabilities;
- Homeless people;
- Children with brain injuries/children from social welfare dependent families;
- People at risk of poverty;
- Women.

Table 2 provides an overview of the target groups for ESF-funded CLLD. Within this broad range, the definition of particular target groups was often left to LAGs. However, managing authorities mentioned plans to explicitly expand the range of target groups included in CLLD support funded by the ESF+. In Czechia, for example, the aim is to build on efforts made in the 2014-2020 programming period to include elderly/pensioners who are not economically active in order to provide them with support and community-based care.

Table 2. Types of target groups in community-led local development activities funded by the ESF

| | BG | CZ | DE | EL | HU | LT | PL | RO | UK |
|--|----|----|----|----|----|----|----|----|----|
| Socially excluded, marginalised, vulnerable groups (in the broadest sense, depending on the local context) | ● | ● | ● | ● | ● | ● | ● | ● | ● |
| Unemployed, long-term unemployed | ● | ● | | ● | | ● | ● | ● | ● |
| Future entrepreneurs, business support, entrepreneurship | ● | ● | | ● | | ● | ● | | |
| Young people | ● | ● | | | ● | ● | ● | | ● |
| Elderly | ● | | | | ● | ● | ● | | |

Source: ICF based on interviews with managing authorities. Information not available for Portugal and Sweden.

The themes covered by CLLD projects varied across Member States but can be generally classified into three broad types of support offered by LAGs:

- **Access to employment**, which includes vocational training and counselling for jobseekers, support for entrepreneurs, and direct financial support to employers.
- **Social inclusion**, which covers activities to support families, (re)integrate inactive people and migrants into the local labour market and increase social cohesion through collaborative social work.
- **Education**, which aims to bridge the gap in childcare provision in rural areas and cover extracurricular activities for children, develop core competences for youth and adults and prevent children from leaving school early.

Table 3 shows Member States' funding choices across these three broad thematic areas.

Table 3. Types of ESF-funded community-led local development support

| | BG | CZ | DE | EL | HU | LT | PL | RO | UK |
|---|----|----|----|----|----|----|----|----|----|
| Access to employment | | | | | | | | | |
| Vocational and skills training, counselling for jobseekers | ● | ● | ● | ● | | ● | | | ● |
| Financial or mentoring support for entrepreneurship (including self-employment, social economy) | ● | ● | | ● | | ● | ● | ● | ● |
| Direct support for employers to hire people (wage subsidies) | ● | ● | | ● | | | | | |
| Social inclusion | | | | | | | | | |
| Reducing employment barriers linked to social and economic isolation (debt and money management, advice and legal assistance) | | ● | | | | | | ● | ● |
| Social and professional reintegration of economically inactive people (self-help/community/ youth/job clubs, informal or cultural activities) | ● | ● | ● | | | ● | ● | | |
| Activities to support families | ● | ● | ● | | | | ● | | ● |
| Community social work (e.g. through volunteers) | | ● | ● | | | ● | | | |
| Facilitating community participation and engagement, including through community centres | ● | ● | ● | | ● | | ● | | ● |

| | BG | CZ | DE | EL | HU | LT | PL | RO | UK |
|---|----|----|----|----|----|----|----|----|----|
| Support for improving the living conditions of people in the target group | ● | ● | ● | | | | | ● | |
| Combating discrimination and segregation in local areas (information and awareness-raising campaigns) | ● | | | | | | | ● | ● |
| Education | | | | | | | | | |
| Non-institutional forms of daycare for children and pre-school education | ● | ● | ● | | | | ● | ● | |
| Primary and secondary education | ● | | ● | | | | ● | ● | |
| Second chance education and reducing early school leaving | | | | | | | | ● | |
| Improving the competences of young people and adults in ICT and/or foreign languages | | | ● | | | | ● | | ● |
| Other | | | | | | | | | |
| Access to (community) healthcare services | ● | ● | | ● | | | ● | ● | |
| LAG operation and/or development of LDS* | | | | ● | | ● | ● | ● | |
| Anti-pandemic and anti-crisis measures | | | | | | | ● | | |

(*) Operational costs are usually funded by the lead fund. All LAGs that implement CLLD receive such support.

Source: ICF based on interviews with managing authorities. Information not available for Portugal and Sweden.

A range of thematic support areas were covered by LAGs in each of the countries interviewed for this study. In some countries, ESF funding covered a narrow range of interventions and support. The Greek Managing Authority, for example, reported a focus on three types of support:

- Counselling services;
- Training services to enhance the skills of unemployed people to enter the labour market;
- Creation of new businesses or direct support to employers to hire people by subsidising their wages.

In Hungary, thematic CLLD support focused on cultural and community development, while the Lithuanian Managing Authority supported three types of projects:

- Social inclusion / social services, including meetings between volunteers and elderly or marginalised people, and partnerships between community members;
- Encouragement of employment by providing capacity-building opportunities through informal or cultural activities to unemployed people;
- Promotion of business start-ups through mentoring, consultations, etc. for activities that overlap with the work carried out by public employment services.

These examples contrast with those in other countries where the scope of CLLD support was much broader. In Czechia, for example, support was offered across a wide range of

activities, including social inclusion and employment (community social work, community centres, informal carers, social services, local employment, social enterprises and childcare). In Podlaskie (Poland), the Managing Authority identified 14 areas of funded support (daycare, employment in social economy, financial support to start a business, digital and foreign language training). The Romanian Managing Authority also pointed to a wide range of thematic support areas, such as support for improving living conditions, provision of legal assistance to the people in the target group and anti-discrimination actions). Box 3 provides examples of some of these different CLLD projects.

Box 3. Illustrations of main types of community-led local development support

- CLLD project for access to employment: A goodie shop (Czechia)

Between 2018 and 2020, a goodie shop (a combined grocery, sweet shop and café) was funded with EUR 73 000. Operating as a social enterprise established by a private person, the shop employed three local people from disadvantaged backgrounds. It stocked food from local producers and package-free goods and provided a form of support for community life.

Source: Interview with the Czech Managing Authority and [FARNET](#).

- CLLD project on social exclusion: Włocławek City Centre for Family Social Assistance (Poland)

The project 'Strong together – raising the qualifications of leaders, volunteers and organisers of the local community' targeted 23 people, including nine local community leaders who were in receipt of social welfare benefits and 14 people at risk of poverty or social exclusion. Activities included a first aid workshop, self-presentation workshops, stress management classes, flower-arranging and creative workshops (candles, soaps, weaving).

Source: Szymanski (2021).

- CLLD project on education: Vocational training for sound engineers in Šilutė (Lithuania)

Implemented by the Šilutė Culture and Entertainment Centre in 2020, this project sought to include the city's unemployed youth in community life. In order to attract young people – many of whom had previously rejected standard education and training – the project promoters chose to focus on music, particularly live community music. The target group was involved in project implementation from the start and grew in confidence and autonomy throughout. After training in basic sound engineering, eight young people completed volunteer internships at the Šilutė Culture and Entertainment Centre, where they were able to apply and develop their new skills at musical events. Four participants continued to volunteer as sound assistants after the project had formally ended. This creative initiative had positive long-term effects both for young people and for the wider community of the city of Šilutė.

Source: Miestų VVG Tinklas (2021).

3.5 Ways of implementing CLLD in the ESF

According to the [Guidance for Local Actors on Community-Led Local Development](#), managing authorities are responsible for designing efficient delivery mechanisms for CLLD (European Commission, 2018a). The establishment of good communication channels between managing authorities and LAGs is a prerequisite for the design of these mechanisms (European Commission, 2018a). Failure to adapt the delivery system to the CLLD approach by introducing overly complex or bureaucratic decision-making processes may undermine many of the benefits of the approach, including the capacity of LAGs for dynamic local decision-making and the application of local knowledge in the selection of projects (European Commission, 2018a). Part of designing an efficient delivery mechanism thus involves ensuring that LAGs have the space to develop their work and that administrative aspects are not their primary focus (European Commission, 2018a).

Managing authorities used different methods to programme CLLD (see Table 4).

Table 4. Different ways of programming community-led local development in ESF Operational Programmes

| | BG | CZ | DE | EL | HU | IT | LT | PL | RO | SE | UK |
|---|----|----|----|----|----|----|----|----|----|----|----|
| Dedicated CLLD OP (national) | | | | | | | | | | ● | |
| OP (national) with dedicated Priority Axis | ● | ● | | | ● | | ● | | ● | | |
| OP (national) with as one type of project within a Priority Axis | ●* | | | | | | | | | | |
| Regional OP with dedicated Priority Axis | | | | | | | | ● | | | ● |
| Regional OP with CLLD as one type of project within a Priority Axis | | | ● | ● | | | | | | | |

(*) Human Resources Development Operational Programme in Bulgaria.

Source: ICF based on interviews with managing authorities and desk research.

Of the 11 Member States that applied the CLLD approach in their OP architecture, only Sweden opted to create a multi-funded OP dedicated to CLLD (see Box 4). Due to difficulties with cross-fund management, this approach will not be continued under ESF+. Concerns about the administrative complexity of cross-fund management were echoed by managing authorities from other Member States who noted that it would be too complicated for a single OP to comply with the regulations of all of the funds involved.

Box 4. Swedish Managing Authority: a one-stop-shop

Sweden has 48 LAGs, 28 of which combine ERDF, EAFRD and ESF funding; eight are funded by all four ESI Funds, and six are mono funded (the EAFRD or EMFF only). To encourage as much integration as possible, Sweden set up a single Managing Authority – the Board of Agriculture – to manage all four ESI Funds for CLLD thus allowing LAGs to create broader local partnerships, explore new areas and themes, and increase their territorial scope.

Source: Servillo and Kah (2020).

Member States also differed in their organisation of project selection, with calls for projects announced by managing authorities or LAGs, and mixed systems where LAGs prepared

ideas for projects for managing authorities to approve. These different approaches have both advantages and disadvantages. Where managing authorities announced the calls themselves, they were better able to oversee the focus, quality and likely success of projects. In Czechia, where calls were announced by LAGs, checks on LAG selection processes and eligibility of costs, as well as follow-up on selected projects, meant a heavy workload for the Managing Authority.

Where calls for projects were announced and managed by LAGs, selection based on local expertise and knowledge was ensured. The Managing Authority in Kujawsko-Pomorskie (Poland) noted, for example, that when LAGs selected projects their autonomy and responsibility as an important partner in the region was strengthened.

Lithuania is the only Member State to implement ESF through mono-funded LAGs. The Lithuanian Managing Authority sought a balance between governance levels by allowing LAGs to propose ideas to the government which then sent a project list to the ESF agency to prepare contracts.

In the ESF generally, beneficiaries could include:

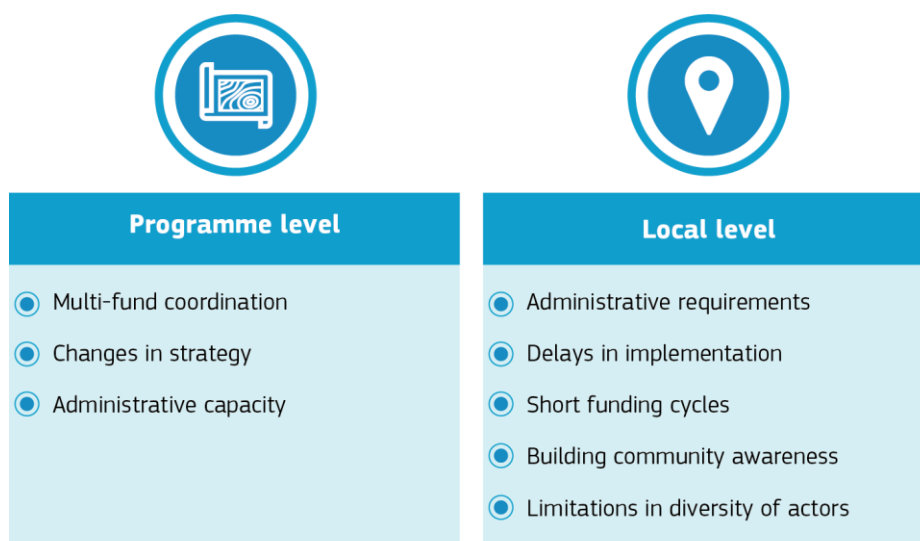
- LAGs for the purposes of delivering activities for target groups;
- LAGs as grant managers for smaller grants distributed to local actors implementing the LDS;
- Other local actors delivering the activities for target groups specified in the LDS.

The findings of this study suggest that the most appropriate implementation methods for CLLD rely on (i) the maturity of the LAGs and their experience in selecting, implementing and running projects, and (ii) the nature of LAG relationships with the managing authority. Rural LAGs with experience of using the LEADER approach function best, as do those where the managing authority has a relationship of trust with local actors. However, while LAGs managing grants to select small projects on the ground may work well in rural areas, this may not hold true for urban LAGs, where weaker community connections can hinder the development of new partnerships.

3.6 CLLD implementation: challenges and solutions

The implementation of the CLLD approach in the 2014-2020 period faced a number of challenges at both programme and LAG level.

Figure 10. Challenges encountered in implementing the community-led local development approach



Source: ICF based on interviews with managing authorities, LAGs and beneficiaries.

3.6.1 Programme-level challenges

Multi-fund coordination: At programme level, multi-fund coordination was problematic for managing authorities. The regulations anticipated some of these challenges by introducing measures to simplify and harmonise delivery mechanisms. For example, managing authorities could appoint a 'lead fund' for multi-funded CLLD and/or delegate CLLD management responsibilities to a specified intermediate body. Member States could also allow LAGs to use up to 25% of the total strategy budget for running and animation costs. Czechia, for instance, allocated 20% of CLLD funds to capacity-building in LAG administration and animation (Miller, 2014). Nevertheless, the complexity of funding rules, delivery system implementation and administrative structures remained an issue for participating Member States/regions, LAGs and local stakeholders alike. Noting the challenges in working with different administrative systems to implement CLLD through two funds, the Romanian Managing Authority stated the potential to undermine the added value of the CLLD approach existed. Similarly, in Poland, it was noted that it took 18 months to develop a system in which the four funds could cooperate with each other. This required a change of mindset at both regional administration and LAG levels. In Greece, administrative capacity was a further challenge because intermediate bodies were unable to design procedures to implement CLLD.

Changes in strategy: Interviewees stated that approval of changes by managing authorities in LDS and projects caused an additional administrative burden for fund managers and delays for LAGs. To address this Czechia simplified the rules for LAGs so that they no longer required official approval of changes to LDS. In Poland, national legislation regulating local development did not permit the amendment of project

applications that had been submitted which is a standard practice in other ESF interventions. Even when the projects submitted required only small changes for approval (e.g. to fix clerical errors or ineligible costs), adherence to the Act on Local Development with the Participation of the Local Community meant that the relevant managing authority had to reject those projects. Regional managing authorities were thus forced to lobby for changes to the national legislation. This example illustrates the challenges that are encountered when a law, or its interpretation, limits effective implementation of CLLD and the extensive amount of time needed to rectify such a situation.

Administrative capacity: Successful CLLD implementation depends on the administrative capacity of both managing authorities and LAGs, suggesting that more effort is needed to strengthen that capacity. Managing authorities could build that capacity through participation in EU-level networks (see Box 1), mutual learning events such as the workshop held in April 2021 under ESF Transnational Cooperation Platform, and study visits and training (e.g. Czechia). The provision of preparatory support to develop CLLD should therefore be a priority, with evaluation and selection of LAGs conducted in a reasonable time period after the approval of the OP and with more time made available for LDS implementation. In Lithuania, lengthy administrative processes meant it took a long time to make initial funding available to LAGs and they had to rely on voluntary work to start their operations. Both managing authorities and LAGs believed that an increase in the percentage of the budget dedicated to preparatory support should be considered in the next programming period. EU legislation does not limit the amount allocated to preparatory support; thus allocations are at the discretion of the managing authorities. As preparatory support should be available before strategies are prepared, a number of EAFRD and EMFF managing authorities offer lump sum amounts to LAGs for this. If the strategy is correctly developed and submitted on time, the lump sum is received irrespective of the final decision on strategy selection.

3.6.2 Local-level challenges

Administrative requirements: A significant administrative burden was noted by LAGs in accessing and obtaining ESF funding. Although many managing authorities promoted simplification measures, in practice, small-scale projects felt that they had to invest a disproportionate amount of time and energy in ensuring that the paperwork was correct. The Biržai Town LAG in Lithuania stated that most local organisations were unable to access ESF funding because they did not have the human and financial resources needed to meet ESF administrative requirements (see Box 11). Frequent changes to administrative rules and requirements also caused disruption and dissatisfaction among project promoters. It has also been noted that administrative obstacles have limited the power of LAGs to act in an innovative way (Bosworth et al., 2016, in Pollermann et al., 2020, p. 4) (see Section 4).



Bureaucracy should not be a hurdle for local people with great ideas.

Source: Interview with German LAG.

Delays in implementation: LAGs stated that complex internal administrative procedures and communications with managing authorities were responsible for long delays between project application and delivery. In the case of the Romanian LAGs, internal procedures and the slow pace of communication with the Romanian Managing Authority caused major delays and raised concerns about the erosion of community trust in their LAG representatives (ROMACT, 2020). In some cases, the initial project phase was funded by

other means and funds earmarked for other projects (ROMACT, 2020). In other cases, managing authorities established delivery systems to reduce administrative complexity for LAGs by operating one-stop-shops and developing harmonised rules at national level (see Box 4).

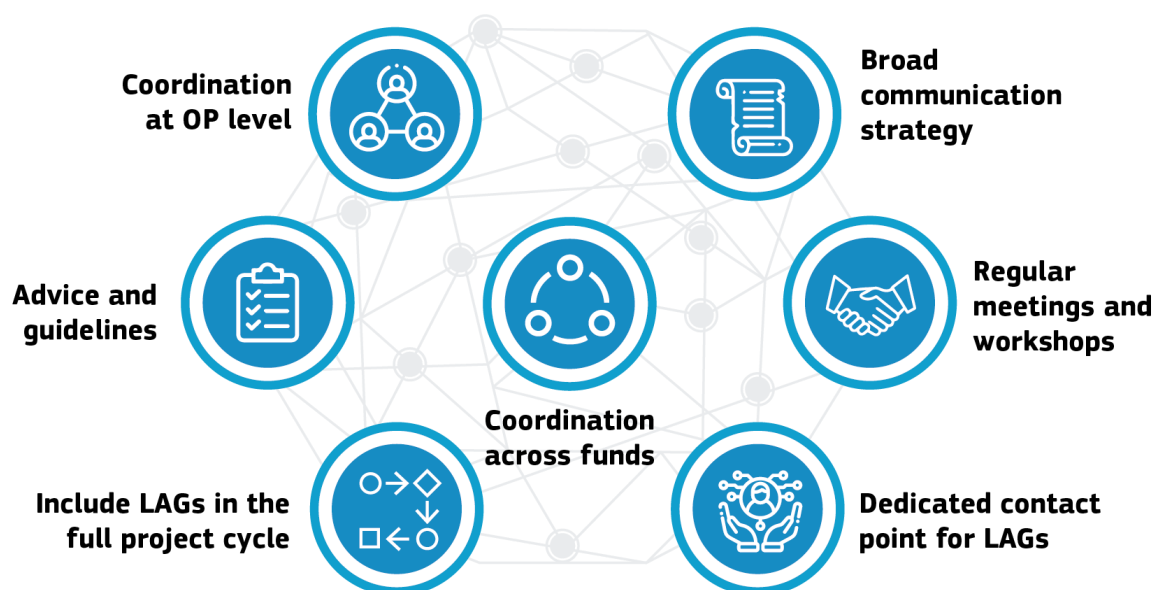
Short funding cycles: LAGs expressed concern about the shortness of ESI Fund funding cycles to develop and implement LDS, and some programmes' short time available to implement projects. In Poland, for example, small grant projects are limited to a six-month implementation period. The LAG Börde in Germany (see Box 12) observed that the first and last years of the seven-year programme cycle were mostly dedicated to working on project continuity under new programme rules. They suggested that, as well as reducing the time that LAGs and managing authorities dedicate to administrative tasks, giving projects more time to develop would probably lead to better impact. The Biržai Town LAG in Lithuania, meanwhile, expressed concerns about the availability of continued funding from the ESF for local activities that had originally been covered by the LAG and for which there was still a need (see Box 11).

Building community awareness: LAGs highlighted the challenge of building awareness about the benefits of CLLD and broader community-led development among local actors. In the LAG Pobeskydí in Czechia, for example, it was noted that LAGs were initially perceived as little more than facilitators of EU funds. Rather than seeing themselves as actors who could develop solution to problems, many local authorities also expected the state to provide answers to local challenges. Continuous awareness-raising and communication efforts were regarded as essential to fostering an appreciation for the work of LAGs and the importance of strategic planning and involvement at local level. LAGs also noted that changes in perceptions and stronger community engagement were derived from the tangible benefits brought by projects to the local community.

Limited diversity of actors: Some LAGs felt that it was necessary to attract project promoters from more diverse backgrounds. They noted that the relevant outreach work would require investment in better communication strategies and simplification of funding application processes.

3.6.3 Solutions to challenges

Although the delivery rules developed by managing authorities created many implementation challenges for LAGs, some of them managed to provide support facilities to address these difficulties (Figure 11).

Figure 11. Support provided to Local Action Groups by managing authorities

Source: ICF based on interviews with managing authorities.

Managing authorities in Bulgaria, Czechia, Germany, Hungary and Poland set up **dedicated administrative units or coordination mechanisms** to provide support to LAGs, potential applicants and those already implementing projects. In several cases, CLLD units have appointed **dedicated contact points/staff** in the managing authorities for LAGs and projects (Bulgaria, Czechia, UK).

Support was **provided through written materials** (i.e. case studies drafted in Czechia) **and CLLD-specific guidelines for LAGs** (Bulgaria, Greece, Poland and Romania). The Polish Managing Authority drafted templates for calls, guidelines and proposal assessment grids so that LAGs only had to specify the value and type of supported operation and meet the deadline for submission of applications²¹. The Polish Managing Authority also created dedicated webpages with information on CLLD (calls for proposals, legal acts, guidelines, interpretations and FAQ). In Romania, guidelines and working tools for LAGs were developed with the support of the World Bank.

As well as **regular and ad hoc meetings**, a number of managing authorities (e.g. Bulgaria, Czechia, Lithuania, Poland, Romania, UK) organised **capacity-building workshops, seminars and training** for LAGs on programming, strategy development and processes across CLLD implementation phases. These events covered issues such as eligible costs, horizontal principles, simplified cost options, evaluation of soft projects and errors that should be addressed. CLLD was also supported through networking events that matched lead funders with smaller organisations (e.g. in the UK by a number of LAGs). In Romania, workshops involving all territorial administrative units, including beneficiaries of the OP, were organised to offer preparatory support before the approval of the CLLD strategy. In Bulgaria, the ERDF-funded Development of Rural Regions Programme which leads the country's CLLD approach and finances LDS measures with ESF funding, organised coordination information and guidance seminars involving all LAGs and managing authorities. The managing authority for the Human Resources Development Operational

²¹ This situation risks imposing managing authority priorities and criteria in a top-down manner which is not congruent with the CLLD approach.

Programme in Bulgaria has also supported LAGs to prepare project proposals with expert support.

EU legislation makes provision for LAGs to receive preparatory support to develop their strategies, and up to 25% of strategy costs to cover running and animation costs. Some Member States used the ESF to finance **preparatory support for LAGs to develop strategies and/or provide running and animation costs**. Financing of these costs depended on whether or not the ESF was the lead fund. The level of financing varied across Member States and regions.

Table 5. Different financing levels of preparatory support for Local Action Groups to develop strategies and/or provide running and animation costs

| | Preparatory support to develop strategies | Running and animation costs |
|-----------|---|---|
| Lithuania | EUR 200 000 | Up to 15% of the value of LDS (capped at EUR 100 000) |
| Romania | EUR 50 000 | Up to 20% (25% for the Danube Delta) of the total public costs incurred for the LDS |
| UK | EUR 40 000 | Information not available |

Source: ICF based on interviews with managing authorities.

To support beneficiaries at project level, and as an incentive for the involvement of community organisations, in the UK expenses were reimbursed by some LAGs on a monthly rather than quarterly basis.

Other ways in which managing authorities supported the use of ESF-funded CLLD included:

- Consultations to identify community needs and capacity prior to launching calls;
- A broad communications strategy to reach out to remote and atypical partners;
- Unifying, simplifying and updating indicators to enable better monitoring and evaluation.

Practices used by managing authorities to deliver CLLD in other funds offer useful pointers for overcoming implementation challenges (see Box 5).

Box 5. Interesting practices in community-led local development delivery from other EU funds

Setting up the implementation system

In Greece, under the EMFF, FLAGs were made into intermediate bodies and were thus able to formally approve projects without the managing authority's involvement. The Greek Managing Authority also plans to give FLAGs a payment function so that they can make payments to beneficiaries.

Using simplified cost options

A number of managing authorities used simplified cost options for the running and animation costs of CLLD. The Polish Managing Authority designed a system to calculate flat rates for all of the running costs of the LEADER LAGs in 2014-2020 based on the real costs reported in

the 2007-2013 period. The Polish LAGs were also able to also support beneficiaries of certain types of projects (business start-ups) using simplified cost options.

The Bulgarian Managing Authority of the Operational Programme Science and Education for Smart Growth implemented simplified costs for CLLD operations under BGN 100 000 (c. EUR 51 150). Candidates could choose from two types of flat rates based on personnel costs.

Good communication between LAGs and managing authority/intermediate body on supported projects

In some countries, managing authority or intermediate body representatives have taken part in meetings of the LAG decision-making body (without voting rights). This has assisted an understanding of the purpose of the selected projects and speeded up the checking and approval process. In Finland, close cooperation between the LAG and the regional intermediate body takes place from the very beginning of project preparation.

Reducing duplication by enhancing trust in the delivery system: the ‘green administrator’

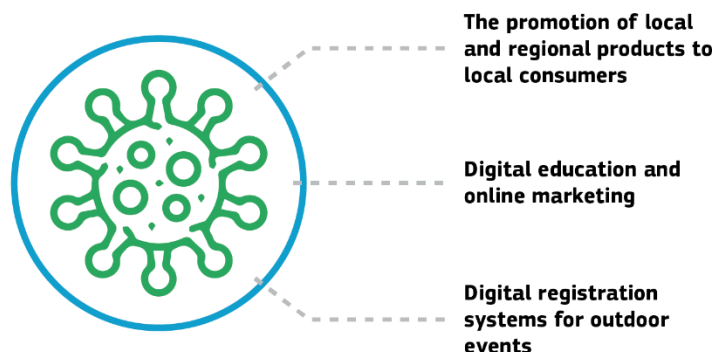
To reduce backlog in CLLD delivery, projects in Sweden were first checked by LAG staff who entered the data into the common IT system. This data was then re-checked by managing authority staff before approval. Once LAG administrators had processed five applications without error they became ‘green administrators,’ reducing the number of checks at managing authority level. This made the approval process quicker and helped to eliminate the application backlog.

Source: FARNET (2020). [Delivering CLLD effectively. A guide for EMFF Managing Authorities.](#)

Solutions to challenges were also developed by LAGs and project promoters. Many of the efforts at this level involved **awareness-raising and communication activities** that promoted more active support from local communities. The Biržai Town LAG in Lithuania (see Box 11) noted that the support of the local municipality and the adoption of a partnership approach was crucial to the success of their work. In Germany, the LAG Börde worked with the German Managing Authority to encourage local engagement through ongoing consultation and information sessions (see Box 12). As well as conducting a survey on local needs, three focus groups were established to look at quality of life, public service provision and regional value creation. The LAG also stressed the importance of **using digital tools** to facilitate communication and collaboration between stakeholders, something that became increasingly useful during the COVID-19 pandemic (see Box 6).

Box 6. Community-led local development and the COVID-19 pandemic

In 2020-2021, the COVID-19 pandemic challenged the resilience of economic and social systems and the effectiveness of CLLD networks, LAGs and delivery systems. In addition to [sharing examples of how rural communities were coping with COVID-19](#), the ENRD held a conference on [Improving LEADER Delivery for Resilient Rural Territories](#) in September 2020. The conference focused on the role of LAGs in facilitating community resilience. Participants reported that the use of CLLD enhanced their ability to support and respond to local development needs in times of crisis.

Figure 12. Innovation during crises*Ability of LAGs to adapt and respond to emerging crises and changes*Source: ENRD (2020b) and [ENRD \(n.d.\)](#).

The importance of **reaching out and including existing civil society organisations and other relevant stakeholders in an area** was highlighted as being essential for problem-solving. The Biržai Town project in Lithuania, for example, stressed the importance of involving different community stakeholders in their work from the very beginning, with co-design of funding calls and governance structures (see Box 11). As well as **ensuring adaptation to the needs of particular groups**, collaboration across local hierarchies was seen to simplify things in the longer term and to generate better results. Representatives from the Biržai Town LAG also noted that the success of a CLLD project was linked to a well-defined problem that corresponded to the realities and challenges faced by the local community.

The work of both LAGs and lead organisations such as NGOs was seen as essential to **ensuring strong and ongoing local connections**. In the Biržai Town project in Lithuania, for example, the **inclusion of LAG representatives in all phases of the project cycle** enhanced a sense of ownership and co-creation (see Box 11). The **leadership role of well-established NGOs** was also considered crucial to the development of project activities, as was the **importance of strong project teams**. The need to **ensure that projects were carefully integrated within LDS** was highlighted, with an emphasis on the need for **tailored approaches that meet a very specific local need while also benefiting the community as a whole**. In this regard, in addition to the solutions developed by managing authorities and LAGs, **the ability of CLLD networks to promote flexibility across the local and regional administrative architecture** was important, particularly in response to crises like the COVID-19 pandemic. The projects that form part of the Advantage Coast Programme in the UK, for example, were able to respond rapidly and efficiently to the challenges posed by the pandemic (see Box 7). Similarly, in Biržai in Lithuania, local CLLD project promoters quickly refocused their activities to provide food and other assistance to people in need before a national response was formulated (see Box 11).

Box 7. Case study: responding to COVID-19, Advantage Coast Programme (UK)

The Yorkshire Coast Local Development Strategy is managed by the East Riding of Yorkshire Council in partnership with Scarborough Borough Council. The LAG, which has funded 32 projects to date, aims to assist participants and businesses in the most deprived

communities by supporting innovation, businesses, skills and employment to improve local growth and create jobs.

During the COVID-19 pandemic and UK lockdown the LAG adapted its services to meet social distancing requirements, shielding the most vulnerable from the disease and safeguarding local businesses and employment. As well as maintaining contact through email, texts and phone calls, some projects held regular group activities using online video conferencing tools.



The support offered through CLLD to our most vulnerable residents is proving to be of great benefit, helping them get through social isolation, still providing support and guidance to help them move closer to employment.

Source: Councillor, East Riding of Yorkshire Council.

To support home education and promote good mental and physical health, a number of projects provided activity packs for participants. As lack of access to ICT tools and skills was a key concern during lockdown, two projects loaned tablets and laptops to their most isolated and vulnerable participants, enabling them to stay in touch and improve their skills.

The project promoters intend to build on this support. Some projects have undertaken employer and participant surveys to help them to meet immediate needs, including providing information on pre-lockdown job offers. Others plan to offer more ICT training and short courses with smaller cohorts.

Source: Advantage Coast Programme press release.

In response to the challenges outlined above, ten practical tips for successful CLLD have been developed from the experiences and promising practices of the Member States (Figure 13).

Figure 13. Ten practical tips for successful CLLD



Source: Developed by Budzich Tabor based on results of study.

3.7 Added value of CLLD for the ESF

This section of the report analyses how and where the ESF's strong thematic focus and tradition of stakeholder engagement can add value to CLLD approaches used in other funds.

3.7.1 Measuring added value

In assessing the added value of CLLD, it is helpful to distinguish between the added value of the **process** and the added value of the **outcomes** achieved. Although they can have a significant effect on the overall progress of local communities, all too often the process issues and innovations are underestimated. At the same time, the outcomes of many CLLD projects are not easily quantifiable and it is thus important to include qualitative change and so-called 'soft indicators' in monitoring and evaluation activities.

Lukesch (2018a) suggests that the following guiding questions may be useful for measuring the added value of CLLD approach:

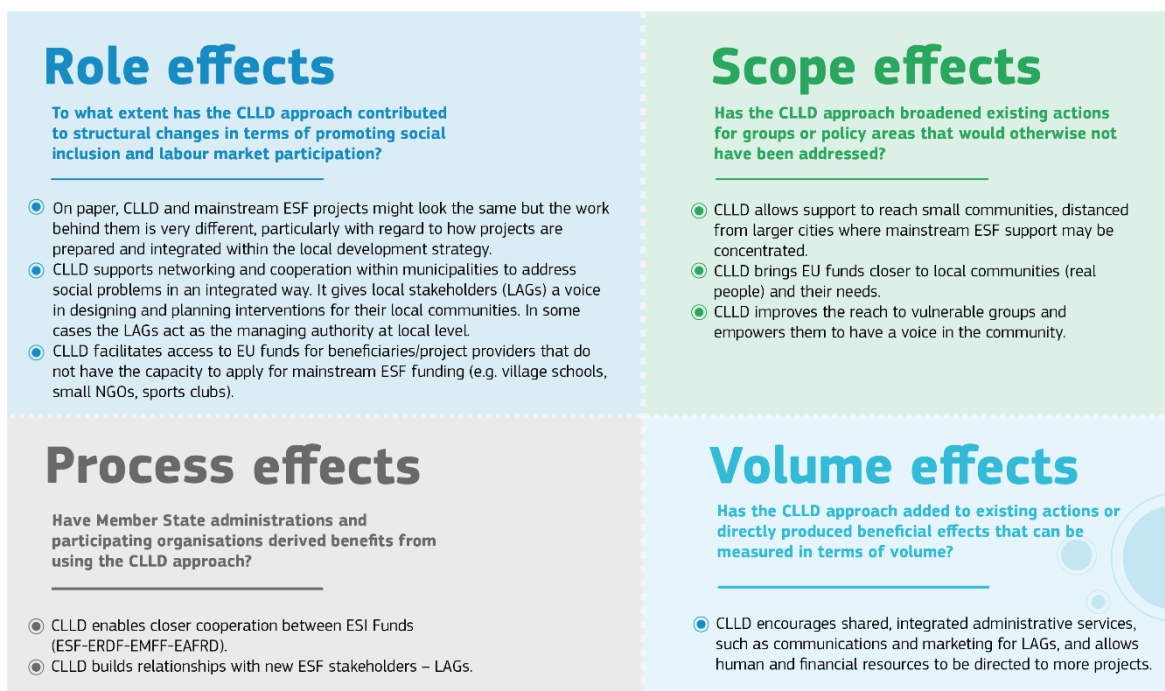
- Has the project enriched social capital?
- Has it improved local governance?
- Are the outcomes of the strategy/project implementation enhanced?

As CLLD tends to fund projects that would not have been financed under conventional programme measures (because they were considered too small or untested), Lukesch (2018a) further recommends that project selection criteria should reflect their atypical nature in order to capture their full impact. The development of such criteria may be drawn from the different forms of social capital that CLLD project can promote, including 'human capital and the skills and capabilities of individual actors, but also the level of community and stakeholder involvement in deliberations and decision making, the dynamic of links and relationships and possible shifts in mental models, beliefs and trust' (Lukesch (2018a, p.14).

3.7.2 Effects of CLLD

Interviews and workshop feedback from CLLD practitioners revealed that CLLD can add value to the ESF delivery through four types of effects: role effects, scope effects, process effects and volume effects (ESF TCP, 2021) (Figure 14).

Figure 14. Overview of the added value of community-led local development for the ESF



Source: ICF based on interviews with managing authorities.

Role effects

The role effects of CLLD indicate the extent to which the approach has had a role in stimulating **structural changes** that promote social inclusion and labour market participation. Perhaps the most striking role effect of CLLD is the empowerment of the local community and its transition from being a passive ‘recipient’ of support to becoming an active change agent. The working methods of CLLD have further enabled local stakeholders to address social issues in an integrated way and facilitated access to EU funds for previously excluded local providers. In Kujawsko-Pomorskie in Poland, for example, an increase in the social inclusion activities developed by urban LAGs has been noted (Kola-Bezka, 2020).

CLLD initiatives have contributed to **building trust** and close personal connections between LAGs and target groups. This can lead to better diagnosis of needs and an increased level of participation in local development activities. Even if some of these projects do not generate large changes in quantitative terms (economic growth, number of beneficiaries, etc.), they make a difference to social integration and social cohesion. In Bulgaria, for example, the positive impact of CLLD on local identity and belonging was noted, with marginalised local people feeling that they could play an important role in their local communities.

As the CLLD approach provides opportunities to develop initiatives at the sub-regional level it is particularly **beneficial for small, rural communities** that might otherwise be hard to reach for potential ESF beneficiaries. In Austria, for example, enhancing CLLD in the 2021-2027 programming period may offer the opportunity to deal with mobility and employment issues for women in remote mountain valleys where public transport runs less regularly, and childcare is difficult to access.

Box 8. ROMACT report (Romania)

The ROMACT (2020) report is based on research conducted in nine different LAGs or ROMACT communities in various Romanian cities between July 2019 and February 2020. The report looked at the way in which the CLLD approach was prepared in these communities, the level of community involvement and the challenges encountered by local public authorities in CLLD implementation. The findings suggested that community animation added value to the implementation of the LDS and that the involvement of Roma communities in LAGs was significant. The added value of the CLLD mechanism was highlighted in three areas:

- The areas addressed by this mechanism were communities in which no other significant regional OP-type projects had been implemented;
- The approach was comprehensive;
- Beneficiaries participated in the process of planning interventions.

Source: ROMACT (2020).

Scope effects

CLLD provides wider access to EU funds in remote communities which, in turn, enables more vulnerable groups to be reached. One of the main advantages of CLLD is that it allows LAGs **to determine and address both the specific and diverse needs of local communities**, e.g. rural, urban and coastal communities and communities close to international borders, whose expectations and social problems may be different to those located in the middle of a country. As well as providing new perspectives on these differences, CLLD allows local specificities to be considered in a way that national policies often overlook.

At national level you do not understand what happens in small villages, so they [the LAGs] have a different view of how ESF money can support real people in the small villages and communities.



Source: Interview with Bulgarian Managing Authority.

The solutions arising from CLLD are like a made-to-measure suit – they fit perfectly.

Source: Interview with German (Sachsen-Anhalt) Managing Authority.

The **inclusion of more vulnerable groups** in CLLD approaches funded by the ESF was highlighted in the interview with the Bulgarian Managing Authority. All LAGs had to include representatives of minorities or small, isolated groups in their steering committee or assembly. The aim was to overcome their isolation and integrate them as full members of the LAGs. To ensure full local participation in decision-making, these LAGs involved all local groups, not just ethnic or religious minorities. The Greek Managing Authority similarly stated that CLLD had enabled it to engage with hard-to-reach and vulnerable target groups, an approach they believed must continue to be supported.

Box 9. Case study: Support for carers in Pobeskydí (Czechia)

The project sought to support home carers in a rural area lacking social services in order to reduce institutionalised care for dependents. The project promoter/beneficiary is a well-established NGO, *Slezská diakonie*, which has links to the Silesian Evangelical Church, an institution that has historically offered social services to disadvantaged people. As well as raising awareness of informal and home care options, the project facilitated knowledge and skills transfer between formal and informal carers and supported their physical and psychological wellbeing.

The project support team includes a social worker, field workers and nurses, with external support from experienced lecturers and psychotherapists. The team can evaluate a carer's situation, including the form of attention required by their dependent(s) and the support needed. Links to formal care institutions ensure that carers have access to relevant support services. A carer can, for example, request temporary relief and receive assistance from an external carer or trained nurse. Psychological support is also provided through peer support groups and lectures.

The project uses theatre performances to raise awareness more widely, destigmatise caring for dependents and address issues such as dementia. Inspired by similar initiatives in Austria and Germany, a partnership was established between *Slezská diakonie* and students from a local art academy in Brno who enact performances in local areas.

The Pobeskydí LAG has facilitated contact between *Slezská diakonie* and local administrative bodies, helping to secure premises for project activities (see Box 9). Further support was gained through information seminars and by sharing information on the project via social media and websites.

Although the project has not yet been formally evaluated, testimonies suggest that it has provided:

- Immediate and rapid support to those in need;
- Guidance on access to benefits and social services;
- Training on key care tasks, such as hygiene and exercise;
- Equipment such as reclining beds;
- Relief for carers through temporary replacements that enable them to undertake tasks such as shopping, etc.

Source: Interviews with project coordinator and local LAG representative.

Process effects

The role and scope effects of CLLD are complemented by process effects that promote the involvement of different actors in LDS and **build trust through involvement of users in the design of services**. CLLD has also enabled managing authorities to develop a **better understanding and appreciation of local needs**. The Bulgarian Managing Authority noted that CLLD had provided knowledge on how ESF funds could support target groups in small villages and communities which will be used to improve Programmes in the next programming period. In addition, the results of implementing ESF-funded measures under the LAG strategies in Bulgaria have provided information on what works and what does not

work. This will assist decisions about the scope of ESF measures for CLLD implementation to be more targeted, concrete and relevant for LAGs and local level implementation in the next programming period. The findings of this study also suggest, however, that Member State administrations and participating organisations could collaborate more closely with one another (especially across funds), while building bridges with new local stakeholders.

The study findings indicate that outcomes of projects, interventions and strategies delivered using bottom-up CLLD methods funded through the ESF differ from those that use ESF funds through conventional top-down governance structures. Irrespective of the funding method, the **bottom-up, partnership-focused character** of CLLD appears to foster socioeconomic development in a way that cannot be delivered by top-down policies (FAME and FARNET, 2018). While the target of ESF funding objectives tends to be people-centred rather than place-based, the benefit of authentic bottom-up partnership is evident (FAME and FARNET, 2018). The difference between top-down policies and the bottom-up approach adopted by CLLD is that target groups have more involvement in decision-making processes about the use of ESF funds. Target groups, or their representatives, are thus likely to be more involved at the level of **local governance** in ESF-funded CLLD projects than in conventional ESF-funded programmes (FAME and FARNET, 2018).

LAGs have first-hand experience and knowledge of the challenges in their communities and work with citizens who care deeply about local issues and are willing to work to achieve positive change. The **level of dedication** displayed in CLLD activities is therefore greater than in mainstream ESF-funded activities. In Czechia, for example, CLLD supported networking and cooperation between municipalities to develop community social work and other activities are significantly closer to local needs than mainstream ESF-funded projects. Noting that improvements take time, the Czech Managing Authority reported that some LAGs were initially unfamiliar with social inclusion and employment actions but that the approach has now spread. Their belief is that CLLD is unique in its ability to prepare and integrate projects within an LDS, that CLLD projects usually cover a mix of activities that differ from those in mainstream ESF delivery and that they offer tailored support that improves people's living conditions.



CLLD brings EU funds closer to the people in a way that mainstream ESF projects do not.

Source: Interview with Czech Managing Authority.

Box 10. Suwalsko-Sejneńska LAG (Poland)

The main added value of the CLLD approach for the Suwalsko-Sejneńska LAG was the ability to influence areas with problems relating to social inclusion and lack of infrastructure. Due to their cross-cutting nature, during the 2007-2013 programming period, the LAG encountered difficulties in addressing these issues because CLLD funding was not available under the ESF. The primary objective in the 2014-2020 programming period was the economic development of the region through support for entrepreneurship and social entrepreneurship, elimination of social exclusion areas, and the revitalisation of degraded areas. To address these issues, three small LAGs were merged in 2014-2015 to create a larger LAG which led to better overall results.

Source: Rżany, J. (2017). [Case study of Suwalsko-Sejneńska LAG](#)

Box 11. Case study: Biržai Town LAG project ‘Business Innovation Incubator’ (Lithuania)

Led by the NGO *VšĮ Šeimoms centras ‘Kartu saldu’* (‘Sweet Together’ family centre), this project sought to stimulate the economic activity of newly established businesses in the remote town of Biržai in northern Lithuania. The project was designed to offer up-to-date information to local entrepreneurs on business leadership, management and marketing as well as soft skills, such as time management, self-motivation and creativity. Weekly support was provided for one year and included group coaching, formal training sessions and individual mentoring.

The project enabled entrepreneurs running newly established businesses to benefit from tailored and individualised support as well as opportunities to exchange ideas with their peers and lecturers. The group coaching and training sessions were delivered by leading thinkers and practitioners from a variety of disciplines and approaches, including marketing, psychology, motivation and leadership training. Participants could shape the choice of topics, and reflection sessions were built into activities. After a final evaluation, a request was made to continue the meetings and provide further knowledge and motivational support.



Biržai is my childhood city. I returned to it after studying and working in the capital. When I was raising my daughter, I started dreaming about transforming my favourite hobby [knitting], into a business. I am glad that the project ‘Business Innovation Incubator’ coincided with my need for support in developing and strengthening a business idea. And it's not just words.

Source: Participant in ‘Business Innovation Incubator.’

The project:

- Helped project participants to grow their businesses, all of which remain active and operational;
- Promoted gender equality, with most of the businesses supported run by women;
- Legalised business that previously operated in the shadow economy, as legal registration was a condition of participation. All of the businesses supported are now registered and pay tax and social security contributions;
- Facilitated longer term networking between participants, providing an ongoing and close-knit support structure;
- Prompted some participants to become involved with other projects as a result of wider networking with local NGOs, businesses and public institutions.

The support of the Biržai Town LAG was central to the success of the project. Over the last five years the LAG has implemented 36 ESF-supported projects covering a wide range of activities and target groups (business and entrepreneurship support, activation for the elderly, activities for people with disabilities, activities for young people, social assistance for people at risk of poverty). The projects have provided new services to local people in a remote location and reacted to local needs more quickly and efficiently than centrally organised activities and services.

*Source: Interview with Biržai Town LAG representative.
More information: Biržų miestas VVG (birzumiestovvg.lt)*

Process effects of CLLD also include its ability to empower local actors by involving them in the design and implementation of activities and encouraging their participation in decision-making processes. Anecdotal evidence suggests that **raising awareness about the principles of CLLD can also help to improve local peoples' attitudes towards the EU.**

Volume effects

By reaching a greater number of target groups in the local communities, CLLD may have volume effects in terms of the **dimension of projects or outputs**. At local level, **more projects and target groups are supported** because of the increase in the number of actors able to access EU funding – often for the first time – through smaller grants.

In urban areas, CLLD can promote social cohesion and social inclusion by addressing the needs of isolated and fragmented target groups that might otherwise not be prioritised. In Romania, for example, it was observed that the added value of CLLD is the participation of representatives of marginalised communities (as LAG members) in LDS development and implementation. Urban CLLD activities in diverse and densely populated areas have also been able to attract volunteers and foster trust.

Box 12. Case study: Local pool of trained babysitters (Germany)

Like many other regions of Sachsen-Anhalt, the Börde area suffers from depopulation through demographic change. Many young people have moved to cities in search of employment while those who remain in the area lack the support network previously provided by family and close-knit communities. To keep young parents in the region and strengthen social cohesion, the Local Action Group (LAG) Börde initiated an intergenerational project to improve childcare provision for increasingly isolated working parents using a local pool of trained babysitters.

The driving force behind the babysitter pool was *LiBa Besser essen. Mehr bewegen* (Eat better. Move more), a well-established NGO specialising in promoting family life in the region. The NGO set up a training programme for young people comprising two 17-hour courses with paediatricians. Held in a range of locations, the course was flexible and responsive to participant feedback. On completion of the course students received a certificate in childcare and first aid. These certified babysitters were then registered on an online digital babysitting platform where they could be hired by parents, even at short notice. This intergenerational service activated multiple target groups:

- Students were able to familiarise themselves with different pedagogical career paths while earning their own money;
- Parents improved their work-life balance;
- LAG members, software engineers and call centre employees running the service generated new connections between citizens of different social groups.

Three project evaluations found that the training and matching platform had a significant impact on social cohesion and social inclusion:

- Bringing together people from different generations (teenagers, retirees, middle-aged trainers) to provide mutual aid and learning;
- Enhancing individual and collective decision-making by enabling training participants to co-design course content through annual feedback mechanisms, set their own

hourly rates and negotiate directly with the families employing them as well as encouraging them to manage their own time and finances;

- Strengthening family life by sharing key pedagogical principles and transferable social skills, preparing young participants for their own potential parenthood, improving recognition of informal parenting work and keeping young citizens in the local area;
- Ensuring local knowledge-sharing with access to local experts (e.g. a jurist presented the legal framework for children's rights and child protection; a paramedic trained students on first aid for children; a child psychologist and nursery teacher offered tips for age-appropriate play).

Due to its success, the scheme was expanded to include household help beyond childcare, such as cleaners, cooks, etc. The positive experience with longer-term ESF funding (EUR 11 588) has generated a growth mindset with the project promoter initiating six further projects in three neighbouring regions.

Source: Interviews with the German (Sachsen-Anhalt) Managing Authority, LAG and project lead; Scholz et al. (2020).

More information: <https://www.familienservice-rundum.de>

The different effects outlined above suggest that CLLD offers overarching added value to the ESF by offering a way for people to **participate in decision-making** (including taking decisions on who gets funding) **and direct involvement at local level** (Servillo and de Bruijn, 2018). Improving local governance by encouraging local people to work together to find solutions to local problems is also a way of **increasing social capital** and **innovative longer term development strategies**.

4. Social innovation in CLLD projects

This section of the report describes how and in what ways CLLD projects can include, foster and reinforce social innovation at local level.

Key findings

- CLLD offers a flexible method for exploring innovative solutions to tackle local problems and to achieve socially innovative outcomes.
- The CLLD approach was adopted for its ability to effectively address local needs rather than to support social innovation. Feedback on the extent to which CLLD supported social innovation in the 2014-2020 programming period was thus difficult to obtain.
- Some countries identified a number of innovative CLLD projects funded through the ESF that delivered new solutions to local problems. In these cases, social innovation was demonstrated at horizontal level, generating new behaviour among target groups (Lithuania) and creating new products and processes (Poland).
- Very few CLLD projects that were a source of local social innovation appear to have been scaled-up at national/transnational level.

4.1 What is social innovation and why is it important?

In Europe, governments and other actors – including citizens – have been called on to come together to find innovative and sustainable solutions to pressing economic, social and environmental problems (Stott, 2016). These collaborative solutions may be new or build on existing approaches to address a social need or problem in the form of a new product, service or model ‘that is better than existing approaches (i.e. more effective, efficient, sustainable, or just) and for which the value created (benefits) accrues primarily to society as a whole rather than private individuals’ (Dax et al., 2016).

Tidd and Bessant’s 4Ps model (2013) offers a helpful framework for identifying and exploring these activities. This framework identifies four interconnected and mutually reinforcing areas of social innovation.

Figure 15. Social innovation in the ESF+ and the 4Ps

‘Social innovation’ means an activity, that is social both as to its ends and its means and in particular an activity which relates to the development and implementation of **new ideas concerning products, services, practices and models**, that simultaneously **meets social needs** and creates **new social relationships or collaborations** between public, civil society or private organisations, thereby **benefiting society and boosting its capacity to act**.

Source: Article 2(8), 2021/1057 (ESF+ Regulation).



Source: Stott (2014) based on Tidd and Bessant (2013).

4.2 CLLD and social innovation



In creating new social dynamics, CLLD seems to be predestined for social innovation.

Source: Interview with a managing authority.

According to Lukesch (2018b), CLLD has become an appropriate and successful approach for bringing about social innovation. As well as making innovative use of local resources and building capacity to enable local people to generate benefits for their communities (Shucksmith, 2010, in Dax et al., 2016), innovation and the application of solutions that are new to an area is one of the seven LEADER/CLLD principles (see Figure 1). However, generating new ideas and new ways of delivering policy objectives depends on the local community's ability to reinforce institutional capacity (Neumeier, 2011, in Dax et al., 2016).

The importance of ensuring that administrative obstacles do not block social innovation in CLLD and the power of local communities to act in an innovative way has also been noted in several studies, particularly during the early stage of developing a LDS when new ideas are often stymied (Bosworth et al., 2016, in Pollermann et al., 2020). A case study on social innovation and its relevance in LEADER projects in Austria found that LAGs that actively pursue social innovation as part of their LDS often do so with significantly better results (Lukesch, 2018b). However, 'a culture of free thinking, creating unconventional connections, and sensing opportunities for social innovation' (Lukesch, 2018b, p. 1) relies on flexible delivery rules that promote experimentation and the possibility of failure. Divisions between policy areas, sector policies and silo thinking can also make the coordination and integration of actions a major challenge for goals such as social innovation (Ludwig et al., 2018, in Lukesch et al., 2020).

Although many Member State representatives were hesitant about establishing a direct causal link between CLLD and social innovation, they saw considerable potential in the approach. They noted that projects supported by CLLD may not specifically target social innovation but CLLD as an approach can create an enabling environment for social innovation by empowering citizens to solve local issues through partnerships that may lead to new perspectives, ways of working and unexpected ideas (see Box 15). As noted by Lukesch (2018b), when the CLLD approach is applied as intended (locally, inclusively, cohesively, in an integrated way, multidimensionally, cross-sectorally and innovatively), new ideas are given space to grow.

Findings from this study confirm that three core elements of CLLD can offer a policy environment that provides and shapes the operational space for civil society-led social innovation (Box 13).

Box 13. Building social and institutional conditions for social innovation into policy

In a paper on rural development, Lukesch et al. (2020) propose a model for creating the social and institutional conditions in which social innovation can emerge. This is based on three groups of actors and their interrelationships which make up a 'synergistic triad' that should be included in policy design. If one or more of these components is missing, innovation may not emerge. The groups include:

- A trusted core of key actors;
- An intermediary support structure;
- Public actors that generate an enabling environment through legislative and executive decisions.

Within the context of CLLD, key actors are those that promote and build local projects. They use their individual strengths and capacities to develop a social initiative and embody social capital, simultaneously trusting and trusted by others, especially the community in which they work. A key driver of social innovation is their civic action and capacity to motivate the actors in the other two groups.

The intermediary support structures are third-sector agencies or structures, e.g. LAGs. They provide an important link between the local initiative and public actors, informing ‘in both directions on the basis of their knowledge of problem situations but also structures, rules, and values on both sides.’

The third group of actors include public partners associated with the social innovation initiative whose ‘involvement endows the initiative [...] with the necessary legal backing, trust and creditworthiness.’ The influence of these actors ranges from ‘passive involvement in long-term contractual relationships to legally binding public-private-civic governance arrangements.’

Source: Lukesch et al. (2020), p. 10.

As top-down innovation policies can often stifle innovation through administrative complexity and rigidity, CLLD appears to offer a flexible method for exploring innovative solutions to local problems and the achievement of socially innovative outcomes (Bosworth et al., 2016).



When local public transport services have been reduced to a trickle, community-owned minibuses can plug the mobility gap. When the village pub closes, it can be taken on by a community enterprise to become a service hub. These are real community-led bottom-up responses that show the capacity of civil society actors to innovate. They are authentic manifestations of CLLD.

Source: [Social Innovation in Marginalised Rural Areas \(SIMRA\) \(2018\)](#).

The example below shows how a community-led local development project produced a socially innovative solution to respond to the high demand for social services for the elderly.

Box 14. Pakruojys volunteer-run hygiene hub: ‘good to do good’ (Lithuania)

The parish of John the Baptist in Pakruojys (Lithuania) collaborated with Caritas to design and deliver the ‘Personal hygiene and care services development’ project, which sought to promote volunteering at local level. The project centred around a newly built bath house that also offered access to washing machines and other household appliances.

The target group for the intervention was members of the elderly urban population who experienced difficulty in accessing baths or showers, or who were unable to take care of their personal hygiene independently. Those in the immediate environment of the new ‘hygiene hub’ who previously lacked adequate spaces to wash and dry clothes, bedding and other laundry also benefitted directly from this project. The hygiene hub was particularly useful for people whose children lived too far away to help with these personal tasks.

The hygiene and laundry service revealed an extremely high demand for these kinds of social services, offering both a simplification of housekeeping tasks and an opportunity to save money. Local volunteers provided essential help in serving customers, with eight pensioners becoming long-term volunteers in the project’s implementation. Based on this practice, projects were implemented in the cities of Biržai and Rokiškis where 70 people are currently receiving similar services.

Source: Miestų VVG Tinklas (2021).
[Video about the project in Lithuanian](#)

4.2 How has CLLD in the ESF contributed to the promotion of social innovation?

Managing authorities reported mixed experiences of CLLD supporting social innovation in the 2014-2020 programming period. In some cases, managing authorities had not considered or could not identify examples or instances of social innovation supported through CLLD in the ESF. The reasons given for this included a lack of specific information available to the managing authority (Bulgaria, Romania) and delays in the implementation of CLLD approaches (Greece). A number of managing authorities pointed out that the CLLD approach focused on effectively addressing local needs and did not explicitly include social innovation as a criterion for selection of activities and projects. They also noted that although some LAGs might have implemented social innovation in their local area this was not stipulated as a requirement by the managing authority and had not been systematically monitored or reported.

In Kujawsko-Pomorskie (Poland), the managing authority did not introduce innovation criteria to assess applications because CLLD projects focused on 'basic needs.' Attempts to target projects with strictly innovative activities were viewed as promoting an excessively fragmented approach which might weaken the effects achieved in relation to the initial goal. Stakeholders in Poland suggested that CLLD projects funded by the ESF are generally not very innovative as the LAGs that went through the first phase of the programme were more likely to emphasise effectiveness rather than innovation. The fact that LAGs do not have appropriate instruments for accurate assessment of innovation was also highlighted. In Podlaskie (Poland), for example, an evaluation of CLLD found that LAGs found it difficult to assess the criteria for social innovation in calls for projects (Snizek et al., 2019).

In spite of the limitations outlined above, some countries were able to highlight CLLD projects funded through the ESF that supported social innovation (Box 15).

Box 15. Examples of ESF funding for socially innovative community-led local development projects

Czechia

- 'One step ahead' was developed by the LAG, Hradecký venkov. With approximately EUR 47 000, the project helped young people about to leave institutional care to integrate into society and the labour market in their local area, with the help of LAG members.
- 'Gradual employment' offered spaces for intergenerational exchange between the under 30s and over 50s.
- 'Start again' assisted unemployed people to return to the labour market through a local partnership between the municipality, the local labour office, and a community centre. The initiative was linked to an investment project on social housing and to informal care.

Lithuania

- 'Choose Biržai' aimed to ensure that Lithuanians returning from abroad were well-informed and reintegrated into local life. The project appointed a local contact point and provided advice and information for returning citizens through digital technologies, including a dedicated website and social media channels, as well as a discussion forum and survey to understand their needs and expectations.

Poland

- 'The Little Naturalists Code' supported the development of key digital competences and equal educational opportunities for children using Polish and Lithuanian in a kindergarten in Puńsk (Podlaskie region). Pre-schoolers took part in additional classes on coding and programming, English, environmental education and entrepreneurship as well as art, music and dance. Children also received speech therapy and physiotherapy. The project also benefitted teachers as they were able to improve their qualifications with additional training on innovative and creative methods of working with children.

UK

- [CatZero](#) is a personal development charity that addresses long-term unemployment and social exclusion through a public-private partnership that helps individuals to face their fears and rebuild confidence in their own abilities. The charity aims to 'break barriers, build trust and confidence in participants using self-analysis, development, and challenge and give disadvantaged people from Hull the opportunity to change their lives by taking part in an eight-week training course. In addition to employment and housing support, participants are given the opportunity to sail on a challenge yacht for eight days. Most of the training is provided by local volunteers or 'graduates' of CatZero's training programme thereby harnessing the unique skills and experiences of the local population to promote social inclusion. The target group includes young people, families, single parents and adults recovering from mental health issues, long-term unemployment, drug addiction or time in prison. For the past 12 years, CatZero has enjoyed a 95% retention rate and a 69% success rate with the majority of participants starting a new life through employment, education or training.

In some countries, social innovation in CLLD funded through the ESF was demonstrated at a horizontal level. For example, Lithuania reported behavioural changes among target groups with more people volunteering, citing the impact of CLLD in changing attitudes towards volunteering by bringing people of all ages together to open bath houses and laundromats for the homeless and socially excluded (see Box 14).

An evaluation conducted in Poland (Snizek et al., 2019) notes that innovations demonstrated by project beneficiaries involved the use of teaching aids and classes for developing skills and competencies among children. Poland has plans for future CLLD projects that promote innovation with a focus on people at risk of poverty or social exclusion, including care support for elderly and dependent people and a training component for those providing assistance as well as new neighbourhood care services. These support projects are based on a tailored reintegration path for each participant. CLLD funding in Poland has supported projects using an innovative model of entrepreneurial pre-incubation which provides recruitment, diagnosis and support for promising business plans, including consulting and bridging financial support. Beneficiaries are encouraged to combine and develop the scope of their activities by extending educational activities to incorporate themes related to nature, history of the region, culture, etc.

4.3 How can Member States promote socially innovative CLLD?

The literature review and feedback from interviewees suggest that CLLD could promote social innovation more fully by paying attention to the following issues:

- **Be realistic:** For CLLD to be valuable and effective there is no obligation for it to be innovative in and of itself. CLLD can, however, create favourable conditions for social innovations to develop.
- **Remove administrative barriers:** Allow adequate space for innovative ideas to develop and for local actors to act on them, particularly during the starting phase of preparing a LDS.
- **Allow failure:** Promote flexibility with delivery rules that promote experimentation and allow projects to fail so that learning can be better applied to develop new and different solutions to address local challenges. An experimental focus should be further supported through exchanges of ideas, practices and procedures on flexible ways of delivering social innovation.
- **Be patient:** The perception of innovation as something new and immediate means that the time needed for the evolution of social innovation can often be underestimated by policymakers, particularly when they are busy addressing pressing short-term political priorities and trends. For this reason, it is important to appreciate that developing innovative solutions to social issues and challenges can take time and may involve the sequencing of projects and work across programming periods.
- **Endorse social innovation more strongly:** In order to become an effective policy tool and useful concept for policymakers, social innovation needs to be better promoted and supported. Many of the managing authority representatives interviewed stated that social innovation was not an explicit aim of their ESF-funded CLLD approaches and was rarely included among the criteria for LAGs to obtain funding. This is likely to change in future funding rounds as Member States increasingly appreciate that CLLD is conducive to innovative ideas and practices (see Box 14 and Box 15) and are thus likely to be more amenable to discussing social innovation in public communications and procedures²². Launched in May 2021, competence centres for social innovation in different countries will help to promote social innovation with funding from both ESF+ and other EU programmes.
- **Promote multi-fund strategies:** Support structures that favour cooperation between different sectors and actors in society play a crucial role in solving cross-cutting issues. This kind of cooperation requires efforts that reduce divisions between policy areas, sector policies and silo thinking, and encourage the coordination and integration of actions across different departments.
- **Ringfence funding:** There is increased recognition that social innovation should be translated into the design and promotion of political goals. This is reflected in the ESF+ where up to 5% of national allocations can benefit from a higher EU co-financing rate if dedicated to social innovation and social experimentation ([Article 14\(5\) ESF+ Regulation](#)).

²² In highly bureaucratic contexts, making innovation a requirement risks a very administrative definition with box-ticking exercises to decide which projects meet innovation criteria.

5. Conclusions and recommendations

The CLLD approach offers important added value in the ESF context. As well as its close links to the ESF's focus on social capital and inclusion, the working methods of CLLD reinforce the partnership principle by empowering local stakeholders to address social issues in an integrated way. CLLD also promotes wider access to EU funds for more remote and marginalised communities.

In addition to wider engagement and impact, CLLD offers opportunities for actors to connect more meaningfully across national, regional and local levels, and across different funds. LAGs now have the opportunity to address development issues in all types of areas – rural, urban and coastal – and thus have the potential to activate place-based synergies.

An increase in the social inclusion activities developed by urban LAGs suggests that efforts should be made to include social inclusion funding from the ESF+ and maximise CLLD budget at the programming stage. Allocating funding to LAGs can help to support greater numbers of people at risk of poverty and social exclusion and create opportunities for their activity in the local labour market. Given the effects of the COVID-19 pandemic on societies and economies, this finding is particularly valuable ahead of the next programming period.

While not an explicit aim of ESF-funded CLLD policies to date, it is clear that CLLD is conducive to innovative ideas and practices. The potential of CLLD to promote social innovation should be encouraged and expanded by the ESF+ with Member States taking action to remove barriers and create an enabling environment for LAGs to engage in experimentation with initiatives that best serve their communities.

Responses from communities currently working with CLLD included numerous suggestions for facilitating the uptake and successful implementation of CLLD in the new programming period 2021-2027. These suggestions are summarised below under five headings: more communication and sharing of learning, more administrative flexibility, more autonomy for LAGs, more diverse target groups, and more diverse indicators to measure progress.

Table 6. Recommendations for uptake and successful implementation of community-led local development in the new programming period 2021-2027

More communication and sharing of learning

LAGs, NGOs, businesses and other actors want far more detailed and regular communication across all administrative levels before, during and after a LDS is implemented. At LAG selection stage, clearly communicating the funding priorities, when calls will be launched, and possible partnership models would help LAGs to prepare successful proposals. During strategy implementation, maintaining regular (at least annual) meetings where LAGs can share their concerns, achievements and solutions to challenges is essential for knowledge sharing and community building among geographically dispersed participants. After the end of strategy implementation in a given programming period, LAGs would like to stay informed about the outcome of final evaluations as well as the evolution of future funds. Learning can also be facilitated by creating links within and between actors and projects, and by drawing lessons from both within and outside different Member States with special attention given to what has worked and what has not.

| For the European Commission | For ESF+ managing authorities | For LAGs |
|--|---|--|
| <ul style="list-style-type: none"> • Ensure that ESF stakeholders have access to detailed and regular communication and knowledge sharing about CLLD projects managed by other EU funds. • Focus on targeting relevant information to the needs of different audiences (managing authorities, LAGs, beneficiaries, etc.). • Facilitate mutual learning and practice sharing across Member States and ESI Funds. | <ul style="list-style-type: none"> • Ensure clear communication on funding priorities and launching of calls. • Provide information on partnership models that could help LAGs to prepare successful proposals. • Organise regular meetings/forums where LAGs can share challenges and solutions. • Keep LAGs informed of outcomes of final evaluations and future funding opportunities. • Enable/encourage transnational exchanges and seminars and offer training courses for LAG members and public administration employees to share experience and ideas. • Organise and provide support for regular national meetings/forums where LAGs can network to develop | <ul style="list-style-type: none"> • To support appropriate project adaptations and adjustments, ensure that local-level learning is fully captured and shared with other LAGs through dedicated information channels/ meetings/ peer reviews that encourage open discussion about what has worked well and what has not. |

and share challenges and solutions in order to improve the impact of CLLD projects.

More administrative flexibility

CLLD has the potential to deliver truly tailored policy solutions to citizens in need, but this can only happen if delivery systems are transparent, accessible and responsive. Administrative complexity and rigidity are key challenges in designing and implementing CLLD projects. LAGs need more flexible administrative structures and delivery rules at programme level if they are to be able respond to the changing needs of their local communities. To assist this, careful consideration should be given to the amount of time it takes for beneficiaries to get decisions on projects and receive funding and to the fact that, as most CLLD grants are small, recipients should not be obliged to follow the same delivery rules as those for larger projects. Better coordination across funds is also needed so that LAGs and beneficiaries do not have to comply with different sets of funding rules and procedures. Limiting additional rules around eligibility criteria, etc. is advised so that projects are not discouraged by administrative burdens over and above EU legislation. As community priorities shift, LAGs should be able to adapt their strategies to changing situations such as natural change (e.g. generational changes in attitudes and priorities) and unforeseen crises (e.g. natural disasters, health crises).

For the European Commission

- Promote integrated CLLD approaches that counteract silos of expertise, fragmented fund management and short-term partnerships through policy briefs, cross-fund seminars and learning exchanges.
- Promote awareness about the difference between CLLD and other programmes, particularly in relation to the small size of grants and more flexible delivery rules.

For ESF+ managing authorities

- Ensure that clear and accessible information/documentation exists on administrative decisions related to CLLD.
- Ensure that channels are in place for addressing LAG/beneficiary concerns and questions, e.g. through dedicated CLLD units/contact points.
- Provide guidance, workshops and training on implementation of ESF+ projects.
- Use simplified cost options to cover administrative costs of LAGs, running and direct project costs.
- Consider offering lump sum amounts to enable LAGs to prepare their strategy.

For LAGs

- Ensure that LDS are reviewed regularly and are responsive to changing community needs and concerns.
- Diagnose community needs and concerns through small scale research, community meetings and participation of disadvantaged groups in LAG boards.
- Make information on changes to projects publicly available so it is clear why particular decisions/actions have been taken.
- Make full use of communication tools (including digital) that can assist in improving local awareness and information sharing.

- Update and adjust CLLD guidelines to respond to changing local needs throughout the programming period.
- Monitor (and seek to reduce) the time it takes for beneficiaries to get decisions on projects and receive funding.
- Engage in dialogue with managing authorities from other funds in order to harmonise different funding rules and procedures.
- Limit additional rules around eligibility criteria, etc.

More autonomy for LAGs

Social innovation requires freedom of action as innovative ideas are most likely to emerge when traditional ways of doing things are challenged and actors can assess their situation in a new light. When they want to test new ideas and approaches, however, LAGs are often constrained by formal administrative approval processes and rigid reporting requirements. Although some LAGs already have the autonomy to launch their own calls and build new partnerships, many would like greater autonomy. Managing authorities should thus ensure that they leave scope for local actors to play a role in defining and designing what is need for their projects. To ensure that the best solutions emerge, LAGs should also be allowed more room for experimentation and the authority to implement innovative ideas in their communities.

For the European Commission

- Promote transnational and cross-fund mutual learning, guidance and capacity-building efforts that allow for the development of flexible procedures for finding innovative solutions to challenges.
- Endorse policies and delivery frameworks that encourage social innovation.

For ESF+ managing authorities

- Encourage social innovation and experimentation by reducing rigid administrative processes and reporting requirements.
- Involve LAGs in programming of funds with input into types of interventions financed and design of calls.
- Develop skills and competencies of local actors to design and implement

For LAGs

- Reach out to non-traditional local partners such as civil society groups representing youth, women, people with disabilities, migrants, etc., environmental organisations, service user groups, educational institutions, business associations and other local partnerships to explore new ideas and perspectives that can stimulate innovation.

- | | | |
|--|--|--|
| <ul style="list-style-type: none"> • Support and promote partnerships between different actors and encourage co-creation and co-production efforts. • Support peer learning on social innovation across different administrative levels (transnational, national, regional and local). | <p>innovative solutions to tackle social challenges.</p> <ul style="list-style-type: none"> • Encourage peer exchanges that share successes and failures of new ideas derived from CLLD projects. Identify promising practices that could be scaled-up. | <ul style="list-style-type: none"> • Work closely with public sector agencies/municipalities to ensure institutional support for social innovation processes and participatory development. • Share learning derived from experimentation. |
|--|--|--|

More diverse target groups

The inclusion of a broader range of different stakeholders in project development, decision-making and implementation should be encouraged with efforts made to develop a common understanding of CLLD objectives, potential and specificity among all the actors involved through dialogue and exchanges between managing authorities, LAGs and beneficiaries. A broader definition of target groups can give different perspectives on CLLD success. Even though the definition of ‘socially excluded’ has been broadened to include those ‘at risk’ of social exclusion, many of those interviewed for this report would prefer a wider conception of who can participate and benefit from CLLD projects. A move away from a narrow view of target groups as passive recipients of funds to one in which they are active agents of change is welcomed. The local actors implementing CLLD may also be counted as target groups as they develop hard and soft skills, and benefit from increased social cohesion.

For the European Commission

- Develop and promote a wider definition of CLLD target groups.
- Promote and encourage greater diversity in partner selection processes, e.g. through a revised ECCP.

For ESF+ managing authorities

- Encourage greater diversity in partner selection with procedures and guidance for including ‘non-traditional’ partners in LAGs.
- Allow for greater diversity of target groups to cover whole local communities and practice social inclusion among supported people.
- Promote exchanges with LAGs and beneficiaries to support common understanding of CLLD among diverse stakeholders.

For LAGs

- Ensure consideration of diverse and ‘unusual’ local actors in projects, e.g. small, medium and micro enterprises and social economy enterprises; educational institutions; environmental groups; civil society organisations representing the most vulnerable and marginalised.
- Make links with local networks, coalitions and partnerships that focus on specific areas relevant to the investment priorities chosen.
- Pay attention to the impartiality and independence of civil society organisations involved in local projects.

More diverse indicators to measure progress

More efforts should be made to differentiate CLLD from mainstream approaches with strong acknowledgement of the bottom-up character of CLLD initiatives. In order to capture and measure different forms of outcomes resulting from the use of CLLD standard ESF indicators should be diversified to include so-called soft indicators. Instead of proof of employment at the end of a labour market integration programme, for instance, attention should be paid to how participants have built higher self-esteem or a better social support network. These qualitative changes are difficult to measure and compare, but they are crucial to providing a better understanding of how improvements made be made in local communities. In the longer term it is the acquisition of new skills and new partnerships that enhance social inclusion and enable sustainable social transformation.

| For the European Commission | For ESF+ managing authorities | For LAGs |
|---|---|--|
| <ul style="list-style-type: none"> • Promote awareness of CLLD's differential bottom-up approach. • Promote the use of soft indicators that measuring progress related to changes in the confidence of participants and cohesion of local communities. • Provide guidance on soft indicators and measurements. | <ul style="list-style-type: none"> • Promote use of soft indicators for monitoring and measuring progress of CLLD strategies and projects. • Provide guidance and offer capacity building opportunities on use of soft indicators for CLLD initiatives. • Share examples of how soft indicators may be used through learning events, written materials, etc. • Engage in consultation processes with LAGs to develop improved measurement systems for CLLD programmes and projects. | <ul style="list-style-type: none"> • Provide and share suggestions for improvements to CLLD measurement systems that use 'soft' indicators. • Work to co-create suitable monitoring and measurement systems that are reviewed and refined over time. |

References

- Bakker, E., Jasinska Muehleck, K., Williams, H. (n.d.). *LEADER post 2020*. Presentation prepared by DG Agriculture and Rural Development.
- Bosworth, G., Rizzo, F., Marquardt, D., Strijker, D., Haartsen, T. and Aagaard Thuesen, A. (2016). *Identifying social innovations in European local rural development initiatives*. Innovation: The European Journal of Social Science Research. DOI: 10.1080/13511610.2016.1176555. Available at: <http://dx.doi.org/10.1080/13511610.2016.1176555>
- Budzich Tabor, U. (2016). *Implementing Community-Led Local Development*. Presentation for ESF Transnational Platform Conference 'Transnationality in progress.' Brussels, 21-22 June 2016.
- Budzich Tabor, U. (2017). *Community-Led Local Development – a tool to improve partnership?* Presentation for FARNET Support Unit. Brussels, 20 February 2017.
- Dax, T., Strahl, W., Kirwan, J. and Maye, D. (2016). *The LEADER programme 2007-2013: Enabling or disabling social innovation and neo endogenous development? Insights from Austria and Ireland*. European Urban and Regional Studies, 23(1), 56-68. doi:10.1177/0969776413490425. Available at: <http://dx.doi.org/10.1177/0969776413490425> (last accessed on 15 February 2021).
- EAFRD (2006). *The LEADER approach: A basic guide*. Available at: <https://enrd.ec.europa.eu/sites/default/files/fms/pdf/2B953E0A-9045-2198-8B09-ED2F3D2CCED3.pdf> (last accessed on 15 February 2021).
- European Commission (2010). *EUROPE 2020: A strategy for smart, sustainable and inclusive growth*. Brussels, 3 March 2010, COM (2010) 2020 final. Available at: <https://op.europa.eu/en/publication-detail/-/publication/6a915e39-0aab-491c-8881-147ec91fe88a/language-en> (last accessed on 15 February 2021).
- European Commission (2013). *EU Regulation No 1303/2013 of the European Parliament and of the Council of 17 December 2013 laying down common provisions on the European Regional Development Fund, the European Social Fund, the Cohesion Fund, the European Agricultural Fund for Rural Development and the European Maritime and Fisheries Fund and laying down general provisions on the European Regional Development Fund, the European Social Fund, the Cohesion Fund and the European Maritime and Fisheries Fund and repealing Council Regulation (EC) No 1083/2006*. Available at: <http://data.europa.eu/eli/reg/2013/1303/oj> (last accessed on 15 February 2021).
- European Commission (2014a). *Commission Delegated Regulation (EU) No 240/2014 of 7 January 2014 amending Regulation (EU) No 1303/2013 of the European Parliament and of the Council of 17 December 2013 laying down common provisions on the European Regional Development Fund, the European Social Fund, the Cohesion Fund, the European Agricultural Fund for Rural Development and the European Maritime and Fisheries Fund and laying down general provisions on the European Regional Development Fund, the European Social Fund, the Cohesion Fund and the European Maritime and Fisheries Fund and repealing Council Regulation (EC) No 1083/2006*. OJ L 74/7, 14 March 2014. Available at: <http://eur-lex.europa.eu/legalcontent/EN/TXT/PDF/?uri=CELEX:32014R0240&from=EN> (last accessed on 15 February 2021).
- European Commission (2014b). *Draft thematic guidance fiche for desk officers: Thematic Objective 9: Social Inclusion*. Version 2 – 27 January 2014. Available at: https://ec.europa.eu/regional_policy/sources/docgener/informat/2014/guidance_social_inclusion.pdf (last accessed on 15 February 2021).

- European Commission (2014c). *Guidance on Community-led Local Development in European Structural and Investment Funds*. European Structural and Investment Funds, Guidance for Member States and Programme Authorities. Version 3: June 2014. Available at: https://webgate.ec.europa.eu/fpfis/cms/farnet2/sites/default/files/guidance_community_local_development.pdf (last accessed on 15 February 2021).
- European Commission (2014d). *Social innovation*. Available at: <https://ec.europa.eu/social/main.jsp?catId=1022&langId=en> (last accessed on 15 February 2021).
- European Commission (2014e). *Community-Led Local Development. Cohesion Policy 2014-2020*. Available at: https://ec.europa.eu/regional_policy/sources/docgener/informat/2014/community_en.pdf (last accessed on 15 February 2021).
- European Commission (2017). *My region, my Europe, our future*. Seventh report on economic, social and territorial cohesion. Available at: https://ec.europa.eu/regional_policy/en/information/cohesion-report/ (last accessed on 15 February 2021).
- European Commission (2018a). *Guidance on Community-Led Local Development for local actors*. Version 3: September 2018. Available at: https://ec.europa.eu/regional_policy/en/information/publications/guidelines/2014/guidance-on-community-led-local-development-for-local-actors (last accessed on 15 February 2021).
- European Commission (2018b). *Guidance for Member States and programme authorities on Community-Led Local Development in European Structural and Investment Funds*. Version 4: September 2018. Available at: https://ec.europa.eu/regional_policy/sources/docgener/informat/2014/guidance_community_local_development.pdf (last accessed on 15 February 2021).
- European Commission. (2018c). *Proposal for a Regulation of the European Parliament and of the Council laying down common provisions on the European Regional Development Fund, the European Social Fund Plus, the Cohesion Fund, and the European Maritime and Fisheries Fund and financial rules for those and for the Asylum and Migration Fund, the Internal Security Fund and the Border Management and Visa Instrument*. COM/2018/375 final - 2018/0196 (COD). Available at: <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=COM%3A2018%3A375%3AFIN> (last accessed on 30 March 2021).
- European Commission (2020). *State of the Union 2020. The Von Der Leyen Commission: one year on*. Available at: https://ec.europa.eu/info/sites/default/files/von-der-leyen-commission-one-year-on_en.pdf (last accessed on 15 February 2021).
- European Commission (2021a). *Regulation (EU) 2021/1057 of the European Parliament and of the Council of 24 June 2021 establishing the European Social Fund Plus (ESF+) and repealing Regulation (EU) No 1296/2013*. Available at: <https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=OJ:L:2021:231:FULL&from=EN>
- European Commission (2021b). *Regulation (EU) 2021/1060 of the European Parliament and of the Council of 24 June 2021 laying down common provisions on the European Regional Development Fund, the European Social Fund Plus, the Cohesion Fund, the Just Transition Fund and the European Maritime, Fisheries and Aquaculture Fund and financial rules for those and for the Asylum, Migration and Integration*

Fund, the Internal Security Fund and the Instrument for Financial Support for Border Management and Visa Policy. Available at: <https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=OJ:L:2021:231:FULL&from=EN>

ENRD (2017). *ENRD Policy note on LEADER and Innovation.* Available at: [leader-innovation-policy-note-pwg_0.pdf \(europa.eu\)](#) (last accessed on 16 August 2021).

ENRD (2020a). *European Network for Rural Development (ENRD) website.* Available at: <https://enrd.ec.europa.eu/> (last accessed on 8 June 2021).

ENRD (2020b). *Improving LEADER delivery for resilient rural territories.* ENRD webinar highlights. Available at: https://enrd.ec.europa.eu/sites/default/files/lsg8_mini-workshop_highlights-report.pdf (last accessed on 8 June 2021).

ENRD (n.d.). *Rural responses to the COVID-19 crisis.* Available at: https://enrd.ec.europa.eu/rural-responses-covid-19-crisis_en (last accessed on 28 June 2021).

European LEADER Association for Rural Development (ELARD) (2019). *Best practice in Community-Led Local Development using the European Regional Development Fund and European Social Fund.* European Rural Parliament - Road Project. Available at: <http://elard.eu/wp-content/uploads/2020/04/Best-Practice-CLLD-ERDFESF-final-1.pdf> (last accessed on 15 February 2021).

ESF Transnational Cooperation Network (2016). *CLLD – a useful approach for ESF.* Available at: <https://ec.europa.eu/esf/transnationality/content/clld-useful-approach-esf> (last accessed on 15 February 2021).

ESF Transnational Cooperation Network (2019). *ESF Transnational Cooperation: including and empowering people throughout life.* Workshop 6 Empowering local communities. Available at: <https://ec.europa.eu/esf/transnationality/sites/esf/files/events/attachments/draft-programme-esf-confer2019-5.pdf> (last accessed on 15 February 2021).

ESF Transnational Cooperation Platform (2021). *Workshop on Community-Led Local Development with a focus on the innovative component.* Online, 12-13 April 2021. Summary Report. Community of Practice on Social Innovation.

Eurodiaconia (2014). *European Social Fund: briefing for members.* Available at: <https://www.eurodiaconia.org/wordpress/wp-content/uploads/2015/12/briefing-for-members-european-social-fund-2014-2020-june-2014.pdf> (last accessed on 15 February 2021).

FAME and FARNET (2018). *Evaluating CLLD. Handbook for LAGs and FLAGs.* Guide No.15. Brussels: European Union. Available at: https://webgate.ec.europa.eu/fpfis/cms/farnet2/sites/farnet/files/publication/en_farn_etguide15_0.pdf (last accessed on 15 February 2021).

FARNET (2020a). *Post-2020: local action in a changing world.* Conference report, 3 December 2020. Available at: https://webgate.ec.europa.eu/fpfis/cms/farnet2/sites/farnet/files/conference_report_layout.pdf (last accessed on 15 February 2021).

FARNET (2020b). *Delivering CLLD effectively: A guide for EMFF Managing Authorities.* FARNET Support Unit, Brussels. Available at: https://webgate.ec.europa.eu/fpfis/cms/farnet2/sites/default/files/publication/en_farnetguide_19_fin.pdf (last accessed on 15 February 2021).

- FARNET (n.d.). European Fisheries Areas Network website. Available at: https://ec.europa.eu/fisheries/cfp/eff/farnet_en (last accessed on 15 February 2021).
- Kah, S. (2019). *Implementing Cohesion Policy funds through multi-fund CLLD*. Background paper. Available at: <https://ldnet.eu/implementing-cohesion-policy-funds-through-multi-fund-clld/> (last accessed on 1 July 2021).
- Kah, S. (2020). *Where does the EU share of CLLD funding come from?* Available at: <https://ldnet.eu/where-does-the-eu-share-of-clld-funding-come-from/> (last accessed on 30 March 2021).
- Kah, S. (2021). *CLLD comparisons: ESI funding dedicated to CLLD in different countries*. Available at: <https://ldnet.eu/clld-comparisons-esi-funding-dedicated-to-clld-in-different-countries/> (last accessed on 30 March 2021).
- Kola-Bezka, M. (2020). *Community-Led Local Development in urban and other areas: lessons from Kujawsko-Pomorskie Voivodeship*. *Economics and Law*, 19(3), 505-521.
- Kwiecińska-Zdrenka, M., John, R. and Woźniak, D. (2019). *Ewaluacja instrumentu RLKS w ramach RPO WK-P na lata 2014-2020 w kontekście doświadczeń perspektywy 2014-2020 i wskazania założeń wsparcia na lata 2021-2027*. Urząd Marszałkowski Województwa Kujawsko-Pomorskiego. Available at: http://www.mojregion.eu/files/dokumenty%20rpo/ewaluacja/baza%20badan/Ewaluacja%20instrumentu%20RLKS%20w%20ramach%20RPO%20WK-P_final%20-%20tekst_altern.docx (last accessed on 30 April 2021).
- Joint Research Centre (JRC). (2021). *Urban Data Platform Plus. STRAT-Board database*. Available at: <https://urban.jrc.ec.europa.eu/strat-board/#/where>
- LAG Krajna and Pałuki (2020). *Biuletyn informacyjny LGD*. Available at: https://krajna-paluki.cna.org.pl/images/stories/2020/IV_kw/Biuletyn.pdf
- LAG Krajna and Pałuki (2021). *Wdrażanie Strategii Rozwoju Lokalnego Kierowanego przez Społeczność dla obszaru powiatu nakielskiego przez Lokalną Grupę Działania Stowarzyszenie "Partnerstwo dla Krajny i Pałuk"*. Available at: <https://www.rlks.naklo.pl/aktywna-integracja-w-dolinie-noteci.html>
- LDnet (2020). *Country profiles*. Available at: <https://ldnet.eu/tag/clld/> (last accessed on 15 February 2021).
- Lukesch, R. (2018a). *LEADER reloaded*. Paper presented at ELARD Conference, September 2018. Available at: <https://leaderfrance.fr/wp-content/uploads/2018/11/lukesch-en.pdf> (last accessed on 15 February 2021).
- Lukesch, R. (2018b). *LEADER case study: social innovation – implicit to the LEADER Approach*. OAR and ZSI Consultancies. Available at: https://enrd.ec.europa.eu/projects-practice/leader-case-study-social-innovation-implicit-leader-approach_en (last accessed on 15 February 2021).
- Lukesch, R., Ludvig, A., Slee, B., Weiss, G. and Zivanovic, I. (2020). *Social innovation, societal change and the role of policies*. *Sustainability*, 12(18), 7407. Available at: <https://doi.org/10.3390/su12187407> (last accessed on 15 February 2021).
- Miestų VVG Tinklas. (2021). *Miestų bendruomenių projektai 2017-2021*. Publication prepared and financed solely by Lithuania Town LAGs' Network (which does not receive funding from ESF Lithuanian national budget). Available at:

<https://vrm.lrv.lt/lt/naujienos/leidinio-miestu-bendruomeniu-projektai-2017-2021-pristatymas> (last accessed on 30 May 2021).

- Miller, S. (2014). *Emerging trends and challenges in Community-Led Local Development (CLLD)*. European Structural and Investment Funds Journal, 2(4), 302-307.
- Najwyższa Izba Kontroli (2020). *Rozwój Lokalny Kierowany Przez Społeczność w perspektywie finansowej 2014-2020*. Informacja o wynikach kontroli. Nr ewid. 40/2020/P/19/006/KAP. Available at: <https://www.nik.gov.pl/kontrola/P/19/006/> (last accessed on 30 April 2021).
- Parde, J. (n.d.). *LAG – SydostLeader – Sweden*. Available at: https://ec.europa.eu/regional_policy/sources/docgener/studies/pdf/clld_implem/annex3_se_sydstleader.pdf (last accessed on 30 March 2021).
- Pollermann, K., Fynn, L. and Schwarze, S. (2021). *What are favouring conditions for the implementation of innovative projects in Community-Led Local Development (CLLD) approaches?* Structural change in rural and urban economies – 11th summer conference of the German-speaking section (GfR) of the European Regional Science Association (ERSA, 2-3 July 2020), Thünen Institute, Braunschweig, ZBW – Leibniz Information Centre for Economics, Kiel, Hamburg.
- Rżany, J. (2017). *Case study of Suwalsko-Sejneńska LAG (S-S LAG)*. Available at: https://ec.europa.eu/regional_policy/sources/docgener/studies/pdf/clld_implem/annex3_pl_sslgd.pdf (last accessed on 30 March 2021).
- ROMACT (2020). *Initial developments in the CLLD approach in nine urban communities in Romania*. Available at: <https://coe-romact.org/content/ro-initial-developments-clld-approach-9-urban-communities-romania> (last accessed on 15 February 2021).
- Servillo, L. (2017). *CLLD under ERDF/ESF in the EU: A stock-taking of its implementation*. Available at: https://ec.europa.eu/regional_policy/sources/docgener/studies/pdf/clld_implem/clld_implem_en.pdf (last accessed on 15 February 2021).
- Servillo, L. and Bruijn, M. (2018). *From LEADER to CLLD: the adoption of the new fund opportunities and their local development options*. European Structural and Investment Funds Journal, 6(3), 223-233. Available at: [ESIF - European Structural and Investment Funds Journal: Volume 6 \(2018\), Issue 3 \(lexxion.eu\)](https://www.lexxion.eu/ESIF-European-Structural-and-Investment-Funds-Journal-Volume-6-2018-Issue-3) (last accessed on 15 February 2021).
- Servillo, L. and Kah, S. (2020). *Implementing CLLD in the EU: experiences so far*. ELARD LEADER/CLLD Conference 2019. Available at: <https://leaderconference2019.minhaterra.pt/rwst/files/1119-CLLDX231219XSERVILLOXKAH.PDF> (last accessed on 15 February 2021).
- Scholz, F., Nolte, B., Washington, J. and Neureiter, M. (2020). *Bewertung des spezifischen Ziels 7 des Europäischen Sozialfonds (ESF) und des spezifischen Ziels 14 des Europäischen Fonds für regionale Entwicklung (ERDF): Evaluierung der Umsetzung und Wirkung der von der örtlichen Bevölkerung betriebenen Maßnahmen zur lokalen Entwicklung (CLLD), Abschlussbericht Sachsen-Anhalt*.
- Schoenhofer, H., Naylor, I., Demel, K., Savioli, B., Cunningham, E., Parissaki, M., Orazé, H., Wortmann, L. (2009). *Ex post evaluation of the EQUAL Community Initiative (2000-2006)*. Final Report. Vienna: Metis and Kantor. Available at: https://ec.europa.eu/employment_social/equal/consolidated/about/evaluation.html (last accessed on 30 April 2021).

- Sniezek, A., Pałka, S., Przybył, C., Kamińska, A., Kowalczyk, P., Marciniak, M. and Grajek, A. (2019). *Ocena systemu wdrażania i wstępny pomiar rezultatów instrumentu RLKS w województwie podlaskim*. Województwo Podlaskie Urząd Marszałkowski Województwa Podlaskiego. Available at: <https://www.ewaluacja.gov.pl/strony/badania-i-analizy/wyniki-badan-ewaluacyjnych/badania-ewaluacyjne/ocena-systemu-wdrazania-i-wstepny-pomiar-rezultatow-instrumentu-rozwoj-lokalny-kierowany-przez-spolecznosc-w-wojewodztwie-podlaskim/> (last accessed on 30 April 2021).
- Sokol, D. (2021). *Community-Led Local Development in Czechia*. Presentation at conference CLLD implementation – exchange of best practice conference organised by Ministry of Development Funds and Regional Policy on 26 January 2021.
- Stott, L. (2014). *Partnerships for innovation in access to basic services*, Multilateral Investment Fund/Inter-American Development Bank & itdUPM, July 2014. Available at: https://ppp.worldbank.org/public-private-partnership/sites/ppp.worldbank.org/files/documents/FOMIN_Innovation_basic_services_5_case_studies.pdf
- Stott, L. (2016). *Thematic Network on Partnership: baseline study*. Brussels: AEIDL.
- Szymański, B. (2021). *What is the added value of CLLD implementation in urban areas? Best practices from the Kujawsko-Pomorskie region*. Presentation at conference CLLD implementation – exchange of best practice conference organised by Ministry of Development Funds and Regional Policy on 26 January 2021.
- Tidd, J. and Bessant, J. (2013). *Managing innovation: integrating technological, market and organisational change* (5th edition). New Jersey: John Wiley & Sons.
- Treaty of the Functioning of the European Union (2012). OJ C326/47. Available at: <https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:12012E/TXT&from=EN>

Annex 1: List of managing authorities consulted

| Member State | Operational Programme (OP) | CCI number |
|--------------|--|------------------------------------|
| Austria | Interview with Austrian Managing Authority and intermediate body about upcoming ESF+ Programme | N/A |
| Bulgaria | Interview covering OPs: Human Resources Development 2014-2020 Science and Education for Smart Growth 2014-2020 | 2014BG05M9OP001 2014BG05M2OP001 |
| Czechia | Employment, Human Capital and Social Cohesion | 2014CZ05M9OP001 |
| Germany | ESF Sachsen-Anhalt 2014-2020 | 2014DE05SFOP013 |
| Greece | Interview with coordinating body covering various OPs | |
| Hungary | Territorial and Settlement Development | 2014HU16M2OP001 |
| Italy | Validation of data for Campania | 2014IT05SFOP020 |
| Lithuania | EU Structural Funds Investments for 2014-2020 | 2014LT16MAOP001 |
| Poland | Regional OP for Kujawsko-Pomorskie Voivodeship 2014-2020 | 2014PL16M2OP002 |
| Poland | Regional OP for Podlaskie Voivodeship | 2014PL16M2OP010 |
| Portugal | Validation of data for various OPs | |
| Romania | Human Capital | 2014RO05M9OP001 |
| Spain | Interview with Basque association of Local Development Agencies | N/A |
| Sweden | Validation of data for Community-Led Local Development OP | 2014SE16M2OP001 |
| UK | ESF England | 2014UK05M9OP001 |

Annex 2: List of community-led local development case studies

| Member State | LAG | Title |
|--------------------------|-----------|-----------------------------------|
| Czechia | Pobeskydí | Support for carers in Pobeskydí |
| Germany (Sachsen-Anhalt) | Börde | Local pool of trained babysitters |
| Lithuania | Biržai | Business Innovation incubator |

Annex 3: List of Operational Programmes with community-led local development

| Member State | Operational Programme (OP) | CCI number |
|--------------|---|-----------------|
| | Activities initially planned but cancelled* | |
| Germany | Sachsen – ESF | 2014DE05SFOP012 |
| Germany | Thüringen – ESF | 2014DE05SFOP014 |
| Greece | South Aegean – ERDF/ESF | 2014GR16M2OP013 |
| Greece | Thessaly – ERDF/ESF | 2014GR16M2OP003 |
| Greece | Western Greece – ERDF/ESF | 2014GR16M2OP005 |
| Greece | Ionian Islands – ERDF/ESF | 2014GR16M2OP009 |
| Greece | Crete – ERDF/ESF | 2014GR16M2OP011 |
| Spain | Galicia – ESF | 2014ES05SFOP009 |
| Spain | Aragón – ESF | 2014ES05SFOP018 |
| France | Martinique – ESF | 2014FR05SFOP004 |
| France | Midi-Pyrénées et Garonne – ERDF/ESF/YEI | 2014FR16M0OP007 |
| France | Martinique – ERDF/ESF/YEI | 2014FR16M0OP011 |
| Italy | Campania – ESF | 2014IT05SFOP020 |
| Poland | Małopolskie Voivodeship – ERDF/ESF | 2014PL16M2OP006 |
| | Activities not initially planned but selected through open calls | |
| Poland | Śląskie Voivodeship – ERDF/ESF | 2014PL16M2OP012 |

Note (*) According to SCF 2014 as of 2019 (exported on 4 February 2021) in these OPs, ESF funding was planned under Investment Priority 9vi (CLLD strategies) and/or Territorial Delivery Mechanism.

Source: SFC 2014 and information provided by managing authorities or European Commission country desk officers.

GETTING IN TOUCH WITH THE EU

In person

All over the European Union there are hundreds of Europe Direct information centres. You can find the address of the centre nearest you at:

https://europa.eu/european-union/contact_en

On the phone or by email

Europe Direct is a service that answers your questions about the European Union. You can contact this service:

- by freephone: 00 800 6 7 8 9 10 11 (certain operators may charge for these calls),
- at the following standard number: +32 22999696 or
- by email via: https://europa.eu/european-union/contact_en

FINDING INFORMATION ABOUT THE EU

Online

Information about the European Union in all the official languages of the EU is available on the Europa website at: https://europa.eu/european-union/index_en

EU publications

You can download or order free and priced EU publications at: <https://op.europa.eu/en/publications>. Multiple copies of free publications may be obtained by contacting Europe Direct or your local information centre (see https://europa.eu/european-union/contact_en).

EU law and related documents

For access to legal information from the EU, including all EU law since 1952 in all the official language versions, go to EUR-Lex at: <http://eur-lex.europa.eu>

Open data from the EU

The EU Open Data Portal (<http://data.europa.eu/euodp/en>) provides access to datasets from the EU. Data can be downloaded and reused for free, for both commercial and non-commercial purposes.



Publications Office
of the European Union