

## THE ROLE OF LOCAL ACTION GROUPS IN THE IMPLEMENTATION OF THE NRDP - LEADER AXIS. CASE STUDY - BIHOR COUNTY

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### **Abstract**

*In our opinion, the Local Action Groups represent an important point in the development of the rural area due to the public-private partnership between various actors such as public authorities, NGOs involved in local development, farmers and entrepreneurs in the non-agricultural sector. Continuing to fund their work under the second pillar of the CAP through the NRDP 2014-2020 has contributed to maintaining and developing these partnerships due to the inclusion of cities that meet the necessary criteria. The paper presents the LEADER axis and what it entails by presenting the Action Groups at the level of Bihor County, respectively of the Bihor Gal on the Border with Hungary and its local development plan for the period 2014-2020, this being the largest LAG in County level.*

**Key words:** (maximum 6): Bihor county, CAP, LAG, LEADER, NRDP

### **INTRODUCTION**

LEADER is a 'bottom up' approach, in which farmers, rural businesses, local organisations, public authorities and individuals from different sectors come together to form local action groups (LAGs). LAGs prepare their own local development strategies and manage their own respective budgets. (European Commission, 2022). The Council Regulation (EC) No 1698/2005 of 20 September 2005 on support for rural development by the European Agricultural Fund for Rural Development (EAFRD) stipulated that national rural development programs, must include Axis 4 LEADER to support local development strategies. (Parjoleanu, 2016).

LEADER is the development program who emphasize the need for cooperation between local actors in order to find innovative ways for dealing with different problems (Petrescu, 2015). The Local Action Groups (LAGs), as multi-actor partnerships created under LEADER, are responsible for implementing those features at local level (Masot et al. 2017) (Olar et al., 2021). Each program can finance capacity building and encouragement necessary for the preparation of these local strategies, operating costs of LAG structures and implementation of local development strategies and

cooperation projects between LAGs (Rahoveanu et al. 2013). LEADER is an important instrument for Romania in increasing the economic and social development of rural areas, reducing urban-rural disparities and promoting social inclusion (Rusu, 2021). The role of LAGs is to develop and implement a Local Development Strategy that includes identifying local needs and finding concrete solutions to address them (Rusu et al. 2021). The Local Action Groups, through the activity carried out in the financial years 2007-2013, respectively 2014-2020, led to the improvement of the living conditions in the rural environment, precisely through the realistic analysis of the space they cover. In order to see how you can increase the quality of life in rural areas, it is important to have a community that works together for that. Local Action Groups decide the content of local strategy for rural development and make decisions in respect of different projects to be financed (Albu et al., 2014). This is beneficial for the LAG's space.

#### **MATERIAL AND METHOD**

This study is an analysis of the literature, of the official documents available on the specialized sites of: European Commission, Ministry of Agriculture and Rural Development, Agency for Financing Rural Investments, National Network for Rural Development, National Federation of Local Action Groups. At the same time, emphasis was placed on the analysis and interpretation of the data provided by the Bihor Local Action Group on the border with Hungary, as a working method. The results were interpreted graphically to be better highlighted.

#### **RESULTS AND DISCUSSION**

The LEADER program is an approach that provides new opportunities for rural development by laying the groundwork for identifying local needs, strengthening development capacity and implementing local development strategies to protect rural and cultural heritage, develop the environment and increase the organizational capacity of local communities (LEADER 2022). In the current 2014-2020 programming, LEADER has been extended to include not only rural areas but also coastal and urban areas through DLRC (Community-Led Local Development - CLLD) (NNRD, 2022).

In order to meet the needs identified in the rural area under LEADER, the operations were financed, respectively carried out under four sub-measures: a) preparatory support, sM19.1; b) support for the implementation of actions within the local development strategy, sM19.2; c) preparation and implementation of the cooperation activities of the Local Action Group, sM19.3; d) support for operating and animation expenses, sM19.4 (NRDP, 2014-2020). In the 2014-2020 Programming Period the

importance of the LEADER Program has increased in Romania, and became an important rural development tool in the Nord- West Developing Region of Romania (Olar et al., 2020). At the level of our country there are 259 LAGs according to the information available online on the website of the European Network for Rural Development, being one of the countries with a large number of LAGs at European level.

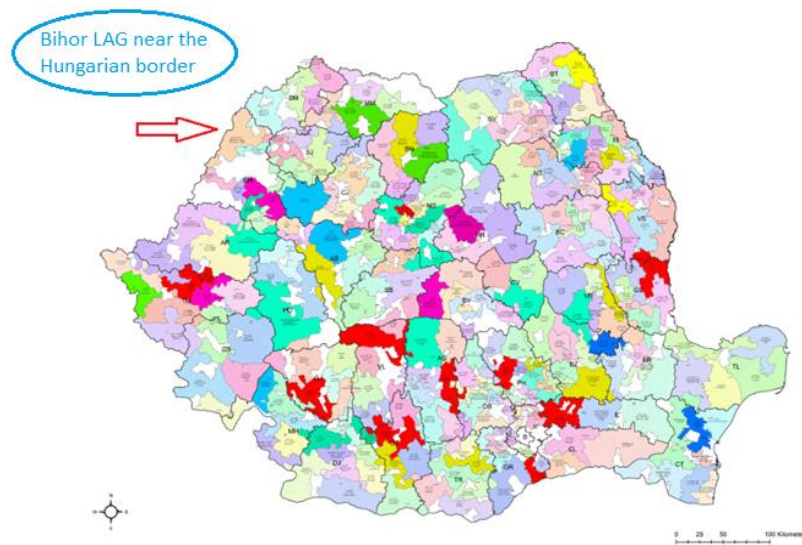


Fig. 1. Map of the LAGs Romania 2014-2020

Source: Ministry of Agriculture and Rural Development, LEADER 2014 – 2020

LAGs are the concrete solution, the transformation into reality of the potential that local communities can exploit in order to be part of this new approach to the development of the European village, an approach that encourages the return and settlement of young people in their places of birth and economic development, its social and cultural life, as well as a broader vision of young people for European villages (NRDP, 2014-2020). In Bihar county there are a number of 7 LAGs with the mention that some component localities are part of neighbouring counties. Bihar LAG on the border with Hungary is located in the western part of Romania, with an area of 1,494.22 km<sup>2</sup> and is one of the most developed LAGs in the country, of which 24 communes belong. According to the SWAT Analysis of the LAG Territory, a very high risk is represented by the fact that the trained young people leave their hometown due to the opportunities offered by the outside, which can lead in time to the aging population of the territory, eliminating this risk. The diversification of non-agricultural activities, the provision of comprehensive social services, the encouragement of the development of

social capital and the promotion of innovation in agriculture are just some of the general objectives of the Bihor LAG (LDP 2014-2020).



Fig.2 Map of Bihor LAG near the Hungarian border

Source: [www.galbihor.ro/index.php/asociatia-gal-bihor-v2/teritoriul-gal-bihor-v2](http://www.galbihor.ro/index.php/asociatia-gal-bihor-v2/teritoriul-gal-bihor-v2)

The measures by which the above will be implemented are measures P6, 6B (Support for the development of the share capital on the territory of the Bihor LAG); 111 in PNDR (Support for the balanced development of the Bihor LAG community); P6, 6A (Rural development by supporting economic activities); P6, 6B (Support for the establishment of multifunctional social centers), P2, 2B (Support for young farmers); P6, 6B (Support to facilitate the integration of the Roma population); P2, 2A (Support for small farm development) (LDP 2014 – 2020).

Table 1

## Financing plan LAG BIHOR 2014-2020

Local Development Strategy (LDS)	TERRITORY AREA KM2 LAG	TERRITORY POPULATION No	Total value (euro)	Value euro/ person	Value euro/km2
	1.494,22	92.558	3.308.710,28	35,75	2.214,34

Source: Processing according to the information related to PDL 2014-2020 Bihor LAG near the Hungarian border

It is observed according to the financing plan for the financial year 2014-2020, the amount of euro allocated to LAG BIHOR was about 3.3 million euros, with a value of 35.75 euros / person, and the value per km<sup>2</sup> of about 2,214 euros, calculated values based on the information available in the Gal Financing Plan for the analysed period.

Table 2

## Financial contribution on priorities and measures 2014-2020

	Priority	Measure	Support Intensity %	Non-reimbursable Public contribution / Measure (EAFRD Euro National Budget)	Grant / Priority Public Contribution (EAFRD Euro National Budget)	Percentage value public contribution / measure / public contribution by priority (%)	Percentage value non-refundable / total public contribution (%)	
compound	1	1	100	1.554.045,71	2.077.755,99	74,79	52,10	
		6	100	400.000,00		19,25		
		5	100	100.000,00		4,81		
		7	100	23.710,28		1,14		
	2	2	70 90 100	721.120,64	721.120,64	100,00	18,08	
	3	4	100	250.000,00	391.732,00	63,82	9,82	
		6	100	141.732,00		36,18		
	Operating expenses				797.652,12			20,00
	Total				3.988.260,75			

Source: Processing according to information related to PDL 2014-2020 Bihor LAG near the Hungarian border

Regarding the financial contribution on priorities and measures 2014-2020, it is revealed that Priority 1 Improving the quality of life of the inhabitants of Bihor LAG with the related measures had the highest financial allocation, respectively 52.10% of the total allocated according to Table no. 2, and measure 1 Support for the balanced development of the BIHOR LAG community had about 1.5 million euros, respectively 74.79% of the total allocated to Priority 1. We highlight the fact that the BIHOR

LAG continued its activity within the transition funds to the new financial year, and will develop harmoniously according to the new local development strategy for the period 2023-2027.

## CONCLUSIONS

GAL's are yet an underused tool for rural development but at the end of the day they may hold the key for a better rural development.

GAL's are also essential in creating and supporting the local communities in the context of the demographic crisis affecting Romania. By putting together the resources of several localities they can create the necessary forces to push forward the entire region.

We highlight the fact that the BIHOR LAG continued its activity within the transition funds to the new financial year, and will develop harmoniously according to the new local development strategy for the period 2023-2027.

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