# STUDIES CONCERNING THE EVOLUTION OF THE LEADER APPROACH, PART OF THE COMMON AGRICULTURAL POLICY, AS A SUPPORT FOR SUSTAINABLE DEVELOPMENT OF THE RURAL AREA

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#### Abstract

This article aims to analyze the evolution of the LEADER approach from the pilot project stage to the present. The article aims to the stages of the LEADER approach and their particularities from the timid beginnings of LEADER in Europe and emphasize the relevant aspects of this innovative approach: principles, eligible territory, added value. LEADER has emerged as a necessity of rural development policies regarding the objective of their interventions, interventions aimed at revitalizing rural areas and creating jobs. It follows the evolution of the relevant indicators of the LEADER approach in Europe and in Romania such: covered territorial area, allocated amounts. Also, some data are presented to highlight the LEADER financial allocation compared to the rest of the EAFRD budget allocated to that country. For the first stage LEADER the financial allocation was 442 million euros distributed to a number of 217 local action groups, the success of LEADER being proved over time by the increasing financial allocation, the covered area and the number of local action groups, respectively: 9,400 million euros and 2,784 LAGs in Europe in 2014 – 2020. In Romania, there are 239 LAGs that have financial allocation of 563.50 million euros and an eligible territory of 228,754 km².

Key words: LEADER, rural development, sustainable development, bottom-up, innovation, LAG,

### **INTRODUCTION**

Rural development is a vast, highly topical and very dynamic topic. More than 50% of inhabitants of the European Union live in rural areas, which cover almost 91% of the European territory. CAP acts in the territory through its second pillar named RDP: rural development policy. Rural development is an area with a wide coverage area including financing, management, elements of technology, agriculture, animal husbandry and alternative sources of income, forestry, crafts, ecology, sociology and social assistance. The different approaches to rural development experienced until the 1980s were mainly based on a sectoral concept, with top-down planning and simplistic measures to support beneficiaries instead of measures to involve local people through local development agents. The entry into force of the Single European Treaty entered into force in 1987 in conjunction with the recognition of the need to change the approach of the Treaty of Rome led to the creation of territorial instruments designed to help correct the regional imbalance within the European Community less developed and for the reconversion of declining industrial regions. Thus, on 15 March 1991 (COM/91/C73/14) the first Community initiative for rural development known as LEADER was approved. This acronym comes from the French "Liaison Entre Actions de Développement l'Économique Rurale" meaning. To cope with the restructuring of the agricultural industry, during the 1990s, rural Europe had many local actions and solutions for local development. [9]. At European level, the need for a LEADER approach arose when public rural development programs in the Member States were limited, in terms of the objective of their interventions [11]. The LEADER policy supports the European objectives for rural

development, this can be interpreted differently in each country [3]. The LEADER program, according to rural policy, takes into account the territorial dimension [5]. The LEADER approach has been at the heart of European rural development policy for the last 20 years, encompassing the principles of bottom-up endogenous development and community empowerment [10]. LEADER is a working methodology, based on a trilogy: strategy, territory and partnership meant to revitalize and enhance the rural environment through prominence, autonomy responsibility of the rural population [7]. The original purpose of the LEADER community initiative was to develop innovative ideas for model rural development that could be replicated in other areas [4].

The LEADER stages are the following:

1991 - 1993 – LEADER I;

1994 – 1999 – LEADER II;

2000 - 2006 - LEADER + ;

2007 - 2013 - LEADER;

2014 – 2020- LEADER.

LEADER I (1991 - 1993) is characterized by being a pilot experience implemented in several territories of the European Union, marked the beginning of a new conception of development policy based on rural territorial. integrated and participatory approach. It received a very positive response from the private sector in terms of investment contribution. LEADER II (1994 - 1999) represents the generalization of the LEADER I program, offering a special importance to the innovative character of the projects in rural areas, the emphasis of the LEADER program on rural and agricultural development, being replaced by integrated projects. of the LEADER I program being replaced by integrated projects, through which the development of innovative activities carried out by local agencies in all sectors of activity in the rural world.

LEADER + (2000 - 2006), the last of the three Community rural development initiatives that took place, was presented through Commission Communication C / 139 / C to Member States of 14 April 2000. It aims to develop original strategies of

sustainable development and quality, designed to experiment with new forms of capitalization of natural and cultural heritage, improving jobs and the quality of organization of those rural communities.

LEADER + maintains its laboratory function for discovering and experimenting with new approaches to integrated and sustainable development that influence the development policy of the European Union. It is meant to support and develop integrated strategies for local rural development. Emphasis should be placed on capitalizing on local products, using new technologies and knowledge, capitalizing on natural cultural resources (unifying themes), piloting, transnational projects and inter-territorial projects.

Axis 4 LEADER (2007-2013), transversal axis on the other three axes of action within the European Rural Policy which involves the integration of the LEADER methodology in all rural territories of the European Union, its main purpose being to contribute to achieving the objectives of the other 3 axes of rural policy. One of the aspects is in its original essence, and in many Member States it has meant a real innovation: the creation of partnerships structures of local as government. This is a strategic element that makes the difference between the LEADER program and other types of programs, the difference being that it has managed to be based on aspirations and projects created at the local level. LEADER (2014-present) aims to settle the approaches and actions started in the previous stages through a balanced territorial development, which involves covering the entire LEADER territory by as few LAGs as possible.

The principles of the LEADER approach are governed by Article 61 of Regulation 1698/2005, namely (Figure 1):

- -Local development strategies by areas, designed for clearly delimited rural and subregional territories;
- -Local partnerships between the public and private sectors or local action groups;
- -A bottom-up approach that gives local action groups decisive power in developing and

implementing a local development strategy (bottom-up approach);

- -Cooperation and multisectoral application of the strategy, based on the interaction between agents and projects in the different sectors of the local economy;
- -Implementing innovative approaches;

- -Execution of cooperation projects;
- -Creating a network of local partnerships.

These are also called the 7 "good governance key dimensions" [2]. LEADER is an innovative approach through the very principles it applies: bottom-up approach, partnership, cooperation, etc.

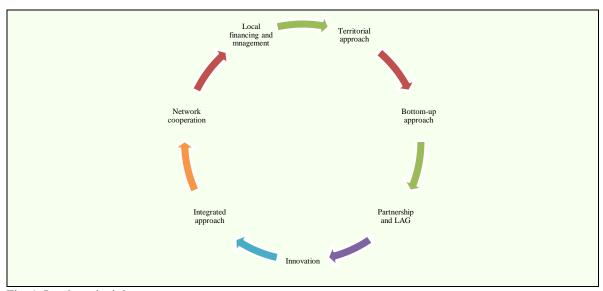


Fig. 1. Leader principles. Source: Own design.

The LAG (Local Action Group) is the instrument through which the LEADER principles can be implemented. The main feature of LEADER is the local action group (public-private partnership), having the role of managing financial resources the LAG implementing strategy. It constituted according to OG 26/2000 on the basis of an agreement, in which the private partners must represent the majority (minimum 51% of the partnership structure). The establishment of Local Action Groups (LAGs) within the framework of LEADER with the participation of public and private actors through a bottom-up approach (i.e., the empowerment of local society) and the management of local development strategies constitutes one of the major innovations in the field of rural policy [8]. In the LEADER I phase, approximately 217 local action groups have been set up at European level, covering an area of 367,000 km<sup>2</sup> and a financial allocation of EUR 442 million. LEADER II contributed to the increase of the number of local action groups previously set up with

another 1,000, the covered territory being of 1,375,144 km<sup>2</sup> and the financial allocation of 1,755 million euros. Following the upward trend LEADER + came with an increase in the number of local action groups with another 896 which led to a covered area of 1,577,386 km<sup>2</sup> and a financial allocation of 2,105.10 million euros [11]. LEADER, as it has been called since 2007, led to the existence of 2,451 LAGs in 2013 and 2,784 LAGs in 2019. The LEADER approach in Romania begins in 2006, when the Ministry Agriculture and Rural Development identified 120 territories as potential LAGs. Through the National Rural Development **Program** 2007-2013, 163 LAGs were established, on an area of approximately 142,000 km<sup>2</sup> (representing 58% of the population eligible for LEADER and 63% of the territory eligible for LEADER) [1]. In the 2014-2020 programming period, the number of local action groups reached 239, approving all 73 submitted local development strategies, reaching 93% of the LEADER eligible area. The eligible area LEADER was 228,754 km<sup>2</sup>

and the eligible population LEADER 11,359,703 inhabitants.

#### **MATERIALS AND METHODS**

The data presented in this article are meant to highlight the evolution of the LEADER approach, present evolution of indicators such as: area covered by the total eligible area LEADER, financial allocation and number of local action groups, local action groups being the main tool through which the LEADER approach it can implement your principles. These were centralized from data taken from various sources.

#### **RESULTS AND DISCUSSIONS**

As can be seen in Table 1 in the early stage of LEADER (1991 -1993) the area of LEADER territory was 367,000 km<sup>2</sup>, with a financial allocation of 442 million euros corresponding to a number of 217 local action groups in Europe. It is observed that, in Europe, the LEADER program had an evolution, in the period 2014-2020, reaching a number of 2,784 LAGs with a financial allocation of 9,400 million euros.

In Romania, the LEADER program starts in the period 2007-2013, with an area of 142,000 km<sup>2</sup> and a financial allocation of 424.20 million euros, with a number of 163 LAGs.

Table 1. LEADER eligible area and financial allocation in LEADER stages

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	LEADER I (1991-1993)		LEADER II (1994 – 1999)		LEADER + (2000-2006)		LEADER (2007-2013)		LEADER (2014-2020)	
	Europe	Romania	Europe	Romania	Europe	Romania	Europe	Romania	Europe	Romania
Surface [km <sup>2</sup> ]	367,000	-	1,375,144	-	1,577,386	-	4,007,304.94	142,000	1	228,754
Financial allocation [mill. Euro]	442	-	1,755	-	2,105.10	1	8,900	424.20*	9,400	563.50
No. of LAGs	217	-	1,217	-	2,113	-	2,451	163	2,784	239

Source: Own calculation based on data www.enrd.ec.europa.eu.

The LEADER budget comes largely from the European Agricultural Fund for Rural Development. It is important to note that the LEADER budget is at least 2.5% for the new Member States and 5% for the others [6].

In order to highlight this aspect, we analyzed the data of several European states in the 2007-2013 and 2014-2020 programming periods. We note that in Romania and Bulgaria (which joined the European Union on January 1, 2007) the LEADER budget is 2.31% and 2.35% of the total budget of the National Rural Development Program for each state, while in the rest of the analyzed countries the budget exceeds 5% (Figure 2). In comparison, in the period 2014-2020, when the two states could no longer be considered

newly joined, the LEADER budget exceeded

the minimum of 5% (Figure 3).

character (and cities with less than 20,000 inhabitants) and continuous territory; homogeneity; identity; low density; local identity.

The implementation of the LEADER approach generates added value in the territory through; measure sheet institutional

eligible

territory

small size [11]; rural

LEADER

characterized by

approach generates added value in the territory through: measure sheet institutional capacity; human resource development and use of know-how; identifying creative local solutions to existing problems at the local level; development of public utility projects and/or with economic, social, cultural and natural impact;

local identity development; exchanges of experience and good practices inter-territorial and trans-national.

<sup>\*</sup> allocation resulting at the end of the programming period. (Budgetary changes may occur during the programming period and the amounts allocated may increase).

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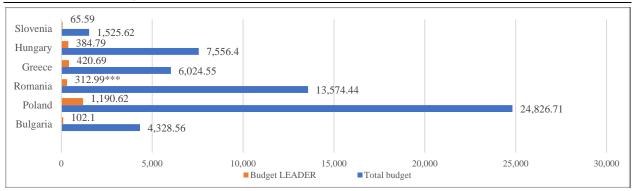


Fig. 2. Examples of LEADER financial allocations 2007-2013 (million Euro) Source: Own construction based on data taken from www.enrd.ec.europa.eu.

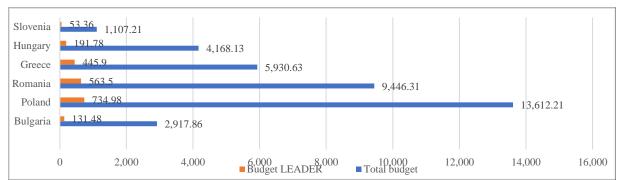


Fig. 3. Examples of LEADER financial allocations 2014-2020 (million euros) Source: Own processing after data taken from www.enrd.ec.europa.eu.

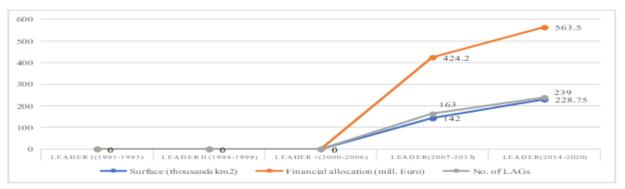


Fig. 4. Total surface, financial allocation and number of LAGs in Romania in different steps of LEADER evolution Source: Own processing after data taken from www.enrd.ec.europa.eu.

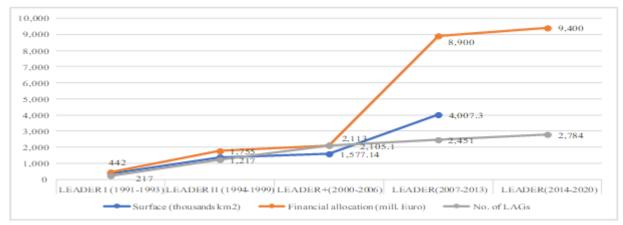


Fig. 5. Total surface, financial allocation and number of LAGs in Europe in different steps of LEADER evolution Source: Own processing after data taken from www.enrd.ec.europa.eu.

## **CONCLUSIONS**

We can conclude that, although the beginning was timid and at first LEADER was considered a pilot project, the data presented reveal that it has left its mark on rural development in Europe. For the first stage LEADER the financial allocation was 442 million euros distributed to a number of 217 local action groups, the success of LEADER being proved over time by the increasing financial allocation, the covered area and the number of local action groups, respectively: 9,400 million euros and 2,784 LAGs in Europe in 2014 - 2020. In Romania, there are 239 LAGs that have financial allocation of 563.50 million euros and an eligible territory of 228,754 km<sup>2</sup>.

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