

Dear Sir/Madam,

Thank you for the opportunity to make a submission to the Consultation Process.

The Irish Local Development Network CLG (ILDN) is the representative body of Ireland's 49 Local Development Companies (LDCs) which have existed for 28 years (under various names such as Partnerships, LEADER companies) as a delivery arm for state Programmes in rural and community development. Each year, LDCs support more than 15,000 communities and community groups and 173,000 individuals annually through €330 million of state-funded programmes including the LEADER Programme, Rural Social Scheme, Walks Scheme, EIP-Agri, Social Farming, each of which involve farmers and farmlands. LDCs also serve famers and agricultural communities through the provision of local social services. They are also involved in the provision of environmental programmes at local level.

Local Development Companies have been delivering LEADER in Rural Communities for 30 years and as such have developed extensive expertise and experience in its implementation and ensuring its complementarity with other initiatives. We are thus pleased to participate in the consultation process. We have liaised extensively with DRCD and our members to develop our proposals and feedback in relation to LEADER and rural development generally and these are attached as submissions to the process viz.

- 1. ILDN LEADER Position Paper
- 2. CAP Strategic Plan Mapping for LEADER
- 3. Mapping Themes and Sub-themes
- 4. LEADER 2023 -2027

Regards



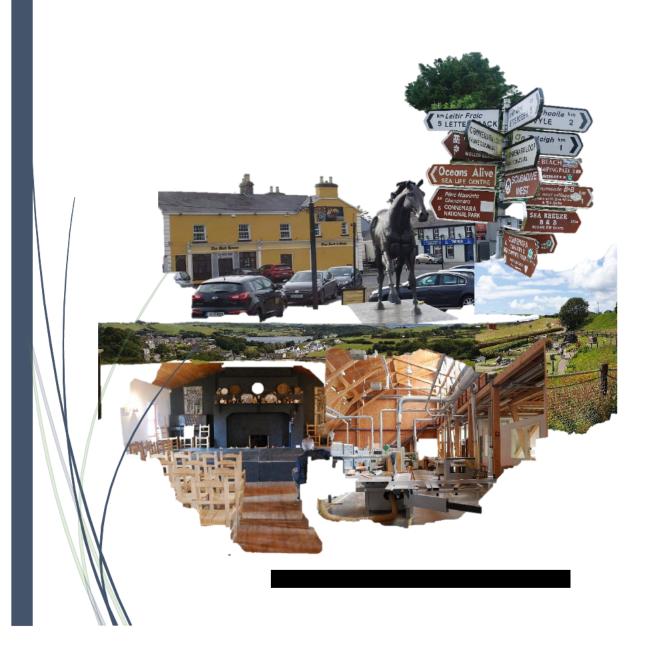




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# ILDN Position Paper on the Future of LEADER

December 2019



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#### **Abbreviations**

CEDRA Commission for the Economic Development of Rural Areas

CLÁR Ceantair Laga Árd-Riachtanais / investment programme for small-scale

infrastructural projects in depopulated rural areas

DAFM Department of Agriculture, Food and the Marine

DBEI Department of Business, Enterprise and Innovation

DEASP Department of Employment Affairs and Social Protection

DRCD Department of Rural and Community Development

FLAG Fisheries Local Action Group

ILDN Irish Local Development Network

LA Local Authority

LAG Local Action Group

LCDC Local Community Development Committee

LDC Local Development Company

LEADER Liaison Entre Actions de Développement de l'Économie Rurale

LEO Local Enterprise Office MA Managing Authority

OECD Organization for Economic Cooperation and Development

RDP Rural Development Programme SDGs Sustainable Development Goals

SICAP Social Inclusion and Community Activation Programme

#### 1. Introduction

This position paper was commissioned by the Irish Local Development Network (ILDN) in August 2019, and it has been compiled, independently, position paper is being issued and put into circulation at a time when Ireland and other EU member states are beginning to put in place the delivery systems and to formulate strategic objectives for rural development, including LEADER, 2021 – 2027. The European Commission has indicated that member states will have increased autonomy and flexibility in setting priorities, allocating resources and establishing governance mechanisms in respect of the Common Agriculture Policy (including Pillar II). Thus, the Irish Government, and in particular the Department of Agriculture and Department Rural & Community Development are among the most important stakeholders and audiences for this position paper. ILDN looks forward to engagement with both departments and with other stakeholders in collaboratively giving effect to the recommendations presented here.

The document represents the culmination of a four-stage process that seeks to enable ILDN to devise and put forward a position paper on the future of LEADER. The four-stage process involves:

- 1. 30 August: Circulation of an issues paper;
- 2. 5 September: Consultation workshop with ILDN membership;
- 3. 6 16 September: Consultation survey; and
- 4. 31 October: Conclusion of an agreed position paper.

The issues paper presented a synthesis of international and peer-reviewed literature on rural development. It referenced contemporary relevant policy issues, and it identified good practices and possible trajectories for LEADER in Ireland post 2020. This paper provided the basis for the questions that were discussed at the consultation workshop and those that were pursued by the membership survey. Following the circulation of an issues paper, a member workshop was facilitated by the researchers on September 5<sup>th</sup> 2019 (n=20), where four key themes were explored using the World Café Method. The four themes discussed were:

- 1. Bottom-Up Development and Horizontal Partnership
- 2. Innovation and Multi-Sectorality
- 3. Networking and Inter-territorial Cooperation
- 4. Devolved Financial Management

The World Café Workshop is a structured conversational approach in which groups of people discuss a topic at several tables (n=4), with individuals switching tables periodically and getting introduced to the previous discussion at their new table by a 'table host'. In this method each table was assigned a rapporteur and note-taker. Each workshop participant had the opportunity to discuss three of the four topics. Detailed notes were taken at each table, and have fed into the results discussion in this papers.

Following the world café workshop, an online survey (closed- and open-ended questions) was administered to all members (n=35); **the response rate was 100%**. The survey questionnaire enabled ILDN members to record their experiences of delivering LEADER and to put forward their views, recommendations and suggestions in respect of LEADER's future trajectory. The questions related directly to each of the LEADER specificities (specific features), in line with the structure of the issues paper and consultation workshops. The responses, in addition to the workshop deliberations, represent the core content of this document. The unanimous response to the survey and the high

level of membership participation throughout this process imply that this paper enjoys strong support and ownership among Local Development Companies.

The LEADER Specificities (specific features) provided the framework for the themes discussed in the workshop and for the formulation of questions in the member survey; and the report is structured on the same basis. The observations, lessons, experiences and recommendations presented in this paper are based on thirty years' experience in rural development, and represent a constructive contribution to ensuring an enhanced, more effective, integrated, holistic and partnership approach to the delivery of LEADER, among other initiatives, post 2020.

The ILDN Futures Working Group and Rural Development Sub-Committee members provided leadership, guidance, feedback and feedforward throughout the process of preparing this document.

### The following are the main recommendations:

#### The Territorial Approach

- The territorial approach is a cornerstone of LEADER, and needs to be fully reflected in the programme post-2020. This implies fully respecting the 'cohesion' footprint with 34 groups and providing for a delineation of LEADER territories that takes account of factors other than administrative boundaries; and
- 2. Decision-making in respect of the delineation of territories should take place at the local level, with LDCs agreeing their respective catchments with their neighbours, according to LEADER criteria, rather than local authority administrative boundaries, and reporting these to the MA, (and not to any intermediary bodies or local authorities) for endorsement.

#### The Bottom-up Approach

- 3. All Local Development Companies should, where local boards so decide, assume LAG functions;
- 4. Ensure that as LAGs (post-2020), LDCs have proper autonomy in respect of decision-making and financial management;
- 5. Local authorities should be equal among the statutory bodies sitting on the board of the LDC;
- 6. Provide a core operational budget funded independently of programme funds for all LDCs;
- 7. Support membership-based LDC structures;

- 8. Reduce the bureaucratic burden on small-scale project promoters and on the community / voluntary sector ex Umbrella Projects;
- 9. Avoid the requirement of 'calls for proposals' and short lead-in times, as this results in reducing the quality of projects and discriminates against those with least resources;
- 10. Only the EU/national public procurement rules should apply to LEADER; so that systems are reflective of the norms in the public service and not subject to any additional obligations;
- 11. Designate LDCs as independent State-supported local development agencies to effectively resource meaningful community engagement at all levels;
- 12. LEADER Food and Cooperation projects should revert to programme implementers' budgets; and
- 13. Increase and ring-fence the 'animation and capacity-building' allocation, so that LDCs lever additional and complementary resources, e.g., smart villages, thus adding value to LEADER.

#### **Local Action Group - Horizontal Partnership**

- 14. All Local Development Companies should, where local boards so decide, assume LAG functions;
- 15. Support LDC boards as the drivers of the local development / LEADER process, including project decision-making'; this implies investing in board capacity-building, organisational development, review and evaluation (using LEADER resources, among those from other programmes / sources);
- 16. In line with previous (2018) ILDN research and consultations on governance and sustainability, ensure that all LDCs have a workable core-operating budget; and
- 17. Ensure that government encourages and incentivises Government Departments and statutory agencies to work in partnership with LDCs in order to effectively engage civil society.

#### Innovation

- 18. Ringfence appropriate resources for LEADER administration (core fund) and animation and capacity-building (at least 25% and providing a minimum threshold for adequate funding for smaller LDCs);
- 19. Ensure that the LEADER policy agenda supports the development principles of the programme and that all seven operating principles of LEADER are applied;
- 20. Reduce the bureaucratic burden (apply a tiered system) for smaller projects and those promoted by community and voluntary organisations;
- 21. The LEADER Programme needs to ensure maximum flexibility for project promoters, which represents the development nature of LEADER and accepts that rural development requires an appropriate appetite for risk.

- 22. Ensure that the Department 'inspection' process is holistic and supportive and allows for innovation, subject to compliance with public funding stipulations;
- 23. Increase support to the ILDN secretariat and research functions, in enabling inter-LDC and inter-territorial promotion of innovation and best practice which will complement the function of the NRN; and
- 24. Support LDCs to develop external linkages, particularly with the third-level sector, in identifying, describing and reviewing practices so as to learn from experiences, identify any shortcomings; establish assets / baselines and potentials and devise innovative ways of promoting territorial competitiveness.

#### **Integration and Multi-Sectorality**

- 25. Once qualifying criteria are met, ensure that all LDCs have a core operating funding base and are enabled to deliver multiple programmes on the basis of government contracts and collaborative partnerships;
- 26. Provide for the co-funding and co-delivery of projects (subject to EU regulations);
- 27. Ensure that the evaluations (internal and external) of LDCs are holistic, as well as programmatic;
- 28. LDCs welcome that Member States can create a "common basket" of dedicated funding for CLLD from the different Funds. LDCs should be facilitated to access the ESI CLLD funds available to member states utilising the EU multi-fund approach.
- 29. Bundle <u>all</u> national rural development funds with LEADER, and channel them through LDCs, thus giving effect to CLLD. This needs to be rolled out in tandem with a cohesive / coordinated policy, at national level, regarding all development funding for rural areas. Thus, LEADER is the 'train' with multiple carriages, offering communities and entrepreneurs a suite of supports than can be tailored to promote innovation, avail of opportunities and grow potential; and
- 30. Ensure that administrative approaches and mechanisms for LEADER operate on the basis of simplified cost option, mainstream public procurement and without *de-minimus* restrictions.

#### **Networking and Inter-Territorial Cooperation**

- 31. (Re)establish inter-territorial cooperation as a budget-line at LDC level and enable LDCs to make their own decisions in respect of inter-territorial engagements;
- 32. Recognise that inter-territorial projects have an administration element and ensure that additional administrative and evaluation tasks are funded from the inter-territorial 'pot', rather than from core operating funds;
- 33. Enable LDCs to use the inter-territorial and transnational measure to partner with organisations other than those delivering LEADER, subject to ensuring the best partner fit for each project;

- 34. Support ILDN in disseminating learnings from inter-territorial and transnational project experiences; and
- 35. For cooperation projects, remove the requirement for procurement process to have been completed prior to application process.

#### **Devolved Financial Management**

- 36. Establish a systematic forum / mechanism for direct and constructive dialogue with Department officials;
- 37. Treat / govern LEADER as a developmental programme, which is not risk adverse, and through which innovation encouraged not (just) a grant process.
- 38. Address the difficulties which LEADER is experiencing due to the application of State Aid<sup>1</sup> provisions, it would be useful to consider a block exemption for LEADER/CLLD projects, given their small scale nature of LEADER funded projects and that they do not entail major risks of creating unfair competition between businesses in the EU;
- 39. Apply the simplified cost option model;
- 40. Encourage innovation through appropriate funding mechanisms and LEADER-specific rules;
- 41. Simplify rules and forms, ensuring they are promoter friendly; and
- 42. Put in place a government fund for development to support LDCs in innovating and developing strategies / proposals / projects.

#### **Policy and Operating Environment**

- 43. Ensure a renewed focus on animation and capacity building in tandem with robust vertical governance, so that lessons from the bottom-up feed into regional and national policy through LDCs, thus supporting more evidence-based decision-making in respect of rural development policy;
- 44. Strengthen strategic policy with climate change and socio-economic objectives;
- 45. Promote 'smart specialisation' through partnership, bottom-up approach and collaborative processes collaborating with local authorities, academia, business and civil society; and
- 46. Ensure a smooth transition between the current funding period and the next for LEADER/CLLD, particularly as the new CAP framework will need more time to enter into force.

<sup>&</sup>lt;sup>1</sup> Guidance on Community-led Local Development in European Structural and Investment Funds (Version 3: June 2014) "Support provided may fall under a block exemption regulation, a state aid scheme approved by the Commission, the SGEI (Services of General Economic Interest) decision for 'services of general economic interest' or the 'de minimis' rule".

## 2. The LEADER Specificities

#### 2.1 The territorial approach

Local Development Companies have extensive experience in applying the territorial or area-based approach to rural development. They have been, and many continue to be, delineated according to natural areas of development. In addition, and particularly over the past decade, they have operated along county lines. The evidence from their experiences is that, post-2020, flexibility is required, so that the territorial approach takes account of local geographical and governance conditions, resources and potential. This implies that in those cases where county boundaries are deemed to reflect and delineate the most appropriate functional spaces, LDCs should continue to operate at county level. By the same token, where sub-county functional remits are working well, these should continue to pertain post-2020. Therefore, there should be no obligation to conform with local authority boundaries, as collaboration and partnership-working are not determined by geography to the same extent as by other factors including institutional willingness.

ILDN members universally support the deepening of the territorial approach to integrated development, noting the continued universal relevance and, in many cases, the pressing imperative to fully realise the recommendations of the Barca report (2009) on territorial cohesion. Barca advocates that, "there is a strong case for the EU to allocate a large share of the Community budget to a place-based strategy (2009: VII)... The place-based approach to development involves the responsibility for policy design and implementation being implemented by different local actors acknowledging that "the State does not necessarily know best" with ".... a role being played by special-purpose institutions (agencies, public-private partnerships and so on)" (2009: 41). The place-based approach recognises the diversity of rural area types, as highlighted by the (OECD, 2018) and mapped, in the Irish context, by Walsh (2007) and the All-Island Research Observatory AIRO<sup>2</sup> (2015) among others.

The survey questionnaire asked Local Development Companies to suggest minimum and maximum population levels / thresholds for LEADER territories. Their recommended minimum population threshold allows for countywide coverage in less populous counties such as Leitrim and Longford, while also ensuring the continuity of sub-county structures in counties such as Cork, Donegal, Kerry and Mayo. The recommended upper threshold implies that those more populous counties that currently have more than one LDC should continue to do so. When these figures and their implications were teased out with the ILDN Rural Development Working Group, members were clear that any decisions regarding the territorial approach ought to be taken locally i.e., using the bottom-up approach, and directly endorsed by the Managing Authority. Members pointed out the LDCs have, particularly over the past decade, shown tremendous flexibility and willingness in response to government-led efforts to reconfigure the LEADER map of Ireland, but that such flexibility has its limits.

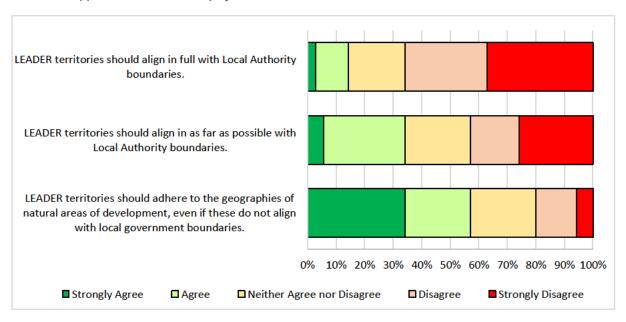
Survey respondents reported that LDCs had engaged and invested in the cohesion process, and that the resulting LEADER territorial delineations ought to be honoured. Indeed, the overwhelming view is that demographics alone, as is the case with Dáil constituencies and local authority municipal districts, do not constitute sufficient criteria on which to base geographical boundaries. Thus, other factors ought also to determine their delineation; these include historical LDC footprints, topography, local identities, territorial assets and inter-community dynamics. The membership survey also noted

<sup>&</sup>lt;sup>2</sup> All-Island Research Observatory (2015) *The Atlas of the Island of Ireland.* https://www.maynoothuniversity.ie/research/people-place-and-environment/spatial-analysis/projects/atlas-island-ireland

the need for a degree of 'openness' with regard to any boundaries, so that inter-territorial cooperation can be fully facilitated, and that regional approaches can be pursued, where required. They referred specifically to REDZ geographies as offering bases for collaborative approaches and the pursuit of projects that benefit from urban-rural interfacing.

As the following set of survey results illustrates, there is clear majority support, among LDCs, for the area-based approach rather than for territorial alignment with local authority boundaries:

Figure 1: Extent to which ILDN members agree or disagree with given statements in respect of the territorial approach in the delivery of LEADER



The survey findings and workshop discussions provide evidence of a consistent willingness to work collaboratively with local government, but LDCs note that there can be challenges when working on the basis of boundaries that were drawn in the seventeenth century, rather than on the basis of contemporary geographies. Some ILDN members also referred to the challenges caused by changes to municipal district boundaries, and they stated that any attempts to oblige geographical alignment with local authorities, particularly at sub-county level, would lead to discontinuities in relationships with communities. Thus, the ILDN recommendations in respect of ensuring flexibility and maintaining relationships in the application of the territorial approach chime with the objectives and vision of the government's five-year strategy to support the community and voluntary sector. They give effect specifically to Actions 1.3 and 3.6, among others. These specify the need for "greater local flexibility" (2019: 24); and processes to "continually strengthen local engagement by communities with decision-making structures" (2019: 26).

Experiences in Ireland, as elsewhere across the EU demonstrate the merits of a holistic approach to the definition and application of the territorial development. Demographic criteria alone, as occurs with Dáil constituencies and municipal districts would be unworkable. Almost half (47%) of survey respondents indicated that while they are satisfied with their current geographical footprint, this may need to change over the course of the delivery of Ireland 2040.

#### Recommendations

- The territorial approach is a cornerstone of LEADER, and needs to be fully reflected in the programme post-2020. This implies fully respecting the 'cohesion' footprint with 34 groups and providing for a delineation of LEADER territories that takes account of factors other than administrative boundaries; and
- Decision-making in respect of the delineation of territories should take place at the local level, with LDCs agreeing their respective catchments with their neighbours, according to LEADER criteria, rather than local authority administrative boundaries, and reporting these to the MA, (and not to any intermediary bodies or local authorities) for endorsement.

These give effect to the OECD (2019) first principle in respect of rural policy; this recommends "adapting policy responses to different types of rural regions including rural areas inside functional urban areas (cities and their commuting zones), rural areas close to cities and rural remote areas".

#### 2.2 The bottom-up approach

Voluntary boards of directors represent the core of all LDCs, and these need to be nurtured, strengthened and supported to ensure effective, bespoke, efficient and innovative delivery of LEADER post-2020. Boards of Directors harness the expertise, knowledge, resources and goodwill of a wide range of interests, and they bring these to bear on LDCs' collective efforts. While some national and sub-national level structures and organisations in other fields comprise stakeholder coalitions, LDCs have a unique and distinctive structure; they are driven by civil society organisations with commitments to, and track records in local development. Moreover, they have demonstrated the ability to include, engage and harness the social partners collaboratively, thus filling a vacuum, albeit at local level, that exists in Irish governance since the effective abandonment of national social partnership in 2009. It is noteworthy that Action 4.3 of the government's strategy to support the community and voluntary sector (2019: 27) commits to "review the current national practice in relation to the commissioning model and develop a model reflecting a collaborative, partnership and whole-of-government ethos and prioritising societal value and community need".

At local level, LDC structures are reflective of this policy objective and they give effect to the actions presented in respect of Objective 3, as presented in the strategy in respect of developing and strengthening 'processes and mechanisms to secure meaningful consultation, inclusion and participation in local, regional and national decision-making structures'. LCD boards and subcommittees provide mechanisms through which statutory sector representatives can garner valuable local knowledge and insights in respect of the needs and potential of rural communities. While other fora, such as LCDCs also enable inter-agency networking, LDCs enable the statutory and community sectors to interface and collaborate with one another, and enable inter-community networking, to a greater extent than happens in other contexts. Thus, post-2020, it is essential to continue to invest in the LDCs' institutional capacity, and specifically the abilities of Boards of provide the institutional glue that gives effect to collaboration and partnership working.

In essence, LDC boards of directors represent the embodiment of multi-stakeholder governance as recommended in the OECD's *New Rural Paradigm* (2006) and reiterated in *Rural 3.0* (2018). LDCs' experiences tally with the OECD research and recommendations in respect of the need for the civil society / the community and voluntary sector to continue to lead LDCs. This also gives effect to the European Commission's advocacy of Community-Led Local Development (CLLD). Indeed, experiences during the period 2014 – 2019 suggest that other EU member states have overtaken Ireland in the extent to which CLLD has been applied. Thus, post-2020, LEADER needs to be driven, and its local agenda needs to be set <u>at board level</u>. This implies that Boards of Directors invest in the requisite training and capacity building. Boards also need to have timely access to comprehensive data and information, so that decision-making and strategic planning are evidence based. These requirements imply that all LDCs be encouraged to set aside a portion of their LEADER budgets for organisational development, review and evaluation and the dissemination of best practices.

Recent consultations with ILDN members point to the growing importance and relevance of sub-committees and working groups. These provide mechanisms for enabling stakeholder engagement and the harnessing of additional expertise and resources, thus adding value to LEADER. Sub-committees and working groups also allow for LDCs to focus on and develop strategies in areas of activity in respect of themes, issues and areas that are not receiving attention from others. It is anticipated that, post-2020, such sub-structures will become increasingly important as LDCs give increased effect to integration and multi-sectorality and develop new areas of activity. While some sub-structures will, over time, lever resources to allow for project delivery, they will, initially at least,

require support and investment. Moreover, the development and oversight of sub-committees and the forging of external relationships will also require administrative backup and support. Thus, considering the medium- to long-term benefits associated with the potential work of sub-committees and bearing in mind the added value that derives from voluntary boards of directors, it is absolutely essential that all LDCs have a core minimum operating budget. This should be derived from a dedicated government fund, and be independent of allocations under LEADER, SICAP or any other programme.

It is widely acknowledged among ILDN members and in the community and voluntary sector that the alignment process and in particular the duplication caused by the LCDC role in project evaluation has de-energised LDC boards of directors. This is having implications for the recruitment and rotation of directors. Thus, there is a need to ensure greater emphasis on the added value that LDC boards generate, and this implies that boards re-assume decision-making responsibility in respect of local development strategies and the allocation of LEADER funds. In addition to enabling boards to be more reflective of the principles and practices articulated in *Rural 3.0*, this re-calibration will bring Ireland more into line with other EU member states, will enable LCDCs to pay greater attention to macro-level issues, trend analysis and vertical governance

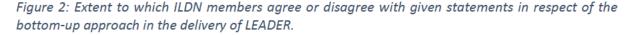
The following set of findings from the ILDN membership survey (September -October 2019) reveals how LDCs perceive themselves as bottom-up organisations - as indicated by the high levels of agreement with the statement 'Our LDC Board of Directors is sufficiently reflective of rural development actors in our area.' This suggest that LDCs are well positioned to give renewed effect to CLLD post-2020. This implies LDC capacity and commitment to giving effect to the actions set out under Objectives 1 (especially actions 1.1 and 1.2), 2 and 3<sup>3</sup> of the government strategy (2019-2024) to support the community and voluntary sector. ILDN welcomes these policy commitments and notes their consistency with a previous decision of the European Court of Auditors (2010) that stated, "state "Local development is a generic concept, CLLD refers to a bottom-up process with the involvement of both public and private local interests. It has to be differentiated from local development driven by Local Public Authorities". ILDN is, in line with the Court of Auditors decision, fully committed to sustained collaboration with local government and all public authorities. ILDN endorses, as supported by the Court of Auditors, and explicitly stated by DG Agri.: "Experience has shown that the bottom-up approach should not be regarded as competing with or opposed to top-down approaches from national and/or regional authorities, but instead as combining and interacting with them, in order to achieve better overall results4".

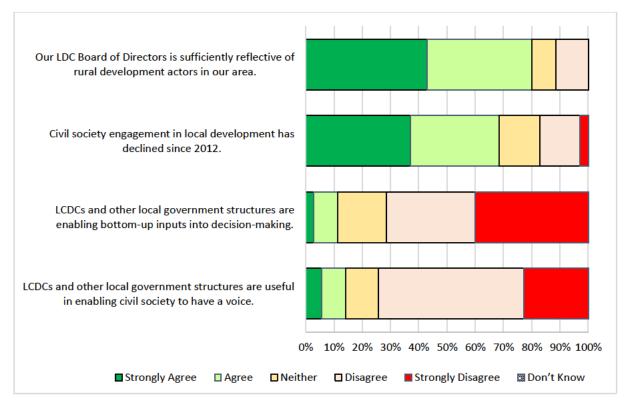
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<sup>&</sup>lt;sup>3</sup> Objective 1 (page 24) commits to: "strengthen and develop participative approaches to the development of public policy and programming underpinned by an autonomous community and voluntary infrastructure". Action 1.1 is "develop and sustain national, regional and local structures and policies that facilitate and promote – effective local development, autonomous community development, and meaningful engagement of marginalised communities." Action 2.2 is "adopt an agreed set of values and principles for collaboration and 'partnership-working' at national and local level". Objectives 2 and 3 are: "support and facilitate communities to participate in community development and local development" and "develop and strengthen processes and mechanisms to secure meaningful consultation, inclusion and participation in local, regional and national decision-making structures, particularly by non-engaging and marginalised communities and their representative organisations".

 $<sup>^{\</sup>rm 4}$  DG AGRI GUIDE FOR THE APPLICATION OF THE LEADER AXIS OF THE RURAL DEVELOPMENT PROGRAMMES 2007-2013 FUNDED BY THE EAFRD

 $http://enrd.ec.europa.eu/app\_templates/filedownload.cfm?id=E8A73212-048D-029C-0E96-A39ED26D53F3$ 





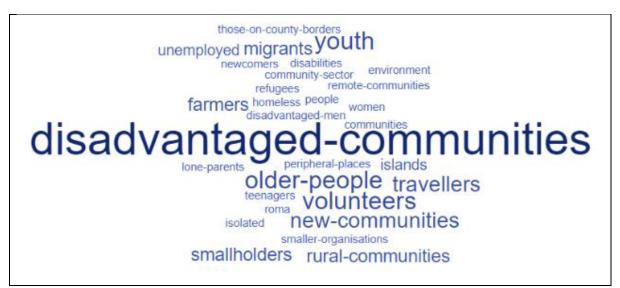
The survey findings and workshop consultations indicate that, post-2020, LDCs ought to continue to recruit civil society representation on boards of directors and sub-committees through local structures and on the basis of ensuring that LDCs have the appropriate mix and range of skills, personalities and constituencies to ensure the effective delivery of LEADER (among other programmes).

In some counties, Public Participation Networks (PPNs) have been, and are being, used to recruit board and sub-board members and to promote civil society engagement in local development. The consultations with ILDN members indicate that while these capture a cross-section of community interests, they do not represent a sufficiently broad base from which to exclusively recruit civil society representatives to LDC boards of directors.

While ILDN members rightly acknowledge organisational strengths on which they can build over the coming years, they are cognisant of the need for enhancements for the period 2020. To this end, they advocate specific investments and supports (including strengthening the 'integrated approach' specificity of LEADER) to ensuring greater participation by hard-to-reach groups, as stated in objective 4 of the government's strategy to support the community and voluntary sector (2019-2024).

The vast majority (96%) of survey respondents stated that there are there particular population cohorts who need increased supports in enabling them to participate in local-level decision-making. The following wordcloud emphasises the need for renewed focus on community development and social inclusion in delivering and sustaining the bottom-up approach. Specifically, the survey revealed a need to reach out to, and to engage more intensely with the following cohorts:

Figure 3: Population cohorts whom ILDN members perceive to be in most need of support in enabling them to contribute to local decision-making (since 2014)



The survey findings also pointed to a need to attend more to the needs of project promoters and to harness their energies and expertise. The following quotes are emblematic in that respect:

"LEADER project promoters do not have a voice or Charter of Rights in the development or operation of the programme, nor is there any structure for them to engage. They are a disparate group whose needs, interests and rights can be easily overlooked, even though they are the cornerstone of the programme- the innovators and real leaders behind LEADER projects. They bear significant financial risk, implement the projects, but have no say in the process" (SR33).

These observations, from ILDN members, synthesise some of the issues that need to be addressed in sustaining the bottom-up approach and in delivering participative democracy in rural communities:

"Community volunteers (of whatever gender, age, nationality/ ethnicity, culture, etc.) by their nature undertake work to deliver on specific projects- not to sit on networks or representative bodies. They are often very busy people involved in many other thingswork, family.... Involving such active people in the decision making on policy and projects-through LAGs, etc., requires a constant awareness and flexibility to the challenges that they face" (SR11).

And

"Community volunteering is declining and there are increasing demands on those who engage to participate in these multiple structures – PPN, LCDC, SPC, etc." (SR07).

These sentiments reflect the need to solidify animation and capacity building as a core feature of LEADER and to support volunteers in the multiple roles they perform. Experiences over the past five years also suggest that there has been a dissipation of energies associated with aspects of current governance and financial management arrangements and that flatter, more localised strutures are required.

Beginning with the eight counties that do not currently have a volunteer centre, such functions should come within the umbrella of the LDCs, so that the promotion of volunteerism is integrated into rural community development, rather than delivered by parallel structures. Parallel structures lead to a perception that there is a multiplicity or plethora of agencies in community development, and this is dispiriting for volunteers. Several survey respondents expressed concerns regarding what they perceive to be a rowing back on community development and a growing dependency culture, particularly in more marginalised communities. One emblematic statement is as follows:

"Communities are being pushed back into a political dependence position and apathy will soon follow. We are trying to counter this trend with other programmes but it's almost impossible. Even where we have done all the work and given all the support the communities will only acknowledge the LA... for fear of being excluded in the future" (SR25).

ILDN members proffer specific recommendations regarding governance and programme operation that would enhance the bottom-up approach and provide for increased community and voluntary input into LEADER post-2020:

The following recommendations are based, not just on members' experiences, but on key principles that shape and define LEADER across the EU and the other contexts in which it is applied. These include:

- LEADER is not just a fund or grant-giving mechanism; it is developmental;
- The bottom-up approach is associated with investment in community development and with LDC development officers acting in a promotive capacity – answerable to local communities and the Board of Directors, rather than to a central or local authority bureaucracy; and
- Project animation and development are incremental processes.

#### Recommendations to enhance the bottom-up approach

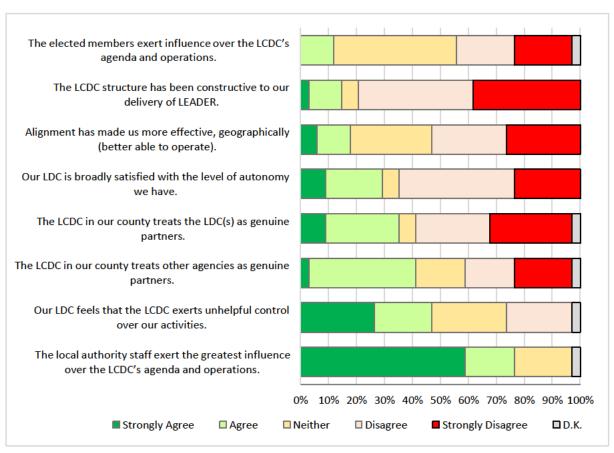
#### Governance Operational • All Local Development Companies should, where Reduce the bureaucratic burden on small-scale local boards so decide, assume LAG functions; project promoters and on the community / voluntary sector ex Umbrella Projects; • Ensure that as LAGs (post-2020), LDCs have proper autonomy in respect of decision-making Avoid the requirement of 'calls for proposals' and financial management; and short lead-in times, as this results in reducing the quality of projects and • Local authorities should be equal among the discriminates against those with least resources; statutory bodies sitting on the board of the LDC; • Provide a core operational budget – funded Only the EU/national public procurement rules independently of programme funds – for all should apply to LEADER; so that systems are reflective of the norms in the public service and not subject to any additional obligations; • Designate LDCs as independent State-supported local development agencies to effectively LEADER Food and Cooperation projects should revert to programme implementers' budgets; resource meaningful community engagement at all levels; and and Increase and ring-fence the 'animation and • Support membership-based LDC structures. capacity-building' allocation, so that LDCs lever additional and complementary resources, e.g., smart villages, thus adding value to LEADER.

• Bureaucratic / administrative checks need to be motivated by the promotion of transparency, rather than re-appraising or re-evaluating the decisions taken by a Board of Directors.

#### 2.3 Horizontal Partnership

LEADER benefits from LDCs' abilities to bring together stakeholder coalitions who pool their resources and expertise, and who create synergies and enable innovations that are not possible when agencies / organisations work in silos. This horizontal structure and mode of collaborative governance implies that partnership principles pertain at board and sub-board level. It also implies that LDCs engage with bottom-up and traditional top-down agencies and at all tiers of governance - both formally and informally. Effective partnership working requires flat (rather than vertical) structures and that agencies engage with one another in a spirit of collaboration, based on parity of esteem. In practical terms, horizontal partnerships need to govern LDCs' internal operations and the agencies with which they engage. Under previous programmes (up to 2014), LDCs progressively engaged collaboratively with other agencies, and co-delivery of initiatives such as CLÁR, enabled a pooling of expertise and resources that delivered for communities. Governance changes during the 2000s have, in members' experiences', generally perpetrated a shift from horizontal to more vertical relationships, and the 2014 legislation copper fastened a hierarchical approach in the form of the LCDC. While the motivation may have been to decentralise the carrying out of checks and balances, the system has instead introduced a bureaucratic layer that not only adversely affects project promoters' engagement with LEADER, but also tempers inter-agency relationships - between LDCs, local authorities and third parties. The following set of results from the ILDN membership survey synthesises members' experiences of contemporary governance arrangements and points to the changes that need to happen if, post-2020, LEADER is to effectively operate on the basis of horizontal partnership.

Figure 4: Extent to which ILDN members agree or disagree with given statements in respect of horizontal partnership in the delivery of LEADER.



As the survey results show, fewer than one in three LDCs is satisfied with the level of autonomy they have under the current programme. When this was explored at the consultative workshops, LDC representatives reported that they "are less likely to try new things" and "inclined to go for particular projects, so as to keep the council happy". Thus, the perceived loss of autonomy may be associated with reduced innovation and less adherence to evidence-based decision-making. In addition, a greater number of LDCs agree, rather than disagree, with the statement that 'the LCDC exerts unhelpful control over our activities'. As reported at the workshops, the LCDCs are perceived as not adding value to LEADER; acting as an additional bureaucratic layer; and absorbing funds that should be diverted into projects. Almost eighty percent of LDCs disagree with the statement that the LCDC structure has been constructive to the delivery of LEADER. Only one in seven (15%) agrees with this statement.

Among the challenges associated with LCDCs are their perceived shortcomings in treating LDCs and other agencies as equal partners. As the survey findings reveal, the majority of LDCs do not feel that the LCDC in their county treats them as equal partners. The data suggest a level of hierarchy within LCDCs, as LDC representatives are more mixed in their perceptions of how LCDCs treat others; the findings suggest that, at LCDC level, LDCs are less likely than are other agencies to be treated equally. The survey findings clearly illustrate that LCDCs' agendas and modes of working are dominated by county council staff, rather than by elected members. At the consultative workshops, several contributors illustrated what they perceive to be councillors subjugation to officials on LCDCs and on SPCs. Indeed, the survey data show that the vast majority of LDC representatives do not believe that councillors exert much influence over the LCDCs. One respondent stated, "Local authority staff are operating as our Boards once were able to (LAG) and some elected representatives are now operating like development officers, evaluation committees and Boards rolled into one" (SR 25). Several survey respondents referred to what they termed a 'democratic deficit' in the ways in which LCDCs operate. They noted that LCDC meetings are dominated by state agency representatives and local authority agendas, and that volunteers and civil society leaders have been displaced as a result. They questioned the value for money associated with assembling public servants to make decisions about projects while 'the real experts - the communities' are 'either excluded or have only token representation'. These experiences and observations raise fundamental questions about democratic accountability and the location of the LCDC within the aegis of local authorities. They point to the need, post-2020, to either address and eliminate the culture and practices of hierarchy at LCDC level and / or to replace LCDCs with more partnership-like structures akin to CDBs, but in which all participants – and not just LDCs – report to one another on their performance (outputs) and through which issues can be pursued collectively. As one survey respondent articulated, we need to support "genuine community interests in the widest sense, with those agencies actually prepared to support and invest in the LDS as professional partners" (SR33).

The survey findings and consultations also reveal that the partnerships and collaborations in which LDCs engage generally occur independently of the LCDC, and are generally associated with the development of particular projects. The survey findings indicate that the agencies with which LDCs are most likely to engage are the Education and Training Boards, Fáilte Ireland, environmental agencies and the Department of Employment Affairs and Social Protection (DEASP). Engagements take place in the co-delivery of SICAP-funded projects / initiatives as much as with LEADER. LDCs report that representatives from these agencies, among others, make valuable contributions to evaluation committees. Relative to previous LEADER programmes, they are less likely to co-fund projects or to co-deliver projects. This stepping-back from partnership is associated, in part, with reduced budgets. It may also be associated with a growing perception of LEADER as a fund, rather than a development tool. Working in horizontal partnership has also been affected by the

bureaucratic requirements that currently apply to LEADER. As one survey respondent stated, "All public agencies engaged with LEADER at present see it, as it is currently constructed, as nothing more than a grant fund... one of the most costly, ineffective and inefficient grant funds available" (SR 03). Another respondent remarked, "The human resource skills required are already present in LDCs, the collaborative mindset comes naturally. Integrated delivery is being driven by LDCs and is progressing amongst partners of equal standing. This is not the case with State Agencies and Local Authorities" (SR 33). This point was also taken up by several other survey respondents, who claimed that the outputs and impacts of LEADER are being either under-recorded or claimed by local authorities.

LEADER is also highlighted in the recently published OECD Rural Policy Principles (2019); Principle 10 advocates promoting "inclusive engagement in the design and implementation of rural policy". In this regard, the OECD specifically highlights, as does the ILDN survey (presented here) the need to engage more systematically with groups and population cohorts that have become marginalised or are underrepresented. In practice, this implies investing in animation, capacity-building and community development. The OECD principles also advocate engaging with the private and not-for-profit sectors and leveraging their expertise and resources to deliver better outcomes for rural areas. In practice, LDC boards already do so, and provide the vehicle for further harnessing the productive sector's expertise and knowledge capital.

The evidence in respect of promoting horizontal partnership, post-2020, is that we need to redress the hierarchies that have emerged, which are associated with LCDCs. There is also a parallel need to address remove bureaucratic burdens, which are currently hampering innovation and project development. The current LEADER project development process can have up to twenty-two steps (in terms of administrative requirements). This contrasts with more streamlined systems operated by other agencies, such as the Local Enterprise Offices (LEOs), Enterprise Ireland (EI), Fisheries Local Action Groups (FLAGs) and community funds operated by the HSE. Thus, there is a need for more consistency in the ways in which public funds are administered and disbursed. There is also a need to remove bureaucratic burdens emanating from the operating rules, so that agencies are encouraged to work in collaboration with LDCs.

#### Recommendations

- All Local Development Companies should, where local boards so decide, assume LAG functions;
- Support LDC boards as the drivers of the local development / LEADER process, including project decision-making'; this implies investing in board capacity-building, organisational development, review and evaluation (using LEADER resources, among those from other programmes / sources);
- In line with previous (2018) ILDN research and consultations on governance and sustainability, ensure that all LDCs have a workable core-operating budget; and
- Ensure that government encourages and incentivises Government Departments and statutory agencies to work in partnership with LDCs in order to effectively engage civil society.

#### 2.4 Innovation

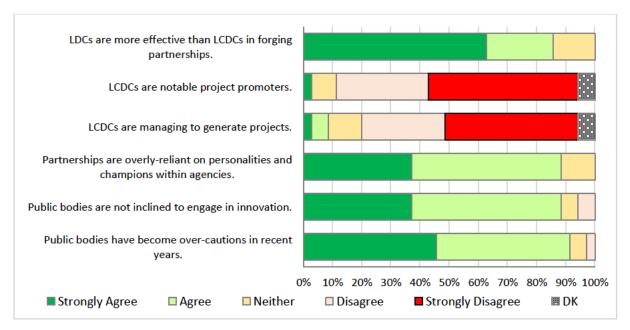
As noted in the ILDN issues paper (September 2019), LEADER delivery bodies are meant to be an innovation in themselves; this implies that they promote new ways of 'doing business', new modes of governance, take risks and support projects and project promoters that try new ideas, forge new concepts, deliver new services and produce new products. Innovation requires ongoing investment in animation and capacity-building, so that project promoters can benefit from the support, advice, guidance and mentoring provided by development officers and from the wider expertise that LDCs embody – particularly at sub-committee level. Thus, post-2020, animation and capacity-building need to be core elements of LEADER and the programme needs to operate such that the relationship between project promoter and development officer is one that enables a co-creation of innovation. This will require moving away from the predominant role performed by development officers since 2009, and particularly since 2014, which has been characterised by risk-aversion and inordinate levels of paperwork. Development officers must, as articulated in the very first LEADER evaluation in Ireland, and supported by subsequent reviews at EU level, act as promotive agents, or, as or as ENRD describe them, 'innovation animators'.

Over successive iterations of LEADER, LDCs have played an important role as project promoters – as well as being animators. In their capacity as project promoters, LDCs have come to deliver services where none existed (often using social economy models) and have undertaken environmental and conservation works that contribute to the attainment of the Sustainable Development Goals. In many respects, LDCs were pioneers in marrying community development and environmental conservation, thus giving effect to objectives 85 and 116 in the government's strategy to support the community and voluntary sector. Post-2020, it is essential that LDCs continue to act as project promoters and that they pursue this role so as to enable others (including public bodies and civil society) to learn from their research, trials, experiments and endeavours. The recent ILDN membership survey and consultations reveal that LDCs continue to innovate and to engage in partnerships. Respondents are, however, critical of what they perceive to be shortcomings among LCDCs in either acting as project promoters themselves or in generating projects. While it is arguable that the latter role rests with Implementing Partners (IPs), rather than with LCDCs, the decoupling of LAGs from project promotion means that the current iteration of LEADER has an undersupply of demonstration projects and risk taking at LAG level. This further underscores the recommendation already articulated here that LDCs with LAG status be an option for LDC territories.

<sup>&</sup>lt;sup>5</sup> Objective 8: Strengthen and build understanding and capacity to support the implementation of the Sustainable Development Goals (SDGs) National Implementation Plan (page 29).

<sup>&</sup>lt;sup>6</sup> Objective 11: Support community development and local development to engage with Climate Change adaptation and mitigation strategies (page 31).

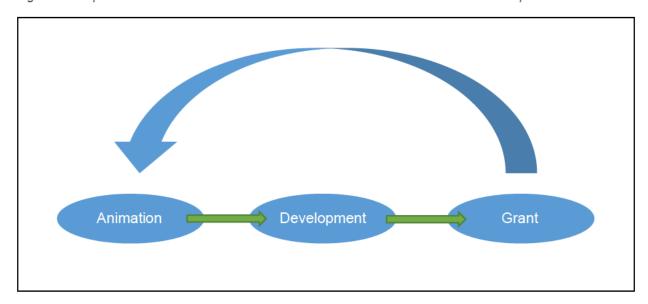
Figure 5: Extent to which ILDN members agree or disagree with given statements in respect of innovation in the delivery of LEADER.



As successive LEADER evaluations across Europe have noted, innovation is associated with partnership working and with supportive practices in public bodies, among other factors. The recent evidence, as illustrated in the previous graph, is that partnership working has not been fully embraced, let alone mainstreamed in Ireland and that innovation that requires action beyond the LDC is overly reliant on personalities. Thus, there is a need, post-2020, for a more systematic approach to partnership; government departments need to signal, to their respective agencies, their support for engagement in local development and in collaborations with LDCs and with civil society. Thus, pronouncements in government policies e.g., Sustainable, Inclusive and Empowered Communities - A five-year strategy to support the community and voluntary sector in Ireland, 2019-2024 (DRCD, 2019a) in respect of state sector engagement with communities need to be given effect.

It was noted in the workshops that while the term 'innovation' is a regular feature of and push within strategies and funding, there is sometimes a lack of clarity on what that means in reality. In addition, the increased administration and bureaucracy associated with LEADER has had a stifling effect on innovation. Central to the workshop discussions on innovation was animation; participants expressed concerns that, in the last two iterations of LEADER, it was missing as a central component of project promotion. The concern among the LDCs is that while animation may be a challenge to provide a budget line for in the administration of the programme, it has been central to the success of projects in the past. On the other hand, from the EU level the need for 'LEADER to be more innovative' is repeated at the strategic level. It was felt among workshop participants that innovation could be best achieved through 'integrated animation', whereby development officers are engaged with project promoters at all stages of project development and act as mentors, while also ensuring bureaucratic compliance. In this context, participants also noted the synergies and increased levels of project output associated with the integration of SICAP (among other programmes) and LEADER, whereby animation done under one programme can attract project funding through another programme. However, the rules keep distance from the clients and this acts to severely limit level of animation and proactive response.

Figure 6: Responsive Animation Process recommended in the ILDN Member Workshop



In addressing the skills and internal resources needed by LDCs to enable them to effectively ensure integration and multi-programme delivery, a number of survey respondents identified that LDCs require strong leadership, good communication internally and externally, strategy development, financial management, innovation, support for risk-taking, relationship building, and project management: "... need programmes to contribute to general management fund to optimise and enable in-house cross programme teams deliver sustainable results for clients" (SR01).

#### Recommendations

- Ringfence appropriate resources for LEADER administration (core fund) and animation and capacity-building (at least 25% - and providing a minimum threshold for adequate funding for smaller LDCs);
- Ensure that the LEADER policy agenda supports the development principles of the programme and that all seven operating principles of LEADER are applied;
- Reduce the bureaucratic burden (apply a tiered system) for smaller projects and those promoted by community and voluntary organisations;
- The LEADER Programme needs to ensure maximum flexibility for project promoters, which
  represents the development nature of LEADER and accepts that rural development requires
  an appropriate appetite for risk;
- Ensure that the Department 'inspection' process is holistic and supportive and allows for innovation, subject to compliance with public funding stipulations;
- Increase support to the ILDN secretariat and research functions, in enabling inter-LDC and inter-territorial promotion of innovation and best practice which will complement the function of the NRN; and
- Support LDCs to develop external linkages, particularly with the third-level sector, in identifying, describing and reviewing practices – so as to learn from experiences, identify any shortcomings; establish assets / baselines and potentials and devise innovative ways of promoting territorial competitiveness.

#### 2.5 Integration and Multi-Sectorality

While each LEADER specificity (core principle) has its own distinctive elements, all are complementary of one another and are mutually re-enforcing. Indeed, it is arguable that there is overlap between specificities. Indeed, as noted in the government's strategy to support the community and voluntary sector (2019a), the integrated approach implies that environmental objectives not be limited to proofing mechanisms or 'add on' actions, but be fully embedded in the design and delivery of local development strategies. This offers the most effective approach to the promotion of a just transition. The LEADER specificities also imply that, in delivering LEADER, LDCs lever and broker resources beyond those of the programme itself. Thus, they may raise resources locally, and they should deliver other programmes that ensure the development of their territories and enhance the quality of life for citizens. Indeed, the co-delivery of other programmes is integral to ensuring local-level coordination and to maximising synergies between and across development efforts. While multi-programme delivery has become the established norm among LDCs, the realisation of the integration and multisectoriality has, to some extent, been delimited by restrictions on co-funding – across programmes and with some public bodies. Such restrictions need to be removed, and the aforementioned simplified cost option, more mainstreamed approach to public procurement and the application of the de-minimus rule ought to apply to LEADER as is the case with other delivery mechanisms, such as the Fisheries Local Action Groups (FLAGs).

In its position paper on Smart Villages (2019), ILDN reiterated the importance of the integrated approach to rural development. We presented the analogy of the 'train track', whereby LEADER is the engine or 'synergy tool', and provides the drive and mechanism to bring a range of complementary funded services and initiatives to rural communities. The programmes and actions delivered are complementary, and they form part of an overall local development strategy for the rural territory – encompassing all spatial sales: village and countryside level. This model needs to be strengthened and mainstreamed from 2020 onwards, as it offers clarity and efficiency in terms of administrative systems and for project promoters. Integration complements the other LEADER specific features (key principles) and the 'train track' or 'one-stop-shop' approach gives effect to the recommendation in OECD *Rural Policy 3.0* for an 'integrated package of policies', "to mobilise assets and empower communities in order to enhance the social, economic and environmental well-being of rural areas. The approach should take a place-based view implementing an integrated approach, replacing top-down with result-orientated policies".

The full attainment of integration and multi-sectorality is best served by putting in place a core programme / mechanism, across all LDCs — subject to agreed criteria e.g., full compliance with the governance code. This would provide each entity with a core operating budget and the ability to leverage the resources to support investments in their territories. The National Mainstream Rural Development Programme that operated between 2000 and 2006 represents a model or template that could be replicated post-2020. This would allow rural territories to further develop the social economy / third sector and to pursue more innovative approaches to rural service delivery. Survey respondents support across initiatives and agencies:

"real integration [through] collaboration and financial innovation between and among OIRS, Ireland 2040, LEADER, community facilities, and other such funding lines to build strategic project of scale in each LAG area" (SR07);

As well as "scalable and transferable initiatives in sectors of challenge and/ or opportunity for rural communities, e.g. public transport integration, energy/ climate action; future-proofed community-

owned broadband; food; creative enterprises; environmental protection (biodiversity/ habitats) and community engagement in that, while also improving access to the countryside" (SR11).

LEADER operates on a multi-annual basis, and while annual reviews provide indications of levels of activity / outputs and are useful in documenting learnings and needs, they should not be used to compromise the multi-annual and block-grant nature of the programme.

In recent years, and in particular since the publication of the CEDRA recommendations in 2014, rural policy delivery, in Ireland, has moved towards channelling funds to specific projects on the basis of calls for proposals. Such mechanisms compromise the territorial approach. Moreover, the existence of parallel funding streams, rather than channelling resources through LDCs, in line with CLLD, deprives decision-makers of access to valuable knowledge and cultural capital. Post-2020, such funds need to be bundled with LEADER. Indeed, ILDN fully endorses and supports the recommendations of the European Committee of the Regions (COTER-VI/056) on emphasising CLLD in a renewed emphasis on the territorial agenda.

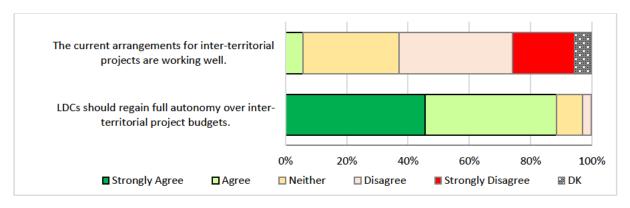
#### Recommendations

- Once qualifying criteria are met, ensure that all LDCs have a core operating resource base and are enabled to deliver multiple programmes on the basis of government contracts and collaborative partnerships;
- Provide for the co-funding and co-delivery of projects (subject to EU regulations);
- Ensure that the evaluations (internal and external) of LDCs are holistic, rather than programmatic;
- Bundle <u>all</u> rural development funds with LEADER, and channel them through LDCs, thus giving
  effect to CLLD. This needs to be rolled out in tandem with a cohesive / coordinated policy, at
  national level, regarding all development funding for rural areas. Thus, LEADER is the 'train'
  with multiple carriages, offering communities and entrepreneurs a suite of supports than can
  be tailored to promote innovation, avail of opportunities and grow potential; and
- Ensure that administrative approaches and mechanisms for LEADER operate on the basis of simplified cost, mainstream public procurement and without de-minimus restrictions.

#### 2.6 Networking and Inter-territorial Cooperation

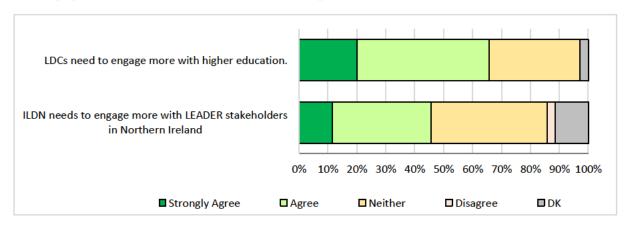
Networking and inter-territorial cooperation seek to add value to the territorial approach and to foster innovation; the LEADER cooperation measures allow for LDCs to engage with adjoining territories and those with which they share common issues and / or experiences. This leads to knowledge transfers and increases innovation. Under pervious LEADER programmes, networking and inter-territorial cooperation was an LDC function, while under the current programme, the MA retained this function and invited applications on a project-by-project basis. Therefore, Ireland now has experience of two distinctive models of promoting networking and inter-territorial cooperation. The ILDN membership survey reveals overwhelming support for reverting to the model that pertained prior to 2014, as the following graph shows.

Figure 7: Extent to which ILDN members agree or disagree with given statements in respect of networking and inter-territorial cooperation in the delivery of LEADER.



The ILDN membership survey and the workshop consultations indicate support for, but apprehension in respect of cooperation with Northern Ireland. They also reveal support for more engagement with third-level education. The following graph presents the survey findings.

Figure 8: Extent to which ILDN members agree or disagree with given statements in respect of ILDN / LDC engagement with Northern Ireland and with higher education



Support for engagement with Northern Ireland is highest in the border counties, and, as encouraged at European level, there may be scope for a cross-border LEADER territory that transcends the Rol-NI border. The openness to increased engagement with higher education offers mechanisms for greater dissemination of good practices that arise from LEADER, objective and critical analysis and the

promotion of approaches to review and evaluation that go beyond programmatic reviews, and are instead, more related to the LEADER specificities and are more challenging of all stakeholders.

Workshop participants highlighted the challenges in trying to align budgets for transnational and interterritorial projects, which are essentially a 'central pot', with the LEADER specificity of devolved financial management. In addition, the bureaucratic nature of the application can limit LDCs ability to apply in the first place, as the requirement to identify costs early can be too specific, and do not have regard to LCDC/LAG timetables for approval. LDCs could be more creative in using the cooperative measure by tapping into their links with other transnational projects that have been developed previously and/or through other projects. Concern was also highlighted, in the workshop, over cooperation with Northern Ireland in light of Brexit. It was suggested that an *All-Island LEADER Forum* be formed to address the needs of the all-Ireland rural economy and society, and to counteract some of the potential barriers that may arise with Brexit.

Learnings from transnational partnerships should be shared and disseminated beyond the core participants by having a dedicated working group in ILDN that could host workshops around lessons learned and experience of cooperation and transnational projects. According to workshop participants, this could provide an opportunity for development officers to come together and share information on their experiences of transnational projects. Moreover, when transnational exchanges are taking place, the local host LDC could invite other LAGs/LDCs to attend sharing sessions.

#### Recommendations

- (Re)establish inter-territorial cooperation as a budget-line at LDC level and enable LDCs to make their own decisions in respect of inter-territorial engagements;
- Recognise that inter-territorial projects have an administration element and ensure that
  additional administrative and evaluation tasks are funded from the inter-territorial 'pot',
  rather than from core operating funds;
- Enable LDCs to use the inter-territorial and transnational measure to partner with organisations other than those delivering LEADER, subject to ensuring the best partner fit for each project; and
- Support ILDN in disseminating learnings from inter-territorial and transnational project experiences.

#### 2.7 Devolved Financial Management

While there is a history of devolved financial management in the LDCs, there is increasingly less and less autonomy / devolution associated with appraisal, delivery, selection and evaluation of projects, meaning that in reality there is a growing distance between the LDCs and their communities / clients in the current LEADER structural arrangements. Thus, there is a need to give renewed practical effect to the objectives presented in the government's strategy to support the community and voluntary sector, in respect of removing barriers to active citizen engagement. There are clear opportunities to utilise the simplify the cost option available in the EU regulation for LEADER, and to reduce bureaucracy around finance and funding. Specifically, aspects of the model currently in use in SICAP could be applied to LEADER. Another recommendation arising from the workshop was that some front-loading of finance to support the administration of projects would assist the LDC on a day-to-day operational basis.

In other EU member states, there are models and examples of complementary co-funding – drawing on LEADER among other sources. In a number of member states, LDC funding tends to be primarily 'executive' funding, where there can be requests for core funding; for example, in Belgium, where there is more allowance for animation than government grant aid. There is the potential to leverage this here in Ireland. In addition, it could be useful to renew the 'bond' option for LDCs - to support devolved financial management.

The consultations with ILDN members revealed some concern over a sense of 'distance' in relationships between government departments. Particularly since 2014, there has been a lot of change in personnel in departments, as well as re-alignment of departments. Such changes in addition to the assertiveness of intermediary layers (Pobal and LCDCs) is perceived to be perpetrating a disconnect between the 'centre' (government departments) and the 'local' (LDCs), such that the evidence-base underpinning policy decision-making is deprived of local input. The directive from some government departments and some local authorities that their staff or Councillors no longer were required to sit on LDC boards is a tangible example of this weakening of the partnership approach. In other words, vertical partnership has been weakened, and needs to be strengthened. Several ILDN members noted, for example, that the CEDRA report had rightly acknowledged the successes of the LEADER approach, but excluded LEADER from the delivery of its recommendations, and plumped instead for the current layered system. This said however, ILDN members acknowledge that as roles and functions in government departments have bedded down over the past two to three years, there has been greater communication and engagement between government and local development, and that these engagements are constructive and mutually beneficial. Thus, ILDN members look forward to systematic and constructive interfacing with the MA and other government stakeholders over the forthcoming LEADER programme period and beyond.

ILDN members highlighted that the 'principle of partnership' must be secured in the design of programmes, ensuring that a place-based approach is central. Flexibility in OP rules to enable delivery of strategies would also support the partnership approach and allow for greater innovative capacity. Supporting dialogue with the relevant departments that is open, inclusive and systematic will assist in building mutual understanding throughout the forthcoming programmes. Thus, LDC involvement in the co-design and co-governance of future programmes will provide the benefit of drawing on endogenous, as well as exogenous perspectives and expertise.

ILDN members not a need to look beyond Ireland and beyond the current programme(s) in identifying specific elements of best practices relating to devolved financial management, among other specificities (specific features). This implies enhancing support for inter-territorial collaboration and increased investment in ILDN's technical support capacity.

In considering specifically how LDCs can make more effective use of the new funding occasions under Ireland 2040, a range of potential routes were suggested. Respondents highlighted the need to learn from experts or those experienced in at regional and national levels particularly in the process of scaling up projects. LDCs could, by working with the relevant government Departments, regional assemblies and Local Authorities, position themselves to be the conduits though which all rural development funds are channelled – thus ensuring integration and multisectorality – underpinned by the territorial approach. This chimes with the ENRD recommendations in respect of the one-stopshop approach in respect of Smart Villages. Greater clarity is required around co-funding opportunities and in particular providing guidance on some technical issues and ensuring de-minimis exemption in order to allow LDCs to fully utilise and optimise possibilities. Other suggestions included:

"Allow a platform for more creative discussion and expressing interests" (SR02).

"Ensuring that LDCs are aware of opportunities for delivery of funding, and also that they would be eligible to tender for delivery of such programmes. e.g., programmes only available to local authorities for delivery" (SR08).

"This requires an additional, dedicated, staff resource as LEADER staff are not able to reach on this. We need to refocus on building capacity. Making a budget available does not in itself generate projects" (SR09).

"Look to optimise the integration of funding around high-level but strategically important themes and initiatives. Augment funding- if possible, through access to CLLD or private philanthropies. Maintain a bottom-up focus- but don't neglect cooperation with other LAGs and agencies if there is a national or international opportunity which can ... benefit ... the local community of the LAG region and influence public policy in a positive direction for the region, country and Union as a whole" (SR11).

#### **Recommendations for Devolved Financial Management**

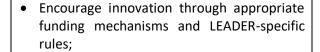
#### Governance

- Establish a systematic forum / mechanism for direct and constructive dialogue with Department officials; and
- Treat / govern LEADER as a developmental programme, which is not risk adverse, and through which innovation encouraged – not (just) a grant process.

#### Operational

- Address the difficulties which LEADER is experiencing due to the application of State Aid<sup>7</sup> provisions, it would be useful to consider a block exemption for LEADER/CLLD projects, given their small scale nature of LEADER funded projects and that they do not entail major risks of creating unfair competition between businesses in the EU;
- Apply the simplified cost option model;

Guidance on Community-led Local Development in European Structural and Investment Funds (Version 3: June 2014) "Support provided may fall under a block exemption regulation, a state aid scheme approved by the Commission, the SGEI (Services of General Economic Interest) decision for 'services of general economic interest' or the 'de minimis' rule".



- Simplify rules and forms, ensuring they are promoter friendly; and
- Put in place a government fund for development to support LDCs in innovating and developing strategies / proposals / projects.

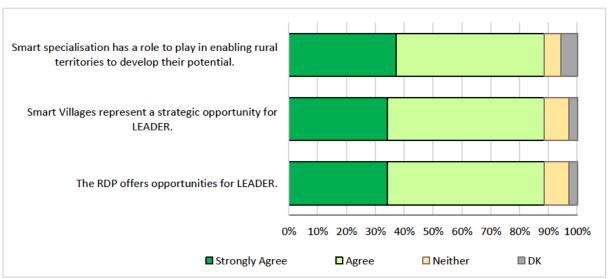
These recommendations build on work done by ILDN in 2018, when the network looked in detail at LDCs' relationships with communities, funders and government bodies. These underscore the need for changes to the LEADER operating environment, rules and administrative system, so that, as a programme, if is brought more into line with practises that pertain elsewhere. The safeguarding and strengthening of the LEADER specific features coupled with the application of more mainstream administrative systems would certainly enhance delivery and effectiveness from 2020 onwards. In the first instance, this implies that procurement systems ought to operate as in public bodies and that the block exemption ought to apply. It also implies that the relationship with the Department Inspectorate mature into a more facilitative and constructive interfacing, that contributes not just to the evaluation of projects, but to the review and promotion of the LEADER approach / specificities.

# 3. Policy and Operating Environment

LEADER operates within an evolving policy and operating environment, influenced by national and EU guidelines, recommendations and trends. As previously highlighted, LDC boards of directors represent the embodiment of multi-stakeholder governance as recommended in the OECD's *New Rural Paradigm* (2006) and reiterated in *Rural 3.0* (2018). The OECD observes that "Traditional policy solutions based on the assumption that people will move, or that regional policies are a deadweight that redistributes wealth from richer to poorer regions do not provide sustainable solutions. Placebased rural development policies will be critical to delivering on the promise of the Sustainable Development Goals that "no one is left behind" (OECD, 2018: 10). In October 2019, the OECD, with the Department of Business, Enterprise and Innovation (DBEI), will publish their report on supporting Ireland's SME and Entrepreneur sector. The Department of Business, Enterprise and Innovation (DBEI) had identified the need to develop supports for scaling up SMEs and for the policy focus of Local Enterprise Offices (LEOs) to include SMEs and to incentivise local economic development. There should be opportunities for LDCs in general, and through LEADER specifically, at the local level, to work with LEOs, among other enterprise agencies, strategically in the rural setting to rollout some of the forthcoming recommendations.

In general, ILDN members identify opportunities in the Rural Development Programme, and in emerging EU policy positions such as around Smart Villages. ILDN members identify the potential for greater integration under the RDP: broadly, in ensuring partnership in environmental, social and economic projects; and specifically, in areas such as broadband infrastructure.

Figure 9: Extent to which ILDN members agree or disagree with given statements in respect of the policy and operating environment for the delivery of LEADER<sup>8</sup>.



The Smart Villages Draft Briefing – Working Document (page 3) states that "smart Villages are about channelling the energy, vision and commitment of local people towards local action." ILDN respectfully notes that this is not new; in fact, this approach has been at the core of LEADER Programme for almost thirty years. Therefore, post 2020, Local Development Companies are well positioned to drive and give effect to the vision and concept of smart villages – based on community development principles, and including all parts of rural territories – recognising that villages can be

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<sup>&</sup>lt;sup>8</sup> No respondent opted to 'disagree' with any of these statements.

more than nucleated settlements. Embedding smart villages within LEADER and pursuing the ESI multi fund approach and the structural changes proposed in the Venhorst Declaration (2017) will enhance the LEADER / CLLD capacity to support rural communities, promote connectivity and drive innovation. ILDN also envisages increased participation in European Village Movements and other community-based civil society networks — in promoting best practices and in engendering systemic changes to support rural territories.

In respect of CAP post-2020, members highlighted the opportunities that can be supported by policy: through "a more inclusive bottom up approach with increased animation activities to support the development of creative solutions from the rural target stakeholder. We have to grasp the environmental agenda as a focal part of our LEADER strategies for the future" (RS14).

While there are concerns that 'smart villages' represent a repackaging of CLLD and may need to be adapted for areas with low population density, LDCs are very open and keen to avail of any associated opportunities to support rural development. The ENRD identifies Smart Villages as 'communities in rural areas that use innovative solutions to improve their resilience, building on local strengths and opportunities. They rely on a participatory approach to develop and implement their strategy to improve their economic, social and/or environmental conditions, in particular by mobilising solutions offered by digital technologies. Smart Villages benefit from cooperation and alliances with other communities and actors in rural and urban areas. The initiation and the implementation of Smart Village strategies may build on existing initiatives and can be funded by a variety of public and private sources'. For ILDN members, adopting the Smart Villages approach will mean, as articulated by one survey respondent:

"more intensive project animation at town and village level. There is also some merit in looking again at the parish level of development. Transition to a low carbon environment, rural enterprise development, tourism, broadband, training for project promoters in needs analysis and problem solving should be much stronger in [the] new [LEADER] programme. This will require the Department to allow projects to be focused on animation" (SR06).

Emphasising the key principles of LEADER is integral to responding to policy needs and the operating environment:

"Revert to a more inclusive bottom up approach with increased animation activities to support the development of creative solutions from the rural target stakeholder. We have to grasp the environmental agenda as a focal part of our LEADER strategies for the future" (SR14).

Members are cognisant of the need to promote the Sustainable Development Goals (SDGs), to address climate change locally and support a place-based approach to this through the Smart Villages (but preferably CLLD) principles. LDCs unanimously support government objectives in respect of transitioning to a carbon-free economy and society, based on endogenous approaches, the circular economy and localised networks and supply chains. There is potential for example, to create rural innovation centres with a focus on low carbon/carbon neutral objectives. Integration of climate action with all other actions will be the only way to address sustainability. This can be done by: "Climate action - local energy networks and sourcing; optimising the opportunities that will come for the socioeconomic quality of life from improved broadband connections; improved transport and mobility integration, improved local food consumption and diversification - also innovative response to supplychain issues caused by Brexit" (SR11).

#### **Recommendations:**

- Ensure a renewed focus on animation and capacity building in tandem with robust vertical governance, so that lessons from the bottom-up feed into regional and national policy through LDCs, thus supporting more evidence-based decision-making in respect of rural development policy;
- Strengthen strategic policy with climate change and socio-economic objectives;
- Promote 'smart specialisation' through partnership, bottom-up approach and collaborative processes collaborating with local authorities, academia, business and civil society; and
- Ensure a smooth transition between the current funding period and the next for LEADER/CLLD, particularly as the new CAP framework will need more time to enter into force.

#### 4. Conclusion

This position paper is strongly evidence-based. A dedicated ILDN sub-committee guided and oversaw the entire process through which this paper was compiled. The committee worked to ensure the entire ILDN membership was enabled to contribute to the paper. In putting forward their views and recommendations, ILDN members drew on their own experiences and those of the communities with whom they work. Their deliberations at a specially convened consultative workshop were framed by an issues paper that drew on relevant international literature and longitudinal reviews of LEADER and rural development. Thus, this paper has been informed and underpinned by LDCs' expertise at the delivery level and their on-the-ground experiences.

Since the advent of LEADER in 1991, ILDN members have amassed considerable knowhow and expertise in rural development. Over that time, they have innovated at local level and have built up relationships and networks with civil society and the productive sector, among others. These linkages represent considerable assets that can be further harnessed in the roll out of LEADER and other rural development initiatives and programmes. In addition to horizontal linkages, Local Development Companies have established and developed vertical interfaces, including with statutory bodies and government departments. While LDCs and statutory bodies have co-innovated and pursued projects together, LEADER has not been fully embraced into the policy-making arena, and local lessons and experiences have not always fed sufficiently into policy domains. Thus, post-2020, the Pobal layer, that could have allowed for vertical co-creation of knowledge, needs to be removed, so that Local Development Companies, and indeed LAGs, interface directly with the Managing Authority and government departments. Post-2020, there needs to be greater emphasis on transferring lessons from the local to the centre and on ensuring a more participatory and evidence-based approach to policy-making. Thus, LDCs need to appoint members to a partnership-based LEADER monitoring committee. This includes LDC participation in overseeing and monitoring LEADER processes, outputs and impacts - regionally and nationally. In the meantime, LDC experiences need to shape the formulation of the LEADER operating rules, and the process through which such rules are to be formulated needs to go beyond consultation, and be characterised by partnership between LDCs and the Managing Authority. This process also needs to be informed by independent evaluations and experiences in other EU member states.

In addition to inputting into the operating rules for LEADER post-2020, LDCs need to bring their knowledge and expertise to bear on the wider administrative and governance set-up and processes that shape LEADER experiences at all levels – particularly for project promoters. This includes working to ensure the avoidance of the duplicate, superfluous and unnecessary cross-checks with which the current programme has become associated. Evidence has emerged from the current programme of Article 48 checks causing re-evaluations of elements of projects – frustrating project promoters and undermining Implementing Partners (IPs). It is essential that, post-2020, all IPs be plenipotentiary in every respect of administering LEADER (and other local development programmes). Similarly, autonomous LDCs (those that secure LAG status) ought to also have their decisions given full effect. Administrative and accounting practices need to conform with best practices, so that project promoters are enabled to progress their projects, without the need for overly elaborate and expensive indemnifications. This would bring Ireland back into line with practices in other EU member states, and represent a more efficient use of public funds.

As this paper has noted, the 2014 Local Government (Reform) Act has been a major determinant of the governance, administrative and operational context in which LEADER has operated over the past

five years. Over that period of time, LDCs - those that are 'autonomous' and those that are Implementing Partners (linked to LCDCs) have demonstrated a consistent commitment to partnership and collaboration with local government. They have pursued partnership approaches as had been the case prior to the enactment of the 2014 legislation. Since then, the general experience has been that the relationship between local government and local development has become more hierarchical. The current modus operandi of LCDCs is, in most cases, although not universally, associated with a decline in civil society participation, reduced innovation and increased bureaucratic barriers. The increased bureaucratisation of LEADER has occurred despite the provisions of Section 128 of the 2014 legislation in respect of the need for effectiveness and consistency in the delivery of local and community development. Current practices have had implications for LDCs and for their abilities to function as development agencies. Above all though, the increased levels of bureaucracy and the layered nature of programme administration have been most stifling for project promoters, notably those with the least resources. This jars with the obligation in the 2014 legislation (Section 128b, paragraph 5f) to promote social inclusion, and may be diluting or even undoing some of the good delivered by SICAP and other community development programmes. Thus, post-2020, there is a need for a more effective, efficient and streamlined approach to LEADER administration, with LDC Boards of Directors having responsibility for the disbursal of funds in line with the LEADER specificities. In practice, the programme needs to be effectively oriented to serve communities, rural citizens and project promoters.

The evidence – locally and from across the EU - points towards LDCs acting as territorial development agencies, with the Boards of Directors setting the strategic direction; sub-committees enabling wide stakeholder engagement; and development officers supporting, animating and mentoring project promoters. The LEADER specificities and the need for innovation in the rural context (in line with *Rural 3.0*) imply greater territorial differentiation in LEADER strategies and a greater level of risk-taking than is possible with other funding mechanisms. The area-based approach (a core LEADER specificity) implies taking into account the totality of territorial resources, including local geographical features, population profile, density and socio-economic characteristics. This more holistic approach, rather than demographics alone, as has become the criterion for municipal districts, offers a more strategic and solid basis for the elaboration and pursuit of territorial development strategies.

LDCs' experiences in respect of LEADER administration over the past five years generally mirror the conclusion of the independent review of Local and Community Development Committees (2019: 4) that "the work required to manage national programmes (in particular the LEADER programme) limits time available for more strategic considerations and planning by the LCDC" (DRCD, 2019b). LCDCs tend to spend more time on LEADER project evaluation (<1% of the CAP budget) than on any other aspect of local and community development, such that members are detracted from performing the strategic roles of which they are potentially capable. Indeed, some LCDCs have not yet undertaken independent reviews of their own Local and Community Development Strategies (Section 66F of the legislation), while others have had limited input into government policy formulation. The inordinate amount of time spent on LEADER is happening despite LCDCs' wider statutory obligations including the brokerage functions ascribed to it in legislation. While some LCDCs / LAs publish the destinations of other local development funds such as those drawn down from Healthy Ireland and those allocated by the 'Community Grants' section of local authorities, others to not. Transparency ought to apply in full. Thus, the recommendations advanced in this paper in respect of LDCs re-assuming LAG functions, where they so wish, and the reconfiguration of LEADER administration to bring it into line with other public funding mechanisms are based on more than LDCs' preferences, and are absolutely essential to promoting and sustaining LEADER – and its specificities. Thus, post-2020, there is a need for LCDCs or their successor structures to be enabled to objectively review, monitor and evaluate the totality of interventions in (rural) locales and to act as vertical conduits, so that national policy-making has a stronger evidence base.

In 2013, following the publication of the White Paper (*Putting People First*; DECLG, 2012), ILDN prepared a position paper on 'Stronger Local Democracy', which reaffirmed LDCs' support for devolution / decentralisation and the transfer of powers from central to local government – bringing Ireland more into line with other western democracies. In addition to stating LDCs' support for local authorities' roles in underpinning democracy and collaborative spatial planning, the ILDN paper advocated that LCDCs (which it termed 'Socio-Economic Commissions' - SECs) would be responsible for data capture, monitoring, proofing (including rural and environmental proofing) and the promotion of territorial competitiveness. SECs would also liaise with government departments to ensure that lessons from the local were transmitted upwards to inform policy. In addition, the ILDN paper envisaged that SECs would feed into the work of regional assemblies. The publication, in the interim, of *Ireland 2040* and the *National Planning Framework* has heightened the need for such an interface mechanism.

Lessons over the past thirty years also provide pointers in respect of optimising the synergies between LEADER and other rural development funding streams post 2020. Thus, there is considerable scope for increased integration, in line with the spirit and letter of CLLD, whereby LDCs become the conduits through which Rural Development Programme funds are invested. This paper has presented the analogy of a 'train' with the various development programmes being embodied by the train's carriages. Thus, the 'train', driven by communities and on tracks that are collaboratively laid, can offer a range of options and trajectories that are commensurate with geographical contexts, local needs, opportunities and development potential.

Post-2020 LEADER is likely, as has been the case heretofore, to be resourced from both EU and exchequer sources. Evaluations undertaken by LDCs and various LAGs demonstrate that LEADER funds - expended by LAGs, LDCs and project promoters - represent significant contributions to local and regional economies and deliver a net gain for the exchequer. This needs to be recognised, and the role of LEADER as an engine of local economic development needs to be supported. Thus, there are considerable merits in increasing the exchequer contribution to the next programme; the multiplier effect associated with LEADER spend is of local and national benefit. Increasing the national budget and the core allocation to each LDC – to a minimum of €5m - will have the effects of generating increased activity and enhancing the capacity of rural territories to lever complementary resources from EU and philanthropic sources. Above all, this paper affirms ILDN's commitment to the seven LEADER specificities and to their full application across Ireland. This application needs to be underpinned by, and realised through, meaningful partnership governance - horizontally and vertically, with local lessons and experiences feeding into and informing regional and national frameworks, policies and practices. ILDN members are resolutely committed to working collaboratively with the Managing Authority, government departments, the European Commission and with all other stakeholders to give effect to these recommendations and to the realisation of vibrant and resilient rural communities – characterised by inclusion and innovation.

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# Mapping of the EU CAP Recommendations for Rural Ireland and the potential role of LEADER

**FUTURE LEADER WORKING GROUP** 

**MAY 2021** 



CAP Objective	Interconnected – Economic, environmental / climate and social challenges
Farm Economic	<ul> <li>1.1 Foster a smart, resilient and diversified agricultural sector ensuring food security</li> <li>"the share of Irish farmers in the food value chain fell from close to 20% in 2008 to just around 18% in 2016, well below the long-term EU average @25%"</li> </ul>
1 To ensure a fair income to farmers - support viable farm income and resilience across the Union to enhance food security.	<ul> <li>"Agricultural income fluctuates considerably partly due to the predominant specialisation in livestock. There is a need to better target farms with higher income support needs and territorial differences such as smaller farms and farms in areas with natural constraints"</li> <li>Analysis:</li> <li>In 2017, most people in Ireland lived in rural</li> </ul>

### omic, environmental / cial challenges

### Related EU CAP Recommended Priorities for Ireland

### **Securing Objectives** through LEADER

- In respect of moving farmers up the food value chain the Commission see this being achieved through cooperation and collective action, how or by whom all of this is going to be made happen is not clear. (Commission Staff Working Document
  - SWD (2020) 93 final)
- Support farmers in capturing higher share in the value chain by assisting innovation and diversification of products and markets (ranging from exports to local and agro-tourism), investments in quality aspects (including environmental labelling, EU and other quality schemes, organic farming) and by encouraging the recognition of Producer Organisations as well as the formation of new ones where relevant.
- Support the ability of Irish farmers to invest in sustainable practices, by improving access to finance, including through supporting new or improved financial instruments.
- Improve the viability of farms, especially medium-sized farms and farms in areas facing natural constraints by increasing the fairness and the efficiency of income support, in particular via internal convergence and by applying, for example, the complementary redistributive income support for sustainability and the reduction of payments.

- LEADER's impact on rural job creation in Ireland is not fully recognised in EU analysis. LEADER continues to be a key enabler of stimulating enterprise development and job creation in rural areas. In the context of a COVID recovery for our rural communities, this capacity was never so important.
- LEADER support to initiatives for shortening local food supply chains, inc analysis of local food production, gaps and business opportunities identified. Assisting primary producers in identifying added value opportunities for local produce, i.e. opportunities for direct milk / meat sales, bio economy, marketing / digital presence.
- Smaller farms are more vulnerable and need specific supports to help them manage and maintain a viable household income. A lot of small to medium farmers access off-farm employment, but as a result of COVID, this has been curtailed, and support will be needed to help them align their skills base with local job market opportunities.
- Through LEADER we could provide a Local Farmer Recovery Service. This could include assisting farmers with skills development. linking them with local job opportunities, helping with form filling and compliance. The service could also advise the farmers on alternative farm enterprise opportunities and funding sources. This would be particularly relevant to supporting women in farming and building their innovation capacity and potential for on an off form enterprise.

- 5%" fluctuates considerably. dominant specialisation a need to better target
- ome support needs and such as smaller farms ith natural constraints"
- in Ireland lived in rural areas (60%), followed by urban areas (28%) and intermediate areas (12%).
- While Agri-food sector exports have grown by 63% since 2010 to approximately EUR 14.5 billion in 2019, accounting for 9.5% of Irish exports, over 52% of farm households had an off-farm income employment source in 2018
- The share of total farm managers accounted for by young farmers in Ireland fell from 10.7% in 2005 (of which 9.8% men, 0.9% women) to 6.1% in 2016 (5.6% men, 0.5% women)
- In Ireland, the average agricultural income is about 39% of income in the whole economy (2005 to 2019)

- 20% of the beneficiaries farmed about 49% of the land and received 56% of direct payments due to specialisation in livestock sector.
- Cattle and sheep farms have the lowest income and the lowest direct payment per hectare while their factor income would on average be negative without support.
- Vulnerabilities due to specialisation: Agricultural production in Ireland is dominated
   by animal products 78% of output, with just
   10% of output in cereals (4%), potatoes (1,6%)
   veg and horticulture (3.6%) and fruit (0.7%)
- 90% of Irish beef and milk (milk equivalent) output is exported.
- 55% of beef exports are sold to the UK &
   22% of Irish dairy products are sold in UK
- The average income on cattle rearing farms in 2018 was just one-eighth of the income on dairy farms
- Bord Bia/Irish Food Board is a state body with the functions to promote, assist and develop the marketing of Irish food and livestock and the production, marketing and consumption of horticultural product
- Regarding EU Quality labels, there are 11
  protected quality signs. The use of EU quality
  labels scheme seems underexploited and
  could be further considered in view of
  improving the position of farmers in the value
  chain.

- The role of women in farms needed to be strengthened (ensuring equal pay and, where appropriate, through access to coownership of farms, increasing the occupancy rate), stressing that, as for any other European policy, equal opportunities must be an essential part of the CAP. (EESC – April 2021)
- The green deal in achieving its objectives must be imbedded in rural communities in respect of its impact on food systems and sustainable food production, it must also be imbedded in rural food businesses and in business in general, we have a successful track record in working with the small and not so small food business sector. Support will be required for the development of smart specialisation strategies. (Commission Staff Working Document SWD (2020) 93 final)
- Training and facilitated workshops could be delivered, similar to what LDCs do for unemployed who want to pursue selfemployment. This approach is very successful with strong outcomes and could be equally beneficial to under-employed farmers.
- LEADER can support the closing of the gender gap in farming, improving equality and with associated increases in innovation, entrepreneurship, diversification and overall GDP of the sector.
- LEADER can play a key role in embedding the Green Deal concepts, objectives and opportunists among wider rural community.
- There is an important piece of work in support rural businesses in general to tap into the opportunities of the Green Deal.
- Smart Specialisation requires unique skillsets and approaches which can be facilitated through the LEADER Cooperation measure across multiple LAG territories.
- LEADER can provide critical complementarity to the mainstream CAP objectives through facilitating important bottom up meets top down solutions in areas like climate transition, farm diversification, circular economy and on attracting new entrants.
- A 'Grow Local initiative' supported through LEADER, with technical advice and support from Bord Bia/Irish Food Board to LDCs.
- LEADER support for the further development of locality based protected quality signs for locally produced food produce.

CAP Objective	Interconnected – Economic, environmental /	Related EU CAP Recommended Priorities for	Securing Objectives
	climate and social challenges	Ireland	through LEADER
2. To increase Competitiveness and agricultural productivity in a sustainable way to meet the challenges of higher demand in a resource- constrained and climate uncertain world.		<ul> <li>The CAP should support initiatives aimed at organising the upstream part of the supply chain or producers' organisations which allow farmers to have more bargaining power (EESC – April 2021)</li> <li>The CAP should focus more on job creation by contributing to a more diversified rural economy in rural areas, and support the settlement of people in rural areas, generational renewal of farmers, which continues to be an important issue, or people with new projects like food processing activities or tourism. (EESC – April 2021)</li> </ul>	<ul> <li>Enhancing Knowledge and Innovation is strongly linked to a fair income and increased competitiveness, associated with this is cost reduction and well managed farming practices with generational renewal acting as a catalyst for change. There is scope for LEADER to play a role in addressing these objectives through an engagement friendly initiative such as A Sustainable Future For Young People in Rural Ireland.</li> <li>The EU policy of moving to offer social and economic incentives to promote alternative land use is ready made for LEADER objective, apart from mainstream afforestation.</li> <li>LEADER has significant potential to getting closer to or inside the farm gate, in this context support for product diversification and alternative farm enterprise is critical. In addition, support around sustainable energy technology, climate transition, carbon farming and ecological farmland management could be supported.</li> <li>LEADER has traditionally been focused outside the farm gate. The challenges facing farm sustainability are significant and require a reimagined role and potential for LEADER in supporting areas like farm shops (both on farm and in towns) for the sale of produce i.e milk, meat, vegetables. Linked strongly to EU policy objective of shortening the food supply chain, LEADER can make a real impact in assisting farming entrepreneurs regain a competitive hold in their sector.</li> <li>LEADER support for local farmers markets and local primary and added value food producers.</li> </ul>

CAP Objective	Interconnected – Economic, environmental / climate and social challenges	Related EU CAP Recommended Priorities for Ireland	Securing Objectives through LEADER
	J		LEADER needs to support; direct to the consumer sales through the primary producer and through local ingredient and food preparation enterprises, automatic dispensing of product is now a well proven technology.
3. To rebalance the power in the food chain -strengthen the position of farmers through such measures as strengthening cooperation among farmers, increasing market transparency and			The short supply chain objective is closely linked to the exploitation of the circular economy in a territorial context, the availability of a secure and nutritious food supply and moving farmers up the value chain. In respect of the value chain farmers need a greater share of the retail price or to escape from raw product price determination based on whats left when all others have taken their cut. Supporting innovation inside the farm gate is critical in realising shorting food supply chains
mechanisms against unfair trading practices.			<ul> <li>There is a critical role for LEADER in stimulating cooperative approaches for new dynamic opportunities in rural areas, involving diverse stakeholders.</li> </ul>
			LEADER support for farming cooperative structures in relation to a range of new farm-based business opportunities.
			LEADER support to develop and enhance     Digital skills to support collective direct     selling of primary and added value produce.
			There is an emerging groundswell of interest in horticulture and local food production which needs urgent support.
			There is scope to simplify the application of Public Procurement requirements in LEADER., given the nature of the small investments.

CAP Objective	Interconnected – Economic, environmental / climate and social challenges	Related EU CAP Recommended Priorities for Ireland	Securing Objectives through LEADER
4. Contribute to climate change - mitigation and adaptation, as well as sustainable energy.	<ul> <li>Bolster environmental care and climate action and contribute to the environment-and climate-related objectives of the Union</li> <li>"Nutrient discharges into water are a major problem. Many habitats and species are also suffering – in part from growth in livestock numbers"</li> <li>"A need to halt the deterioration of Irelands peatlands – large stores of carbon which are also important for biodiversity"</li> <li>"The uptake of organic farming is very low compared to what it is in the rest of the EU" and "is a target in the farm to fork strategy"</li> <li>Analysis:</li> <li>Agriculture accounted for more than a third of all GHG emissions in Ireland in 2018 compared to EU average of 9.8%, expanding dairy herd is a major contributor to increasing emissions, up 40% since 2010.</li> <li>Agriculture accounts for virtually all (99.1%) of ammonia emissions in Ireland.</li> <li>Agriculture is the most common pressure effecting habitats, with more than 70% of habitats being impacted by pressures relating to agricultural practices.</li> <li>Ireland still has a small share (below 3%) of agricultural land under organic management compared to the EU-27 average of 8%</li> </ul>	improving the environmental and climate-related performance of income support – through appropriate requirements and schemes, including support for carbon farming.	<ul> <li>LEADER animation with local farmers on taking charge of environmental protection measures. Involving farmers in biodiversity best practice, encouraging ownership and proactivity.</li> <li>Advisory services, information provision and capacity building on carbon products, inc biogas and general energy saving advice for farms and rural businesses.</li> <li>LEADER can proactively work with rural dwellers and in particular farmers and farm family members in actions to reverse biodiversity loss and support the development of well-planned actions in the move away from a compliance model to one built on results and performance. A collaborative approach with Agri would be helpful in this effort.</li> <li>Scope for financial incentives through LEADER for farmers to engage around local environmental actions</li> <li>A focus on skills enhancement for women in farming and in rural areas. Entrepreneurship capacity of rural women should be supported through LEADER</li> <li>Potential for LEADER animation to support local organic farming skills development, marketing, better coordination of local food supply chains. Greater us of ICT for direct marketing - farm to customer (e.x.</li> </ul>

### Environment & Climate



5. Environmental care
-foster sustainable
development and
efficient
management of
natural resources
such as water, soil
and air.

### Analysis:

- As a source of renewable energy, Biogas and biomethane sector in Ireland is seen as being still at an early stage of development
- Forestry & woodlands are excellent carbon sinks. Irelands forest cover is only 11% compared to EU avg of 40%
- Low levels of tree cover forms part of the picture of modest production of renewable energy in IR from agriculture and forestry at just 2.6% of RE production came from farming (EU: 12%) and 19% from forestry (EU:41%).
- Ireland's forests are not expected to keep pace for much longer with the combined needs of the national wood panelling and wood-based energy sectors
- Irish agriculture is seen as vulnerable to climate change because of farmers' growing specialisation.
- The quality of Ireland's rivers is falling: there
  was a net decline in status in 128 river water
  bodies (5.5%) between the periods 2010-2015
  and 2013-2018 a third of rivers and a quarter
  of estuaries failing to meet nutrient-based
  environmental quality standards, due mainly
  to increased agriculture pressure.

- Future farm diversification is set to include the processing of feed residues, farm waste and other bio based resources for the production of textiles, natural packaging and clean energy such as biogas. (Commission Staff Working Document SWD (2020) 93 final)
- Improve the conservation status of grasslands and heathlands. Take steps to maintain extensive grazing, extend the area of species-rich grasslands, adapt mowing practices to habitat needs and prevent harmful burning of vegetation
- Improve the resilience of the farming sector to climate risks such as water stress on grassland and fodder crops for example, by supporting partnerships between livestock and arable farms and the creation of fodder reserves.
- Make significant efforts to increase the area farmed organically, thereby helping to achieve the Green Deal target on organic farming. Support for conversion to and maintenance of organic farming may be appropriate, but steps to develop the market.
- A majority of farmers are unconvinced by possible benefits of diversifying on the farm for the time being.

- Organic Producers Network in Sweden pre-ordering of local produce on Facebook by customers and picking up at farmers market, a form of click and collect).
- Links to section 1 above, the use of LEADER to support farmers and rural entrepreneurs in pursuing alternative farm production in the such as biomass, biogas, Algi Farms and solar energy production.
- Significant demand is emerging for raw material for various forms of renewable energy. LEADER could provide important awareness raising and animation around the potential for farm diversification in this area, while also addressing the CO2 emissions from more traditional products
- LEADER can provide an important impetus for Community led renewable energy project (inc wind, microgrids) using a community ownership model, Including local support for Sustainable Energy Communities.
- There are elements in Ireland's National Energy and Climate Plan around diversification within agriculture and expansion of forestry which LEADER may be able to assist with. This will require greater flexibility in the eligibility rules for farmers for LEADER funding.
- There is scope for Local Development Companies to facilitate and support the development of Operational Groups under EIP for to address issues around water and soil quality.

CAP Objective	Interconnected – Economic, environmental /	Related EU CAP Recommended Priorities for	Securing Objectives
	climate and social challenges		
Environment & Climate  6. Preserve landscapes & Biodiversity - contribute to the protection of biodiversity, enhance ecosystem services and preserve habitats and landscapes.	Analysis:  Ireland is home to very extensive peatlands, which cover more than 20% of total land surface area. This means that Irish soil is a huge store of carbon  Pressures from growing livestock numbers are added to by long-established habits in the management of Ireland's peatlands. These have been drained on a large scale over the years – for the purposes of peat extraction, farming and afforestation - to the point where 80% are degraded.  Ireland's total net greenhouse gas (GHG) emissions from farming (including non-CO2 and CO2 emissions) have been rising in absolute terms since 2011, reaching 26.2 million tonnes CO2 equivalent in 2018  It is clear that the ongoing expansion of the cattle herd, especially dairy cattle is pushing	Related EU CAP Recommended Priorities for Ireland  Halt the deterioration of Irish peatlands and encourage their restoration — including through appropriate design of elements of conditionality, and potentially through funded schemes for carbon farming and more extensive grazing.  Step up efforts to encourage tree-planting in various configurations — including agro-forestry systems — and with species mixes which are appropriate in terms of biodiversity, adaptation to climate change, carbon sink capacity and resistance to pests and diseases. Support may be necessary not only for afforestation but also for advice on species selection and on effectively integrating woodland into farm management.  Eco schemes are to be developed through the bottom up approach and may be funded under Pillar 2, eco schemes can be implemented and operated at the local level through a	Securing Objectives through LEADER  LEADER to start a conversation with farmers on opportunities for carbon farming, provide awareness raising among farmers on the importance of peatland as a carbon store. Initiatives around rewetting of marginal land could be developed and supported by land maintenance and restauration schemes.  LEADER can be a much needed local 'honest broker' for collective approaches to climate transition and benefiting from environmental opportunities. Bring key stakeholders together to problem-solve.  Support development of communication skills to facilitate education and curriculum linked opportunities for greater numbers of people to visit, experience and understand family farm living, local food production and the environmental benefits that farmers create through managing and being the custodians of the land.  Through LEADER, explore the potential
	emissions higher, as are to some extent increases in the use of synthetic fertiliser	operated at the local level through a collective or group approach. (Commission Staff Working Document SWD (2020) 93 final)	Through LEADER, explore the potential for collective or group Eco scheme bottom up approaches. i.e. for under- employed farmers in areas of community environmental protection, exemplar
	There has been a long-term decline in populations of pollinators: 30% of bee species are now considered threatened with extinction in Ireland	The protection of the environment includes water, soil, biodiversity, landscapes, ecosystems and air, LEADER has already supported dirty air filtration and noise reduction (ibid)	<ul> <li>projects, training schemes for home retro-fitting etc.</li> <li>Young people should also be targeted in respect of, carbon removal, reversal of biodiversity loss, restoration of habitats both on and off farm with bio friendly planting schemes and filtration capable</li> </ul>

- Ireland's native woodlands are in some respects in a poor state: small and fragmented, they lack full ecological functionality.
- Grassland habitats of EU interest, affected by agriculture and reported on under the Habitats Directive, have not improved in status for the most recent reporting period (2013-2018): none (of the six) has favourable conservation status, 17% have "unfavourable inadequate" status and for the remaining 83% the designation is "unfavourable bad"
- Make significant efforts to increase the area farmed organically - thereby helping to achieve the Green Deal target on organic farming (as well as other targets and objectives). Support for conversion to and maintenance of organic farming may be appropriate, but steps to develop the market (whether supported through the CAP or not) may also be needed.
- However, the establishment of native woodlands are supported through national scheme
- Key pressures on grasslands and heathlands include land use intensification and or inappropriate practices, ie mowing, burning.
- There is also a need to ensure consistency and complementarity of the CAP with overarching policy frameworks such as the Agenda 2030 and the Sustainable Development Goals (SDGs). (EESC – April 2021)

- and embankment supporting tree and other plantings.
- LEADER led action will be required to drive an all of community initiative to address: disimproving river and ground water, farmland birds rapidly disappearing and 30% of bee species set to go, wood and shrubland birds also disappearing.
- LEADER support for rural enterprise development and modernisation with the use of more sustainable technologies.
- Awareness raising amongst rural populations on the importance of protecting and encouraging pollinators could be supported through LEADER
- LEADER can deliver at the local level through supporting communities in bolstering environmental care and climate actions as per Climate Objectives of EU. CAP direct payments may fund such actions on farms.

CAP Objective	Interconnected – Economic, environmental /	Related EU CAP Recommended Priorities for	Securing Objectives
	climate and social challenges	Ireland	through LEADER
7. To support generational renewal — Structural change & Generational Renewal. Modernise the agricultural sector by attracting young people and improving their business development.	1.3 Strengthen the socio-economic fabric of rural areas and address societal concerns   • "the decrease of the young farmer population is very significant (over 40%) and the trend remains negative, despite the implementation of a multifaceted set of EU and nationally financed measures"  • "Improving generational succession and entrance of young farmers depends on more favourable conditions for access to land and finance — the main challenges for young farmers"  • "89% of country is classified as rural, double the EU average, with 60% of people living in rural areas. The purchasing power of urban areas is double EU average"  • "There is scope to further develop the bioeconomy, renewable energy and Tourism sector to better balance the urban/rural territory in Ireland.	Continue improving access to land and finance for young farmers and new entrants, including by targeting inheritance constraints and supporting cooperation between farmer generations.  Strengthening the role of civil society organisations would allow them to develop enough resources to be more present at different stages (from planning to implementation and evaluation)The recognition of the individual needs and characteristics of the different regions in each country can only be widely facilitated by the local organisations that are part of each community. (EESC — April 2021)  Develop the bio economy by supporting renewable energy production from agriculture and forestry as well as supporting diversification into other non-food areas.	<ul> <li>There is a longstanding issue around limitations of the farming sector in being eligible for LEADER funding and double funding that needs to be reconsidered. Ways must be found that facilitate farmers accessing LEADER supports for their enterprise.</li> <li>Generational renewal, calls for the retention of young people in rural areas and on farms are a priority. LEADER must be able to fund on or off farm developments capable of addressing the ambitions of young people in preparation for generational change.</li> <li>The barriers for young people entering farming are evident. This coupled with a need to keep rural areas vibrant as places to live and work points to a need for LEADER support to help young people address the challenges.</li> <li>The role of LDCs as strategic partners with Government in the delivery of LEADER needs to be streamlined – in line with PfG commitments 2021. In this respect, a cost effective short supply chain for LEADER delivery is critical, with LDCs working directly with DRCD as the LAGs.</li> <li>Farmers need support in exploring new markets for farm alternative products for green business. There is a need to increase knowledge of current state-of-the-art technology development and profitability for fossil-free energy. Experiences and inspiration from companies producing fossil-free energy in rural areas across Rural Europe needs to be drawn on. One example here is the use of biogas / biofuel to meet local energy needs (Sweden and Germany)</li> </ul>

	• The future CAP and other policies affecting rural areas need to focus on raising the attractiveness of rural areas. This requires ensuring job opportunities, decent working conditions and high quality services in areas such as education, housing, culture, employment and social support, and communication measures to reach out. (EESC – April 2021)	<ul> <li>Link here to LEADER supports under Objective 1 above. A specific Local Farmer Recovery Service to work with small to medium farm households around upskilling, alternative farm opportunities and linking with local labour market opportunities. Through the provision of this holistic farm household service, transition can be facilitated and access to land improved.</li> <li>There may also be scope for the use of financial instruments for supporting young farmers, women and new entrants.</li> <li>There is an important role for LEADER in supporting the concept of 'Rural Attractiveness'. Rural population decline leads to cycles of decline. Therefore, attracting new people with a variety of skills into rural areas is critical to the sustainability of our rural communities. There is a case for a new LEADER sub-theme for Rural Attractiveness.</li> <li>This includes non-traditional entrants into frural areas who are looking to try new livelihoods and live in a rural setting, embracing the working from home potential and working to maintain a balanced rural demographic.</li> <li>Continued LEADER supports for local communities in building social capital, empowering existing and future leaders to identify and effectively respond to the needs of their communities.</li> </ul>
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CAP Objective	Interconnected – Economic, environmental /	Related EU CAP Recommended Priorities for	Securing Objectives
a awjeetite	climate and social challenges	Ireland	through LEADER
SocioEconomic	1.4 Modernising the sector by fostering and sharing of knowledge, innovation and digitalisation, and encouraging their uptake	Support further integration of the Agricultural Knowledge and Innovation System, strengthening links between research, advisors, education, the	Supporting sustainable community development, particularly in the context of environment / climate change.
	"A well-functioning agricultural knowledge and innovation system (AKIS) should deliver knowledge flows between its actors responding to the growing information needs inc regular and structural interplay between information, knowledge, advice,	farming community and interactive innovation projects, in particular organise innovation support services, support peer-to-peer learning and dissemination to all Irish advisors.  • "LEADER has been in operation in	There is less opportunity for small to medium farmers to access the full range of AKIS services, especially private advisors. There is scope for more wrap around supports and links for small holders and vulnerable farm families. Link here to section 1 above (Local Farmer Recovery Service).
8. Vibrant rural areas  - Jobs & Growth.  Promote employment, growth, social inclusion and local development in	<ul> <li>"There is a need to put innovation support services in place to help to garner individual grassroots innovative ideas"</li> <li>"AKIS does not only cover agriculture, since farming and rural activities by nature relate</li> </ul>	Ireland since 1991, on rural communities across the country. The current implementation is going well.  Long-term impacts refer to a positive change that has resulted due to LEADER investments that may have not been possible otherwise"	The LEADER support for encouraging and stimulating rural enterprise was never more important, inc the bio-economy. Sustainable rural areas need enterprises and local jobs to combat the trend toward rural decline. This includes support for social enterprises.
rural areas, including bio economy and sustainable forestry.	to: the environment, climate, biodiversity, landscape, food and non-food systems including processing and distribution chains, consumers and citizens, to name a few"  • "The current 23 Irish operational groups	An improvement of the quality of life in rural areas is essential. In order to maintain competitiveness of rural economies it is important to fight youth unemployment in rural areas, guarantee proper remunerations for workers, and provide sufficient	LEADER to provide the general rural development social innovation supports through the Smart Villages approach, supporting bottom up village planning. Ireland's adoption of the CLLD multi-fund approach across the deployment of the EU Funds would be very beneficial in addressing
	under the EIP are focusing mainly on biodiversity, nature and landscape management, Further diversifying EIP calls – continuous calls"  • "Very high capacity broadband coverage is at 21% in IR, compared to EU at 44%. In rural Ireland this is only 7% compared to 20% in EU"	infrastructures (transportation, digital services, etc.). The CAP alone is not enough to meet all the challenges that rural areas face there is a need to develop a holistic EU approach to rural areas, of special importance in the context of post-COVID recovery.  (EESC April 2021)	LDCs already provide business start up advice and guidance to an unemployed cohort of the open labour market. This approach could also be applied to vulnerable farm families and in supporting access to local employment and to alternative farm enterprise, ie tourism, food, bio-based, renewables and carbon prducts.
	The Irish rural area proportion is double compared to the EU-27 average: 89% of the Irish territory is rural, 10% is intermediate regions and 1% urban	Increase social inclusion in rural communities by supporting improvements in basic services and their accessibility. In doing so it will be	There is considerable scope for greater involvement of small to medium farmers in a broader range of use of EIPs Operational Groups in Ireland, particularly in the areas of environment, climate change and biodiversity.

- Urban areas are 3 times more densely populated, with 2 out of 5 Irish residents now registered in the Dublin area. This trend is projected to continue to deepen.
- While rural employment rates in rural Ireland are on par with EU, rates for females reaching 10-12 percentage points lower than males.
- Youth unemployment rates in rural Ireland in 2017 @13.7%, were almost double that of the general population at 6.3%.
- In Ireland, the agricultural, food and tourism sectors together provide 15% of employment.
- The bio-economy consisting of the sectors agriculture, forestry, food and beverages, paper, wood and bio-based chemicals/pharmaceutics – provides in Ireland around 8% of all jobs.
- Almost one third of SMEs find the lack of IT infrastructure in Ireland (vs 19% EU-27) an obstacle to expansion or relocation, and less than half the EU average for quality broadband i.e VHCN, rural areas fair poorly for fast broadband @7%.
- There is a relatively low level of 'Digital Skills' in rural areas, creating barrier to rural innovation in jobs generally and agriculture.

- important to ensure synergies with other EU and national funds.
- A holistic approach to rural development is needed; therefore, the CAP must be linked with other existing policies: among others, decent work conditions, mobility, training courses, social inclusion, funds and plans (European Green Deal, Farm to Fork Strategy, Biodiversity Strategy, Next Generation Europe). (EESC April 2021)
- The opportunities offered by the CAP need to be made more accessible at local level (less bureaucracy, simpler conditions). (EESC April 2021)

 Irelands national policy statements on the development of the bio-economy outlines potential of new bio-based products and their markets.

- LEADER is well placed to facilitate and support this expanded and enhanced role for OGs.
- LEADER needs to support local initiatives for broadband in areas not sufficiently reached by national high speed coverage. In addition, LEADER needs to continue to support the development of improved digital skills.
- LEADER can provide specific support for rural youth activation, participation and engagement in a broad range of opportunities in entrepreneurship and climate action.
- LEADER support for Smart Villages needs to include financial support for resource of 'community navigators'. Through LEADER project funding, the navigator would be assigned to a village or group of villages /towns as part of a package of Smart Village supports to develop and implement a plan.
- The COVID pandemic has highlighted the importance of balanced regional development. Through LEADER approaches, there should be a pro-active approach to both maintain rural population and to attract new entrants (including young people), fostering the concept of 'Rural Attractiveness'.
- The agricultural, food and tourism sectors @ 15% employment are critical to their communities and support significant spill over in rural economies. LEADER is critical to supporting further expansion of artisan food and tourism potential of rural areas.
- Support the rural enterprise digitisation transition in fostering local economic selfsufficiency.
- LEADER could be equipped to support the development of start-ups in the bio-based products sector.

- Ireland needs to continue to take action to address issues around IT infrastructure in rural areas.
- It is also important to invest in digital skills
- The Recovery and Resilience Facility funds (part of the Next Generation EU) need to be well-designed to have an important impact in rural areas. It is of crucial importance that the national recovery and resilience plans include the rural perspective. (EESC – April 2021)

 The revised CAP for 2021-2027 needs to strengthen the second pillar, to ensure sufficient support is given to rural areas to meet the wide range of economic, environmental and societal challenges.......

Social farming was stressed, mostly by Italian and Irish representatives, as an effective measure of the 2014-2020 CAP, playing an important role in particular for the well-being and care of people, as well as agri-tourism and educational farms attracting the urban population, and that should be further supported. (EESC – April 2021)

- LEADER has been proactive in addressing local skills needs. But LEADER has been hampered in its skill development efforts due to limitations around skills training often been seen as duplication with formal education and/or certification. LEADER is well positioned to lead a 'Digital Community Transformation'
- A specific CAP objective is to strengthen the socio economic fabric of rural areas, LEADER has a recognided track record in this area. The introduction of the CLLD multi-fund approach is the single most important step that could be taken and would support the LEADER integrated approach in taking a giant step forward in providing for all elements of an effective approach to social exclusion issues where these are impacting on community wellbeing. The Commission specifically reference community pride and wellbeing and tangible resources such as community amenities and local services.
- Our rural communities are changing, migration and technological change is impacting people's life chances. Social inclusion approaches are critical to the equal and inclusive development and social cohesion of our rural communities. LEADER has a critical role in supporting new opportunities and ensuring no one gets left behind.
- There should be a strong focus on supporting 'Social Innovation' initiatives which support rural communities ie. social prescribing initiatives for isolated farmers, social farming, social care and health/environment initiatives.
- Community inclusion, including online, of low income farm families in social and education activities.
- A focus on upland farm communities and the challenges of succession planning for land.

CAP Objective	Interconnected – Economic, environmental /	Related EU CAP Recommended Priorities for	Securing Objectives
	climate and social challenges	Ireland	through LEADER
9. To protect food and health quality - Improve the response of EU agriculture to societal demands on food and health, including safe, nutritious and sustainable food, reducing food waste, as well as animal welfare.	There is a need to give more attention to food loss and waste occurring at the primary production level and the early stages of the supply chain in Ireland.	<ul> <li>Improve animal health and welfare in line with consumer expectations, by putting in place more ambitious measures to support farmers to improve livestock management practices, especially for pigs and male dairy calves.</li> <li>Contribute to the Green Deal target on reducing the use and risk of pesticides via schemes fostering a switch to sustainable farming practices (including integrated pest management).</li> <li>This could be tackled in the future national food waste prevention programme, as required by Article 29(2a) of the Waste Framework Directive 2008/98/EC.</li> </ul>	LEADER is very well placed to support local Circular Economy potential and initiatives, working with local entrepreneurs. This can be supported both through private and social enterprise.

Existing Themes	Existing Sub- Themes	Previous / Emerging / Possible	New Themes	EU Commission identified interventions for LEADER	Potential Sub-themes (Red = per DRCD presentation) (ILDN suggested Sub-theme)
		Utilising existing local value chains. Recycling, Upcycling, Reuse, etc		Maximise the opportunities presented by the circular and bio-economy in rural areas	The Green Economy Including the Circular Economy & Bio-economy, and contributing to a just transition etc.)
		Agri-diversification, farm sustainability etc.		Encourage farm diversification to improve the resilience of the agri-food sector.	Agricultural <u>Diversification</u> Farm diversification and value chains development Including Pluri-activity, Social Farming, etc.
	Rural Tourism	Rural Heritage / Culture, Recreation - walks, trails, greenways, blueways, Food Tourism etc.	Enterprise	Support the further development of the tourism industry in rural Ireland	Rural Tourism Rural Tourism & Recreation Inc Accommodation and capital investments
Economic & Job Creation	Enterprise Development			Provide opportunities and support to businesses and individuals looking to develop rural enterprises.	Enterprise Development Inc the greening of rural enterprise for SMEs
Creation	Food	Producer supports, Training / upskilling, Co-op approaches, Coordinated Marketing,	& Job Creation	Develop and promote local markets supporting locally produced food,	Rural Food Production (including shortening supply routes, Local & virtual Farmers Markets, etc.), Understanding local food chains, added value food production and processing.
		Community shops, social enterprises, cooperatives, etc.		including organic produce	Social Enterprises Social, Community & Cooperative Enterprises For non-profit distributing entities addressing market failure and providing vital community services.
I Rural Towns	Rural attractiveness Rural Towns & Villages		Improve infrastructure and access to services in rural areas including broadband	- Smart Villages supports - Enabling rural broadband for rural communities complementary to the NBP Enabling integrated transport for rural areas and increasing accessibility and mobility for all Enabling developing of sustainable energy communities and climate action initiatives.	

Existing Themes	Existing Sub- Themes	Previous / Emerging / Possible	New Themes	EU Commission identified interventions for LEADER	Potential Sub-theme (Red = per DRCD presentation) (ILDN suggested Sub-theme)
	Basic Services	Women & Youth, Older and isolated people		Improve infrastructure and access to	Accessible Service, Social Innovation in Basic Services Social Enterprise addressing market failure. Intergenerational community activities, services and community infrastructure. Supporting Innovation in communities.
	Youth	Training and upskilling, Start-up grants	Community Infrastructure & Social Inclusion	services in rural areas including broadband	Rural Youth To Include: Proactive measures for retaining and attracting youth to maintain vibrant & sustainable rural areas. To include: general advice, guidance, mentoring and job placement supports.  Specific training, youth engagement and capacity building in community work. Supporting development and capacity for community wealth building.
Social inclusion		Just Transition, health & wellbeing		Support sustainable community development in rural areas, in particular to address environmental and climate challenges	Inclusive Transition  To also include CLLD approaches in: health & wellbeing, social prescribing, social farming, fuel and food poverty.  Community led development for climate justice.  Supporting Social Capital (including women in farming, culture, heritage & traditions). Including supporting work under the SDGs
	Broadband	Training / Upskilling ICT Health Checks ICT Equipment			Optimising Digital Connectivity Overcoming digital exclusion and supporting the application of digital technology in community and enterprise development.
		Social Capital, gender equality, Culture A Support Service for Smallholders / Vulnerable Farm Households		Increase opportunities for women in agriculture and business development	Building Farm Resilience & Equality To Include: - Accessing off farm Job opportunities - Opportunities for supplementing farm income - Training & Upskilling - Assistance with compliance requirements - Succession planning

Existing Themes	Existing Sub- Themes	Previous / Emerging / Possible	New Themes	EU Commission identified interventions for LEADER	Potential Sub-themes (Red = per DRCD presentation) (ILDN suggested Sub-theme)
	Water, Biodiversity	Citizen science, invasive species, Local environmental sewage schemes etc.	Sustainable Development of Rural Environment and Climate Change Mitigation	Support sustainable community development in rural areas, in particular to address environmental and climate challenges	Sustainable Development of Rural Environment To include: (including Citizen Science, biodiversity, invasives, water resources & quality, awareness raising, etc.). Support for technical expertise and animation within the project area (either contracted or in-house) for project period.
Environment	Renewable Energy	Cooperative energy & heating projects, Bio-economy, etc.	develo particu		Climate Change Capacity Building To include: renewables and reductions, biodiversity, CO2 mitigation projects, renewables energy, micro grids, grid connections, Training & upskilling etc.)
		Carbon sequestration, offsetting Environmental Stewardship			Climate Change Mitigation To Include: Retrofitting of community buildings, sustainable land management & alternative use flood defences, rewilding, rewetting peatlands, Carbon farming - offsetting etc) Supporting the greening of enterprise and supporting carbon farming.
Cooperation	All themes	Cooperation across regions & Countries / Transnational			Cooperation Project budgets to be allocated to each LDC.



### **LEADER 2023-27 - Inside the Farm Gate**

### Interventions for LEADER inside the farm gate:

We note the 3 general objectives of the draft CAP Regulation: 1) Foster a resilient farm sector, 2) Bolster environment and climate and 3) Strengthen the socio-economic fabric in rural areas. We also note the ambitions of the CAP's Cross-cutting objective to: Foster knowledge, innovation, digitalisation in agriculture and rural areas. In addition to the traditional interventions undertaken through the LEADER Programme, ILDN believes that to successfully address the 3 high level objectives and the cross-cutting theme, a strong emphasis will need to be placed on the enhancement of family farm income, the need for greater innovation and productivity on small holdings and the on farm retention of a greater percentage of the value of total farm output. It is in this context that ILDN wish to complement our previous submissions with some observations around where LEADER can play a greater role in supporting the CAP objectives with the following three specific proposed areas of interventions to support activities 'inside the farm gate'.

- Supports and capacity building for farm initiatives around climate transition challenges and opportunities
- 2. **Supporting vulnerable farm holdings** to become more sustainable and to **support our rural youth to play their role.**
- 3. Supporting women to play an equal and productive role in farming

### Climate Transition – challenges and opportunities for farm holdings (environmental agenda)

A significant shift in the requirements of CAP 2023-27 to *verifiable environmental impact* is certain. There are strong concerns in Ireland about the uptake of environmental options in the next CAP and Green Deal agenda and the risk of unspent CAP environment funds.

The *impact of CAP eco-schemes to date has primarily been focused on the land itself*. However, the impact on farmers' environmental awareness, knowledge and behavioural change (i.e. the residual value of eco-schemes) has been low and remains largely untapped.

### **Rationale for LEADER Involvement**

- The evolution of eco-beneficial farming requires behavioural change amongst a critical mass of farmers to optimise the residual value of CAP eco-schemes and sustain their beneficial impact on national climate targets into the future.
- A two-strand complementary approach (DAFM's schemes/payments and LEADER supported capacity building/behavioural change) to achieving environmental results offers an innovative approach to creating long term impact.
- The locally led, bottom-up LEADER approach to engaging with and supporting farmers is potentially
  one of the most effective means of changing behaviour and generating innovative responses which
  have a measurable impact on the environment.
- LEADER's rural youth sub-theme offers further potential to target young farmers who may be more responsive to environmentally focused animation and supports.

### **Objectives**

- To create significant change in the attitudes and behaviours of farmers through locally-led education, demonstration and dissemination of best environmental practice.
- To support farmers to change their farming and land management practices for better environmental results.

### **LEADER Projects which could be supported**

- Animation projects which build farmer based 'communities of practice' local farmer networks which share and support best environmental practice.
- Working to ensure just transition for our farming community to the challenges of climate change.
- The development of environmental apps for farmers which support the implementation of beneficial environmental actions on the farm, including monitoring and measuring impact.
- Technical support for high impact farm biodiversity and sustainability plans, which add significant environmental value to CAP eco-schemes.
- Ongoing training and mentoring projects for farmers focusing on specific environmental targets (e.g. improving soil health, tackling invasives, creating habitats, protecting water quality, measuring biodiversity etc).
- Capital support for on-farm good environmental practice demonstration/education projects.
- Using some or all of the above supports, the establishment of pilot projects which demonstrate and actively
  disseminate environmentally beneficial land management practices across the farming community.

#### **Impact**

- Levering the LEADER method of development and collaborative approach to assist the farming community to effectively play their part in climate transition.
- Successful innovative projects can be replicated in other areas/regions, helping to build critical mass over time.
- Given the limited scale of LEADER resources, building critical mass will be an incremental process but is more likely to result in long term change. This process needs to begin under the 2023-27 programme.

## 2. Supporting vulnerable farm holdings to become more sustainable and to *support* our rural youth to play their role (Social Inclusion agenda)

Research (Frawley & Commins (1996), Hennessy (2004) Teagasc (2017) concludes that farm and **off-farm factors** are important in terms of the viability and sustainability of the farm holding and Teagasc highlight the need for "targeted measures for the vulnerable category".

### **Rationale for LEADER Involvement:**

- Statistics produced by Teagasc 2017 indicate that one third of our farm holdings are classified as 'vulnerable';
- Only about one third of farms are considered viable in their own right
- In addition, a further one third of farms are classified as 'sustainable', only because of off-farm factors, "If it were not for off-farm income two thirds of farms would be vulnerable" (Teagasc 2014), particularly outside of dairying and tillage.
- "the number of economically viable farm businesses is in decline and that a large number of farm households are sustainable only because of the presence of off-farm income" (Agri-Vision 2015 Report).

- For the farms that are classified as 'vulnerable', lower education attainment was found to be a factor

   with the highest level being at Junior Certificate. The study also found that job loss rates were worse for the vulnerable farm category during the last downturn (O'Donohoe, Conneely)
- The presence of *off-farm employment was found to improve farm sustainability and farm resilience*, especially for vulnerable farm holdings (O'Donohoe , Conneely)
- Education *attainment levels of the farm household members is a key determinant* in overall economic prospects and situation.
- Currently there are 89,000 farms under 25 hect-acres of which 44,000 are under 10 hect-acres nationally, accounting for 37% of the productive land. Hidden poverty and social exclusion are being experienced by many of the vulnerable farm families in this bracket.
- LEADER will need to support those most vulnerable in this cohort through training, capacity building, securement of supplemental income and access to all DAFM entitlements.
- Young people with an interest in farming are not entitled to support from any DOA scheme unless they are over 18 and own a minimum of 5Ha, many are on route out of farming by this stage.
- With only 5% of farmers aged under 35 and with this percentage in decline, LEADER intervention can
  target the needs of young people under the age of 18 years who are open to a career in farming or on
  farm rural business. LEADER can also address the needs of young people over the age of 18 years and
  who in their own right are entitled to CAP funded DAFM supports providing they are farming a
  minimum of five hect-acres.
- The annual Teagasc fee for their Gold Service is €1,450, developing a farm plan with working group participation cost's €550.00, a costly fee for small farmers.
- Multiple CAP Objectives point to a need to support our rural youth, to attract and retain young people and to facilitate business development in rural areas, (ex. 8. Vibrant rural areas Jobs & growth,
   7. To support generational renewal, 2. To Increase competitiveness, 1. To Insure a Fair income for Farmers and 4. Contribute to Climate Change.

### **Objectives**

- To provide a range of supports for vulnerable farm families who require off-farm employment in the area of job search, placement and upskilling services.
- To attract and retain young people in agriculture and to proactively facilitate business development and enhanced career opportunities for young people in rural areas.
- To address the social exclusion and hardship of vulnerable farm holders and their families.

### **LEADER Projects which could be supported**

- For many farms, the future of economically viable agriculture depends on the availability of suitable offfarm employment for farm holders. This underpins the need for policies to ensure strong rural labour markets. While this underlines the continued importance of rural development initiatives, it is important that these are tightly linked to regional development policies in order to ensure stable regional conditions. It is imperative to work towards a diversified rural labour market (EU Parliament ibid).
- Innovative and flexible supports for the vulnerable farm family to help tackle social exclusion, including training, capacity building, facilitating access to complementary off-farm employment and securing critical supplemental income and facilitating access to all DAFM entitlements.
- Ensuring a strong social and economic future for our youth in rural areas is critical to their future and to achieving the objectives of the CAP. For many this will be a mix of on and off-farm work requiring flexible supports around career guidance, training, capacity building, succession planning, business development supports and the exploitation of alternative agriculture opportunities.

For those over 18 years, similar supports will be required and in addition family farm planning to
facilitate their early entry into farming, and the enhancement of family farm income to strengthen the
capacity of the farm to support a successor and the existing farm family.

### **Impact**

- Supporting the vulnerable farm household will positively impact the number of farm holdings classified as 'vulnerable' and working to improve their overall resilience, sustainability and situation.
- Pro-actively supporting rural youth with tangible initiatives to help them map their future in rural areas and to help them play a meaningful role in the future of farming and the rural economy of their area.

## 3. Supports for women in Agriculture around farm diversification etc (Equality of opportunity agenda)

### **Rationale for LEADER Involvement**

Historically the role of women in agriculture in Ireland has been undervalued and it could be argued that the equality of opportunity for women in farming has not been sufficiently addressed in the CAP to date. There are a lot of women who do unrecognised work in the farm as the spouse, whether its farming, book-keeping or developing farm diversification, but only 10% of Irish farmers are women compared to EU average of 29% (European Parliament – Women Working on the Farm: How to promote their contribution to the development of agriculture and rural areas in Europe 2010).

- Although women play a central role in agriculture and family well-being across Europe, they often
  own limited resources and are unable to make decisions over their use. As a result, interventions
  targeting smallholder farmers frequently fail to address women's needs. Involving women fully in
  'innovation platforms' can help address the gender dynamics issues in agriculture.
- For historical and cultural reasons, training for the agricultural sector has and is still mainly undertaken by males with a significant underrepresentation of women undertaking studies in farm management and related disciplines.
- The CAP high level objectives are broad and ambitious covering: 'Fostering a Resilient Farm Sector',
   'Bolstering Environment and Climate' and 'Strengthening Fabric in Rural Areas'. With these objectives in
   mind, LEADER will need to offer training, capacity building and practical assistance to those 69,000
   active farm women who are currently unsupported by farm advisory services in the context of capacity
   to earn, improved farm management and alternative business opportunities both on and of farm.

### **Objectives**

- Supporting the position of women as equal actors in the farming sector, positively impacting the equality agenda while supporting innovation and farm sustainability.
- The sustainability of the overall farm household is often not sufficiently addressed in the broad range of policy supports for the farming sector at present through the CAP.
- Women in farming require support to access off-farm employment and in the area of upskilling to enhance employability.

### LEADER Projects which could be supported

- Capacity building and specific initiatives are needed to support women in farming in Ireland, to ensure
  equality of opportunity and maximize their innovation capacity.
- While gender is mainstreamed in the CAP, there is scope to make this commitment stronger for
  women in the family farm. EU Parliament recommends: On-farm entrepreneurial training needs to be
  targeted at women as well as men. This training should be informed by the different needs of women
  on the basis of evidence of the type of initiatives they are likely to develop.
- Women in farming require support to access off-farm employment and in the area of upskilling to enhance employability.
- Women in farming needs to be proactively supported, particularly around climate change and farm diversification opportunities.

### **Impact**

- The role of women in agriculture will be fully recognized as equal actors in the sector, positively impacting the equality agenda
- Women will be equally recognized as professionals in the farming sector in their own right, bringing their unique competencies and perspectives to supporting innovation and farm sustainability.
- Women will bring new insights to the farm diversification agenda and to rebalancing the power dynamic in the food chain by influencing the direct marketing potential and shortening the food supply chain.

### **Summary**

There is an important link between the challenges and opportunities in the *environment agenda*, the *equality for women agenda* and the *social inclusion agenda* in the CAP. Firstly, the farming community are key stakeholders in tackling the climate change agenda and need structured animation supports to help them address the challenges while also realizing new emerging product opportunities.

Secondly, a significant cohort of vulnerable farm families need a range of tailored supports currently not available to them, including facilitated assistance in securing suitable off-farm employment, upskilling for local labor market and supports to assist them in improving the overall viability of the farm holding.

Thirdly, a greater and more meaningful and equal roles for women in farming businesses will improve innovation and capacity for farm diversification, including in the area of a just transition and a positive environmental impact.

ILDN believe that the LEADER Programme can provide a framework to support these important social and economic agenda objectives of the CAP for rural Ireland post 2023. We are very mindful of the need to avoid duplication on initiatives within the CAP, and in this context LEADER will work 'in the gaps' to enhance the impact of DAFM's supports, not undermine them. We would of course we happy to discuss our observations on this further if so required.

### FUTURE LEADER WORKING GROUP JUNE 2021

