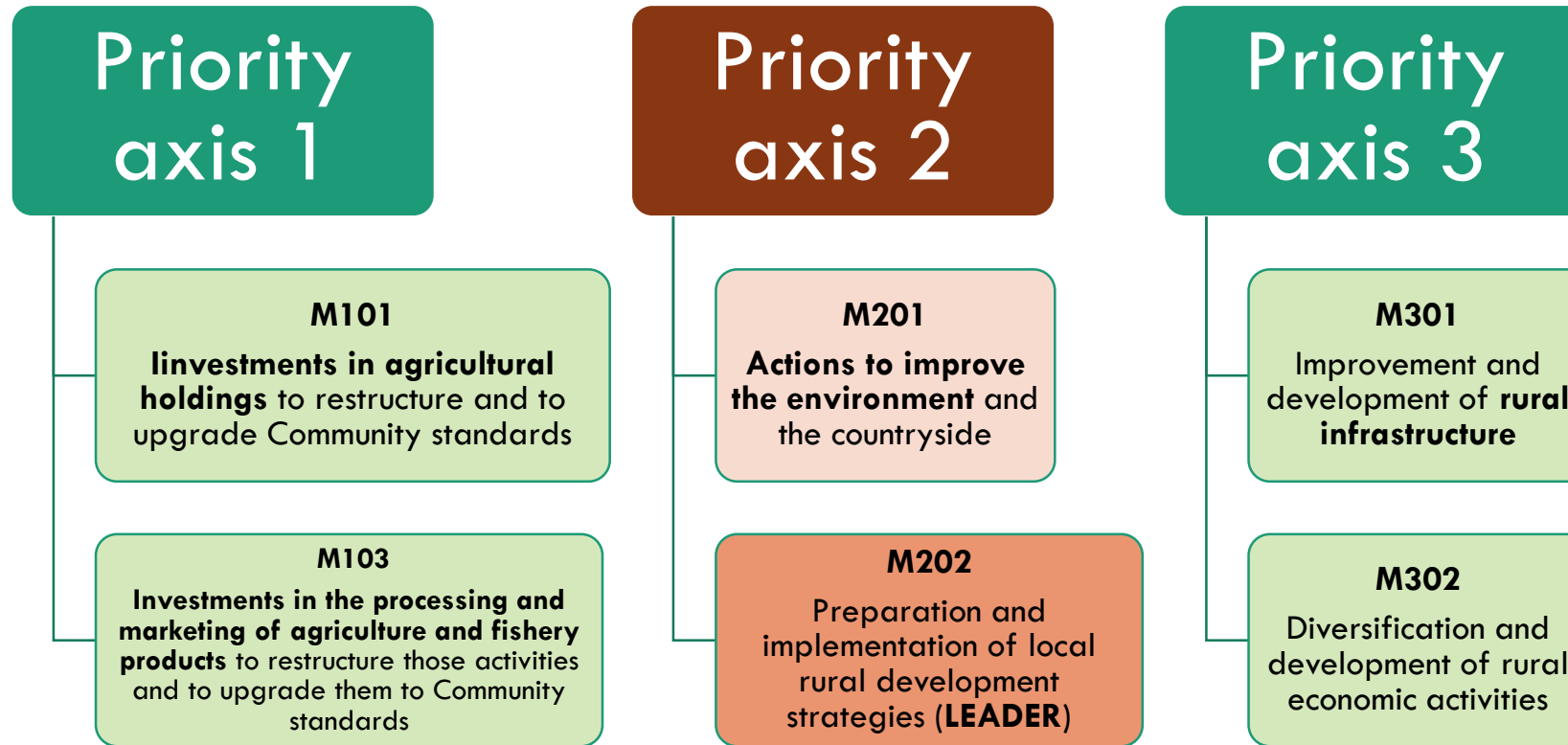


# **LEADER/CLLD in Croatia – *from establishment till today***

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# IPARD Croatia 2007 – 2013



# IPARD Croatia 2007 – 2013 / Measures implementation - calls for proposals

TIME LINE	2010.												2011.												2012.												2013.												
MEASURE	01	02	03	04	05	06	07	08	09	10	11	12	01	02	03	04	05	06	07	08	09	10	11	12	01	02	03	04	05	06	07	08	09	10	11	12	01	02	03	04	05	06	07	08	09	10	11	12	
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501																																																	

# IPARD Croatia 2007-2013, ex post ev. conclusions

Key factors influencing the results of the Program :

- **Late start** of implementing certain measures; **M201 did not implement**
- **Insufficient use of Technical Assistance (Measure 501)**
- **Insufficient institutional capacity** in certain areas
- The **lack of prior experience** and therefore, the **lack of a model of cooperation between banks and users** on best practices, **lack of cooperation with relevant stakeholders**
- **Lack of established strategic planning processes** that would precede the publication of calls for proposals, with regard to the operational dynamics in particular sectors,
- **Socio-economic regional differences in Croatia** - generally resulted in minor activities, a lesser number of users and **generally less absorption of available resources** in the least developed counties
- **Poor quality of monitoring data**, which does **not allow for a more detailed, quantitative analysis** of the program's **net effects** on the agricultural sector and the state economy

# M501 – Technical assistance / LEADER support

In addition to other IPARD technical assistance - **initially planned target:**

- **Strengthening the capacity** of local multisectoral development stakeholders;
- **Establishment of 15 LAGs** + Creating **15 Local Development Strategies (LDS)**;
- Establishment of the **National Rural Network (NRN)** and the **LEADER Subcommittee**

*For the total technical assistance:*

*Planned ➡ EUR 4.7 million (2.6% IPARD CRO),*

*Utilized ➡ 0.3 mil. (including less than 10% for LEADER activities)*

**Achieved target:**

- **0 LAGs or LDS created through TA**
- **NRN and LEADER Subcommittee formally established but were not functional**

# LEADER in Croatia – „bottom-up” initiative 2009.-2012.

Formed more than 50 LAGs with a created Local Development Strategies (from 2009. till 2012.):

✓ 3 LAGs/LDS through PHARE programme / pilot projects by MA

✓ All others:

- By **funds from LAG's multisectoral stakeholders** (mostly local self governments) supported by developed non-governmental organizations, universities and public institutes
- **UNDP (with present LMH Experts) - developed common methodology** for the establishment of **LAGs and Local Development Strategies creation** in accordance with EU guidelines and experiences of other countries

Conclusion, approach:

LAGs was established by local stakeholders ("**bottom-up**"/ "**grass-roots**" **initiatives**)

LAGs organized by themselves and **formed LEADER Network Croatia** as an **independent association** (LAGs advocacy, policy making, joint methodology, daily TA)

# M202 Preparation and implementation of (rural) LDS (3 submeasures in IPARD CRO)

## 1. Acquisition of skills, animating the inhabitants of LAG territories *(not implemented)*

- Awareness and promotion activities;
- Defining and setting up LAGs; Advisory and experts services related to establish a LAG
- Technical assistance for rural studies, regional analysis
- Technical assistance for the preparation of LDS, including training/education sessions and training-of-trainers

## 2. Implementation of LDS

- to develop projects to be implemented in accordance with the LDS *(not implemented)*
- *Running costs of local action groups shall be eligible within a limit of 20% of the total public expenditure of the local development strategy. (implemented)*
- The implementation of the local development strategy is limited to those measures accredited under Axis 3 within the IPARD programme (M301, M302). *(not implemented)*
- **Expectation:** implementation of the local development strategies in 2010. *(3 years delay, begin 2013.)*

## 3. Cooperation projects *(not implemented)*

- The overall objective of this sub measure was to develop and implement the LEADER method through encouragement of cooperation projects.
- **Expected results:** min. 5 cooperation projects (inter-territorial and transnational projects)
- Eligible costs:
  - Preparatory technical support e.g. studies, travel expenses, lodging/accommodation;
  - Joint actions e.g. exhibitions, seminars, meetings, workshops;
  - Running common organisational structures;
  - Animation activities;
  - Publicity concerning the project

# M202 Preparation and implementation of (rural) LDS

IPARD M202 (LEADER) department in MA started in 2008.

**National regulation** were finalized in April 2012., approved (accreditation transfer) by EC in **July 2012.**

**64 established LAGs applied** on 2 calls (in 2013.) - 42 approved/**40 implemented** (62%)

Contracted **3,8 mil. Eur** - Finally payed **71,20%**;

**Problems/weaknesses** recognized during implementation (ex. post ev.):

- IPARD (EAFRD/CRO) - just for LDS implementation (in running costs and animation activities, **project selection by LAGs was not allowed**); **Huge administrative burden and obstacles for LAGs**; lack of communication with MA/PA; other national bodies and financial institutions who **did not recognize LAGs**
- Lack of understanding of local multisectoral approach and decision making processes; **lack of self-management tradition in LAGs**
- **problems with pre-financing the LAGs** resulted with high influence of public sector stakeholders (local self-governments, local political organizations and interest groups)

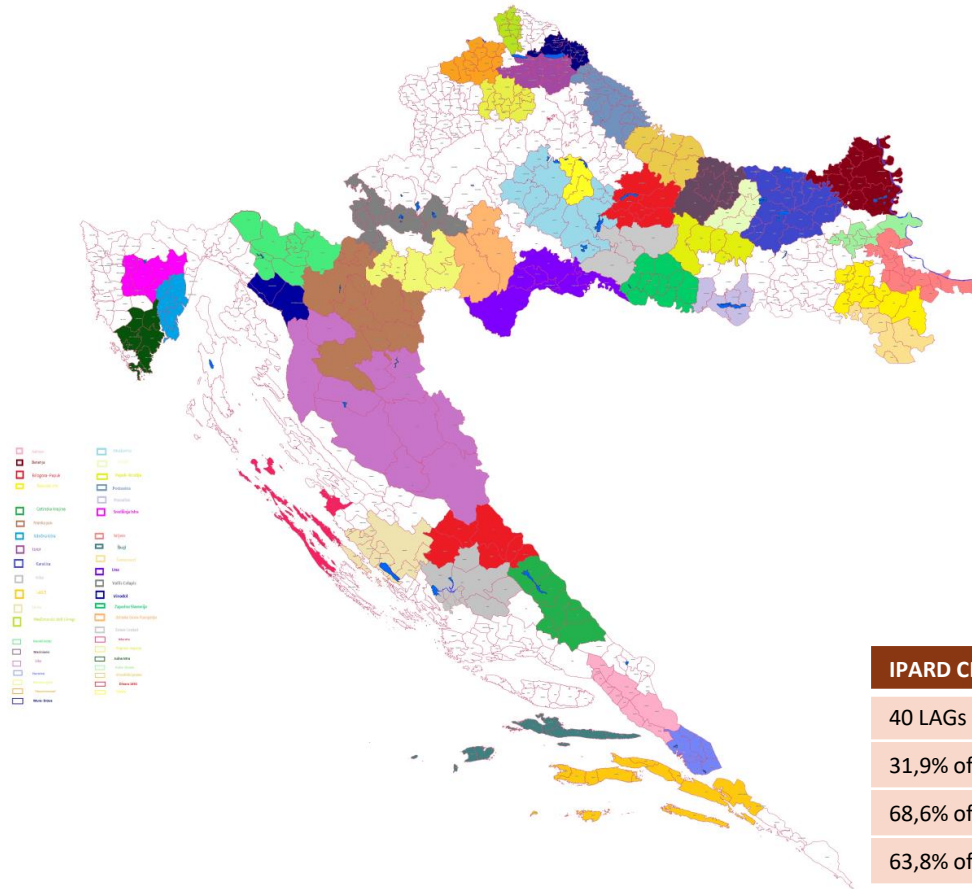
**- National Fundation for Civil Society Development and Ethical Financing Cooperative, in cooperation with LEADER Network Croatia, created instruments for inter-financing of LAGs**



# Impact on IPARD M202 indicators

IPARD indicator	Target vallue	Achieved vallue / No.	Achieved vallue/%
No. Of aplicants	40	80	160%
No. of selected LAGs	25	40	200%
Area/teritory, km2	16.600	38.810	234%
No. of inhabitants in selected LAGs	715.000	1.401.594	196%
No. of created jobs	300	80	27% (LAGs staff)
No. of LAGs capacity building (CB) activities	100	388	388%
No. of participants in CB activities	1000	6.276	628%
No. of info-promotional acitivities	200	673	337%
No. of participants in info-promotional acitivities	6000	46.651	778%

# LAGs - IPARD 2007-2013 (M202) / RDP 2014-2020 (M19/mono-fund)



Picture Source: Croatian Network for Rural Development



Picture Source: LEADER Network Croatia

# RDP CRO 2014-2020 (M19) – selected LAGs / conditions regulated by Ordinance on MA level....(non significant changes from M202)

- Be registered and act as **an CSO in accordance with the Law** on CSOs
  - Includes **rural areas with more than 10.000 and less than 150.000** inhabitants in accordance with the Census 2011.
  - Includes a clearly defined and geographically continuous area and residents of one or more **settlements within at least 5 local self-government units**
  - **Settlements** or local government units, must be **directly connected to each other either by land, sea or fresh water**
  - **One settlement** may **belong to only one LAG** (no territorial overlapping)
  - The **headquarters of the LAG** must be located **within the areas** covered by the LAG
  - **LAG members may not be affiliated entities** /affiliated companies in accordance with Annex I of Regulation (EU) No. 702/2014
  - **Representatives of the executive body of the local and regional self-government units in the LAG bodies may represent exclusively that unit** of local and regional self-government.
- ❖ **LAG managing board (MB) must include:**
    - ✓ representatives of the **economic sector** (such as private companies or companies minority-owned by public authority, cooperatives, craftsmen, agricultural holdings)
    - ✓ representatives of the **civil sector** (such as citizens, CSOs, foundations) with at least 50% representation
    - ✓ representatives of the **public sector** (such as local self-government units, companies, institutions and institutions majority-owned by the Republic of Croatia and / or regional and / or local self-government units) with a maximum of 49% representation
    - ✓ **women with at least 30% representation**
  - ❖ **Legal and natural persons** who are members of the MB **must be registered within the LAG**
  - **One person in the MB may only represent one LAG member**

# 54 approved LAGs in RDP CRO 2014-2020 (M19)

- **MONOFUND – only EAFRD**, total in **RDP 64 mil. EUR** (3% of RDP CRO); MA – Ministry of Agriculture, Directorate for RD; Operating Body – Paying Agency for Agriculture, Fisheries and RD
- **4 submeasures in complete implementation:**
  - 19.1 LDS preparation activities (2015.-2016.; eligible - running and animation costs, external experts costs); 1. call for LDS approval (2017.)

## **Average per LAG, 1-1,3 mil EUR, for submeasures:**

- 19.2 LDS implementation (key features), from 2018.:
  - *for the first time LAGs are implementing the LDS*
  - *LAGs announce tenders for TO from the LDS - consistent with RDP 2014/2020 measures (in all eligibility) – except for selection criteria where LAGs have full autonomy to choose projects according to the LDS*
  - *PA delivers complete tender package & control mechanism; LAGs select projects + verification of beneficiary acceptability criteria - PA finally approves projects; field control remains within the PA (**huge administrative burden on PA**)*
  - *Multi-sectoral partnership projects are not allowed in SM 19.2; Intensity of support +20% on national intensity in chosen type of operations from RDP*
- 19.3 LAGs cooperation projects, nationally or TNC LAGs cooperation
- 19.4 running and animation costs

# 14 approved FLAGs in OPMF CRO 2014-2020 (M III)

- **MONOFUND – only EMFF**, total funds in **OP 22 mil. EUR** (7% of OPMF Croatia); MA/Operational body – Ministry of Agriculture, Directorate of Fisheries
- **3 submeasures in complete implementation:**
  - III.1 LDS preparation activities 2015.-2017. (eligible - running and animation costs, external experts costs, pilot project) – 2. public tender for LDS and FLAGs approval (2016./2017.); **LDS creation methodology/FLAGs regulatory framework based on LEADER framework planned for IPARD**

**Average per FLAG - 1,9 mil EUR, for submeasures:**

III.2/III.3 LDS implementation (key features), from 2019.:

- *for the first time FLAGs are implementing the LDS*
- *FLAGs create LDS interventions (measures) and tenders according to defined fisheries areas needs; **Multi-sectoral partnership projects are allowed; Intensity of support up to 100% depending from conditions defined by FLAGs in approved LDS***
- *LAGs announce tenders for LDS Measures impl. - FLAGs select projects + verification of beneficiary acceptability criteria - MA finally approves projects, field control remains within the MA (**administrative burden on MA which is also the Operational body**)*

Incl. Running & animation costs incl. FLAGs cooperation projects, nationally or TNC (depending on the FLAG)

# OPMF CRO 2014-2020 (MIII) – selected FLAGs / conditions regulated by Ordinance on MA level....

- Be registered and act as **a CSO in accordance with the Law** on CSOs
- Includes **fishery areas with more than 10.000 and less than 150.000** inhabitants in accordance with Census 2011.
- Includes a clearly defined and geographically continuously connected area and residents of one or more **settlements within at least 5 LSU incl. min. 3 costal or insular LSU**
- **One settlement** may **belong to only one FLAG** (no territorial overlapping)
- The **headquarters of the FLAG** must be located **within the areas** covered by the FLAG
- Members of the FLAG must have their headquarters or branch or do farming on a privilege/permit basis within the FLAGs territory
- ❖ **FLAG managing board (MB) must include:**
  - ✓ representatives of the fishery sector or of the **fishery economic interest group** with a minimum of 40% to ensure their significant representation;
  - ✓ representatives of the civil sector or **civil interest group** (citizens, associations, foundations, etc.), including mandatory representatives from the field of environmental protection, promotion of social inclusion, gender equality and non-discrimination);
  - ✓ representatives of the public sector or **public interest group - representatives of the executive or governing body of LSU** to which fisheries settlements belong
- ❖ **One person in the MB may only represent one LAG member**

# LEADER/CLLD implementation framework in mono-fund approach (RDP - EAFRD/OPMF - EMFF) in Croatia – *instead of conclusion (1)*

## LAGs in RDP

- LAGs copy-paste national RDP M/ToP; tenders and eligible conditions framed and activated by PA
- LAGs can not support multi-sectoral partnership projects; max +20% on national intensity
- LAGs include local stakeholders according to their statutory registration/by law (example: CSO of local farmers belongs to the civil sector not the economic interest group!)
- Direct costs; Flat rate for indirect costs 15% of personnel costs (max. eligible cost /person - limited); lump sum for small farmers in LDS impl. (TO 6.3.1 of RDP)
- Managing Body (MA) – Directorate for RDP in Ministry of Agriculture
- Operating Body – Paying Agency for Agriculture, Fisheries and RD

## FLAGs in OPMF

- ✓ FLAGs create/implement LDS interventions according to their needs – independently from national measures (up to them)
- ✓ FLAGs support multi-sectoral partnership projects; up to 100% intensity
- ✓ FLAGs include local stakeholders according to interest groups who they represent in the partnership (example: CSO of local fishermen belongs to the economic interest group)
- ✓ FLAGs have only direct costs and do not flat rate for indirect cost, but it is allowed (up to 15%) in LDS implementation projects; lump sum is not eligible in LDS implementation
- ✓ Managing and Operating Body – Directorate of Fisheries in the Ministry of Agriculture



# LEADER/CLLD implementation framework in mono-fund approach (OPMF – EMFF/RDP - EAFRD) in Croatia – *instead of conclusion (2)*



- LAGs and FLAGs are separate legal entities with overlapping territories/staff
- LAGs/FLAGs develop very good cooperation with MA/PA based on mutual partnerships
- Most of LAGs and FLAGs express a need for multi-funded LEADER/CLLD in the next programming period



Thank you for your attention!

**LEADER Network Croatia**

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