



Analysis of CLLD and LAGs situation in Slovakia

Setting up a local partnership, known as a 'local action group' (LAG), is an original and important feature of the LEADER approach. The LAG has the task of identifying and implementing a local development strategy, making decisions about the allocation of its financial resources and managing them.

A LAG should associate public and private partners, and be well-balanced and representative of the existing local interest groups, drawn from the different socioeconomic sectors in the area. At the decision-making level, private partners and associations must make up at least 50 % of the local partnership.

Programming period 2007-2013

In Slovakia, Leader was implemented in the programming period 2007-2013.

The Leader approach in Slovakia was mainly connected with critical opinions regarding its process of implementation. Despite of that, we can say that Leader brought also many benefits for our regional development, e.g.:

- Better cooperation and communication with municipalities, the private sector and civil organizations
- Stronger solidarity among municipalities in the region
- Better access to finances for some types of subjects
- Easier access to EU finance for people in the regions
- Increased capacities in the region
- Access to complex and coordinated development on the regional level

Negative aspects of Leader implementation:

- Some LAGs were not built on the bottom-up principle and LDS did not include real potential and needs of the region
- Improperly set evaluation criteria for LAGs
- Calls for Leader were opened with big delays as the last ones from Rural development programme
- Often changes in rules and evaluation criteria occurred, which led to an unstable environment for LAGs
- Conditions for LAGs were very centralized without communication on local level
- Inflexible communication of Managing Authority and excessive administrative demands
- Not compliance deadlines and conditions from Managing Authority
- Evaluation process for project proposals took too long
- Required level of co-funding too high, which precluded NGOs and entrepreneurs with lower capital
- No sufficient transparency in LAGs assessments
- Political and big groups influenced the process of LDS creation, project evaluation and selection and finance allocation
- Absence of objective selection criteria and clearly explained LAG evaluation and selection process

Programming period 2014 - 2020

In December 2015 was the deadline for submitting LDSs (local development strategies) by public-private partnerships, which want to have LAG status and receive financial support. The approval process of strategies has two phases:

- First phase – positive or negative statement to LDS
- Second phase – all partnerships (those with positive and also those with negative statement) can again apply for LAG status

In the first phase the majority of public-private partnerships applying to be LAG have received a negative statement. They consider this process in many cases as unfair and incorrect. Because of that, activists have formed the Initiative Leader 100+, which together with the Association of Towns and Municipalities of Slovakia, the National Network of Slovak Local Active Groups and Kežmarok Development Council negotiates a proposal to change the problematic decision-making process and suggests an expert discussion in order to solve the problem.

Therefore on 20.4.2016 all involved subjects and activists met with the Ministry of Agriculture and Rural Development and presented a suggestion to solve the problem: to increase the financial resources for LEADER in order to be able to support more LAGs in Slovakia and to support LAGs in the least developed regions of Slovakia according to new law for support of the least developed regions of Slovakia. The activists from Initiative Leader 100+ also pointed out the mistakes of the Managing Authority, for example nonsufficient communication and awareness of important information, mistakes in evaluation statements and questionable evaluation of projects.

Friends of the Earth-CEPA with the Office of Plenipotentiary of the Government of Slovak Republic for Development of Civil Society have organized a series of workshops (in 2013). They evaluate the experience with the implementation of the LEADER approach in the 2007 – 2013 period and give recommendations for the successful implementation of Community-led Local Development (CLLD) and LEADER approach in the 2014 – 2020 period.

The outcomes of the workshops show the significant advantages of programming EU funds on local level. The cooperation of the public, private and civic sector develops successfully in the areas where local action groups (LAGs) are working. The partnership interconnecting all three sectors encourages local actors to assess the needs and potential of the region complexly, not only from the specific point of view of municipality or company. In the regions where LAGs have sufficient capacities and access to methodical support, they are able to create the space for public participation in local planning, encourage citizen engagement and thus strengthen the civil society in the region. The possibilities of LAGs to decide upon the conditions of utilization of finances result into a wider group of potential beneficiaries and increase the accessibility of EU funds for certain types of subjects, such as small municipalities, small enterprises and local NGOs. Joint preparation of the strategy and long-term operation of LAG's office in the region bring new capacities to the region and thus create the conditions for strategic, systemic and complex development of the region. The large potential of the approach can be fully utilized only if the setting of the tools on national level is favourable.

In the current programming period, the conditions and implementation of the LEADER approach were problematic in many aspects. The framework for operation of LAGs, as well as the eligible priorities and activities were defined very tightly on the level of the Managing Authority (MA) / priority axis. LAGs had a formal possibility to select and define their local strategy and priorities, but

only a small portion of those were eligible for funding via the LEADER approach. Although projects were selected approved by LAGs, monitoring and payments were managed centrally by the MA. A part of LAGs operated only on a formal level and / or lacked expert capacities for forming and development of partnership, good preparation of a strategy and involvement of citizens in the process and only minimal methodical support was provided by MA. Therefore, only part of LAGs financed by LEADER really utilized the potential and benefits of the approach. Complicated administrative procedures and frequent changes of the regulations presented significant barriers to successful operation of LAGs and the implementation of the projects on local level. It seems that local actors in Slovakia are well aware of potential benefits of CLLD and LEADER and strongly support the implementation of both LEADER and CLLD in the new programming period. However, in the new programming period, MAs responsible for preparation and implementation of these tools have to consider the experience from the current period and form the tools in a way that will support cooperation, develop the capacities on local level and contribute to complex and systematic development of the regions. The regulations have to be prepared in close cooperation with experts and representatives of local groups.

Here follow the recommendation resulting from the analysis and interpretation of the outcomes of the workshops:

- The selection process of LAGs should be focused on the quality of the strategies, but also the process of preparation of the strategy, the level of public participation in the process, capacities and activities of the LAG and its members in the region. The procedures of evaluation and selection of LAGs should minimize the opportunities for politically motivated decisions, particularly by well-defined evaluation criteria, use of expert evaluation systems and creating space for public presentation of strategies.
- The level of financial support for LAGs should be differentiated using several criteria, such as size of the area, its economic and social situation. LAGs should become eligible beneficiary even in OPs that don't use LEADER or CLLD approach.
- Reporting and evaluation system should focus mainly on the quality of results of LAG's activities. The reporting model has to be simplified and it should follow the quality of outcomes and capacity building activities of LAGs, not only the level of spending and fulfillment of formal requirements.
- The regulations for CLLD and LEADER implementation should be prepared timely and they should be clear and comprehensible. The changes in the regulations are acceptable in exceptional cases and should be adopted only after the consultation with the beneficiaries.
- The well-working system of communication with applicants and beneficiaries should be created, with MAs in the role of monitoring and supporting institution. The system should enable the direct, personal contact of LAGs and representatives of MAs. - It is necessary to start the implementation in due time and to enable faster selection and approval of the proposals and signature of contracts.
- The administrative procedures in monitoring of LAGs' activities, control and financial reporting of projects have to be significantly simplified.
- In order to fully utilize the absorption potential of the regions, the financial conditions (eligibility of activities and expenses, rules for advance payments and co-financing) have to be set properly.
- The system of methodical and technical support for LAGs should be created, with the focus on good operations of LAGs, membership development, preparation of strategies, public participation in the process, but also administrative and financial procedures.
- The structure of strategies should be adoptable to specific needs of the regions and it shouldn't require data and texts relevant only for part of the regions. The space for updates of

the strategies should be created, so that LAGs could react to new conditions and opportunities in the region.

- LAGs should have the freedom to define the priorities of the strategies, based on real problems and development priorities of the region.
- The financing of wider range of measures and activities should be allowed. The discussions on thematic priorities suggest that CLLD and LEADER should focus on financing of development of local economies, fight against poverty and social inclusion, strengthening of communities and civil society and building of capacities in the regions.
- The roles of the institutions responsible for implementation of LEADER and CLLD should be clearly defined and the well-working system of coordination between both tools should be created.

Current situation

The Managing Authority in Slovakia has opened new open call “Call for applications for approval of community led local development strategies and award of status of Local action group” on October 20th, 2016. Deadline for applications was December 2nd 2016. The minimum of financial allocation for one LAG is 1 600 000 Eur (fixed amount) and the maximum in underdeveloped regions is 4 000 000 Eur (Fix and variable amount), and in more developed regions 3 500 000 Eur (Fix and variable amount).

In this call public-private partnerships with positive and negative statements from previous calls can apply.

Currently public-private partnerships (also those with previous status LAGs) operate just through own resources or they temporarily suspend their activities until the results of the last call will be known and LAGs selection process will be finally closed.