

Land Use Policy Group

*The GB statutory
conservation, countryside
and environment agencies*

**European Agricultural Fund for Rural Development
(EAFRD)**

**Making the most of the Leader approach to
deliver environmental priorities in European
and UK rural development programmes**

August 2005

www.lupg.org.uk



The Land Use Policy Group

The Land Use Policy Group (LUPG) of the GB statutory nature conservation, countryside and environment agencies comprises the Countryside Agency, Countryside Council for Wales, English Nature, Environment Agency, Joint Nature Conservation Committee and Scottish Natural Heritage. The LUPG aims to advise on policy matters of common concern related to agriculture, woodlands and other rural land uses. It seeks to improve understanding of the pros and cons of policy mechanisms related to land use, particularly farming and forestry; to develop a common view of desirable reforms to existing policies; and to promote these views. www.lupg.org.uk

The Countryside Agency

The Countryside Agency (CA) is the statutory body working to conserve and enhance England's countryside, spread social and economic opportunity for the people who live there, help everyone, wherever they live and whatever their background to enjoy the countryside and share this priceless asset. The Landscape, Access and Recreation (LAR) division was established from 1 April 2005 as one of two distinctive new divisions (the other is the Commission for Rural Communities). The LAR division is concerned with protecting our landscape for now and future generations whilst also encouraging respect and enjoyment of our beautiful countryside.

<http://www.countryside.gov.uk/LAR/index.asp>

Countryside Council for Wales

Countryside Council for Wales (CCW) is the government's statutory adviser on sustaining natural beauty, wildlife and the opportunities for outdoor enjoyment throughout Wales and its inshore waters. With English Nature and Scottish Natural Heritage, CCW delivers its statutory responsibilities for Great Britain as a whole, and internationally, through the Joint Nature Conservation Committee.

www.ccw.gov.uk

English Nature

English Nature is the government agency that champions the conservation of wildlife and geology throughout England. It does this by: advising government, other agencies, communities and individuals; regulating activities affecting the special nature conservation sites in England; helping others to manage land for nature conservation and advocating nature conservation for all and biodiversity as a key test of sustainable development.

www.english-nature.org.uk

Scottish Natural Heritage

Scottish Natural Heritage (SNH) is a government body established to secure conservation and enhancement of Scotland's unique and valued natural heritage – the wildlife, habitats and landscapes that have evolved in Scotland through long partnership between people and nature. SNH advises on policies and promotes projects that aim to improve the natural heritage and support its sustainable use. Our aim is to help people to enjoy Scotland's natural heritage responsibly, understand it more fully and use it wisely so it can be sustained for future generations.

www.snh.org.uk

The Environment Agency

The Environment Agency (EA) is the leading public organisation for protecting and improving the environment in England and Wales. We achieve this by regulating industry, maintaining flood defences and water resources, and improving wildlife habitats, in addition to our many other activities. We also monitor the environment, and make the information that we collect widely available.

www.environment-agency.gov.uk

Rural Development Service

The Rural Development Service (RDS) is the largest deliverer of England Rural Development Programme (ERDP) grant schemes for land managers and rural businesses and also delivers a range of other rural services. Around 1500 staff work in multi-skilled teams in eight regions in order to provide a face-to-face service for our customers. RDS also provides an effective link to the development of national and regional policy.

We work with rural partners and local people to achieve sustainable development by:

- enhancing the environment
- improving the conservation of wildlife and biodiversity
- strengthening rural economies and communities.

www.defra.gov.uk/rds/default.asp

Joint Nature Conservation Committee

The Joint Nature Conservation Committee (JNCC) is the forum through which the three country conservation agencies – CCW, English Nature and SNH – deliver their statutory responsibilities for Great Britain as a whole, and internationally. These responsibilities contribute to sustaining and enriching biological diversity, enhancing geological features and sustaining natural systems. As well as a source of advice and knowledge for the public, JNCC is the Government's wildlife adviser, providing guidance on the development of policies for, or affecting, nature conservation in the UK or internationally.

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Making the most of the Leader Approach¹ to deliver Environmental Priorities in European and UK rural development programmes

Summary of key points and recommendations

The Leader approach will be ‘mainstreamed’ as an integral part (Axis 4) of the 2007-13 rural development programmes (RDPs) developed through the European Agricultural Fund for Rural Development (EAFRD)² and delivered through locally agreed local development strategies. 5% of the EC funds for rural development programmes must be reserved for the Leader approach – a small but significant proportion of the budget (the new Member States will be able to phase this in over the programme period).

The EC strategic guidelines for Rural Development¹⁰ note that resources used for the Leader approach should contribute to the priorities of all three EAFRD Axes (i.e. improving competitiveness, the environment and countryside, and the quality of rural life and diversifying the rural economy) as well as improving governance and encouraging bottom-up rural development in selected Leader areas. The Leader axis is the only part of the EAFRD that explicitly encourages integrated action. The guidelines state that such integrated approaches can help for example, to safeguard and enhance local natural and cultural heritage and raise environmental awareness.

The Land Use Policy Group (LUPG) agencies consider that if the Leader approach is well designed and targeted within RDPs, it could offer considerable potential to deliver environmental benefits for Europe’s rural areas together with associated economic and social benefits resulting from the improved environment. Through the locally agreed strategies, action will be coordinated to target priority rural environmental and other issues in areas that adopt the approach. National and country/regional strategies need to identify priority environmental and other outcomes where a Leader approach will be the best way forward. Integrating the approach into EAFRD should also strengthen stakeholder involvement and community engagement, develop partnerships and cooperation, encourage innovation and help the LUPG agencies and other rural organisations to achieve their objectives for rural areas.

However, for the Leader approach to be implemented effectively:

- the EAFRD Implementing Regulations and the EC strategic guidelines for rural development need to provide the right framework;
- more research is needed into Leader’s scope to deliver environmental outcomes; and
- Member States will need to adopt a positive approach, through their Rural Development Strategies, to integrate it into their new rural development programmes.

In particular, LUPG considers that:

- 1. The EC strategic guidelines for rural development, the Implementing Regulations and Member States’ national strategies all need to ensure that the Leader approach is ‘mainstreamed’ (i.e. integrated) effectively into rural development programmes in ways that deliver environmental and other public benefits. To achieve this will require:**
 - i. an explicit requirement that the Leader approach should contribute to the EAFRD’s mission to promote sustainable development in ways that deliver priority environmental outcomes and associated public amenity and social benefits with appropriate environmental targets set;**

¹ Leader stands for Liaison entre actions pour le développement économique rural – currently an EC Community Initiative for rural development.

² Agreed in June 2005. Council of the European Union, *Legislative Acts and other instruments: Proposal for a Council Regulation on support for rural development by the European Agricultural Fund for Rural Development (EAFRD) Common guidelines*, 8868/05. Final publication of the new regulation is still awaited, so some Article numbers may change.

- ii. **safeguards to prevent any Leader actions from damaging the environment;**
 - iii. **identification of specific environmental objectives that require coordinated take up of practices and schemes geographically and would therefore benefit from a Leader approach;**
 - iv. **better monitoring and evaluation of Leader area outcomes (i.e. not just processes and outputs) together with better research and analysis of its effectiveness in delivering environmental and other public benefits.** Local Action Groups should be required to develop an evidence base to demonstrate that their programmes are delivering the environmental (and other) outcomes and targets agreed. In its new EAFRD context, the Leader approach will need to be able to demonstrate that it is not just a good rural development process but also an effective way to deliver identifiable public benefits in Leader areas;
 - v. **an implementation process that ensures that the Leader approach does not become significantly more complex or bureaucratic to operate under EAFRD,** as that would risk jeopardizing one of its strengths. That would reduce its attractiveness to local stakeholders. However, the approach must include providing evidence that the environmental priorities will be delivered.
2. **Rural Development Programmes 2007-13 need to use the Leader approach to integrate action through all three Axes to deliver environmental improvements as well as associated social and economic benefits.** For example, there is a need for:
- i. **more research into the experience of using the Leader approach to deliver environmental and other public benefits,** with findings promoted to stakeholders and used to inform the new RDP. This should enable the EAFRD budget to be used more effectively to deliver environmental priorities;
 - ii. **national strategies to identify environmental issues where the Leader approach is likely to be an appropriate delivery mechanism;**
 - iii. **inclusion of environmental factors and priorities in the criteria used for selecting Leader areas;**
 - iv. **delivery mechanisms that ensure the delivery of environmental and other public amenity outcomes,** for example by setting specific, measurable and relevant environmental objectives and targets that will be delivered through the Leader approach;
 - v. **delivery mechanisms that build on appropriate existing community networks and regional and local rural development strategies where these are in place, as well as developing new ones where they do not yet exist** (i.e. to complement existing initiatives and avoid duplication);
 - vi. **involvement of all relevant rural stakeholders,** including environmental organisations and rural land managers as well as the other rural economic and social actors. Different mechanisms may be needed to engage all these sectors effectively.

Identifying a significant proportion of the Leader budget to be used to address environmental objectives is likely to be important in Member States that receive a relatively small share of the EAFRD budget. This will be especially true where there is insufficient funding to implement all the RDP activity identified as necessary in national strategies. In the light of this, the requirement for Member States to spend at least 5% of their EAFRD budget through the Leader approach makes it essential that such activity includes the conservation and management of biodiversity and landscape character and related environmental and public amenity aspects.

1. LUPG, European Rural Development Policy and the Leader approach

The British environment and countryside agencies, working together as the Land Use Policy Group³, advocate policies for rural development to safeguard our European natural and cultural heritage. In October 2004 we produced a position on the draft Regulation for a European Agricultural Fund for Rural Development (EAFRD)⁴ and set out what we wanted to see in the new Regulation. In February 2005 we produced a paper on the issues that we believe should be addressed in the European Rural Development Strategy. These issues included the need to use EAFRD flexibly to deliver sustainable rural development, to promote integrated approaches to rural development, to combine measures drawn from all three axes, and to ensure that the Leader approach, which can integrate these processes through local development strategies, is used effectively. LUPG considers that the Leader approach will have an important role in integrating social, economic and environmental actions targeted on specific Leader areas. It also has the potential to engage stakeholders in environmental projects at the catchment and landscape scale.

This paper focuses on the how the Leader approach can be used more effectively to deliver environmental benefits (e.g. biodiversity and landscape conservation and resource management) and other public benefits within the new rural development programmes. An example of this is where the achievement of environmental and public access objectives needs management practices and schemes to be coordinated within a local geographical area e.g. flood management, strengthening landscape character, action for wide-ranging species populations and improving local public access.

2. The Leader approach - a new mechanism within rural development programmes

The Leader approach is well established as a European ‘Community Initiative’ developing locally managed, so-called ‘bottom-up’ rural development projects across the EU. Leader projects have developed across the EU in a variety of well-defined local areas. The approach is characterised by high levels of local stakeholder and community involvement, by partnership and cooperation, and by the encouragement of innovative approaches to rural development. The EC’s second Rural Development Conference in Salzburg in November 2003 endorsed the use of the Leader approach and recommended that it should be integrated or ‘mainstreamed’ into EU rural development policy to build on its success. This has been taken forward in the 2005 EC Regulation to support rural development by the EAFRD (Annex 1 summarises relevant parts of the text²). This defines the Leader approach as having seven elements:

- a. Area-based local development strategies related to ‘well-identified sub-regional rural territories’;
- b. Local public-private partnerships called Local Action Groups (LAGs);
- c. A bottom-up approach with decision making powers for LAGs in the development and implementation of local development strategies;
- d. Multi-sectoral design and implementation of the strategy involving actors and projects from different sectors of the local economy;
- e. Implementation of innovative approaches;
- f. Implementation of cooperation projects;
- g. Networking of local partnerships.

³ Countryside Council for Wales, Scottish Natural Heritage, English Nature, Environment Agency, Countryside Agency, Joint Nature Conservation Committee and Rural Development Service

⁴ A European Agricultural Fund for Rural Development – the LUPG position (Oct. 2004) www.lupg.org.uk

Elements a-d and g above must to be included in the local development strategies. LUPG considers that it would be desirable for the local development strategies to use all seven elements to deliver the approach.

The EAFRD Regulation brings the Leader approach within European rural development policy and rural development programmes (RDPs) for the first time. To reflect the importance given to the Leader approach, the EAFRD Regulation states that at least 5% of a Member State's rural development budget will have to be spent through the Leader approach (on any Axis). This is likely to mean an increase in the Leader budget in some member states⁵. For example, recent LUPG research shows that parts of the UK⁶ could see a significant increase. New Member States will be able to phase in the spending over the programme period but should reserve an average of at least 2.5% of their budget to be delivered through the Leader approach.

Box 1

Delivery of environmental and related public benefits through Leader+ in England⁹

One of two **national programme objectives** was to support rural communities to develop and implement integrated, innovative strategies for sustainable development, which included identifying new ways to protect and enhance natural and cultural heritage, extending public access to the countryside, developing quality leisure and improving public access opportunities.

The **objectives of the Regional Leader+ programme** varied but included developing countryside skills, enhancing landscape character and features, local distinctiveness and the historic environment, protecting and enhancing biodiversity, encouraging sustainable natural resource management, developing markets for locally produced countryside products and supporting sustainable rural tourism.

Spending related to the natural heritage, culture and woodland has accounted for less than one-fifth of the budget (compared with around 44% on social and community action and around 37% on business/economic actions⁸ - the latter includes action related to agriculture, food and tourism, some of which may have environmental benefits). However, spending on environmental action is much higher in some Leader areas. For example:

- 40% of funds in the New Forest relate to **woodland activities**;
- **Natural heritage action** accounts for 45% of the funds committed in Rockingham, and around a quarter in four other areas (Hereford, Northern Marches, North Northumberland and Sustain the Plain in Wiltshire).

3. The potential for the Leader approach to support environmental delivery and associated public amenity benefits 2007-13

The Leader approach has been associated mainly with local rural development processes delivering social and economic projects. So far evaluations have concentrated on assessing programme processes, such as the strength of partnerships and stakeholder involvement, and efficiency in spending the budgets^{7,8}. However, experience with Leader II and Leader+⁹ shows

⁵ The actual effects of a 5% minimum in each Member State will depend on the finally agreed EU rural development budget and on the allocations to Member States.

⁶ Institute of European Environmental Policy, *Environmental priorities in UK rural development programmes*, report for the Land Use Policy Group, April 2005. This estimates that spending on the Leader approach in the four UK countries varies from around 3% to just over 5% of the current EU rural development budget.

⁷ Bontron, Lukesch, Ricci and Todtling-Schonhofer, *Ex-post evaluation of the Leader II programme*, report to the EC, 2002

that many types of environmental and related public benefits have been supported in Leader areas. Annex 2 provides examples of UK Leader II projects which have included action related to biodiversity, landscape and cultural heritage conservation and management, sustainable woodland management, public access, recreation and sustainable tourism. Box 1 above summarises the extent to which Leader+ has been used to support natural heritage conservation and related environmental objectives in England. Comparable information does not appear to be available at the UK or EU levels.

4. Scope for the Leader approach to coordinate action delivering environmental and other public amenity benefits from integrating Axes 1 - 3

With the limited EC rural development funds likely to be available for implementing the EAFRD, LUPG believes that it will be important to use all three Axes in an integrated way to deliver environmental improvements. The Leader approach could play a critical role in achieving this. LUPG welcomes the statements in the proposed EC strategic guidelines for rural development¹⁰ that the Leader approach should contribute to achieving the priorities of all the axes and that using integrated approaches can safeguard and enhance local and cultural heritage.

However, the strategy does not identify where using the Leader approach could be particularly beneficial for achieving environmental objectives and outcomes. For example, where land management and other practices and schemes need to be coordinated and integrated in a local geographical area to address such as:

- The delivery of more demanding landscape-scale approaches to agri-environment and rural development;
- catchment scale action to achieve compliance with the Water Framework Directive;
- conservation management of species across whole landscapes.

LUPG and WWF Europe joint research on the implementation of Rural Development Regulation programmes across Europe¹¹ highlighted the importance of integrating measures to generate 'added value' and the need for better facilitation and capacity building. These aspects are all integral to the Leader approach. The approach provides an opportunity in well-defined rural areas to determine objectives and to integrate a range of actions which also to support EU environmental priorities. The LUPG believes that environmental criteria are essential elements of the selection criteria, particularly where the EU and Member State strategy has indicated that the Leader approach would be appropriate for delivering EU priority environmental outcomes. Local development strategies provide a mechanism for targeting action at the landscape or catchment scale, using co-operative approaches to land management to deliver landscape, biodiversity, environmental resource management and public access improvements.

Box 2 illustrates how a range of economic, environmental and social actions are being integrated in the New Forest LEADER+ project in England¹². These include food sector activities and training (Axis 1), woodland management support (Axis 2), rural tourism, micro-business and community facility development (Axis 3). It also demonstrates how links could be made between Axis 2 agri-environment and Natura 2000 conservation action and Axis 1 marketing of local

⁸ The Rural Development Company in Association with Fraser Associates and the University of Gloucestershire, *An Evidence base for Mainstreaming Leader in England*, draft report to Defra, May 2005

⁹ Defra, *England Leader+ Programme*, www.europa.eu.int/com/agriculture/rur/leaderplus

¹⁰ Commission of the European Communities, *Proposal for a Council decision on Community strategic guidelines for rural Development*, COM (2005) 304 final, July 2005.

¹¹ Institute for European Environmental Policy (IEEP) and associates, *Europe's Rural Futures*, research undertaken for the Land Use Policy Group and WWF Europe, 2002

¹² New Forest LEADER+ Local Action Group, *Action Plan 2005-8*, New Forest District Council 2004

products. This project demonstrates how coordinated investments in environmental, social, economic and skills-based action, based on maintaining and improving the land management and environmental quality of an area, can be mutually beneficial.

Box 2

Integrating sustainable land management, economic development and training – the New Forest Leader+ project, England

The New Forest is England's newest National Park and includes a Natura 2000 site. It was a medieval royal hunting forest and is of great historic and natural interest. The Leader+ project combines a wide range of economic, environmental and social actions to try to make the best use of the New Forest's natural and cultural resources and to contribute to the area's Development Plan for the rural economy. Action includes: a 'forest friendly' farming advisor, apprenticeship training for woodland workers, regeneration of traditional wood coppice, research into affordable housing for local people with commoning rights, project officers to develop local produce, a project to develop stronger links between local producers and tourism and a scheme to support micro-businesses. There is also a marketing initiative to improve financial returns on New Forest ponies, which are an essential part of the grazing regime to maintain the Natura 2000 site.

5. The potential for the Leader approach to stimulate innovation and to test new approaches for delivering environmental targets and improved public amenity

The ability to explore and develop new approaches to rural development has been a major strength of the Leader Community Initiative. Franz Fischler the former EC Commissioner for Agriculture stated that 'Leader is about innovation'¹³. He considered that it fitted in well with the Lisbon strategy by creating new ways to do things and by investing in social capital and spreading knowledge in rural areas. Although the EAFRD proposals acknowledge that implementing innovative approaches are part of the Leader approach, in the final regulation they are included only as an optional element of the local development strategies. LUPG consider that innovative approaches should be an integral part of Leader delivery mechanisms. This could include local innovation to apply ideas tested successfully elsewhere as well as experimenting with new approaches.

Recent EC research on mainstreaming the Leader approach¹⁴ also supports the importance of encouraging innovation. It found that innovative practices deliver added value in relation to social and institutional aspects and enable experimentation (e.g. with technological innovation that could be applied at a larger scale such as agri-rural enterprises in the Rhone-Alpes in France). Innovation and pilot projects should therefore play an important role in delivering environmental benefits through EAFRD by encouraging new approaches to sustainable land management and environmentally sound technology for rural areas (e.g. renewable energy initiatives - see Box 3¹⁵). However, it will be important to have safeguards in place to ensure that such new developments do not adversely affect local biodiversity or landscape character.

Innovative and experimental aspects may need to be evaluated differently from other local Leader actions, to acknowledge the extra risks involved and so that lessons can be learned and

¹³ *Quality of life in rural areas – building on the LEADER experience*, speech by Franz Fischler to the 1st LEADER Observatory European Seminar, October 2004

¹⁴ *Methods for the success of mainstreaming Leader innovations and approach into rural development programmes*, report to the European Commission, DG Agriculture by OIR-Managementdienste GmbH, 2004

¹⁵ Dieter Frauenholz, *Energienende konkret: die Region Elbtalaue setzt auf regenerative Energien*, Leader Forum, Magazin der Deutsche Vernetzungstelle, No 3, 2004, pp14-15

strengths and weaknesses identified (e.g. pilot projects should not always be expected to be 'successful').

Box 3

Developing and piloting new approaches to renewable energy in Elbtalau-Wendland Leader+ Region, Germany¹⁵

Working with other partners, the Leader+ project is contributing to the Elbtalau Regional Development Plan to increase energy generated from renewable sources. Seven new initiatives have been started since the Leader+ project began in 2002. These include coordinating action on energy issues and related publicity work. The Leader+ project has been involved with initiatives with the private sector to develop the use of biogas and to pilot bioenergy systems. In one community all the heating needs for a school and associated sports hall are provided by renewable energy from regionally produced rape seed oil, solar energy and wood chips from sustainably managed forests in the region. Overall the project has resulted in an annual reduction of 170 tonnes of carbon dioxide released to the atmosphere from burning imported fossil fuels. 1000 cubic metres of locally produced wood chips have replaced the use of several thousand tonnes of heating oil.

6. Building on Leader experience and on existing rural strategies, networks and processes, involving the full range of rural 'actors'

The EAFRD requires local development strategies to be used for 'achieving the objectives of one or more of Axes 1-3 through the Leader approach. This makes it the only EAFRD mechanism explicitly able to integrate action across the Axes to achieve any of the EAFRD objectives, including environmental ones, using community based and participative processes. The Leader approach has a valuable role to play in stimulating new local partnerships, but it also needs to be able to build on appropriate existing local partnerships where these are already working well. It will be very important in developing the Leader approach to avoid duplicating existing local organizations. To be effective, all relevant rural stakeholders will need to be involved in local action groups. This means involving rural land managers and environmental organizations, along with the other rural economic and social actors. Different mechanisms may be needed from those currently applied in Leader projects to engage all these sectors effectively.

Leader local development strategies also need to recognise and complement existing regional and local strategies and processes. In England for example, they will need to relate to the Regional Rural Development Framework and Rural Pathfinder projects and to local initiatives such as Market Towns Action Plans, Community Strategies, and Local Agenda 21 Strategies.

Leader local action groups (LAGs) could help higher level rural organisations to deliver their rural agendas by playing the important role of intermediaries between diverse local rural interests and local, regional and national government organisations. LAGs have often operated at a geographical scale around the NUTS III¹⁶ level, and this could be very useful in linking numerous community level organisations (community councils, local rural partnerships, etc.) to regional level programmes at NUTS II scale. In Finland, the Leader approach has been integrated into regional rural policy development since 1995. By 2004, 58 LAGs covered over 90% of its rural communities¹⁷.

¹⁶ An EU unit used to capture statistics e.g. NUTS II equates to regional level, NUTS III to a sub-region.

¹⁷ Eero Uusitalo, *Ein starkes Netzwerk für Finnland*, source as for 15 above pp38-39

7. Developing the Leader approach to deliver environmental and associated public amenity benefits

Clear environmental targets and safeguards against environmental damage are essential for achieving sustainable rural development. LUPG is disappointed that the EAFRD Regulation and the related proposal for the EC strategic guidelines¹⁰ include no explicit requirements for the Leader approach to contribute towards sustainable rural development or to meet any specific environmental conditions. There is also no requirement for it to contribute to priority EU environmental targets. LUPG believes that the following improvements are needed:

- **The EAFRD Implementing Regulations should require that the Leader Axis (and the other three Axes) each contribute to sustainable rural development.** Where possible, Leader actions should consolidate environmental delivery by providing associated social and economic benefits (alongside other programme components).
- **The Implementing Regulation should include an explicit safeguard to ensure that no Leader actions damage the environment.**
- **The EC strategic guidelines for rural development need to identify environmental objectives and priorities whose delivery is likely to need or benefit from the coordinated Leader approach** (e.g. see examples in Section 4 above).
- **Leader delivery mechanisms and processes need to ensure that LAGs consider the environmental impacts of their proposals and that local actions contribute to EU environmental priorities** as key elements of sustainable rural development.

More research is needed on the scope for using the Leader approach to deliver environmental priorities and outcomes. Leader's success as an EC Community Initiative has resulted in the approach being 'mainstreamed' into European rural development policy. Evaluations show that the strengths of Leader programmes include the ability to use 'bottom-up' approaches to address local needs, to build local capacity, and to develop partnerships and cooperative projects. However, the evaluations have been driven by EC monitoring requirements and have focused largely on Leader processes rather than outcomes. Integrating the environment into policies is an EC requirement¹⁸. The Leader approach should be able to demonstrate success at integrating and delivering environmental priorities.

In its new EAFRD context, the Leader approach will need not only to improve governance and the potential of 'bottom-up' development in rural areas but also to deliver European-wide economic, social and environmental objectives within the framework of the EC strategic guidelines for rural development and national programmes. Its impact and value for money will need to be evaluated alongside the range of EAFRD measures.

Leader needs to demonstrate that it is not just a good rural development process but is also an effective way to deliver identifiable public benefits in the selected Leader areas. There has been little evaluation of the effectiveness of the Leader approach in delivering outcomes (e.g. achievement of environmental objectives), or of whether it is cost effective in relation to other conservation and rural development support mechanisms. A recent study by German conservation organisations has looked at links between nature conservation and rural development in six German Leader+ areas¹⁹ but again focused more on processes than delivery.

¹⁸ Commission of European Communities, *Integrating environmental concerns into other policy areas – a stocktaking of the Cardiff process*, Commission Working Document, COM (2004) 394 final, June 2004

¹⁹ Bund, WWF Germany, NABU and associates, *Naturschutz und ländliche Entwicklung. Standpunkte zur landlichen Entwicklungspolitik*, report supported by the Bundesministerium für Verbraucherschutz, Ernährung und Landwirtschaft, 2005

A UK study provides case studies and guidelines for integrating environmental sustainability into Leader+²⁰.

8. Conclusions and recommendations

Integrating the Leader approach into EAFRD should help to strengthen stakeholder involvement and community engagement, develop partnerships and cooperation, encourage innovation and pilot projects and help Government agencies and other rural organisations to achieve their objectives for rural areas. Although it has yet to be tested as a mainstream environmental delivery mechanism as part of sustainable rural development, the Leader approach offers considerable potential within the EAFRD as a means for delivering environmental benefits alongside the economic and social benefits for which it is better known. However, to do so it will require:

- **the EC strategic guidelines for rural development to state that the Leader approach should be used to achieve sustainable rural development**, and to include specific environmental targets (e.g. contributions to EU environmental priorities) together with safeguards against environmental damage;
- **Leader area selection criteria to include environmental factors and priorities;**
- **delivery mechanisms that ensure that the approach is well designed, well targeted and effectively delivered through the RDPs** in the light of experience with earlier Leader programmes. However, these mechanisms need to be adapted to the new context within the EAFRD and should encourage delivery of environmental and other outcomes (i.e. not just replicate the “classic model” of Leader that has developed under the Community Initiative). All relevant rural stakeholders should be involved;
- **more comprehensive and structured research on the effectiveness of the Leader approach as a delivery mechanism for environmental priorities and better monitoring and evaluation of environmental and other outcomes** rather than focusing only on the outputs and processes;
- **national strategies to identify environmental issues where a Leader approach is likely to be needed or to be beneficial as a delivery mechanism.** In areas where the Leader approach is adopted, locally agreed rural development strategies and programmes should be developed to deliver EAFRD measures in an integrated way which targets priority rural environmental and other issues.

Identifying a significant proportion of the Leader budget to be used to address environmental objectives is likely to be important in Member States that receive a relatively small share of the EAFRD budget, especially where this is insufficient funding to implement all the activity identified as necessary in national strategies. In the light of this, **the requirement for Member States to spend at least 5% of their EAFRD budget through the Leader approach makes it essential that such activity includes the conservation and management of biodiversity and landscape character and related environmental and public amenity aspects.**

²⁰ Countryside Council for Wales & the Environment Agency, *Integrating environmental sustainability into Leader+ - 14 case studies from Europe*, Environmental Resources Management, 2002

Annex 1: Summary of the EAFRD regulation relating to Axis 4- the Leader approach²¹

The Leader approach (Axis 4) is defined in Article 61 as having at least seven elements:

- a. **Area-based local development strategies** for ‘*well-identified sub-regional rural territories*’ based at least on elements a-d and g (Article 62);
- b. **Local public-private partnerships** called Local Action Groups (LAGs);
- c. **A bottom-up approach with a decision making power for LAGs** concerning the development and implementation of local development strategies. At the decision making level in local development strategies, ‘*the economic and social partners representing at least agricultural associations, rural women, young people and their associations must make up at least 50% of local partnerships*’ (Article 62);
- d. **Multi-sectoral design and implementation of the strategy** based on the interaction between the actors and projects of different sectors of the local economy;
- e. **Implementation of innovative approaches;**
- f. **Implementation of cooperation projects;**
- g. **Networking of local partnerships.**

Support will be available (Article 63) to:

- **implement local rural development strategies** through the LEADER approach to achieve the objectives of one or more of the three other EAFRD axes;
- **implement cooperation projects** related to the above objectives, including inter-territorial cooperation within a Member State and trans-national projects between areas in several Member States and with areas in third countries (Article 65);
- **run local action groups, acquire skills and animate the area concerned (the ‘territory’)**. Support under Article 59 includes: studies of the area; measures to provide information about the area and the local development strategy; training for staff involved in preparing and implementing the strategy; and promotional events and training for leaders.

A minimum of 5% of EC funding for EAFRD in a Member State’s rural development programme budget must be allocated through to the Axis 4 Leader approach (Article 17).

This can be spent under any Axis. However, in the new Member States, the 5% minimum can be phased in over the programming period but on average at least 2.5% of the total EAFRD EC funds must be reserved for Axis 4. Rural development programmes will need to identify separately action to be delivered through the LEADER approach.

Local Action Groups (LAGs) will be responsible for implementing the Leader approach and must propose ‘an integrated local rural development strategy’ (Articles 62, 63, 64) which should include at least:

- area-based programmes,
- a bottom-up approach giving local action groups (LAGs) decision making powers related to implementation;
- local public-private partnerships (the LAGs);
- a multi-sectoral approach;
- networking of local partnerships.

²¹ This Annex is based on the July revised text but the article numbers may change in the final published EAFRD Regulation – see Footnote 2.

Annex 2: Examples of UK LEADER II projects²² supporting areas of LUPG agency interests

Conservation of biodiversity, landscape and cultural heritage

- Development of bracken composting in the Shropshire Hills (Area of Outstanding Natural Beauty) to reduce bracken invasion on heather moorland and extensive pastures, encourage continued sheep grazing and harvest and use bracken as a diversification enterprise (Clun valley).
- Conservation projects to protect rare native Black Poplar trees (Clun Valley and Teme Valley)
- Apple crop project to improve the viability of characteristic, small traditional apple and cider orchards under threat because they are no longer economic (South Devon and Dartmoor).
- Dartmoor biodiversity project – supporting a project officer employed by the National Park authority to develop and implement action plans (South Devon and Dartmoor).
- Local projects to enhance the environment and villages and to protect and manage historic sites (many projects e.g. Armagh District)
- Promotion of local distinctiveness (Teme Valley).

Sustainable woodland management

- Development of sustainable woodland management linked to development of charcoal making and related markets. (North Pennines)
- Barnlusgan Forestry project to develop woodland skills and bring woodlands into sustainable management and market woodland products (Argyll and the Islands)
- Tayside demonstration woodlands to establish a network of woods to promote the advantages of best practice management of native woodlands (Upland Tayside)
- Woodschool training and demonstration centre to promote woodworking, carpentry and related marketing skills to promote the use of hardwood resources from native woodland remnants, farm woodlands etc (Scottish Borders Enterprise)
- West Wales woodland management project to encourage and equip farmers to manage their woodlands both for profit and for the environment (Antur Cwn Taf)

Sustainable management and use of resources

- Energy audit of community buildings (Forest of Bowland)
- Holsworthy Biogas project to develop a local facility to use e.g. farm manure and other trade waste to generate methane which is used to generate electricity and the by product of hot water used for a district heating scheme
- Agricultural waste disposal pilot project targeted at the typical small tenanted farms to test out development of an efficient system that could be managed later by the farming community (Moray, Badenoch and Strathspey)

Public access, recreation and sustainable rural tourism

- Moor Access project to improve and promote access to moor areas by people with disabilities, impaired mobility or young families (Greater Exmoor)
- Hope Valley Community Rail Project to improve the use of the train through the Peak National Park, to reduce traffic impacts, support local sustainable tourism and promote related walks and farm visits. (Midlands Uplands)
- Country roads walking booklet to promote walking in the countryside of Northern Ireland (Derry and neighbouring partner areas).
- Fetlar information project to interpret the natural and cultural heritage of this Shetland island to ornithologists and other visitors to this well known sanctuary for rare breeding birds (Shetland)
- Camping barn project to introduce the concept of such basic rural accommodation reusing redundant barns along long distance footpaths in Northern Ireland (North Antrim);
- Community paths scheme to train local volunteers to survey and clear footpaths to provide a sustainable way to improve these community assets (Menter Preseli).

²² Local and Regional Development Planning (LRDP), *Leader II Directory, 1999*