



Brussels, 17 January 2023  
(OR. en)

16127/22

AGRI 722  
AGRIFIN 150  
FIN 1368

#### 'I/A' ITEM NOTE

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From: General Secretariat of the Council  
To: Permanent Representatives Committee/Council

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Subject: Special Report No 10/2022 from the European Court of Auditors entitled:  
"LEADER and community-led local development facilitates local  
engagement but additional benefits still not sufficiently demonstrated"  
- *Approval of draft Council conclusions*

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1. The Permanent Representatives Committee instructed the Working Party on Financial Agricultural Questions (WP AGRIFIN) to examine the above-mentioned Special Report in accordance with the rules laid down in the Council conclusions of 8 May 2000 on improving the examination of special reports drawn up by the Court of Auditors (doc. 7515/00 + COR 1).
2. At its meeting on 12 October 2022, WP AGRIFIN discussed the above-mentioned Special Report as well as the Commission's replies to that report.
3. In the light of those discussions, the Presidency drew up draft conclusions (14122/22) and presented them at the AGRIFIN meeting on 16 November. A revised version (14122/22 REV 1) was presented at the AGRIFIN meeting on 7 December. From 7 to 9 December 2022, delegations were asked to indicate if they object to these draft Council conclusions (14122/22 REV 1).

4. In accordance with the Council conclusions of 8 May 2000, the Permanent Representatives Committee is hereby invited to suggest to the Council that it approve the draft Council conclusions as set out in the Annex to this note as an 'A' item at a forthcoming session.
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Draft Council conclusions

**European Court of Auditors on its Special Report 10/2022 entitled:  
“LEADER and community-led local development facilitates local engagement but additional  
benefits still not sufficiently demonstrated”**

THE COUNCIL OF THE EUROPEAN UNION

1. NOTES the Court's Special Report No 10/2022 entitled “LEADER and community-led local development facilitates local engagement but additional benefits still not sufficiently demonstrated”, which examined whether LEADER/CLLD approach created benefits for local development and whether the Commission, Member States and the Local Action Groups managed the costs and risks linked to the approach well, in particular compared to mainstream EU spending programmes;
2. TAKES NOTE of the Court's recommendations to the Commission to comprehensively evaluate the costs and benefits of LEADER and to assess the Community-led Local Development, which the Commission accepts partially in the case of the first recommendation and fully in the case of the second recommendation;
3. RECALLS that the LEADER method has proven relevant over the 30 years since its introduction and remains valid today and HIGHLIGHTS the added value of LEADER stemming from the full implementation of the method and its demonstrable benefits in terms of local governance, improved social capital and enhanced results of LEADER projects compared with non-LEADER delivery methods;

4. ACKNOWLEDGES that the comparison of LEADER delivery method to other funding models would need to recognise the intangible contribution of LEADER in increasing social and human capital at local level in conjunction with the risks and costs of other funding schemes;
5. TAKES NOTE of the view that the multi-fund approach introduced for the 2014-20 programming period to better coordinate local development support and to reinforce the links between rural, urban and fisheries areas, in its current form, may lead to increased complexity for funding local development projects;
6. RECOGNISES that there is room for improvement towards ensuring that the local action groups' partnerships are inclusive and in particular that young people, women and less advantaged groups participate in the decision-making process. However, HIGHLIGHTS the fact that due to a depopulation of rural areas it is not always possible to define and achieve desired targets;
7. NOTES that further work is needed, via monitoring, evaluation methodologies and networking at EU level, towards a better assessment and demonstration of the added value of the LEADER approach to social capital and local governance;
8. ENCOURAGES Member States, in their CAP Strategic Plans 2023-27, to target the eligibility of LEADER intervention to projects with an added value whilst maintaining the necessary flexibility to allow for bottom up approaches to fit the local needs.

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