

EUROPEAN
U R B A N
INITIATIVE

DELIVERING HIGH QUALITY CLLD IN URBAN AREAS

EUI CAPACITY BUILDING EVENT
7-9 JUNE 2023 TIMISOARA (RO)

EXPERT REPORT



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1. 1. INTRODUCTION

1.1. EU CONTEXT

Community-led local development (CLLD) has been implemented in the EU's rural areas since the early 1990s under the brand LEADER and was successfully applied to fisheries areas since 2007. It was further extended to urban areas in 2014. A 2019 opinion by the Committee of the Regions¹ stressed that: "Community-led local development has proved to be a very successful tool of local development delivering European values by local means through a strong engagement of citizens and a bottom-up approach". In an earlier opinion, EESC² had supported the extension of CLLD to urban areas and emphasised the importance of "building up the capacities of social and economic partners along with civil society stakeholders so that as many partners as possible can propose an active CLLD approach before the deadline for proposals".

CLLD is defined in Article 31 of the Common Provisions Regulation³ for the current 2021-2027 period as:

- (a) focused on subregional areas;
- (b) led by local action groups composed of representatives of public and private local socioeconomic interests, in which no single interest group controls the decision-making;
- (c) carried out through strategies in accordance with Article 32;
- (d) supportive of networking, accessibility, innovative features in the local context and, where appropriate, cooperation with other territorial actors.

In summary, CLLD focuses on rural, fisheries and parts of urban areas with a maximum population of 150,000. It is organised at local level through a Local Action Group (LAG), in which each of the public, private or third sectors has less than 50% of voting rights. The task of the LAGs is to prepare a local development strategy and to select projects to deliver the strategy subject to eligibility checks by the Managing Authority (MA) and within the framework of what has been agreed in the programme document for the region.

CLLD was introduced in urban areas, in the context of the EU cohesion policy, in 2014. Together with Integrated Territorial Investments (ITI) it is one of the two 'territorial' tools that can be deployed under cohesion policy. However, for many areas, even those that have used it in the 2014-2020 funding period, it remains a relatively new approach, while urban CLLD local action groups and their national networks, where they exist, are often isolated from their peers especially at transnational level. City administrations play host to LAGs in their area and are usually represented on the LAG board. In some cities they chair the board, in others they participate as board members but because of the majority rule they do not control the LAG.

¹ <https://cor.europa.eu/it/news/Pages/Community-led-local-development.aspx>

² <https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:52014AE3156&from=EN>

³ <https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:32021R1060>

The experience of EU-level structures supporting CLLD in rural and fisheries areas in previous programme periods clearly indicates the need to build the capacity of local authorities, Local Action Groups and programme Managing Authorities or their Intermediate Bodies (IBs). Moreover, this experience has underlined that the tripartite nature of this capacity building approach is needed to release the full potential of CLLD to foster innovation and bring Europe closer to citizens in the EU's urban areas.

Cities, LAGs and Managing Authorities all have specific but interconnected capacity building needs in delivering a successful CLLD model. To improve the capacity of key stakeholders to deliver high quality CLLD in urban areas the delivery mechanism needs to be more efficient and effective, which in turn will speed up absorption. Only by improving understanding between LAGs, the cities that host them and the Managing Authorities for ESF and ERDF can this be achieved. Going even deeper, community capacity building focuses on achieving confident, skilled, active and influential communities. It aims to build the capacity of individuals, their organisations and the systems in which they operate. For community-led local development, a key task is to develop effective and inclusive community organisations as well as good relationships between these organisations, the city administration and its services.

1.2. OBJECTIVES OF THE EVENT

Hence, the objective of this EUI Capacity Building Event was to increase the capacity of urban authorities and stakeholders to deliver high quality community-led local development in urban areas through EU cohesion policy for the 2021-2027 period. The event sought to achieve this objective by offering a platform for cities that play host to CLLD groups, LAGs and MAs/IBs from EU Member States using urban CLLD, to share knowledge and experience, and by bringing to them the expertise of a team of experienced CLLD practitioners and experts:

- to inspire participants about the use of bottom-up delivery mechanisms for urban areas;
- to build a shared understanding of how urban CLLD can be delivered in practice;
- to enable people active in delivering urban CLLD to meet and exchange experience;
- to build the capacity of those in the CLLD delivery chain to improve the efficiency and effectiveness of implementation of local strategies;
- to start the process of supporting a community of practice of the key actors in the delivery chain of urban CLLD so that knowledge can be exchanged and shared on an ongoing basis.

1.3. LOCATION AND PARTICIPANTS

The event took place from 7 to 9 June 2023, in Timisoara (RO). Romania has adopted the CLLD approach in urban areas since 2014 and there are 35 LAGs operating in urban areas in the country. The City of Timisoara includes two urban LAGs, offering the opportunity to the participants in the event to gain from first hand contact with those involved at the local level in the implementation of CLLD.



A total of 55 participants from six Member States attended the event (CZ, EL, PL, PT, RO, SI), 70% drawn from Local Action Groups in RO, PT, SI, 15% from Managing Authorities / Intermediate bodies in RO, CZ, EL, PL, PT and 15% from Urban Authorities in RO.

1.4. METHODS AND AGENDA

Over the two and a half day [agenda](#), delegates worked together to improve their capacity to deliver high quality community-led local development in urban areas, with a curriculum specifically designed for this event by LDnet, the European Local Development Network.

Four formats were used for the meeting. Short plenaries were mixed with longer workshop sessions, a half-day field visit and a 'clinic' on the final day. In all formats interactive learning tools were deployed.

Methods used in the event

Four types of activities:

- Plenaries with opportunities for interaction using Sli.do
- Workshops, to work in smaller groups
- Field visits to Freidorf and Timisoara LAGs to see CLLD in practice
- Clinics on Day 3 where participants received tailored expert advice on their individual CLLD challenges

Active learning:

- Learning exercises to help delegates grapple with issues in the delivery system
- Expert moderators who understand urban issues
- Learning from other participants at all levels of the delivery chain

The breakdown of participants into working groups was organised in such a way that in some sessions MAs, LAGs and city authorities were working together to facilitate common understanding of CLLD processes and build trust, and other sessions were targeted to address the specific needs of these distinct groups (with workshops for MAs and city authorities focusing more on decision-making and delivery, while those for LAGs dealing with implementation on the ground).

2. PROCEEDINGS & OUTCOMES

2.1. WHY USE CLLD IN URBAN AREAS: A PANORAMA OF PERSPECTIVES

The plenary sessions set the scene for the event, conveyed key aspects of the experience of countries using urban CLLD and brought together issues and lessons emanating from the capacity building activities undertaken by the participants in workshops, field visits and clinics.

The Member States that used urban CLLD in the past period were Poland, UK, Romania, Lithuania, Hungary, Portugal and the Netherlands⁴ (see table below).

Member State	General approach	Coverage	No. of LAGs
Lithuania	National	All cities and towns	39
Hungary	National	High number of cities and towns	99
Romania	National	High number of cities and towns	35
Poland	Regional	2 Voivodeships (Kujawsko-Pomorskie, Podlaskie)	7
Portugal	Selected territories	Dispersed but focus on Porto and Lisbon metro areas	16
United Kingdom	Selected territories	Dispersed across England	24
Netherlands	Selected territories	1 pilot (The Hague)	2
Total			221

Table 1: Member States using urban CLLD in 2014-2020 period with nature of coverage and numbers of LAGs

In the current period, Hungary has stopped using urban CLLD, but groups will continue in the same spirit, Portugal will also cease due to reductions in ESF allocations at national level, while the UK has left the EU. France is planning to start urban CLLD in Aquitaine and the Saxon Anhalt region of Germany is also starting.

In setting the scene from an EU perspective, it was highlighted that cohesion policy is not about shares of funding but how to support a harmonious territorial development and create a better life for our citizens. This was echoed in the approaches of the host country and city. **Romania** has opted to use bottom-up territorial instruments in deploying EU funds and boldly decided to use CLLD in marginalised urban areas, neighbourhoods affected by extreme poverty and social exclusion. Timisoara, in the context of European Capital of Culture, has focused on a bottom-up strategy to ensure that local communities have a voice and, inter alia, introduced different ways of financing and approving projects.

⁴ See Kah, S.; Martinos, H.; Budzich-Tabor, U. [CLLD in the 2014–2020 EU Programming Period: An Innovative Framework for Local Development](#), In: *World* 2023, 4(1)

Capacity building is hugely important for making it possible to realise this bottom-up territorial approach within the scope of EU funds for the benefit of the urban communities. Improving the capacities of cities to design and implement sustainable urban development strategies, policies and practices in an integrated and participative way is one of the objectives of the EUI. It is supported by a range of activities: city-to-city exchanges, peer reviews, and capacity building events such as this meeting in Timisoara.

CLLD has been running for years in rural and more recently coastal contexts and only since 2014 in urban areas. Urban CLLD came into existence in the 2014-2020 programme period and from a standing start grew to approximately 221 LAGs in 7 Member States. However, as seen in the event, the growing pains were at times challenging with many tensions between Managing Authorities and local groups about on how to interpret the EU and national legislation. Sometimes poor design of the delivery system led to delays in approving strategies, projects and this in turn slowed down absorption. This has been a particular problem for infrastructure projects, led by cities, in Romania.

However, there is already a body of relevant and diverse experiences in urban CLLD that can inform the planning and delivery of capacity building strategies and actions. In **Portugal**, Lisbon has gained valuable experience in the 2014-2020 period, pursuing a city-wide strategy with local scale interventions in 67 territories across the city. This strategy has placed considerable emphasis on maximising local resources, increasing capacities, upscaling successful projects and aiming for longer term sustainability of projects.

In **Poland** the regional authority of Kujawsko-Pomorskie has focused urban CLLD of the 2014-2020 period on addressing social inclusion and long-term unemployment. In 2021-2027 CLLD will also target activities linked with gender equality, youth and education. Access for small-scale beneficiaries has been greatly simplified by the use of 'umbrella projects', where funding decisions and payments are managed by the LAG.

In **Austria**, Tyrol has followed a 'facilitative' approach towards the LAGs and nurtured innovation coming upwards. The MA manages the complexity and keeps things clear and simple on the ground while the energy comes from the local level, but clear input from the MA is needed to add value to the local level. The experience shows that the LAG level needs to be empowered but it needs to be well connected with the regional level, and structures and procedures should be put in place for this to happen. This institutional and procedural approach is now combined in substantive terms with an emphasis on the Green Deal and a clear strategy on transition.

This attention to environmental issues is already the case in the **Netherlands**, where, in the 2021-2027 period, urban CLLD has been planned under energy efficiency and resilience with the Hague as the original example. In this period, urban CLLD is expanding to include Amsterdam and Rotterdam. A case study was contributed by the coordinator of the Rotterdam Local Action Group. The focus was on social resilience which for the LAG is about how well individuals and communities are able to handle and deal with changes, shocks and stresses in their lives. It addresses how they respond to, recover from, adapt to or even transform in response to change and threats. In practical terms this has involved a range of small projects under € 30,000 including art lessons for kids and elderly, workshops for youth to prevent violence and train them in first aid, social projects to grow plants for public green spaces,

tutoring, helping people to find work, women's employment and creating a small natural playground for infants.

2.2. MAKING CLLD WORK ON THE GROUND

On this topic, the delegates, working in three parallel groups (mixed MA, city authorities and LAGs), had the opportunity to get acquainted with some projects implemented through the CLLD approach and, on this basis, to identify challenges which they would like to address with CLLD in their areas. They also reflected on how CLLD is different from the mainstream approaches and discussed the factors which make them different.

Learning objective 1: Identify challenges which can be addressed with CLLD.

CLLD can work across all five policy objectives in the Structural Funds meaning that anything from climate adaptation and innovation to human resource development can be supported. At national level, the Member State can designate which types of investment it seeks to support and under which policy objective. Often CLLD is positioned under Policy Objective 5: "a Europe closer to citizens" while drawing on other priorities for content.

A wide range of challenges were identified in the discussion, including poverty, formalising informal housing, addressing the service needs of vulnerable groups including minorities and Roma, social economy and support to maintaining jobs, education (including school dropout), tackling energy costs, regeneration of former industrial (brownfield) sites and biodiversity. CLLD was considered particularly useful in supporting small (often local) NGOs and micro-businesses, building trust and cooperation between urban authorities and local communities and tackling change in mindsets. This is a non-exhaustive list produced by participants. In regulatory terms, CLLD can cover anything that cohesion policy can address.

A potential issue was raised in maintaining the bottom-up approach when the problem analysis by the community is flawed and as a result may lead to a solution which is recognised by experts as suboptimal. In this respect, the importance of capacity building and guidance was stressed. This could also be resolved by greater reliance on peer review approaches for capacity building between LAGs.

Learning objective 2: Compare CLLD with mainstream approaches and identify factors which make CLLD respond better to the challenges.

Because of its 'bottom-up' nature, CLLD is held up across the ESI funds as an approach that supports co-creation with a wider range of local actors, brings together more diverse partnerships and is more likely to address deep seated problems which require the active engagement of citizens. In the future this is likely to include addressing the climate transition.

Factors that can enable CLLD to address these challenges better than other approaches were mentioned, including:

- community empowerment, because CLLD is normally driven by local communities and their associations;
- mentoring as a technique, because social relations are built into the approach;
- animation, because the role of the coordinator of a group is to go out into the community and develop relationships with local organisations, enterprises in a way

similar to that deployed in the Alinsky⁵ method used by Barack Obama⁶ as a community organiser in the South Side of Chicago;

- fostering self-representation of deprived groups;
- strengthening cooperation; and
- sharing success stories (including from other areas).

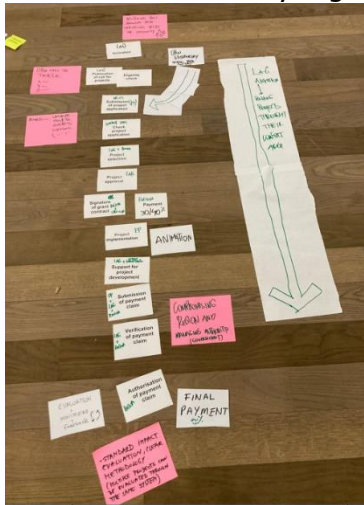


Figure 1: Who does what in the delivery chain? Results from workshop 2

Capacity building emanating from the MA (e.g. organisation of meetings) can play an important role. Challenges include administrative rules, defining innovation and adequate communication, especially between levels of governance (LAGs and the cities in which they are based, and Managing Authorities/Intermediate Bodies.)

2.3. GETTING CLLD DELIVERY RIGHT

On this topic, the aim was to familiarise participants with the practical steps involved in CLLD delivery and to help them understand the importance of keeping delivery systems simple. The introductory presentation focused on key delivery steps, using real-life examples from Member State practice. Working in small groups that brought together representatives from LAGs, urban authorities and MAs, the participants looked for reasons why it was important to simplify CLLD delivery and what were the risks of a complicated system. The groups then arranged the different steps involved in CLLD delivery into a logical sequence and decided who should be responsible for each step and the timeline.

Learning objective 1: Understanding the importance of keeping CLLD delivery simple.

In the discussion on the reasons why CLLD delivery should be kept simple, participants came up with a variety of reasons; for example, a simple system can better respond to the local needs and enable a broader participation. Such a system requires less time to be spent on administrative work, so LAGs can better focus on animation work and proactively engage the community. Simple delivery systems build trust and empower local actors. On the other hand, participants found that complex systems may result in excessive bureaucracy and delays and can discourage good projects from applying.

Learning objective 2: Getting practical experience with organising (part of) the delivery process.

The exercise with ordering the delivery steps helped the LAGs, cities and MAs look at the delivery system as a whole and understand the importance of a clear distribution of tasks and good cooperation between the different actors involved in delivery, in order to ensure efficient delivery and avoidance of blockages, duplication of tasks and unnecessary delays for local beneficiaries. One issue that came up repeatedly among the Romanian LAGs was that there had been systemic delays in infrastructure projects funded by ERDF. In the Romanian delivery system these can only be delivered by the municipality, but many projects had been delayed

⁵ Saul D. Alinsky 1971 Rules for Radicals: A Pragmatic Primer for Realistic Radicals

⁶ Barack Obama, Dreams from my father

because of reviews at other levels (see below under clinics for more details). In Portugal, there were long delays in the first years of the 2014-2020 programme period often caused by issues around eligibility of expenditure. These required extensive negotiations between the MA and the LAGs to achieve a better understanding of what could and should be allowed.

The result of this session was a much better understanding of which organisations are responsible for different steps, but also a recognition that there are many steps in the delivery chain and that delays in any single step can delay implementation.

2.4. LAG TASKS AND PROCEDURES: PROJECT SELECTION

This topic was addressed specifically to LAGs and focused on project selection. In particular, the workshop explored how to develop criteria and procedures that result in the selection of those projects that best respond to the LAG strategy and are likely to have the greatest impact for the area.

The subject was introduced with a reminder that project selection is explicitly mentioned in the Common Provisions Regulation for 2021-2027 (Article 33) among the tasks that are the exclusive competence of the LAGs. This was followed by examples of how different LAGs have organised project selection and the types of selection criteria that some use.

Learning objective 1. Develop practical skills in designing project selection in line with strategic objectives.

Participants worked in small groups to develop their own selection criteria for projects responding to one of the following strategic objectives: reducing pollution, promoting local employment or improving welfare services. They were also asked to think about which criteria should be prioritised and to allocate points to each of these. One group thought value for money was the most important criterion. Another prioritised reaching vulnerable groups. The quality of the project was something that LAGs considered as particularly important, including the quality of the business plan and the sustainability of the project. What all this illustrated is that there is no correct answer. Local groups are free to decide which types of projects they believe should have priority and to use selection criteria to select the best projects for their local needs.

Learning objective 2. Understanding the possibility of applying different approaches to project selection and the consequences of choosing a specific approach.

This group work was then followed by a discussion on different approaches to project selection procedures, including:

- Whether to have calls for projects opened only at specific times of the year or to allow candidates to present projects at any time (open calls). The former was felt to help structure the LAGs workload with the latter being more flexible for potential beneficiaries.
- Who evaluates and scores the projects: the LAG staff or the LAG members? The former saves time for the members who tend to be volunteers, while the latter can encourage a stronger involvement of the LAG members.

- How many people should be on the selection board? Inclusiveness versus effective decision-making.
- Should decision-making be by consensus, voting or minimum score? There was no agreement on this question, all these options are possible and have been used in CLLD project selection. Ideally, consensus is the best way for the LAG to decide, but when there are disagreements, voting is needed. Minimum scores are useful in avoiding situations where poor quality projects are selected but can mean that a second call is required if there are insufficient quality projects for the available budget.
- Should the candidate present their project in person or simply submit a paper application? The response to this depends to some degree on the number of project applications that the LAG has to select from. In practice, it is usually preferable to be able to ask follow up questions that a paper application has not answered, but this may not be possible in situations where there are many applications. On the down side, presentations may emphasise style over substance.
- Procedures to avoid conflict of interest, such as not taking part in project evaluation when a member has a vested interest in a project. This is a point that has been raised in the past by the European Court of Auditors in relation to LEADER LAGs. It is good practice for any partner to recuse themselves from project selection when a project that they are involved in is being evaluated.

2.5. DESIGNING LAG SELECTION AND IMPLEMENTATION RULES TO FOSTER LOCAL INVOLVEMENT AND INNOVATION

On this topic, the target group was mainly Managing Authorities, Intermediate Bodies and cities. The aim was to go more in-depth into the practicalities of CLLD delivery systems and enable an exchange between participants on the ways these systems can be improved. The basis for discussion was a study of the delivery system developed for the [Italy-Austria Interreg CLLD](#). This tailor-made system was compared to the national system designed in Sweden for the period 2014-2020 to cover CLLD under all EU Funds, as well as to some interesting practices from other countries (FI, PL).

Learning objective 1. Identifying practical consequences of dysfunctional CLLD delivery systems.

During the discussion, participants identified a number of problems that can arise with dysfunctional CLLD delivery systems, including delays, gold-plating of rules especially on the eligibility of costs, confusing interpretations and public officials who avoid taking responsibility for their decisions. While many of these issues can also be observed in the delivery of mainstream funding, some can have particularly severe consequences in the case of CLLD, notably the extra administrative burden imposed on the LAGs – leaving little time for community animation – and difficulties that small beneficiaries face when trying to access funding. Large-scale beneficiaries are typically less affected by high administrative burden or complicated rules.

Learning objective 2: Sharing experience of existing solutions to improve CLLD delivery.

Participants were interested to hear about solutions already existing in some Member States to improve CLLD delivery; particularly, the use of 'umbrella projects' was considered to have high potential for simplifying access to small local beneficiaries. These umbrella projects are 'packages' or 'bundles' of small-scale activities in which the LAG plays the role of beneficiary for the whole package and takes responsibility for administration and reporting, while local actors implement individual mini-projects under simplified rules and can get the funding quickly. Such a system is already functioning in the case of urban CLLD in Bydgoszcz (PL), as well as in other territorial contexts of CLLD.

The use of Simplified Cost Options for all projects under € 200,000 should also facilitate the implementation of CLLD projects many of which are below this threshold.

2.6. DEMONSTRATING SUCCESSFUL RESULTS AT LOCAL DEVELOPMENT STRATEGY LEVEL

On this topic, the participants had the opportunity to get acquainted with the intervention logic and different steps of the design, delivery, monitoring, and evaluation of a Local Development Strategy (LDS), i.e., a CLLD strategy at LAG level. They reflected on: how the objectives of the strategy are defined (i.e., what is the desired change in the local situation); what are the components (actions and projects) and milestones during the strategy implementation; what are the products (outputs) of the projects; and ultimately what are the results of the strategy (i.e., to what extent the expected change has been achieved). Particular emphasis was placed on the difference between 'outputs' and 'results' for the two LAG workshop groups.

Learning objective 1: Understanding the difference between outputs and results.

Participants in small groups examined randomly mixed examples of output and result indicators and identified which outputs can lead to which result. They were invited to present the outcome of their work in a graphic format. Participants left the workshop having a clearer understanding that results are linked to the objective being achieved, whereas outputs are a measure of the activities carried out in the project which ultimately lead to the result.

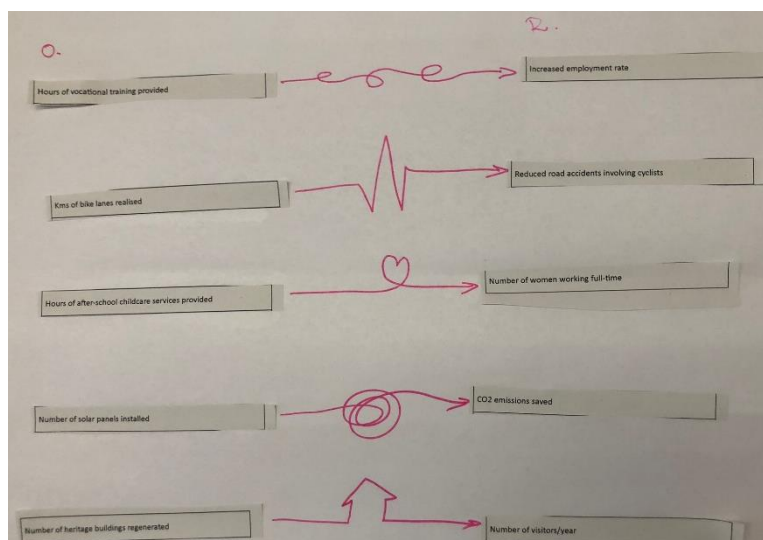


Figure 2: Photograph of one group's diagram linking outputs and results

Learning objective 2: Learning to select projects that contribute to strategic objectives.

Participants were given cards indicating strategy objectives and a set of sample projects which they tried to match with the desired objectives. The former included "providing solutions and

promoting virtuous behaviours to reduce the environmental impact”, “generating conditions for the flourishing of local production/commercial activities” and “enhancing access to welfare and well-being services in a low-income, multi-ethnic neighbourhood”. The latter included projects focusing on “women in business”, “district mothers”, “bike to school” etc. On that basis, the groups defined the outputs of the projects and the results of the strategy. This exercise succeeded in building a better understanding of how outputs connect to results (and therefore ultimately to objectives).

2.7. DEMONSTRATING SUCCESSFUL RESULTS AT PROGRAMME LEVEL

The workshop aimed to help participants understand the key concepts of measuring and demonstrating outputs and results at programme level and to identify some of the challenges linked with the specificity of CLLD, such as the fact that objectives are defined at LAG level and the difference of approach to indicators between ERDF and ESF+. Examples were provided of indicators used to measure outputs and results in a simpler (Interreg AT/IT) and in a more complex (PL) system, as well as lessons learnt. This session offered also an opportunity to provide further insights into Simplified Cost Options (SCOs), which in the 2021-2027 period will be mandatory for all operations below € 200,000 financed from the ERDF or ESF+.

Learning objective 1: Understanding the challenges for monitoring and evaluation due to CLLD specificity.

Participants came up with a number of reasons why monitoring and evaluation of CLLD can be particularly challenging; for example, results are often intangible and can be observed only after a long period of time. An additional challenge is the expectation that results measured with common indicators defined at EU or programme level, would be the same or similar across vastly different local contexts. Many challenges also relate to the fear of failure. To stimulate innovation and learning it is important that innovative and therefore potentially risky projects are supported. It is inevitable in difficult operating environments that some risky projects will fail. This needs to be taken into account by all levels in the delivery system: MAs, cities and LAGs.

Learning objective 2: Using SCOs as a method to simplify CLLD delivery and foster a focus on results.

The participants analysed and compared the experience of using SCOs for urban CLLD in Poland and Romania.

Three types of SCOs are available:

- **Lump sum** (fixed amount linked with a specific output, e.g. a study);
- **Unit costs** (funding allocated per a specific unit, e.g. a participant trained);
- **Flat rates** (certain costs allocated as a proportion of other – documented – costs).

Although SCOs are attractive for LAGs, they may put additional administrative burden on Managing Authorities which are responsible for establishing fair, equitable and verifiable calculation methods based on statistical data, expert judgment, usual accounting practices or historical data from previous projects.

SCOs for LAG running costs (in the form of lump sums) as well as draft budgets were considered particularly useful compared to using real cost as the basis for expenditure claims. Draft budget is a methodology to establish Simplified Cost Options. Essentially a project is approved with a detailed budget. Payment will take place when the planned outputs have been achieved. There will be no need for verification of individual cost claims. However, draft budgets may impose more administrative burden for LAGs, there would be a need for capacity-building on the use of draft budget and there is a risk both for the beneficiary and for LAGs if a project needs modifications. It is also possible to include the use of milestones in the draft budget. Payments are made when each milestone is achieved. Some participants decided they would like to explore further the topic of SCOs during the clinics.

2.8. FIELD VISITS: A CRITICAL LOOK AT CLLD IN ACTION

Field visits took place to the two urban LAGs operating in the Timisoara area which offered the opportunity to be examined as case studies to explore their challenges, how CLLD is being used to pursue local development in the areas. The two visits were to the Timisoara LAG in the Kuncz area south of the city centre, and the Freidorf LAG in the northern part of the city. These LAGs operate in the poorest neighbourhoods of the city and both areas have significant Roma populations. Residents of the two areas face many problems including poverty, a lack of formal employment and discrimination in the labour market, lack of adequate services, high school drop-out, as well as poor quality (and often informal) housing. Each LAG had organised a range of speakers to illustrate both the problems that were being addressed in the area, as well as examples of projects that were being delivered using cohesion policy funding to address these issues.

Due to relatively high CLLD budgets and poor state of local infrastructure, many projects financed by Romanian LAGs focus on infrastructural investments which according to national rules can only be delivered by the city apparently. The Timisoara LAG has part-financed the construction of a new community centre at Kuncz (the rest being financed by the city) which is due to open in September and will offer a range of social services, sports and cultural activities.

Delegates visited the large multi-purpose hall and had a presentation on the facilities and services of the centre which will be delivered by the City’s social service department.

Other presentations which took place in school buildings in the local areas included one focused on the human rights-based approach adopted by the Timisoara Intercultural Centre in which respect, dialogue and empowerment go hand-in-hand as a method of working in deeply disaffected communities, as illustrated in Figure 3. They have

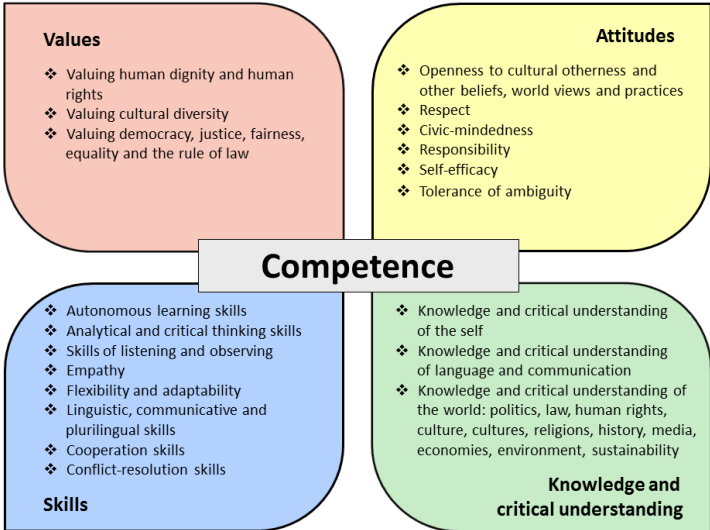


Figure 3: The human rights-based approach deployed by the Timisoara Intercultural centre

worked with the local community to reduce tensions with neighbouring areas and to bring forward new projects.

In the Freidorf LAG there was an opportunity to meet one of the beneficiaries of the LAG's entrepreneurship programme run by a private company called "DAS systems". Following entrepreneurship training, the entrepreneur received an enterprise grant through the programme. As a result, she had been able to open a beauty salon as a formal business with three employees on regular salaries.

Freidorf also has a project working on formalising land tenure of housing units by providing free legal advice to householders.

Projects in local schools included the construction of new school classrooms as well as provision of free school meals, which had led to more children staying on in education. This is in spite of a high proportion of children at risk of exclusion and a strong culture of early school leaving, exacerbated by girls marrying very young and often moving to other cities in Romania. Both LAG areas will benefit in 2023 under the city-funded participative budgeting programme which will provide funding of € 80,000 for projects in these two areas as well as to two others in the city. In Timisoara LAG this could lead to the conversion of a plot of waste ground into a playground/sports field and security improvements.

Feedback from the delegates suggests that the field visits had been one of the highlights of the whole event. Participants valued the opportunity to get first hand impression of the problems that the LAGs are dealing with on the ground and to discuss issues with project promoters, LAG board members and beneficiaries.

The takeaway points on urban CLLD included:

- Participants noted the agreement among all local actors on the assessment of problems and on common objectives.
- They learned about the strategies of the two local action groups.
- They learned about the selection of local projects funded by the LAG and the City.
- They heard of practical ways for reaching priority groups using the human rights-based approach deployed by the Timisoara Intercultural Institute.
- Participants explored how the LAGs are encouraging people from local communities to participate, and through this are building trust and long-term relationships.
- They heard that the CLLD approach in the city had been effective in changing the mindset of the different actors , notably through networking and visits to local areas.

2.9 CLLD CLINICS: "ASK THE EXPERT"

One-to-one capacity building support was made available to delegates through a series of intensive practical sessions called 'CLLD clinics', focusing on issues that individuals needed to discuss with experienced CLLD practitioners. Based on discussions with participants and a Slido poll, the following clinic sessions were proposed to participants:

- Improving LAG work: project selection and community animation
- Making CLLD simpler and more accessible (including SCOs)
- Combining different sources of funding and ensuring financial sustainability

- Networking urban LAGs at national and EU levels
- Fostering creativity and innovation
- City-to-city exchanges and peer reviews supported through the European Urban Initiative
- Learning from the Portuguese LAGs

One key issue that came up in the discussion on funding sources was the problem of delays in implementation which had led to absorption problems and the risk of losing money through decommitment at the end of 2023. In Romania, as previously mentioned, all infrastructure projects are delivered by the cities. Delays have often been caused by the procurement process which smaller authorities were not experienced in managing and by delays between levels whereby higher levels of government had not adopted indicator frameworks for the investments. A clear recommendation is that the three main players in these types of projects: the urban LAGs (and any network organisation they have), the city administrations and the MAs, IBs and associated national departments need to meet and explore how procurement can be made more efficient (e.g., by adopting standard proformas), and how other delays between levels can be minimised. It was suggested that some technical assistance at national level be dedicated to examining case studies and bringing together the main actors in productive dialogue.

2.10 URBAN CLLD: THE WAY FORWARD

The final plenary sessions offered opportunities for reflecting on past experiences of CLLD in different territorial contexts and the current needs and challenges for making a success of urban CLLD. The overall message emerging was that all levels of governance, from the EU level down to the LAG level, can play an important role and need to have the right mindset and capacities.

LEADER/CLLD is considered by many stakeholders to be one of the most effective EU tools for micro-projects at the local level, being close to citizens, effective, not so costly, and transparent, and thus representing good spending of public budget. In the urban context, we are still at the beginning of spending EU money through CLLD, cofinanced with money from state and local authority budgets. In this period the spending on CLLD counts towards the 8% required under Article 11 of the ERDF Regulation for sustainable urban development⁷.

Urban CLLD in several Member States is just starting and includes France and Saxon Anhalt in Germany for the first time. LEADER was originally an EU Community Initiative, and then was extended, becoming not just a tool for rural development but for all local development. The European Commission is promoting urban CLLD as part of its policy objective of bringing Europe closer to citizens and as a territorial tool alongside Integrated Territorial Investments to achieve sustainable urban development.

The role of MAs in designing a framework that is helpful to the LAGs, facilitating urban CLLD processes and improving the delivery of CLLD is particularly important. MAs experienced in the rural and fisheries context can contribute by informing and working with their urban colleagues

⁷ See Article 11 of ERDF Regulation at <https://eur-lex.europa.eu/legal-content/EN/TXT/HTML/?uri=CELEX:32021R1058>

with the aim of fostering a more 'hands-off approach' particularly in relation to project selection.

On their part, the LAGs have to show successful results to convince their Member State of the merits of the urban CLLD approach. This would also influence the stance of Member States on urban CLLD, including the potential for broadening the use of, and resources for urban CLLD. A key added value of CLLD is mediation between different interests in the local area, building trust and working together towards common objectives. The DNA of CLLD is networking and needs to be there, also at EU level, for urban CLLD to succeed. In the rural and fisheries contexts, EU level networks have a big impact and there is a need for similar support for urban CLLD.

Delegates' messages from the concluding session included:

- LAGs have much in common. Not only are they not alone but there is a lot that they can all learn from each other.
- Perseverance is key! Results take time as we are changing mindsets. However, with patience and hard work, CLLD can make a real difference.
- A key to success is having good people on the ground which means a need to invest in their training and skills and support networking.
- There is a fundamental need for constructive collaboration between LAGs and national authorities.

3. CONCLUSIONS: NEXT STEPS FOR CAPACITY BUILDING ON URBAN CLLD

3.1. CAPACITY BUILDING NEEDS OF THE DIFFERENT STAKEHOLDER GROUPS

The participants were unanimous in stressing how important it was for them to be able to attend this training and how much it was needed. The **following conclusions** can be drawn about the capacity building needs of the different stakeholder groups:

- (a) Managing Authorities and Intermediate Bodies need first of all a space where they can exchange and learn from their peers, i.e., other MAs and IBs implementing CLLD, in an informal setting. They need to see that CLLD can work in practice and bring positive impacts at the local level – hence they are interested in examples of successful projects and practices from other countries (a comment from one participant in the final SI.ido was that they are now “more conscious and aware of what CLLD should be”). MAs and IBs also need practical advice on the setting up of CLLD implementation systems, in particular on simplifying delivery. In this context it is particularly helpful for them to hear the point of view of the LAGs and local beneficiaries about their experience with using CLLD funding (one of the comments in response to the final SI.ido question “Did you learn anything surprising?” was “we complicate things way more than we should”).
- (b) City authorities involved in LAGs also need contact with their peers and need to see how CLLD can work on the ground to be convinced that it can be an answer to their specific challenges. They also need to see beyond their specific urban area to open their minds to different, but potentially inspiring contexts. Examples presented during the event have shown that while many city authorities have already become strongly involved in their LAGs, others are less involved and occasionally question the benefits of this new tool. Thus, it would be important to step up capacity building of this group of stakeholders to enhance their understanding of CLLD potential and provide them with practical ideas how they can become more involved.
- (c) Most LAGs participating in the event had already gained experience with CLLD; even if they started CLLD implementation from scratch, they had to learn quickly in order to be able to move forward. However, LAGs often suffer from a sense of isolation (hence the comment of one SI.ido respondent who discovered that “we are not alone with our problems”). Thus, opportunities to meet and exchange with other LAGs would be important, and the Timisoara event has demonstrated that urban LAGs have a lot to learn from their rural and fisheries colleagues. They are particularly interested in practical tips about LAG work, including community animation and communication, as well as project selection. While their competencies in strategy building are in some cases well developed, intervention logic as well as monitoring and evaluation remain challenging for many LAGs.

3.2. METHODS FOR CAPACITY BUILDING OF CLLD STAKEHOLDERS

It is important to note that, in response to the Slido question “what knowledge/skills do you still need to improve to help your daily work?”, participants did not focus on specific topics, but on methods that would facilitate the learning process, notably networking, learning from the experience of other countries, as well as trust and optimism. Thus, it emerges that the most effective methods for capacity building of CLLD stakeholders are those that:

- **enable networking:** this would suggest allowing time in the agenda for participants to get to know each other and exchange informally
- **facilitate building trust:** The variable geometry of working groups during the event (some mixing MAs, urban authorities and LAGs, others separate) seems to have worked well in this respect;
- **foster motivation and optimism:** interactive sessions where participants solve simplified versions of practical problems in small groups supported by facilitators can help build confidence and foster a problem-solving approach;
- **allow participants to get acquainted with inspiring practices from other countries.** This would imply the organisation of exchanges at EU level. However, transnational meetings would entail the need for interpretation or could restrict participation to English-speaking stakeholders. Thus, in addition to EU-level exchanges the possibility of organising national or language-based groups – possibly with some speakers from other Member States to contribute relevant examples – should be considered.

3.3. SPECIFIC ISSUES AND SOURCES OF SUPPORT

In the main countries using urban CLLD, such as Romania, 2021-2027 will be the second programming period they will be doing so. Consequently, LAGs will have a quicker start than in the last period and already have strategies in place. In countries or regions where urban CLLD is being introduced for the first time, such as in France, Saxony Anhalt in Germany and some of the eight new regions in Poland using cohesion policy for CLLD, there will be a need for capacity building for the new LAGs and the cities and Managing Authorities to ensure that delivery efficiency is maximised.

There are also specific problems around working with areas of extreme exclusion such as those experienced by Roma communities in Romania (and many of its neighbouring countries) which point to the continuing need for capacity building even in Member States that have prior experience with CLLD. CLLD has become an essential part of the toolkit for reaching into these areas and working to empower citizens to find new solutions. This working method would be of benefit to cities in other member states facing problems of engaging with their Roma communities. More capacity building is needed based on the human rights approach being pioneered by the Intercultural Institute.

Capacity building activities supported by the European Urban Initiative provide follow-up opportunities for urban authorities to further explore the challenges and solutions identified in this capacity building event:

- City-to-city exchanges can be requested by any urban authority allowing them to visit or host a visit from one or two other urban authorities in different EU Member States along with their stakeholders.
- Urban authorities implementing CLLD strategies (in line with Article 11 of the ERDF Regulation) can apply to participate in a peer review, allowing them to receive targeted recommendations on their specific guiding questions from up to three peers from different EU Member States.

Finally, informal discussions in the event among the LAGs highlighted the need to establish an EU level network. To this end, plans have been set in motion (through a task group set up at the meeting, led by Portuguese and Romanian LAGs and supported by LDnet) to form a network or federation of urban LAGs. This would target those Member States doing urban CLLD and apart from Portugal and Romania, will target LAGs in Poland, Lithuania, the Netherlands, Germany and France. The task group is exploring the possibility to involve also those countries that are carrying out deep forms of citizen participation, including using co-creation/co-production and participative budgeting. Such alternatives to CLLD are being delivered in Germany (especially Berlin and North Rhine - Westphalia), France (e.g., Paris on participative budgeting), Poland (most of the regional capital cities are using participative budgeting techniques), Portugal (Cascais was an [URBACT good practice](#)). The task group is working on terms of reference, proposals for a rotating chair, and plans for future meetings.

For more information on these activities, please see the European Urban Initiative website: www.urban-initiative.eu/capacity-building

For more details about the experiences shared in this event or to be put in touch with some of the participants or speakers, please contact the Permanent Secretariat on capacitybuilding@urban-initiative.eu.



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Les Arcuriales, 45D rue de Tournai, 7th floor, 59000 Lille - France
info@urban-initiative.eu - www.urban-initiative.eu