Context

The LEADER+ Community Initiative aims to encourage the emergence and testing of new approaches to integrated and sustainable development that should influence, complete and/or reinforce rural development policy throughout the EU. The Northern Ireland LEADER+ programme is one of 71 programmes across the EU15. It is also an integral part of the Department of Agriculture and Rural Development’s (DARD) Rural Development Programme (RDP) over the period 2000-2006. The RDP is significant in that it is comprised of the LEADER+ programme and elements of the Peace II, INTERREG IIIA and the Building Sustainable Prosperity (BSP) programmes.

An important issue for rural development is the permanence of a funded programme-based intervention out-with the Structural Funds, especially after 2006. Since the programme relies primarily on EU resources, there are concerns about the future role of area based rural regeneration as the Structural Funds run down in Northern Ireland and are redirected to the adjustment problems of the accession countries. The aim of the Northern Ireland programme concentrates mainly on micro-business development. These micro businesses should not be part of the community / voluntary or statutory sectors. This position was adopted to minimise the potential for overlap with relevant measures of Peace II and BSP.

Description of the experience

The overall aim of the programme is ‘to maximise the economic and employment contribution that very small businesses, including small farms, make to the rural economy by encouraging local partnerships and, where beneficial, to work in collaboration with similar partnerships throughout Europe’. The programme is implemented through twelve Local Action Groups (LAGs) of which one is the East Tyrone Rural LAG covering part of the main SPAN study area in Northern Ireland. The programme had a particular focus on disadvantaged groups in rural areas including women, young people, farmers/farm families and the long-term unemployed.
The total budget is £21m most of which is allocated to Theme 1 on territorial rural development strategies (£15,129,982 71%) whilst Theme 2 on cooperation (between LAGs) took up 10% of the overall allocation (£2,213,945). It is interesting, in the context of SPAN, to see the emphasis placed on both local strategy development and networking within Ireland and between Northern Ireland the rest of the EU. Networking took up 1% of the budget (£287,742) whilst some of the remainder was held for innovative actions to allow the programme to respond to local investment opportunities (£1,381,802, 7%). The main structure of the Actions and Measures are shown below:

1. **Territorial Rural Development Strategies**
   - Measure 1.1: Use of new know-how and new technologies (Theme 1)
   - Measure 1.2: Improving the quality of life in rural areas (Theme 2)
   - Measure 1.3: Adding value to the local products (Theme 3)
   - Measure 1.4: Making the best use of natural resources (Theme 4)
   - Measure 1.5: Acquisition of Skills
   - Measure 1.6: Administration costs of LAGs
   - Measure 1.7: Publicity and Promotion of the Activities of LAGs

2. **Co-operation**
   - Measure 2.1: Inter-territorial co-operation
   - Measure 2.2: Inter-territorial co-operation with Groups in RoI
   - Measure 2.3: Transnational co-operation
   - Measure 2.4: Transnational co-operation with Groups outside the EU

3. **Networking**
   - Measure 1: Contribution to the UK Network

The analysis of circumstances in rural Northern Ireland has helped to direct the programme toward a stronger economic and business focus than LEADER initiatives have had in the past. This is based on a number of structural weaknesses and opportunities in the rural economy including:

*Low economic activity rates in rural areas*
- The further away from Belfast the lower the economic activity rate becomes.

*Low economic activity rates amongst rural women*
- In 2004, the economic activity of females was 68.0% in urban areas and 63.3% in rural areas, which in part, explains the focus of the programme on women as a beneficiary group.

*Higher rates of unemployment in ‘peripheral’ rural areas*
- Rural areas close to the Belfast Metropolitan Area and in the east are lower than those in remoter regions of Northern Ireland.

*Higher levels of long term unemployment (LTU)*
- The highest rates of long term unemployment are in peripheral Districts such as Fermanagh, which has 28% of its unemployed population in the LTU category in 2005.
Unfavourable composition of rural economies

• Rural economies have an above average dependence on the agriculture and manufacturing sectors and low concentrations of private services.

Rate and success of business start-ups in rural areas

• However, the analysis of business start rates in rural versus urban areas in Northern Ireland highlights the strength of rural areas in this variable. In 2004, there were approximately 19.4 business starts per 10,000 of the total population in urban areas and 29 business starts per 10,000 of the total population in rural areas.

Results

The initial implementation of the programme in Northern Ireland was characterised by tensions between the Department for Agriculture and Rural Development and the Local Action Groups who were responsible for delivery. In particular, the LAGs felt that the Department was being too directive with insufficient scope and flexibility given to allow each one to respond to the local character of problems and opportunities. A Managers Forum was established to address these operational issues and it has worked effectively, especially to facilitate communication between the two bodies.

Governance arrangements have also been a central part of other structures in the delivery of LEADER +, especially given the complexity of actors involved at a regional and local level. The Northern Ireland Leader Network (NILN) was formed during LEADER II and consisted of DARD staff, LAG Board Members and LAG executive staff. NILM has provided training for staff and board members, developed innovation in local development approaches, shared knowledge and best practice and promoted the European dimension to the programme.

There are very high levels of satisfaction with the LAGs among the user community. They are viewed as operationally effective by providing good advice, technical support, processing claims and aftercare for supported groups. The LAGs have also been effective in achieving EU De-commitment targets which means that monies committed in any one year must be expended 2 years later (otherwise known as the N+2 rule). This was especially important given the late start of the Northern Ireland programme.

Under Theme 1, 1607 applications had been processed with a rejection rate of only 16%, emphasising the importance of preparatory and development work in the delivery of the programme (by 2005). The monitoring data showed that 470 micro businesses had thus far received financial support and 1176 had received financial advice. A total of 569 new jobs had been created and 1007 existing jobs retained with the assistance of LEADER +.
Furthermore, 1581 people had received training and the results show that the programme is on schedule to achieve its initial performance targets and in some cases exceed them.

Theme 2 is also progressing well with 23 actions to collaborate in order to achieve scale economies between territories in the delivery of local actions. This is especially important in the context of SPAN as it shows the importance of cross-boundary working to deliver projects in sectors such as renewable energy, farmers markets and the creative industries. Here, a highly localised approach has been shown to be inappropriate to develop the capacities of these sectors in rural areas.

Key insights

The assessment of the LEADER + Programme in Northern Ireland has highlighted a number of important lessons for the SPAN project:

- The approach has emphasised the importance of a bottom up methodology, especially to micro-business development in the context of agricultural restructuring, funding uncertainty and the emphasis placed on farm diversification.

- Building business capacity is important in regenerating the local economy, especially given the historical emphasis on community capacity in rural development programmes in the past.

- Creating local synergy is also important in developing business clusters and linking LEADER groups together at an appropriate level to develop key sectors of the economy. Investing at the right spatial scale is important in the context of SPAN’s emphasis on Multi Level Governance.

- Networking, sharing information, best practice and skills will become more important in the rural development arena, especially as a more explicit business development agenda is central to regeneration practice.

- The programme has also improved the quality of the local environment as sustainable development practices and business models are also part of the projects supported within Northern Ireland.

- The assessment of LEADER + in Northern Ireland also demonstrated value added in that projects have started earlier, developed better quality and were more sustainable than without the LEADER + intervention.

- Project funding also had an important impact on key target groups including women and farm families although the inclusion of LTU people has been lower.

The move by the EU to establish a Single Rural Fund (linked to the reform of CAP), the emerging Rural Development Programme in Northern Ireland and the Reform of Public
Administration will all affect area based strategies in the region. Axis 3 of the Single Rural Fund emphasises *local development strategies targeting sub-regional entities*, whilst DARD has emphasised the importance of bottom up approaches to area based regeneration. The promotion of *Community Planning* under the new local authorities in the region all suggest that spatial planning has a strengthened role in the future of rural development programmes in Northern Ireland.

**Contacts**

EU LEADER+Programme:  
http://www.europa.eu.int/comm/agriculture/rur/leaderplus/index_en:htm

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Department of Agriculture and Rural Development [http://www.dardni.gov.uk](http://www.dardni.gov.uk) (for information on the programme and links to LAGs).

Rural Community Network [http://www.ruralcommunitynetwork.org](http://www.ruralcommunitynetwork.org)

Rural Development Council [http://www.rdc.org.uk](http://www.rdc.org.uk)

**Documentation**

Programme documentation: Department of Agriculture and Rural Development [http://www.dardni.gov.uk](http://www.dardni.gov.uk) and on European Union aspects of the policy on:  