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Community-led Local Development

*A Policy Brief from the **Policy Learning Platform** for a Europe closer to Citizens*

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CITIZENS

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Summary

Community-led local development (CLLD) is a predominantly bottom-up approach that places citizens and communities at the centre of decision-making and policy development, allowing them to identify challenges, set priorities, and implement solutions. By responding better to local needs and unlocking latent resources and assets, CLLD can support place-based innovation and development, and help regions attract and retain business, people and talent. CLLD has been formally incorporated into EU funding programmes since the 1990s, including within the Cohesion Policy. As a territorial tool to implement PO5 (Europe closer to Citizens) funds, it can be applied to a wide range of policy areas such as urban regeneration, culture and tourism, mobility, climate and environment, social issues and economic development. Currently, CLLD is most often used for rural development within the LEADER programme and coastal development as part of the European Maritime, Fisheries and Aquaculture Fund (EMFAF), with over 3000 Local Action Groups active across the EU. CLLD in the urban context is a relatively new concept within the Cohesion Policy, which is still in its infancy. EU regions can support CLLD in a variety of ways. The effectiveness of Local Action Groups can be enhanced through capacity building for participants, and administrative support and simplification to remove red tape. Regions can further support community-led development by institutionalising participatory processes into their policy development, embedding CLLD into regional development strategies, and providing funding and support to community-led projects.

The knowledge, solutions and good practices showcased in this policy brief come mainly from Interreg Europe projects.

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Introduction

Today more than ever Europe's regions are facing wide ranging and pressing challenges – environmental degradation and climate change, the digital revolution, demographic transition, migration and social inequalities. Such complex challenges cannot be solved without **strong and broad partnerships at the local level**, involving citizens, civil society, business and relevant levels of government. In response, new forms of governance for better policy design and investments are already visible in many territories, be it through fostering cooperation between urban and rural areas, long-term strategic planning, or involving citizens in all stages of policymaking.

Within the 2021-27 Cohesion Policy, the European Commission reinforced this emerging paradigm by introducing a new policy objective "**Europe closer to citizens**", that supports an **integrated and place-based approach** and the engagement of local authorities, civil society and citizens in delivering on local challenges. The place-based approach recognises that regional challenges manifest themselves differently in different territories and draws on the unique knowledge and skills concentrated in those places to shape integrated and tailored solutions for territorial development. It recognises the interconnectedness of regional challenges and promotes interventions in **a wide range of policy areas** such as urban regeneration, culture and tourism, mobility, climate and environment, social issues and economic development. Integrated Territorial Investments (ITI) and **Community-Led Local Development (CLLD)** are two instruments introduced by the Cohesion Policy to implement funds within this integrated and place-based approach.

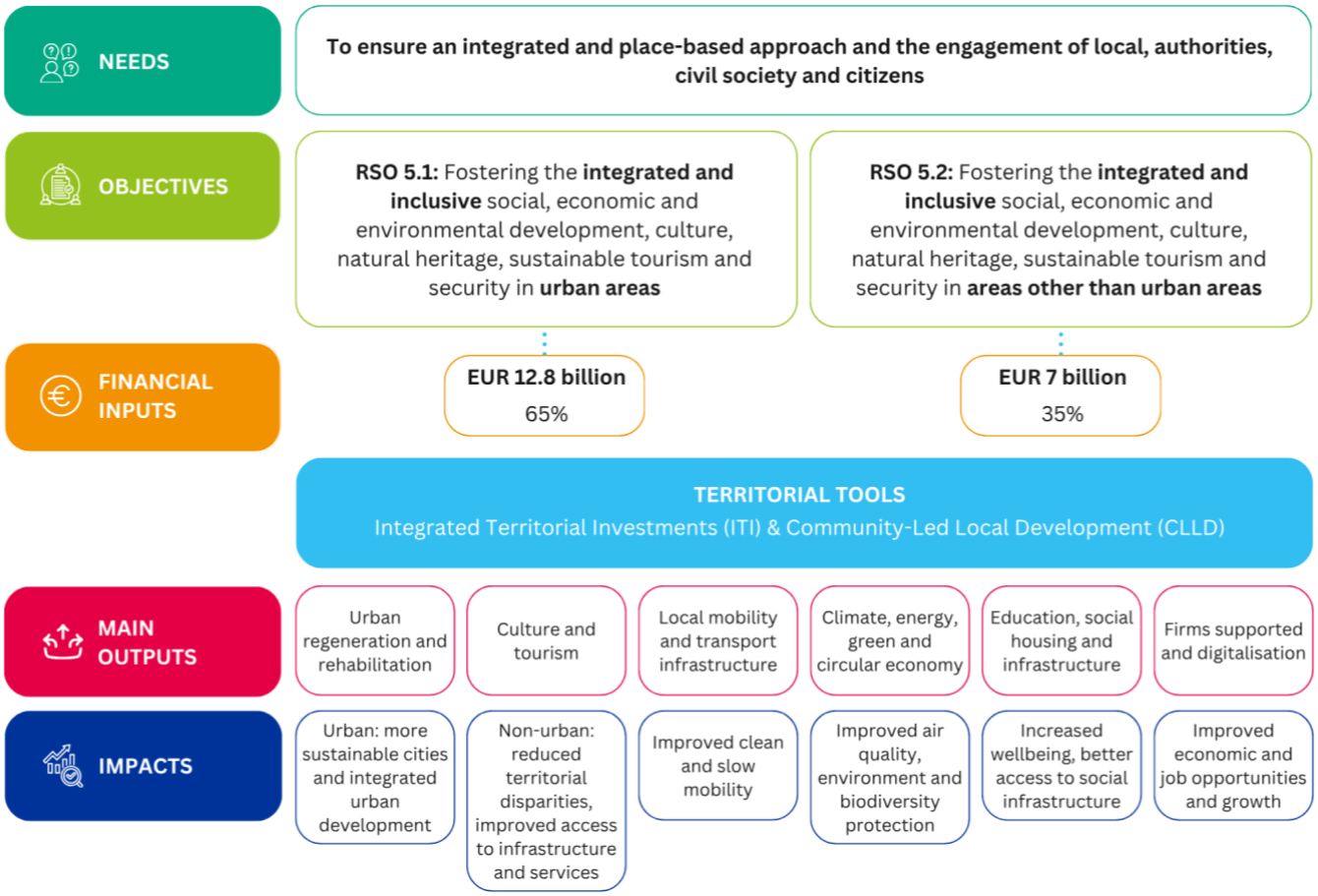

Figure 1: PO5 'A Europe closer to Citizens' policy objective intervention logic, showing CLLD as one of two territorial tools to fund integrated development. Own elaboration based on: European Commission

Community (Led) Local Development

Community-led Development (CLD) or Community-led local development (CLLD) is a predominantly bottom-up approach that places citizens and communities at the centre of decision-making and policy development, allowing them to identify challenges, set priorities, and implement solutions in collaboration with local authorities and other stakeholders.

It is far from a new phenomenon, and in fact takes inspiration from early forms of cooperation whereby community members mobilised to solve local issues and disputes. Today community-led development is back on the agenda as a means to bring policy making closer to citizens. While community-led development approaches vary between continents, countries and communities, some common principles can be identified:

- **Local ownership**: communities drive the agenda and decision-making processes, ensuring that interventions are context-specific and culturally relevant.
- **Participation and inclusivity**: all community members, including marginalised groups, are actively involved in planning and implementation.
- **Transparency and accountability**: clear rules, access to information, and participatory governance enhance trust and legitimacy.
- **Capacity building**: programmes strengthen local institutions, skills, and organisational structures to support long-term development.

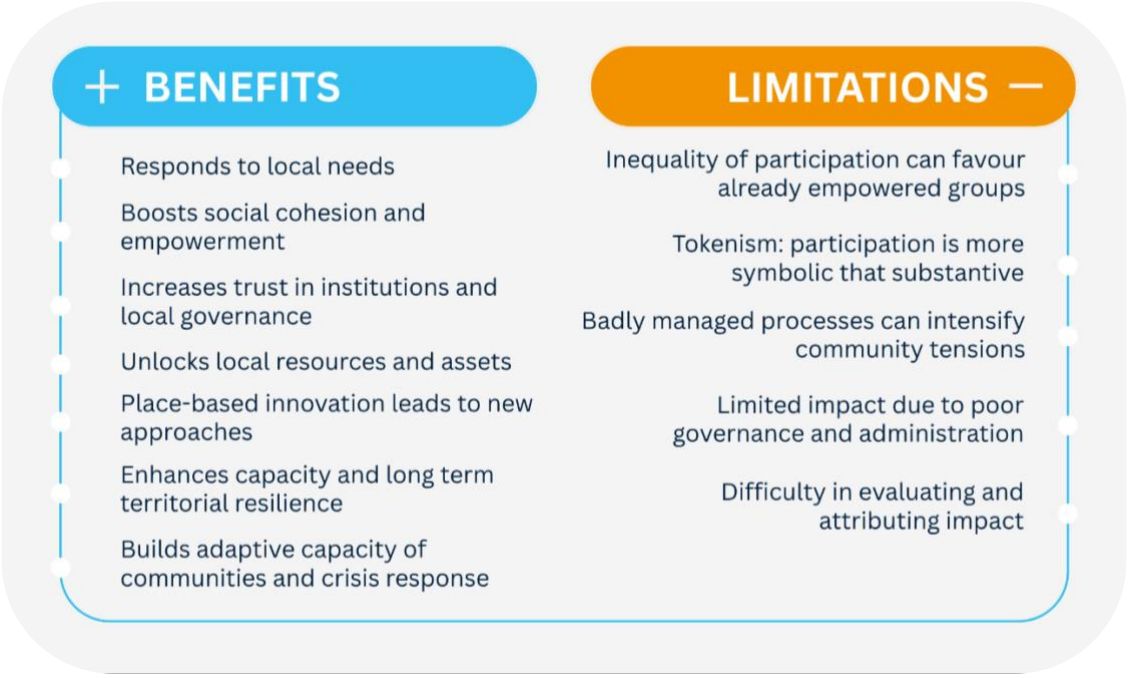

Figure 2: Benefits and potential limitations/risks of community-led development approaches. Source: Own elaboration

Within the EU, CLLD has been incorporated within the Cohesion Policy as an instrument for integrated territorial development and has its own specific methodology. CLLD is defined in Article 31 of the Common Provisions Regulation 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 community-led local development strategies; (d) supportive of networking, accessibility, innovative features in the local context and, where appropriate, cooperation with other territorial actors.

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 and within the framework of what has been agreed in the programme document for the region.

The key difference between CLLD and integrated territorial investment (ITI) is ownership. While CLLD is community-designed and community-led, ITI is a more top-down approach, where control is centralised with public and managing authorities.

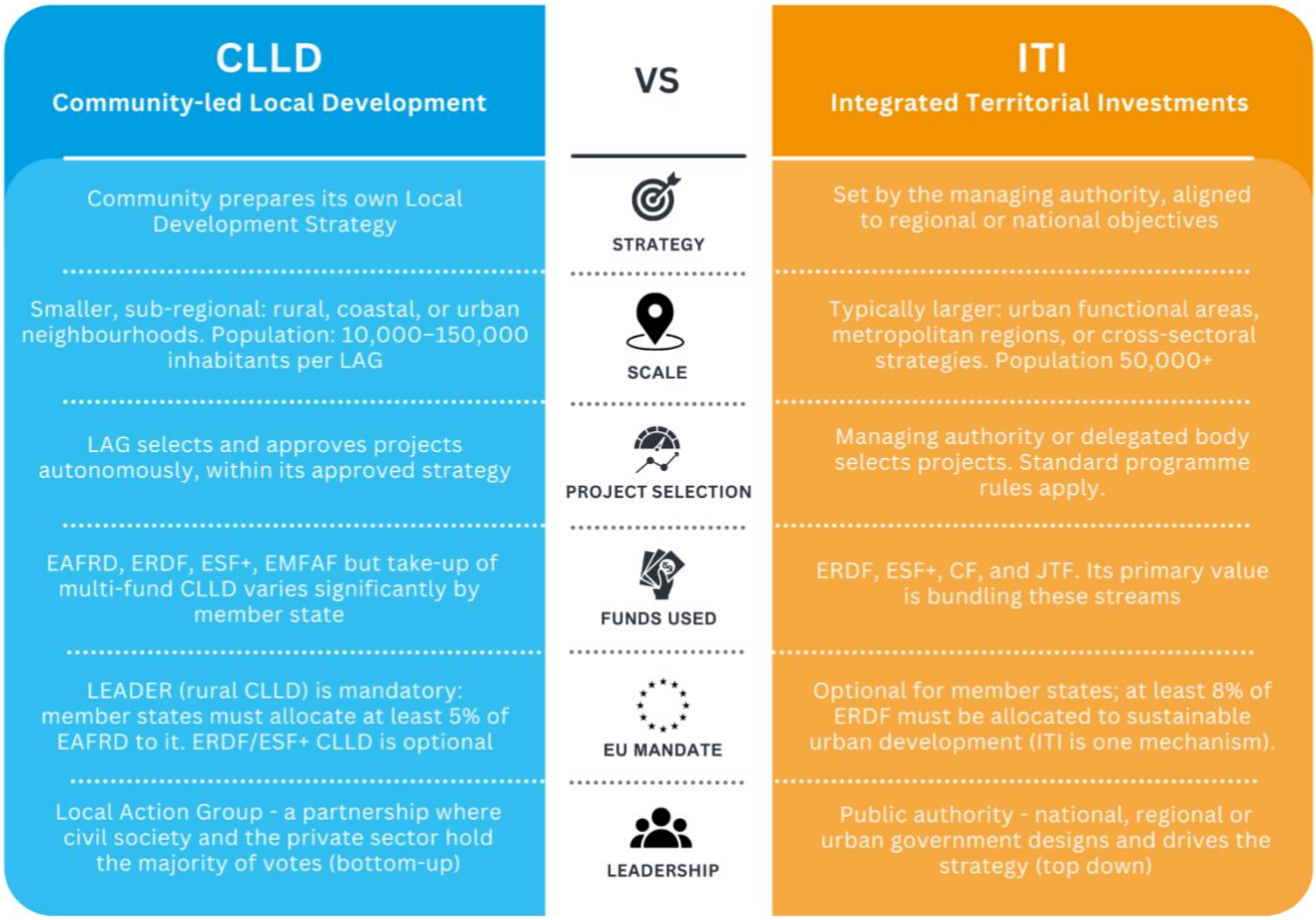

Figure 3: Comparing CLLD with Integrated Territorial Investments (ITI), the two main instruments to deliver integrated territorial development within EU Cohesion Policy. Source: Own elaboration

According to the European Commission, "the fundamental rationale for using CLLD is that these principles improve on the results achieved by traditional, centralised top-down approaches. However, CLLD should not be regarded as competing with or opposed to top-down approaches from national, regional authorities or local authorities, but instead as a tool interacting with them, in order to achieve better overall results." The eventual aim should be to increase cohesion in the EU, with priorities closer to and owned by citizens. The CLLD methodology used within the Cohesion Policy is therefore neither a purely top-down or purely bottom-up instrument, though its sits closer to the participatory end of the spectrum.

Key takeaways

Community-led local development (CLLD) is a predominantly bottom-up approach that places citizens and communities at the centre of decision-making and policy development. It has been adopted within the EU Cohesion Policy as an instrument to deliver integrated territorial development.

CLLD evolution in the EU context

Community-led development in Europe has gone through various stages. Starting as a grassroots response to the economic crises of the 1980s, the CLLD model was formally adopted by the European Commission in the 1990s within its LEADER programme. This approach sought to engage local actors in the design and delivery of strategies to develop rural areas, with co-financing from the European Agricultural Fund for Rural Development (EAFRD).

The LEADER programme has seen CLLD proliferate across the EU. Its success saw the approach extended to fisheries and coastal areas in 2007-2013, with funding from the European Fisheries Fund (later the European Maritime and Fisheries Fund - EMFF).

Figure 4: The seven principles of LEADER/Community-led local development Source: European Commission

During the 2014-2020 programming period, Cohesion Policy made Sustainable Urban Development (SUD) compulsory (5% of ERDF, earmarked for SUD in each Member State) and affirmed the strategic dimension of the integrated territorial approach. New territorial instruments were introduced to implement strategies in urban areas, namely integrated territorial investment (ITI) and community-led local development (CLLD). LAGs were thus able to pursue local development strategies using both individual funds and a combination of up to four EU funds, including the ESF. While the minimum allocation for sustainable urban development increased to 8% in the 2021-2027, there is no earmarking for the specific use of CLLD, making implementation optional.

Current CLLD uptake in Europe

CLLD currently operates across three distinct territorial contexts:

Rural areas remain the dominant application, through the long-established LEADER programme, funded by the EU's Common Agricultural Policy and implemented through Member States' CAP Strategic Plans during the 2023-2027 programming period. Over 2300 Local Action Groups are currently listed by the EU CAP Network, which supports LEADER participants with networking, knowledge sharing and transnational cooperation.

Coastal areas have their own strand. Through the European Maritime, Fisheries and Aquaculture Fund (EMFAF) 2021-2027, coastal areas have the opportunity to launch or re-launch CLLD. FAMENET - the Fisheries and Aquaculture Monitoring, Evaluation and Local Support Network - supports a network of around 350 LAGs across the EU implementing their local development strategies under the EMFF and EMFAF. Spain is one of the largest users with 44 Local Action Groups established for fisheries and coastal areas.

Urban areas represent a newer and still-developing application. While coverage is far from universal, some successes can be observed:

- Romania has opted to use CLLD in marginalised urban neighbourhoods affected by extreme poverty and social exclusion (see Good Practice 1).
- In Poland the regional authority of Kujawsko-Pomorskie has focused urban CLLD on addressing social inclusion, long-term unemployment, 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 Portugal, Lisbon has pursued a city-wide strategy with local scale interventions in 67 territories. This strategy has placed considerable emphasis on maximising local resources, increasing capacities, upscaling successful projects and aiming for longer term sustainability of projects.

GOOD PRACTICE 1: STRATEGAL - Public Private partnership for local development, Romania

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CLLD has been rolled out across many urban areas in Romania. In Galati, a LAG aims at reducing the number of people from marginalised communities at risk of poverty and social exclusion. STRATEGAL brings together representatives from the public sector, private businesses, NGOs, and disadvantaged communities to help identify local needs and develop suitable projects. By rehabilitating schools, parks, and housing, and integrating marginalised individuals into the job market, STRATEGAL has achieved significant social and economic impact, with 250 people gaining new qualifications and 1000 people from marginalised communities benefiting from social services.

Click here to find out more about this practice.

Key takeaways

CLLD is well established in rural and coastal areas, with over 2300 Local Action Groups operating across the EU. Multi-fund and urban CLLD are emerging approaches which have been promoted by Cohesion Policy.

Insights: Stefan Kah, European Policies Research Centre

Although **Community-led Local Development (CLLD)** is a term introduced at the start of the 2014-2020 programming period, it has been around as a framework for much longer. CLLD is the translation of the originally rural LEADER concept into different policy areas and territories. Since its launch in 1991, LEADER has been growing from just a few hundred pilot Local Action Groups (LAGs) to around 3,300 groups across the EU. While a lot of this high uptake is the result of the obligation for Member States to dedicate at least 5% of their rural funding to LEADER, it can be argued that LEADER LAGs have established themselves as recognised actors in territorial development policy.

It is particularly interesting to look at CLLD beyond LEADER, i.e. the voluntary aspects of CLLD, both made possible in 2014: first, CLLD with other EU Funds than just rural ones, and second, CLLD outside of rural territories:

- In terms of expanding to **new funding sources**, 10 countries (885 LAGs) decided to use CLLD also as a framework for the implementation of ERDF and/or ESF+ in 2021-27. While in most cases this is only done in parts of the country (e.g. Germany, France), in some others, this model is applied in all rural LAGs (Bulgaria, Czechia, Estonia, Romania and Slovenia).

- In terms of **new territorial categories**, 7 countries (124 LAGs) are applying the LEADER method in urban areas in 2021-27. Some target areas within cities, e.g. districts in Amsterdam or Timișoara, and others entire cities, often smaller towns, for instance in Lithuania. There is also a limited number of cross-border CLLD initiatives, most notably between Austria and Italy.

However, assessment of LEADER/CLLD has been mixed over the past decades. There is general recognition of the framework as useful tool for community-led development, but there have been more critical voices, questioning the framework's additional costs and risks compared to mainstream, top-down measures. Indeed, the LEADER/CLLD method is built on 7 principles, such as its strong participatory element, which require additional efforts. Nevertheless, a 2023 DG AGRI evaluation noted that LEADER is in fact more cost-effective than several other rural development measures and highlighted the effectiveness of its characteristic multi-level governance approach.

Providing evidence for CLLD's added value remains a key challenge, especially in the context of the ongoing preparations for the post-2027 period. The term LEADER appears in the draft regulations, although an explicit obligation to make use of the framework is still missing. Yet, beyond the rural dimension, the future of CLLD as a framework for policy implementation is unclear. Therefore, all the more encouraging is the renewed interest in CLLD shown by the European Commission earlier this year, when they announced the launch of their IMPACT project. Together with the OECD, the initiative will explore how CLLD can strengthen cross-border cooperation, supporting the establishment of 30 pilot regions.

Stefan Kah is a researcher at the European Policies Research Centre in Glasgow, UK. His main area of interest is EU Cohesion policy, especially if it supports territorial development instruments in both urban and rural areas. He also works as an expert for the European Urban Initiative and for a project piloting territorial instruments in Serbia.

How CLLD can attract business, people and talent

Support to Small Businesses and Innovation Ecosystems building

Community-Led Local Development (CLLD) has proven to be **successful in supporting microenterprises and SMEs**, groups that are often neglected by standard programmes. In Ireland for example, the LEADER programme explicitly targets aspiring entrepreneurs, early-stage promoters, social enterprises, start-ups and established SMEs, with a particular focus on female entrepreneurs and underrepresented groups.

CLLD was found to be the most **effective measure for job creation** in coastal areas in the 2014-2020 European Maritime and Fisheries Fund (EMFF), generating over 4,200 new jobs, and the second most important for job retention, maintaining more than 10,000 jobs in fisheries communities. CLLD also supported the launch of more than a thousand new business in that time, while helping many others to diversify their income, strengthen supply chains and improve resource efficiency.

Fisheries Local Action Groups (FLAGs) also proved instrumental in bringing innovation to coastal areas, fostering cross-sectoral collaboration, networks and increased trust among local stakeholders. This shows how, beyond direct funding, through its long-term engagement CLLD can help to create the enabling conditions for business and innovation. By giving businesses a seat at the table in Local Action Groups (LAGs), CLLD helps ensure that small business owners have increased empowerment and connection.

GOOD PRACTICE 2: Santa Fiora Smart Village, Italy

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Santa Fiora in Tuscany transformed itself into a Smart Village, positioning itself as an innovation hub and destination for remote workers. The project involved the redevelopment of (mostly disused) public buildings and tourism infrastructure into multifunctional (co)-working spaces, offering companies, startups and individuals a unique chance to develop their operations within a historic mountain setting. Ultra-high speed internet connections were established and targeted financial incentives such as rental subsidies and business start-up grants were offered to incentivise business permanence and relocation. Though not funded under a CLLD instrument it shows how communities can mobilise to create an ecosystem conducive to business and talent attraction.

Click here to find out more about this practice.

Improvement of Quality of Life and Public Services

What **makes a place attractive to live and work** in depends on a range of factors including the quality and accessibility of services such as schools and healthcare, reliable digital infrastructure, environmental and green amenities, opportunities to start and grow businesses, lower housing costs and cost of living, as well as strong social capital and community leadership. Access to infrastructure and services is especially important to talent attractiveness and retention in rural areas, and their absence can quickly lead to feelings of remoteness and social exclusion.

CLLD is one of the few instruments capable of addressing this challenge in an integrated way, with LAGs setting their own priorities across these dimensions rather than being confined to a single sector. Because communities design their own Local Development Strategies, LAGs can identify and address the service gaps that sectoral programmes may miss.

CLLD can directly enhance ‘place quality’, with LAGs having used CLLD funding to deliver broadband, co-working hubs and digital skills programmes, as well as cultural and social infrastructure. CLLD has supported community health hubs, telehealth pilots and local care networks that extend the reach of formal health systems and is one of the key instruments supporting smart village initiatives, which aim to help local communities address issues of inadequate broadband connectivity, employment opportunities and service provision.

Where member states adopt a multi-fund approach, LAGs can draw on the European Social Fund Plus to address social services such as skills, inclusion, mental health, long-term unemployment, alongside physical infrastructure investments funded through ERDF. Another defining feature of CLLD is its capacity to foster social innovation, with results often being new or more efficient service models. Community energy cooperatives, shared mobility schemes and community-managed food systems are examples of how community ownership and digital tools can inspire new ways of organising.

GOOD PRACTICE 3: RSL Op Post, Belgium

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One of the most impactful models that has emerged from CLLD actions is the multi-service hub. This is a single physical or digital point of access that aggregates previously dispersed services. Rather than requiring residents to travel to a pharmacy, a bank branch, a post office and a social worker separately, hubs bring these together at a community scale. This model has been successfully applied in Roeselaere (Belgium), where the former post office has been converted into a community hub, offering essential services such as night shelter, social workers and a social grocery in combination with educational, social and leisure activities. RSL Op Post partners with over 40 organisations to make the hub a vibrant meeting point, built on the principles of ‘meeting’ and ‘making’, with activities held almost on a daily basis. Key stakeholders include social organisations, local businesses, and the City of Roeselare, benefitting vulnerable citizens and the wider community.

Click here to find out more about this practice.

Reinforcement of Place Identity and Differentiation

Regions that can articulate a compelling, authentic identity have a structural advantage in attracting residents, visitors, investors and talent. On the flip side, **a strong place identity** fosters a sense of pride, belonging and collective purpose among existing residents, supporting retention and development. CLLD is one of the few policy instruments explicitly designed to build this capacity from the ground up. The act of forming a LAG, debating what the territory stands for, and writing a Local Development Strategy is itself a process of collective identity-building.

Tourism is the sector where place identity most directly translates into economic flows, and it is an area where CLLD has a strong track record. The LAG model is well suited to **tourism development** because tourism requires the co-ordination of many small actors such as accommodation providers, food producers, cultural venues, transport operators, and heritage organisations, in a way that no single business or public authority can easily orchestrate.

Led by community members, CLLD is a powerful tool to valorise and preserve a region’s cultural and natural heritage. CLLD approaches have supported the renovation of villages, the restoration of historic sites as focal points for tourism, local heritage centres, traditional cultural events, craft and artistic skills, and cultural festivals. This is an important facet of place identity and differentiation.

Interview: Mihaela Stoyanova, Gabrovo Municipality, Bulgaria

How does Gabrovo Municipality ensure that the local community is involved in its urban development?

Gabrovo Municipality applies an integrated participatory approach that combines institutional mechanisms, project-based processes and tested good practices.

At the institutional level, the Council for Sustainable Urban Development, which is established under the UrbanCOOP project, functions as a permanent consultative and monitoring body supporting the implementation of the Integrated Development Plan (PID) 2021–2027 and related policies such as the Climate City Contract and integrated territorial investments. It brings together representatives of public institutions, businesses, academia, NGOs and media, ensuring structured and continuous participation in decision-making and monitoring.

Beyond the Council, the Municipality applies a wide set of participatory tools developed and refined through UrbanCOOP, including stakeholder mapping, focus groups and thematic consultations that ensure balanced representation and informed selection of participants in governance processes.

Community involvement is further ensured through practical co-creation processes in concrete urban development initiatives, such as:

- participatory planning for the Christo and Jeanne-Claude Center, including accessibility consultations with diverse user groups;
- regeneration of the “6th District” through public-private-community partnerships and incentives for local entrepreneurs and cultural actors;
- the creation of the first energy community in Bulgaria, where citizens, SMEs and NGOs directly participate in energy production and governance;
- participatory greening initiatives such as “Green Gabrovo”;
- youth-led funding schemes where young people co-design, evaluate and implement projects.

Why do you find it important to involve the community in this way?

Involving the community in urban development is essential because it transforms governance from a top-down process into a shared system of responsibility and co-creation.

From the experience of Gabrovo and UrbanCOOP partners, participatory approaches ensure that policies and investments are grounded in real needs, lived experience and local knowledge. This significantly improves the quality, relevance and feasibility of urban interventions.

Equally important, structured participation builds trust in public institutions. When citizens and stakeholders are involved not only in consultation but also in co-design and implementation, decisions become more transparent and legitimate.

The exchange of European good practices has also shown that participation strengthens innovation capacity. Models such as civic juries, participatory budgeting, energy communities and collaborative urban regeneration demonstrate that diverse stakeholder involvement leads to more creative and resilient solutions.

Finally, this approach is crucial for long-term sustainability. Shared ownership of projects increases responsibility for maintenance, enhances social cohesion and supports behavioural change, particularly in areas such as climate action, mobility and public space management.

Which benefits have you observed? Has community-led local development been successful in attracting business, people and talent in Gabrovo?

From a governance perspective, participatory processes have led to more informed and higher-quality urban investments, stronger alignment between strategic planning (PID, ITI, Climate City Contract) and local needs, and increased transparency in decision-making.

At the project level, community involvement has directly contributed to successful urban transformation initiatives such as the revitalisation of the "6th District", the co-design of major cultural infrastructure like the Christo and Jeanne-Claude Center, and the development of the first energy community in Bulgaria. These projects demonstrate how early stakeholder engagement leads to more inclusive, accepted and functional outcomes.

In terms of social impact, participation has increased civic engagement and strengthened local identity. Initiatives such as "Green Gabrovo", youth funding schemes, and innovation labs have mobilised thousands of citizens and created new forms of collaboration between administration and society.

Regarding economic attractiveness, community-led development has contributed to improving Gabrovo's image as an innovative, participatory and forward-looking city.

How do you ensure that community involvement is meaningful and actually shapes urban development?

Gabrovo Municipality ensures meaningful participation by embedding community involvement directly into governance, planning, and investment decision-making processes.

A key element is the Council for Sustainable Urban Development, which is not only consultative but also linked to the implementation, monitoring and evaluation of the Integrated Development Plan (PID) 2021–2027, integrated territorial investments, and the Climate City Contract. This ensures that stakeholder input is systematically integrated into formal decision-making processes and connected to real policy outcomes.

Crucially, participation is linked to real projects and budgets, not abstract discussions. Examples include the regeneration of the "6th District", the participatory design of the Christo and Jeanne-Claude Center, the establishment of the first energy community in Bulgaria, and youth-led funding schemes where citizens directly influence resource allocation.

At the same time, the Municipality recognises that meaningful participation is a two-way process. While the institutional framework and opportunities for engagement have been established, there is also a need for continuous work on civic activation and behavioural change among stakeholders. This means encouraging citizens and local actors not only to provide feedback or criticism from the outside, but to actively engage, co-create and take shared responsibility for urban development. Building this culture of participation requires time, trust, and ongoing efforts to strengthen awareness of how citizens can contribute constructively to public value creation.

Mihaela Stoyanova is Chief Expert at Gabrovo Municipality (Bulgaria) and partner in the UrbanCOOP project, in which they are improving cooperation governance for urban sustainable development.

GOOD PRACTICE 4: RIKA Community Cooperative, Italy

Montemitro is one of three villages in the Molise region of Italy that is home to a community of Molisian Croats, whose ancestors crossed the Adriatic Sea in the 15th century, and most of whom continue to speak a particular Slavomolisano dialect, as well as Italian. The RIKA Cooperative in Montemitro is a community-driven project to support the preservation of this cultural heritage while tackling economic stagnation in the region. It integrates initiatives like organic farming, artisanal production and eco-tourism to create jobs and attract visitors, with the active participation of local farmers, artisans, and entrepreneurs. The Cooperative has succeeded in developing projects including an eco-hotel, trattoria and market, creating new services for locals while attracting new tourists to the area, all while harnessing the region's unique cultural and natural assets.

Click here to find out more about this practice.

Mobilises Underutilised Local Assets

A key added value of the CLLD approach is its capacity to identify and mobilise latent or un(der)utilised local assets. This is where the local knowledge of citizens and community members will almost inevitably outweigh that of central planners.

Much of Europe's cultural heritage is deteriorating through neglect or is not currently valorised as an economic asset. With its integrated approach, CLLD can pursue both of these objectives simultaneously, and has a track record in the **creation of local heritage centres**, the **revival of traditional cultural events**, and the **development of new economic opportunities** linked to arts and crafts.

With a long history of success in rural areas, CLLD has also shown its potential to **protect and sustainably develop natural and environmental assets**. By bringing stakeholders together in LAGs, CLLD can ensure that activities such as local food production, agro-tourism and environmental stewardship are complementary and not in conflict.

Perhaps where CLLD has **the largest impact is the mobilisation of social capital**. The process of forming an LAG, debating priorities and making collective decisions directly contribute to community cohesion and trust, and the European Committee of the Regions has pointed to the democratic added value resulting from citizens playing a stronger and more direct role in shaping their local development strategies. Increased levels of trust and agency can help open the door to more innovative projects that might be considered more of a risk.

As community partnerships, LAGs rely on volunteers for much of their operation and organisation. While this can at times create issues related to sustainability and viability, it nonetheless unlocks and focuses a large local capacity towards local development. Many individuals are willing to provide expertise, organisation capacity, connections, perhaps even personal capital when engaged in a collective effort, which may otherwise have not been made available.

Besides the mobilisation of these existing assets, two other tangible benefits are worth mentioning. Firstly, the LAG itself as a durable local asset to support local democracy, decision making, consultation and collective action. Once established and embedded, the LAG infrastructure can contribute to any number of future local development initiatives. Secondly, the advantages realised by integration. By connecting these underutilised cultural, natural and social assets, CLLD can achieve outcomes no single sectoral investment could achieve.

GOOD PRACTICE 5: Strategic Incentive Basket for Temporary Use Activation in Riga, Latvia

Citizens and local communities are also well placed to identify underutilised physical assets, such as disused buildings or spaces. This good practice from Riga shows how city authorities can empower communities to utilise vacant buildings, through a series of financial measures and incentives targeting both building owners and community groups. Actions have been facilitated by FREE RIGA, a bottom-up initiative that has succeeded in activating more than 40,000 square metres of empty spaces into experimental places for cultural and social innovation.

Click here to find out more about this practice.

Key takeaways

CLLD can be an important tool to improve the attractiveness of a region, supporting place identity as well as environmental and heritage preservation. It can provide economic benefits by supporting SMEs, job creation and the mobilisation of underutilised local assets, including people.

Policy recommendations

While local and regional governments are often important participants in CLLD, they should allow community members the freedom to set the direction of travel and not look to take the wheel themselves. Instead, regional governments should look to play a **system-enabling role**, creating the conditions for success:

Recommendation 1: Simplification and support

CLLD can be a victim of bureaucracy and administrative challenges, especially within the multi-fund model. Regions and member states can address this by ensuring coordination between the different managing authorities responsible for the funds that can contribute to CLLD (ERDF, EMFF, ESF). For example, in Czechia managing authorities have created a national CLLD platform, a permanent coordination structure that facilitates consultation and communication between national authorities and LAGs. Finland also has a CLLD roundtable, a strategic national-level working group involving regional and local stakeholders. In Tyrol, Austria, managing authorities have taken a hands-on approach to facilitate LAG activities and nurture innovation.

Other options to reduce the administrative burden on LAGs should also be explored. One such option is the use of umbrella projects, where the LAG plays the role of beneficiary for a bundle of small-scale projects, to simplify access for small local beneficiaries. Changes to payment modalities, introducing more pre-financing or lump sum payments could also help. While regions may not have the competences to implement all these changes directly, they can help develop structures and procedures to build a connection between authorities and LAGs. The role of managing authorities in designing a framework that is helpful to LAGs, facilitating urban CLLD processes and improving the delivery of CLLD is particularly important.

Recommendation 2: Capacity building

Evaluations have consistently found that the quality of LAG management and animation is the single strongest predictor of CLLD effectiveness. Regions can influence this directly by ensuring availability of and access to professional development and training programmes focused on local development. Developing networks of LAG

managers or local development practitioners can also be an effective method to unlock peer learning and development.

The work of ELARD (European LEADER Association For Rural Development), and the newly created European Urban Local Action Groups Network (EUrbanLAG Net) to increase exchange of experience at the EU level can also be leveraged for this purpose.

Recommendation 3: Institutionalise participation

Local and regional authorities should ensure that, within and outside formal CLLD structures, communities have the chance to shape regional development strategies by institutionalising participatory approaches within policy design cycles. This helps ensure that the principle of place-based development is followed, and that policies reflect the needs and specificities of the local population. It can also increase the support for and acceptance of new, and possibly more innovative, policy proposals. Digitalisation has made this easier than ever, with adapted tools enabling policy makers to gather citizen ideas and feedback. To be truly institutionalised, participatory processes should embedded in long term structures rather than carried out on ad-hoc basis.

As well as leading to more effective policy development, participatory approaches can help boost synergies and complementarities between top-down strategies and community-led initiatives. This could pave the way for increased funding for community initiatives as priorities converge. It also helps build capacity and empowerment among citizens and can encourage and stimulate future community-led endeavours.

GOOD PRACTICE 6: Galway City Community Network - Public Participation Network, Ireland

Interreg Europe — Co-funded by the European Union — UrbanCOOP

A good example of how to institutionalise participation can be found in Galway, Ireland. The Galway City Community Network is a permanent platform that creates a direct line of communication between the local authority and community groups. It enables local community, voluntary and environmental organisations to directly influence public policy and decision making. Members of the Network are elected to various local committees such as the City Council Strategic Policy Committee and the Local Community Development Committee to ensure the views of the community are embedded in all areas of policy making.

Click here to find out more about this practice.

Recommendation 4. Provide flexible funding to community groups

While many community projects flourish thanks to voluntary actions, targeted funding can be a key lever to enable further projects to launch, professionalise or scale-up. This could take the form of seed funding to enable a project to get off the ground, or multi-annual funding to ensure the sustainability and longevity of proven initiatives. In-kind support offered by public authorities such as meeting rooms or material hire can also be a lifeline for community-led projects running on a tight budget.

The Iepen Mienskipsfûns good practice described below is an excellent example of how a modest funding of community initiatives can unlock wider benefits: every €1 invested had a return of €5 for the region, and more than 250,000 hours of voluntary work were put into the funded projects.

GOOD PRACTICE 7: Subsidy Scheme Iepen Mienskipsfûns, Netherlands

The Open Community Fund of the Province of Friesland (Iepen Mienskipsfûns – IMF) allows Frisian residents and non-profit organisations to receive small-scale funding for bottom-up designed local community initiatives. Each year, €2.5 million is divided among five regions. Initiatives can seek up to a 30% subsidy of their budget, capped at €50,000. Projects are categorised as either small (up to €10,000) or big (€10,001 to €50,000). Citizens are also engaged directly in the evaluation and selection of projects, ensuring that the funds truly support the needs of the region and its residents.

Click here to find out more about this practice.

Recommendation 5. Embed CLLD in wider regional development strategies

In order to gain the most from CLLD and community driven approaches, policy makers should ensure that regional strategies provide them with support and space to flourish. In strategic terms this means implementing principles of place-based, integrated territorial development. On a more operational level this means aligning LAG priorities with regional smart specialisation strategies, connecting CLLD investments to larger ITI packages where appropriate, and ensuring LAGs and communities are formally represented in regional partnership structures and policy design.

GOOD PRACTICE 8: Riga development plan of neighbourhood centres 2024-2028, Latvia

Riga has created an enabling framework for community-led development by focusing on place-based, neighbourhood-level development within its regional strategy. The Neighbourhood Centre Development Plan defines 33 neighbourhood centres and focuses on delivering quality public outdoor spaces, safe streets and improved services to promote a sense of belonging among residents and improve their quality of life. Implementation will be led by municipal planners, urban designers, and local stakeholders, ensuring a coordinated approach, in step with the needs of the community.

Click here to find out more about this practice.

Further resources

Our experts provide a tailored set of resources, contacts, or in-depth analyses to help you find the answers you are looking for. Explore our services that can help you solve your regional policy challenges. If you have any specific questions related to CLLD, you can reach out to Policy Learning Platform experts directly via the policy helpdesk.

Policy Learning Platform resources

- Policy brief on tactical urban regeneration
- Policy brief on citizen engagement
- Policy brief on spaces for innovation
- Editorial on empowering European towns: the crucial role of capacity-building
- Webinar on vibrant towns and rural areas: Attracting and retaining skills
- Webinar on citizen science for policy
- Workshop on energy communities
- Story on citizens as guardians of urban green spaces
- Story on social resilience for urban revitalisation
- Story on a participatory approach for urban regeneration
- Story on empowering local communities for their river resources

Other sources

- Council of European Municipalities and Regions: The use of integrated territorial tools in cohesion policy
- EU CAP Network: LEADER and multi-funded CLLD
- European Commission: What does CLLD bring to coastal and fisheries communities around Europe?
- European Commission: Guidance for Member States and Programme Authorities on Community-led Local Development in European Structural and Investment Funds
- European Commission: Guidance for Local Actors on Community-Led Local Development
- European Commission: Handbook of Sustainable Urban Development Strategies
- European Commission: Handbook of territorial and local development strategies
- European Commission: Sustainable Urban Development
- European Commission: Territorial Agenda 2030
- European Commission: The ESF and community-led local development
- European Commission: Study to support the mid-term evaluation of the cohesion policy
- European Court of Auditors: LEADER and community-led local development
- European Local Development Network Association (LDnet): CLLD in Europe: country profiles & EU-wide analyses
- European Urban Initiative: Delivering High Quality CLLD In Urban Areas
- Fabrizio Barca: An agenda for a reformed Cohesion Policy: A place-based approach to meeting European Union challenges and expectations

Interreg Europe Programme

Interreg Europe is an interregional cooperation programme co-financed by the European Union. With a budget of 379 million euros for 2021-2027, Interreg Europe helps local, regional and national governments across Europe to develop and deliver better policies through interregional cooperation projects and its Policy Learning Platform services. The programme promotes good practice sharing and policy learning among European regions in 36 countries – the 27 Member States, as well as Norway, Switzerland and the 7 EU candidate countries. Interreg Europe contributes to the EU cohesion policy together with the other European Territorial Cooperation programmes known as Interreg.

Interreg Europe Policy Learning Platform

The Policy Learning Platform is the second action of the Interreg Europe programme. It aims to boost EU-wide policy learning and builds on good practices related to regional development policies.

The Platform is a space where the European policy-making community can tap into the know-how of regional policy experts and peers. It offers information on a variety of topics via thematic publications, online and onsite events, and direct communication with a team of experts.

Interreg Europe Policy Learning Platform expert services

Our team of experts provide a set of services that can help you with regional policy challenges. Get in contact with our experts to discuss the possibilities:

Via the policy helpdesk, policymakers may submit their questions to receive a set of resources ranging from inspiring good practices from across Europe, policy briefs, webinar recordings, information about upcoming events, available European support and contacts of relevant people, as well as matchmaking recommendations and peer review opportunities.

A matchmaking session is a thematic discussion hosted and moderated by the Policy Learning Platform, designed around the policy needs and questions put forward by the requesting public authority or agency. It brings together peers from other European regions to present their experience and successes, to provide inspiration for overcoming regional challenges.

Peer reviews are the deepest and most intensive of the on-demand services, bringing together peers from a number of regions for a two-day work session, to examine the specific territorial and thematic context of the requesting region, discuss with stakeholders, and devise recommendations.

Discover more: www.interregeurope.eu/policylearning

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