

ACCOMPANYING RESEARCH

2004 to 2006



POSITION PAPER

Practical recommendations for politics and administra- tions

**(at EU, Member State and Regional
levels)**

Redaction

**The Team of the Second Phase of the Accompany-
ing Research for the Pilot Initiative**

„Regionen Aktiv – Land gestaltet Zukunft“

www.regionenaktiv.de

1 Rationale for this Position Paper

„Regionen Aktiv – Land gestaltet Zukunft“ is a pilot initiative of the Federal Government for experimenting a new approach to governance for integrated rural development. This development approach is implemented in 18 pilot areas from 2002 to 2007. These areas had been selected out of around 200 applicants by an independent jury in the course of an open competition.

The second phase of the research accompanying this pilot initiative was carried out between 2004 and 2006. Its main goal was to analyse the structures, processes and context conditions for the development approach, and to draw conclusions which eventually led to practical recommendations for politics and administrations.

These recommendations are derived from

- Consultations in
 - nine regional focus groups (composed of five *Regionen Aktiv* areas, three LEADER+ areas and one network of local and regional initiatives, which had not passed the final selection in the competition), and in
 - two meetings of a focus group at federal level;
- conclusions from the scientific analysis, specifically of
 - the governance approach (regional governance),
 - the characteristics of regional stakeholder networks,
 - the institutional and process related success factors, as well as
 - from the economic analysis of “hard” and “soft” impacts.

Based on the empirical data and insights, 21 practical recommendations have been elaborated, which are deemed worthy to inspire decision makers at regional, member states’ and EU level for taking appropriate measures. Even if the drafting of EU programmes for rural development 2007–2013 according to EU-Regulation 1698/05 are more or less in the finishing stadium, many of these recommendations can be taken into account in technical rules or implementing practices. However, some of these recommendations require modifications in the rural development programmes and are therefore set out for the longer term.

Furthermore, many recommendations transcend the narrow context of rural development according to national funding schemes (such as the German GAK/ILE) or the European LEADER approach. They are relevant for local and regional development in general and even apply to sectoral programmes. Hence, it would not be against our intention, if this

position paper is read and turned to account by a wider circle of interested stakeholders than just by the immediate addressees.

Not all recommendations equally concern the three levels of decision making and policy implementation (Region, State and EU level). Therefore each recommendation is marked with the indication to which level it is primarily addressed.

The practical recommendations are arranged into four groups, whose peculiarities make up the diversity of area-based development of rural territories:

- **Territory (1-2):** the socio-economic context, geographical characteristics, size etc.
- **Governance (3-12):** Steering mechanisms, institutions and instruments for policy implementation etc.
- **Strategy (13-18):** the development vision and guiding principles, scope of measures, time frame etc.
- **Actors (19-21):** the configuration and networks of local and regional actors, flows of communication and knowledge etc.

The practical recommendations are presented in the following way:

- The first part consists of the recommendations numbered from 1 to 21. They are printed in bold letters.
- The recommendations are followed by an explanatory part, printed in normal letters.
- At last we furnish indications on the justification and rationale of the respective recommendation. They are printed in *Italic letters*.

The term “territorial partnership” is used in this document for all forms of partnership-based support structures for local and regional development, which include, as a matter of course, local action groups (LAGs) according to the LEADER approach.

The term “local and regional” actors is used because we know that there are different connotations of “local” or “regional” in different languages. It is important to note that “regional” does not refer to the administrative entity called “region” in many European countries, but signifies an area slightly larger than the local level.

The term “territorial development concept” or “territorial strategy” is used as a synonym for what is also frequently called a “local business plan”. In any case, it is the document to which the activities of the territorial partnership relate to. It must not be mixed up with the “funding programme”, which is designed and implemented at regional or state level under the responsibility of managing authorities and other implementing bodies.

The Practical Recommendations

Adressee

Territory

1. Local and regional actors cooperating in the territorial partnership, shall self-determine the delimitation of their area in respect to boundaries, size and number of inhabitants, and justify their choice in their territorial development strategy.

Region
State
EU

In this respect the administrations play an enabling role. At the outset, they broadly inform the public about the opportunities for participating in the programme. They encourage local and regional actors to form partnerships and to submit a territorial development concept for the area of their choice. During the formation process the administrations stand by the local and regional actors in a supportive and mediating role.

General limitations in respect to the maximum number of people living in the area, as they exist in the LEADER axis of rural development programmes according to EU-Regulation 1698/05, should be abolished. The managing authorities of rural development programmes dispose of sufficient means to scrutinize the appropriateness of the chosen area delimitation in the course of an open, quality-oriented competition and selection process. The appropriateness of an area is to be judged against the strategic orientations, the fields of activity and the configuration of the relevant networks of stakeholders. The programme managing authorities are entitled to reject concepts, which feature a mismatch between the strategic approach, the required and available resources, and the chosen area delimitation. In any event, under some circumstances it may make sense for programme managing authorities to set guidelines for minimum or maximum numbers of inhabitants for eligible areas at programme level. Eligible territories should be identified on the basis of natural, historical, administrative, economic and/or cultural characteristics.

Experience with Regionen Aktiv and the EU-wide evaluation of LEADER programmes shows that territories which emerge as spaces of cooperation by their own expression of will, are more resilient and show better preconditions for successful and sustainable development than areas which have been delimited by armchair decisions from top down.

However, European-wide research on territorial partnerships led to the conclusion that

even „artificial“ partnerships which arose in response to a funding opportunity, may evolve into „genuine“ partnerships in the course of implementation (Moseley, Malcom J. (Hrsg.) (2003): *Local Partnerships for Rural Development – the European Experience*. Wallingford). In this case the opportunity of funding acts as an incentive for a first launch of territorial cooperation.

Maximum thresholds for inhabitants can lead to the exclusion of rural agglomerations and urban centres. Another argument against these thresholds is the fact that different territorial strategies require different operating ranges. The area delimitation should follow the strategy and not vice-versa.

Artificial thresholds favour top down delimited areas featuring a weak identity. A territory is not defined by statistical numbers, but by the kind and intensity of social relationships. *Regionen Aktiv* has shown that if the partnership is free to delimitate its own area with regard to the respective strategic priorities, the tendency goes towards larger areas: the average number of inhabitants of *Regionen Aktiv* areas is at around 390.000.

2. The funding criteria shall not obey a rigid area delimitation, but meet the purpose of a chosen strategy.

Region
State
EU

If a project is located outside of an eligible area, it should be possible to get funded, if its benefits are supposed to flow into the eligible area. Be that as it may, the funding of projects outside the eligible area has to be well justified and communicated, in order to prevent partnership members, specifically municipalities situated within the eligible area, to scale back their contributions and active participation.

Quite a few investments do not generate essential benefits where they are physically located. One may think about a farmers' marketing initiative who want to open a sales point in a nearby town. The value added generated in this shop largely flows back in the farmers' hands. Therefore this project should be eligible, even if the town, where the shop is located, does not belong to the eligible area. This claim has been put forward by some areas in phase 1 of *Regionen Aktiv*, and is now implemented in phase 2 of the pilot initiative (2006-2007).

Governance

3. In principle, programmes for rural development shall be localised/regionalised on the ground of territorial development concepts (territorial strategies).

Region
State
EU

The still prevailing approach to promote and fund single projects shall be, as far as possible transformed into an approach to promote the implementation of integrated local/regional development concepts by means of a global grant.

In view of the complexity of problems and the diversity of rural contexts, the localised/regionalised approach turns out to be the most efficient and most effective way of integrated problem solving and of stimulating development. Central regulations are good for homogeneous problems, starting conditions and solution strategies; and these circumstances become increasingly rare in the context of rural development.

Experiences from Regionen Aktiv show that the shift of financial and administrative responsibilities to the rural territories is to be recommended for all similar national schemes and LEADER. The administrative bodies in the regions have proved their ability to master the financial and administrative complexity of implementation and to activate additional potentials at local level, provided that they get good training and have the opportunity to link up and learn from their peers.

4. A well-organised, transparent competition is a proper incentive for area-based rural development and shall therefore be applied more broadly.

Region
State

Funding programmes should not supercede, but complement and instigate endogenous activities. Competitive settings stimulate innovation, and they help to justify the use of public funds in the face of the taxpayers. Therefore the question is not, if competitions do make sense, but rather how they should be put in place in order to create the desired benefits.

The conditions for the competition and the selection criteria should be stringent and clear, in order to ensure real competition and to make it attractive to participate in it. The selection of „winner territories“ must be transparent and open to scrutiny.

Partnerships having unsuccessfully submitted a territorial development concept, have a right to know the reasons of refusal. Furthermore, they should be invited to remain in the communication network of the programme and get the opportunity to take advantage of various qualification and cooperation measures, in order to build up capacities to meet the challenges of another competition which might come up in the future.

Experiences from Regionen Aktiv and LEADER show that half-hearted competition may generate merely symbolic effects, ending up in favouring advantaged territories („competition professionals“), or just producing ephemeral changes. Competitions designed for the long term produce much better outcomes. This could for instance be achieved through periodic calls: Territories having missed a call get the opportunity to prepare themselves for the next one. This splitting makes sense in order to meet the different starting conditions for “experienced” partnerships on one side and “newcomers” on the other.

Territorial partnerships having submitted a development concept should in any case be considered as a valuable potential which should not fall into oblivion. Sometimes decisions in a competition are quite tight and in some cases the final qualification would just have required a little additional impulsion or a little bit of more time. In any event, the social and intellectual capital which has been mobilised for the competition, should be acknowledged, further developed and expanded.

5. The decision making criteria and processes, which are expected during the implementation of a funding programme, as well as the mechanisms for possible adaptations, should be set out in a clear and transparent manner from the beginning, and be kept stable until the end.

Region
State
EU

This does not mean that the measures have to be tied up for seven years in a rigid and unalterable manner. There should always be room for strategic adaptations following the insights of ongoing evaluation. However, there should be no retroactive modification of judgment criteria in a way that the original assumptions for certain implementation activities become obsolete. There is also a need to communicate changes (for example additional funding criteria) understandably, in order to enable local and regional actors to immediately take them into consideration in their decision making.

During programme design it should be ensured that the applied set of basic rules remains stable over the whole funding period. In order to avoid the above mentioned undesirable consequences, this set of rules should contain as little content-wise stipulations as possible.

Programmes such as Regionen Aktiv and partly also LEADER+ are not just shopping lists of eligible measures. Enabled by the basic framework, the local and regional stakeholders shall elaborate on their own specific development perspective. This means that

that the territories assume a responsible role for which they have to build up corresponding capacities. If, during this learning process, the local and regional actors and the implementing bodies get confronted with uncertainties in the decision mechanisms, the administrative processes tend to slow down, until they may finally grind to a halt. The stakeholders might feel being exposed to unbearable risks for getting sued for administrative errors. A clear definition of rules and the transparent attribution of roles are indispensable.

6. Local or regional development funds help to loosen the dependency from yearly public budgets and thus to avoid the temporary drying up of project funds.

**Region
State**

Local or regional development funds should be - at least predominantly - owned by local or regional support structures and get funding supply from all relevant levels (EU, states, regions, municipalities) as well as from private sources (regional banks, savings and loans associations, individual sponsors etc.). Local and regional funds may also trigger alternative forms of financing (micro credit schemes, revolving project funds, local bartering systems etc.), whose return flows can be reinvested in local/regional projects.

Such a local or regional fund should not be managed by a local development agency alone. It should be entrusted to a consortium of all relevant actors in this field, specifically including financial institutions and business promotion bodies.

Establishing local and regional funds for rural development with the help of EU funds is admissible according to the EU rules. Some European rural territories are already implementing them. Local and regional funds provide better opportunities for local and regional participation and strengthen the sense of responsibility among local and regional actors for the development of their area. They also strongly contribute to the long term sustainability of the local and regional support structures.

7. More emphasis shall be put on monitoring the structure, functioning and evolution of the territorial partnership in view of a growing self-reflecting capacity of local/regional actors.

**Region
State
EU**

Decisions made by local and regional actors cooperating in territorial partnerships usually lack formal democratic legitimacy. Therefore the presence of stakeholders in the partnerships, specifically in its decision making bodies, should be wisely balanced. For example, a merely mechanical respect of the 50% maximum threshold for public actors in the boards of LEADER groups is not a sufficient judgment criterion for the quality of the partnership as a support structure for rural development.

Broad participation shall be ensured from the beginning. All individual and collective local or regional actors being interested in participating should be enabled and encouraged to contribute with their ideas and their proper capacities. Moreover, the legitimacy of the partnership can be strengthened by offering a wide range of possibilities to participate for citizens. Transparent processes and a good communication policy are necessary. Evaluations should put more emphasis on how participation is actually organised.

Periodical self-evaluations with external facilitators have proved to be useful as a steering instrument. Self-evaluations can be geared to improving the strategic fit as well as the quality of cooperation and networking.

Methodological support and accompanying training for self-evaluation should be taken into consideration as a measure in the programming documents and in the task profiles of networking bodies (such as the national LEADER networking coordination units).

According to inquiries made during the implementation of Regionen Aktiv and LEADER, local and regional actors have confirmed that the improvement of the quality and effectiveness of cooperation is one of the most tangible short term effects. Although social capital is growingly focused upon, it is still underrated in both internal and external evaluations of territorial development concepts.

Looking at the actors' networks in Regionen Aktiv, the building up of regional networks should be actively promoted by the managing bodies, by providing feedback in respect to possible shortcomings and by showing possibilities for change through appropriate instruments (round tables, focus groups etc.).

In order to act effectively, territorial partnerships have to be influential. Multifocal networks, whose core actors are mutually interlinked, prove to be very appropriate, because they make an efficient distribution of tasks and roles easier. In case if important stakeholders are excluded due to ideological or political reasons, the innovation potential of the region can not be fully exploited. Such a situation leads to the emergence of rival networks. Political players, specifically local council members or elected leaders should be integrated in the territorial partnership, although not in a commanding, but rather in a mentoring role. They can help to overcome tricky conflict situations or other barriers.

8. Co-financing local development agencies still is and will remain a public task, at least partly.

**Region
State
EU**

Area-based development always means to balance social and spatial disparities within the territory, to foster the use of tacit knowledge and skills, to mobilise new actors and

to instigate activities which might seem to produce little benefits in the short term, but in fact strengthen territorial competitiveness in the long term. The fulfilment of such tasks must be ensured through public co-financing, to which the municipalities have to contribute as well (e.g. according to the respective number of inhabitants) – as far as they are able to do so.

From 2006 on, 30% of the funds for Regionen Aktiv had to come from local funding. With regard to the integrated approach the territories have chosen to mainly raise public funds. Also experiences from other programmes, such as LEADER, illustrate the necessity of local public co-financing.

Funding based on private sources would necessarily lead to a narrowing of the task profile of local development agents. Rather well-doing promoters (public or private ones) would have a clear advantage to get access to project funds, compared to promoters lacking financial resources. As a rule, "weaker" regions need stronger funding stimuli and this for a longer period of time, in order to build up their capacity to develop and to realise endogenous integrated development concepts on their own. Regardless of the source of funding – public or private – the independent operation of the local support structures and the development agency must be granted.

9. Control activities shall be adapted to the small dimension of local projects.

**Region
State
EU**

The administrative cost of control activities can be reduced by introducing minimum thresholds for in-depth project audits. Regional or national constitutions usually allow this simplification. There should also be the possibility to admit global accounting for overhead functions, in a way that it would no longer be required to account for the postage of each letter. The accountability risks inherent to the programme administration should be mitigated by interlinking the involved persons with their peers in other regions, with interlocutors in the certifying authorities and through anticipative consultations with these bodies in cases of doubt.

Often bureaucratic procedures surmount the cost and even the benefits of small projects. This fact misguides managing authorities to mainly focus on larger projects and frightens away local actors. This tendency should be reversed by applying the principle of trust – as successfully applied in the cooperation between local and regional actors - in the vertical partnership, too. Moreover, output oriented control activities are more appropriate to goal-oriented steering of local and regional development than the detailed examination of expenditures.

10. A clear European framework shall be set up for regulating the eligi-

Region

bility of personal contributions and goods on own account in the context of local development programmes.

**State
EU**

These contributions comprise:

- Personal contributions in terms of labour
- Voluntary work for social or public benefits
- Third-party funds such as sponsoring
- Own benefits from project activities

The first two points are related to in Art. 38, pt. 2 of the proposed Implementing Regulation for EU-Regulation 1698/05. The possibility offered in there should be generalised for all states and regions implementing area-based rural development programmes according to the LEADER method. There should be a harmonised approach to calculating and to assessing the imputable value of personal contributions.

The third and fourth point should be rethought from scratch. We recommend an explicit possibility to use third-party funds without lowering the share of public co-funding. Mixed financing, specifically private-public partnerships, should be encouraged instead of being excluded.

Different regions apply different rules, and this ends up in unjustifiable discriminations of project promoters. This differentiation sometimes concerns different programmes within the same region (e.g. INTERREG and LEADER). LEADER evaluations in Sweden or German regions (North-Rhine-Westfalia) demonstrate that making personal contributions imputable can effectively trigger innovation in micro and small enterprises as well as in non-profit initiatives. Such a possibility definitely increases the local and regional benefits of the funding programme. A similar effect has been observed in Regionen Aktiv, during which some areas applied different funding quota for non-profit initiatives as compared to private businesses.

11. Advisory work and evaluation as integral components of learning shall be embedded at two levels, the programme and the local/regional actors' level; however, the processes of advisory work and evaluation shall be kept separated.

**Region
State
EU**

Qualifying involved actors is of utmost importance. Learning does not just take place at individual level, but also within and between organisations, as well as in the whole network. Multi-level governance requires multi-level learning, and multi-level learning requires to draw specific attention on three important interlinking processes:

- Expert knowledge and „knowledge from within“: The intertwining of learning processes, using indicator based observation as well as dialogue oriented group reflections, effects a continuous improvement of competencies in the territorial partner-

ship as well as in programme-specific public administration. Both sources of knowledge are to be evenly matched.

- Programme and local/regional actors' level: The learning cycle between local and regional actors and the territorial partnership has to be shaped in a similar way as the learning cycle connecting the territorial partnership with the managing authority and related institutions. The results produced in one cycle serve as inputs for the other one and vice-versa.
- Within and between regions: The mid-term and final evaluations should be carried out individually per region, but also cross-regional, considering the active involvement of local and regional stakeholders and report back the results to them. Learning between regions (within and between regions or states) should be fostered by providing space and funding for mutual exchange.

Self-organised learning through networking, advisory work, experience sharing, common reflection and formal training, should be distinguished from external evaluations and assessments which bring in the outside perspective for the sake of the overall learning process. The openness of interaction and the readiness for change can better be guaranteed, if the self-organised forms of learning and the external evaluations are kept separated in terms of time, institutions and involved persons. Self-evaluations have a middle position in this respect (see recommendation nr. 7). Therefore self-evaluations have to be handled with care, specifically with regard to the use of its results.

The pilot initiative Regionen Aktiv has successfully applied the principle of reflexivity and set new benchmarks for regional learning in rural development. This specifically relates to the strong focus on steering by objectives. The inquiries during the phase of final reporting have shown that the requisite discussion upon self-chosen targets (for which the local actors were accountable) have considerably contributed to the local actors' common understanding and focusing of measures.

According to the external evaluation of the pilot areas, the amalgamation of advisory work and assessment during the mid-term evaluation has caused irritations among the local supporters of the development processes. These irritations would have been evitable in case of a clearer distinction between them.

It has proved to be useful that the pilot areas kept the budgets for qualification and networking, advisory work, accompaniment and evaluation separated from the project funds in the narrow sense. There is a certain risk that these means are played off against more project funding, which eventually leads to the neglect of qualification and learning.

12. Reporting serves to justify the usefulness of public funding towards the public. Internally it shall primarily serve collective learning.

Region

State

The requirements for reporting should be known from the beginning, in order to foresee the necessary resources. In case of pilot initiatives, there should prevail certain flexibility in order to meet the challenges of suddenly emerging additional information needs.

The reporting requirements have been criticized as unexpectedly high in some Regionen Aktiv areas. This burden may be mainly due to the pilot character of the programme. In mainstream programmes the terms of reporting should be clear from the beginning.

The Strategy

13. Priority themes and target groups shall be based on the area diagnosis and the self-determined territorial development strategy; European-wide and national precepts should be limited to indispensable stipulations.

**State
EU**

LEADER, the fourth axis of rural development programmes funded by the EAFRD, does not impose the selection of priority themes as it was the case under LEADER+, but it still stipulates priority target groups (women, youth, elderly persons). We believe that these precepts, regardless of the good intent which they convey, are dispensable at European level. In EU Regulations they should rather be limited to recommendations or serving as examples to illustrate a generic requirement (e.g. the bottom-up principle). As it is the case with area delimitation, the managing authority may put special emphasis on certain themes or target groups, according to the political and socio-economic context and the needs of people in the specific region.

It is much more important to set process and content related targets at programme level – by involving the (potential) future addressees as far as possible (see recommendation nr. 20): The rural territories shall then define their contribution to achieve the regional targets and how they intend to get there. Rigid terms of reference such as lists of eligible or ineligible measures are out of place, anyway.

A merely mechanical consideration of priority target groups does neither represent a satisfactory solution, nor does it lead to convincing results. If the territorial partnership has duly carried out the needs analysis, the development of a common vision and operational planning considering the area-based and bottom-up approach (see recommendation nr. 7), the specific needs and requirements of all relevant groups should be appropriately taken into account.

14. The programmes shall be embedded in a long term strategic perspective of 10 to 15 years.

**Region
State**

Even if operational planning refers to a limited period of time, there has to be a strategic perspective which conceptualizes sustainable rural development beyond the budget period, at least as an option.

As a conclusion, we recommend a partition of the hitherto homogeneous programme documents:

- a) A strategic programme document comprising strategic guidelines and the priority measures referring to a period of 10 to 15 years, and operationalising the targets for the funding period of 5 to 7 years. This document should be upgraded annually.
- b) A handbook of rules describing steering mechanisms, decision making processes and criteria. This „handbook for programme implementation“ should be drawn up in a way that it remains largely unchanged over the whole funding period (5-7 years). This means it should be as process oriented and content-free as possible, and limit itself to a few exclusive stipulations by explicitly specifying what should be not admissible, but leaving a wide margin for arrangements within these boundary conditions.

Keeping up a long term strategic perspective does not mean infinite funding. A gradual shift of responsibilities to the rural areas can best be achieved through modifying the character (from grants to credits) and the shares of funding (increasing share of local and regional contributions). It would foster a thorough assimilation of the process by local and regional actors. In this scenario the long term perspective constitutes the reference basis: Many evaluations of partnership-based and integrated development programmes show how incipient processes have been interrupted and hence been strongly disturbed, when a funding period ended. The literature gives account of necessary time frames for interventions usually exceeding the duration of funding periods (5-7 years).

The managing authorities should therefore adapt their instruments to different time frames, as they are seemingly obliged to achieve contradictory aims: on the one hand to assure a reliable framework for long term development, on the other hand to keep measures and instruments sufficiently flexible. Both objectives can be reached at the same time through the above mentioned distinction between strategic content-related documents and handbooks of rules just valid for one funding period.

15. Measures promoting innovative und experimental projects shall be distinguished from structural measures aimed at broadly disseminating good practice.

**Region
State
EU**

This distinction refers to the preconditions and criteria of funding. There are several possibilities to solve this problem:

- For instance, a special budget line can be devoted to innovation within a mainstream programme. This budget line should be accessible for innovative promoters on the basis of specific selection criteria.
- Competitive elements (e.g. an “innovation award”) may also be systematically built into such a measure.

In any case, the funding of truly innovative projects should not be subject to the same eligibility criteria as mainstream projects.

Both types of measures are justified. However, in many programmes the innovative type – even if the term “innovation” is extensively used in programme documents - is not well operationalised. Innovation often arises from unconventional, even disputed ideas. The risk of failure is inherent to innovation. It is impossible to pre-estimate the success of a radically innovative project in a conclusive manner. Concerning the control and auditing of innovative projects, we stipulate the same principle as in recommendation nr. 9: The control system has to adapt itself to the type of activity – and not vice-versa.

16. Different access conditions shall be met by differential funding criteria.

**Region
State
EU**

Different access conditions can result from socio-economic disparities within the territory or from a different level of competence of local and regional actors.

If disfavoured areas or groups of people can be identified at programme level, the funding programmes should allow for an adequate differentiation of measures in the territorial development concepts. This means that a thorough area diagnosis should be carried out at programme level, in order to identify the need for differentiation.

Trainings and knowledge transfer should be offered to newcomers among the territorial partnerships, for example through mentoring or coaching by another, more experienced partnership. New territories should not be obliged to narrow target setting, in order to be able to explore further development potentials in the course of implementation. However, experienced territories should draw up their development approach quite consistently, by describing how they intend to produce added value with the support of funding.

The principle of equality sometimes requires to respond to inequality with positive discrimination. The synthesis of mid-term evaluations of LEADER+ shows, how much the previous experience of a territorial partnership effects on the quality of implementation.

Local and regional governance structures have to grow and to consolidate themselves. They need different external impulsions according to their maturity level. This can also be observed in Regionen Aktiv: Specifically new partnerships need time for building up their structures. Only if they are sufficiently consolidated, the cooperation dividend can be earned. Experienced partnerships reach this state of maturity earlier.

17. The integration of different funding programmes starts at the level of programming and not at the level of beneficiaries.

Region
State
EU

Different development concepts for the same area, which are drawn up with regard to diverse funding opportunities and for different institutional contexts, should be integrated. They should be bundled according to the following principles:

- National LEADER schemes (such as the German GAK/ILE) and the LEADER axis of rural development programmes should be made complementary at programme level, if they are run at the same time. Complementarity can be ensured in two ways:
 - More or less identical instruments focusing on different areas;
 - Overlapping territories, but clear differentiation of eligible measures.
- In both cases the fine tuning between different programmes and area-based support schemes (apart from the above mentioned ones there are also nature parks, EUREGIOs and many others) at management level should be carried out by a local development agency which does not depend from a single programme. This can be realised by integrated territorial management or as a concerted action (e.g. a round table of local/regional stakeholders). The administration has an important role as a mediator. However, it is confronted with some difficulties, if the area does not coincide with a political-administrative entity. In this case the local development agency has even more weight in coordinating development activities. In order to be able to fulfil this long term brokerage function, the local development agency has to get a mandate for a longer period of time, apart from single programmes. There should be organisational provisions securing a smooth transition, if the management staff of the local development agency is about to change.

The coordination and integration of spatial planning and programming, as well as of the administrative structures, should start at the highest institutional level, and be subsequently implemented at lower administrative levels and in the rural territories. If the highest decision making level fails to do so, all the burden of coordination gets finally shifted to the territories.

Coordination at territorial level has to take place in any case. For instance, the local development agents have to discern how a certain project can best be supported, if there are different possibilities of funding. This coordinating work is resource-consuming, as many experiences made in Regionen Aktiv and LEADER shows. It also requires specific know-how. If the authorities at programme level succeed in coordinat-

ing and in harmonizing their interventions, local and regional stakeholders, specifically new partnerships, definitely have an easier job.

18. The territorial development concept (territorial strategy) shall be kept flexible instead of becoming a rigid corset.

**Region
State**

First and foremost the territorial strategy should be an instrument for accompanying planning and monitoring. It should serve as a reference basis to reflect in common, in how far the original goals are achieved through the implemented measures and projects. The partnership should also monitor, in how far these goals and guidelines correspond to the real needs of people in the area and how they should be adapted accordingly.

Therefore it is not the mere implementation of the territorial development concept, but its active and continuous shaping which makes the difference. The territorial partnership should use their meetings not only to decide on project selection, but also to question its own structure and operational mode and to scrutinize the chosen territorial strategy. There is also a need to keep up vivid public participation, which must not end with the submission of the territorial development concept.

The ongoing strategic reflection of the territorial development concept can be supported with adequate instruments. One of them is the process oriented monitoring of impacts. At start the local and regional stakeholders agree on assumptions on how the expected output would be used by the target beneficiaries in order to produce the desired results and impacts. They establish a set of observable indicators, which from then on serves as a reference basis for periodic self evaluations.

During these periodic group reflections the local and regional actors assess the degree of compliance between the original assumptions (e.g. in respect to behavioural changes of key actors) and the observable facts. Should the assumptions turn out to be wrong or too ambitious, they will be revised accordingly. This eventually leads to a flexible adaptation of objectives and targets.

These adaptations must be transparent and comprehensible for local and regional actors, as well as for the programme managing bodies. External assistance and concise reporting formats are helpful in this respect (see recommendation nr. 12).

Still monitoring and evaluation of quality-oriented rural development measures are considered as a methodological challenge for managing authorities. The necessary flexibility of such programmes should be ensured by appropriate learning-oriented monitoring instruments. Rigid routines in control and evaluation narrow down the scope of activity and the openness for innovation, hence thwart the original intention of a programme like LEADER or Regionen Aktiv. The method of success factors has brought forth

forth interesting results in this respect: The set of twelve success factors serve as parameters for the periodic assessment of the actual state of advancement. This assessment allows adapting the strategy and the related implementation activities.

Actors

19. The European Network for Rural Development and the national networks according to EU-Regulation 1698/05 shall become permanent.

**State
EU**

The European Network should function as a memory, processor, translator and broker of knowledge generated and acquired in European rural areas.

The European network coordination and the national coordination units do not only play a crucial role in partner search for cooperation, but also in the EU-wide learning processes, which include local and regional actors as well as people from programme administrations.

This does not mean that the network has to be conceived as an established institution. The networking function can be entrusted to diverse partners or agencies over time. However, transition must be regulated in a way that there is no functional rupture in the networking activities which would inevitably entail losses of competence.

The capacity building and knowledge exchange should be organised according to the EU White Paper on „Governance“: in a democratic and accountable way. This implies that both external expertise and the wealth of experience at local and regional level are acknowledged as valid sources of knowledge. The acquired knowledge and skills should be made accessible and be broadly disseminated in order to serve the needs of all rural development actors.

Ruptures contingent to programming periods have already caused considerable losses in the European-wide knowledge process. One example is the four years' void between the LEADER Observatory of LEADER II and that of LEADER+. This is not an accountable handling of programme resources.

20. Participation of potential future beneficiaries of a programme shall

Region

already start during programme design, and not only during implementation. **State**

Local and regional actors should – regardless of their experience in specific programmes – be involved in consultations, focus groups and other means of participation in the design and elaboration of a new funding programme.

In many regions and states the interested public usually gets informed of the advancement of planning and the intentions of the managing authorities. However, the interested stakeholders do not only want to get the information, they also want to contribute with their experiences in previous programmes, in order to raise the quality of programme delivery in the upcoming period.

For preparing a successful funding programme, it has become indispensable to draw on the wealth of experiences of local and regional actors. Neither external experts nor the administration alone are able to master the complexity of designing and implementing such programmes in view of the diversity of rural areas and governance contexts. An early integration of the "clients' perspective" also makes it possible to anticipate possible sources of problems, hence to avoid later adaptations which would possibly irritate local and regional actors.

21. The territorial partnerships should be composed in a representative and functional way, allowing for a balanced participation of „genuine“ and „professional“ volunteers. **Region**

Representative means that local and regional actors contribute accordingly to the decision making process in the territorial partnership (as the development theme may require), and that the partnership always remains open to new actors. The partnership should also establish transparent interfaces to democratic (elected) structures (e.g. elected office holders as board members of the partnership).

Functional means that the involved actors contribute by providing access to their specific (social, human or material) resources.

There are different conditions for „genuine“ and „professional“ volunteers: „Genuine“ volunteers, who contribute during their spare time, easily get overburdened by the demanding task, and tend to stay away after a certain time. Thus „professional“ volunteers, representing public administrations and well organised interest groups, tend to stay among themselves.

It is evident that democratically legitimated public officials from politics and administration are important stakeholders in shaping local and regional development. However,

the direct connection to people, initiatives and economic actors, who are the promoters of territorial development, can only be guaranteed over time, if they keep to be represented in the decision making bodies of the partnership. The partnership stays down-to-earth and close to the self-propelling dynamics of local development. Hence, without undervaluing the important role of public and intermediary partners, we plead for a „mixed“ composition of the partnership. To keep up its internal diversity, immaterial forms of reward (e.g. wo/man of the year, „honorary citizens“ etc.) are required. They are deemed to keep „genuine“ volunteers in line over a longer period of time, but also to motivate new actors to join in.

Moreover, volunteers in territorial partnership need to be qualified in certain aspects of programme making and implementation (e.g. concerning legislation, monitoring and evaluation etc.). This should be covered by appropriate qualification means set aside in the territorial development concept.

EU-wide LEADER evaluations have demonstrated that heterogeneous partnerships are mostly more dynamic and more integrative than homogeneous partnerships, specifically those restricted to public partners. „Genuine“ volunteers are frequently mentioned as sources of inspiration and renovation. They can act as thorn in the flesh of institutional and corporative circles, which otherwise could constitute a barrier for innovative ideas. New ideas get a chance to thrive.