

Transnational Cooperation – an Opportunity for Social Innovation of Rural Regions

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Transnational cooperation is a policy instrument of the LEADER programme that has been available to local actors since the start of LEADER 25 years ago. However, its potential for social innovation has been underutilised so far. An assessment of the international debate about the usefulness of the scheme and the analysis of a case study in Austria provides insights into obstacles and opportunities of this instrument. In particular, there are opportunities for a greater use of transnational cooperation due to increased spatial interrelations and the extension of the LEADER approach to other European Structural and Investment Funds, i.e. by implementing Community-led Local Development (CLLD). The current (2014-20) EU programme period might therefore provide additional stimuli for creativity in rural development activities.

I. Introduction

Policy debates on place-based opportunities and needs, territorial cohesion¹ and regional smart specialisation² have led to new concepts of rural development and take account of significant changes in regional economies, social characteristics, well-being and opportunities, and relationships with the rest of the world. The OECD³ has referred to the changes as a “New Rural Paradigm” and has called for new perspectives and approaches to rural policy.⁴ These debates have particular resonance in the context of European rural regions. Similarly to the role that territorial cooperation plays in European Cohesion policy, cooperation and exchange between different territories can provide useful stimuli in rural development.

In the European context, the LEADER part of Rural Development Programmes (RDP) is the key instrument for innovative action in rural regions, but in terms of

implementation, performance experiences have been mixed.⁵ The LEADER programme comprises a range of policy tools, including support measures to enhance capacity building for local actors, specific actions for regional Local Development Strategies, and cooperation activities aimed at supporting learning processes between regions. In each LEADER region, a Local Action Group (LAG) is responsible for the development of a local strategy, the approval of individual LEADER projects and the support of stakeholder networking.

Transnational activities involve only a small share of the LEADER budget and activities, and have proved challenging for many LAGs. Nevertheless, in the context of new conceptualisations of rural regions, these activities are particularly interesting and relevant. To date, assessments of the implementation of transnational cooperation in LEADER are limited and, in particular, social and institutional learning dimensions have not been subject to extensive analysis.⁶ In re-

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1 Copus, A. K., and de Lima, P., *Territorial Cohesion in Rural Europe, The Relational Turn in Rural Development* (London and New York: Routledge 2015).

2 McCann, P., and Ortega-Argilés, R., ‘Smart Specialization, Regional growth and Applications to European Union Cohesion Policy’ [2013] *Regional Studies* 49(8), pp. 1291-1302.

3 OECD, ‘The new rural paradigm: policies and governance’ in *OECD Rural Policy Reviews* (Paris: OECD Publications 2006).

4 OECD, *New Rural Policy: Linking up for Growth. Background Document National Prosperity Through Modern Rural Policy Conference* (10th OECD Rural Development Conference, 19-21 May 2015 Memphis, Tennessee, United States).

5 Dax, T., Strahl, W., Kirwan, J. and Maye, D., ‘The Leader programme 2007-2013: enabling or disabling social innovation and neo-endogenous development? Insights from Austria and Ireland’ [2016] *European Urban and Regional Studies* 23(1), pp. 56-68. DOI: 10.1177/0969776413490425.

6 High, C., and Nemes, G., ‘Social Learning in LEADER: Exogenous, Endogenous and Hybrid Evaluation in Rural Development’ [2007] *Sociologia Ruralis* 47(2): pp. 103-119; and: Pisani, E., and Burighel, L., ‘Structures and dynamics of transnational cooperation networks: evidence based on Local Action Groups in the Veneto Region’ [2014] *Bio-based and Applied Economics* 3(3): pp. 249-269. DOI: 10.13128/BAE-14681.

cent years, the added value of cooperation in LEADER has increasingly been recognised. For instance, the European Network for Rural Development (ENRD) has organised a series of targeted events for LEADER policymakers and has set up a practitioner-led working group for better transnational cooperation.⁷

This article draws on a review of contemporary debates on innovation and learning in rural areas and on a study on the added value of transnational cooperation projects, carried out for the Austrian LAG Oststeirisches Kernland. It presents an overview of the transnational element of LEADER and the findings of an analysis of several transnational LEADER projects implemented during the 2007-13 programme period.⁸ The analysis confirms the value of European cooperation and learning lessons for local actors. It offers insights into achieving learning in local development programmes, and contributions to programme objectives. In particular, the Austrian case study highlights:

- that transnational interaction might stimulate new views and innovative approaches and has an impact on reflexivity, regional perspectives and the content of future local development strategies;
- that the link between inter-regional relations and innovative adaptation in regions can be enhanced; and
- that cooperation activities do not have to be restricted to economic interests, but should extend deliberately to social aspects, cultural learning and procedural knowledge because learning effects, and European benefit, might be greatest for those dimensions.⁹

II. Transnational cooperation within LEADER

The EU's LEADER programme was launched in 1991. It aims at nurturing "the development potential of rural areas by drawing on local initiatives and skills, promoting the acquisition of know-how on local integrated development and disseminating this know-how to other rural areas".¹⁰ The acronym "LEADER" stands for "links between actions of rural development" (derived from the French designation of the programme) and highlights the focus on "linking" actors in the programme. Rather than applying a fixed set of measures, capacity building and mobilising lo-

cal development are at the core of the programme. Thus, the involvement of local partners in driving the development of their area is important.

This innovative approach gave LEADER a strong and distinctive territorial dimension. Its focus on endogenous development potential and the effort towards activating local stakeholders across all sectors were central to initial successes in its first programme periods.¹¹ Its strengths in building cooperation and transfer of experience were widely cited as examples of good practice and efforts were made to more widely apply the "LEADER method".¹²

LEADER is now in its fifth implementation period (2014-20). It has been extended from an experimental pilot instrument, conceived as a "Community Initiative" (1991-2006), to integrating LEADER measures into the EU-funded regional development programmes (RDPs) in 2007. It is now a strand of financial support that accounts for at least 5 % of European Rural Development funding in each EU Member State.

With the increase in financial support to LEADER¹³ came expectations of more effective policy implementation, and greater attention to the diversified needs of rural regions. However, the high expectations of spreading innovative actions and effective rural development across all rural areas could not be realised, linked in part to policy inertia with

7 See article by Peter Toth in this issue, pp. 199-209.

8 Kah, S., *Transnationale Kooperation in LEADER als wertvoller Entwicklungsimpuls – das Beispiel Oststeirisches Kernland* (Studie für die LAG Oststeirisches Kernland, European Policies Research Centre, Glasgow 2015).

9 Kah, S., (2015) *Op. cit.*, pp. 23ff.

10 European Commission, *The LEADER Approach: A Basic Guide* (Brussels: European Commission 2006), p. 6.

11 The following principles are usually considered as preconditions for LEADER implementation (European Commission 2006): bottom-up elaboration, local public-private partnership, integrated and multi-sectoral actions, cooperation, networking, area-based Local Development Strategies and innovation.

12 Interestingly, the example of the LEADER method was applied in the discourse of the EU policy reform for the period 2014-20, which defined local development as an enhanced policy strand. The design of Community-led Local Development (CLLD) initiatives enabling action within multi-Fund strategies provides opportunities for cross-sectoral activities.

13 Financial means were increased substantially from € 5.1 billion (2000-06) to € 9.2 billion (2007-13) of total public budget in the "mainstreaming period". See: European Network for Rural Development, LEADER Infographic (Brussels 2014), view online at <http://enrd.ec.europa.eu/enrd-static/app_templates/enrd_assets/pdf/gateway/LEADER%20infographic_final_20140326.pdf> (last accessed on 10 August 2017).

rigid administrative mechanisms and the retention of hierarchical structures.¹⁴ Analysts and stakeholders in the field expressed concern about the practical application of LEADER within RDPs, complaining about a loss of innovation. Participation levels and the (non-) inclusion of different social groups were also concerns.¹⁵ Thus, in this context, arguments for the “success” of LEADER could be seen as excessive.

Transnational cooperation was an area of early note in the LEADER programme. Transnational cooperation and European networking of the local LAG activities in Member States were high-level objectives of the LEADER approach. It is through transnational and inter-cultural learning that LEADER built its foundation and aimed at increasing effectiveness for rural change. The key elements of transnational projects and their role in supporting the LEADER goals are shown in Figure 1. Regional operation by the LAG is the starting point for strategic steering of activities. It aims at implementation through regional partners and requires a sustained level of regional cooperation. To create new ideas and to generate innovation, linking to international partners (transnational cooperation) can provide useful input. All three actor groups have a decisive role in securing the successful implementation of transnational projects. While the LAG is re-

sponsible for strategic steering of the process and its relevance for the respective region, the regional partners build on that and put the parts of projects they are concerned with into practice, and international partners contribute to enhanced reflection, ideas and innovation.

Yet even here, findings suggest that for participating countries and across programme periods, transnational cooperation in LEADER also remained below the targets set.¹⁶ For the period 2007-13, a total of 409 transnational cooperation projects were reported.¹⁷ However, the number of projects is a very narrow measure and provides little detail on project impacts and influence. In the literature, there is little detailed reflection and analytical evidence on the up-take and effects of this element of LEADER. The following assessment sets out the conceptual expectations for TNC as outlined by the ENRD,¹⁸ highlighting in particular “soft” benefits such as broadening mind-sets, developing European citizenship and acquisition of new skills.

III. Application Across EU Member States in RDPs

As has been stated, cooperation activities have been seen as being central to LEADER programmes since their inception. Spontaneously, in the first period of the LEADER programme, a small proportion of LAGs (23 % of all LAGs across the EU) joined cooperation projects and started a number (17) of cooperation projects.¹⁹ With the creation of a specific legal instrument dedicated to cooperation in LEADER II (1996-99), 50 % of LAGs went on to become involved in cooperation activities.

In terms of areas of intervention, there is a wide inter-regional variation and change over time. While tourism and agriculturally-oriented projects were the focus of cooperation during the first phases of LEADER, subsequent activities shifted to cover environmental quality, cultural heritage and quality of life. Of course, the changes in cooperation activities are very much place- and actor-specific. The original use of cooperation as an exploration and experimentation tool shifted to a focus on discussions about quality of implementation and procedural aspects. In the current programme period, transnational cooperation is perceived not just as an instrument of inter-regional comparison, “but as a real opportuni-

14 Dax et al., (2016), *Op. cit.*, pp. 64ff.

15 Navarro, F. A., Woods, M. and Cejudo, E., ‘The LEADER Initiative has been a Victim of Its Own Success. The Decline of the Bottom-Up Approach in Rural Development Programmes. The Cases of Wales and Andalusia’ (Sociologia Ruralis 2015); and Granberg, L., Andersson, K. and Kováč, I., ‘Introduction: LEADER as an Experiment in Grass-Roots Democracy’ in Granberg, L., Andersson, K. and Kováč, I. (eds), *Evaluating the European Approach to Rural Development, Grass-roots Experiences of the LEADER Programme* (Perspectives on Rural Policy and Planning, Farnham: Ashgate 2015), pp. 1-12.

16 European Network for Rural Development, *LEADER Infographic* (Brussels 2014), view online at <http://enrd.ec.europa.eu/enrd-static/app_templates/enrd_assets/pdf/gateway/LEADER%20infographic_final_20140326.pdf> (last accessed on 10 August 2017).

17 European Network for Rural Development (2014) *Op. cit.*

18 European Network for Rural Development, *LEADER Transnational Cooperation Guide* (Brussels 2011), p. 9, view online at <<http://enrd.ec.europa.eu/enrd-static/fms/pdf/2A9A7348-B2CD-A9FB-620D-67CE880700D6.pdf>> (last accessed on 10 August 2017).

19 In the first programme period all “cooperation” activities were included in this figure, not just TNC, see Moseley, M., *Starting Transnational Cooperation: the LEADER I experience* (AEIDL, Brussels 1994).

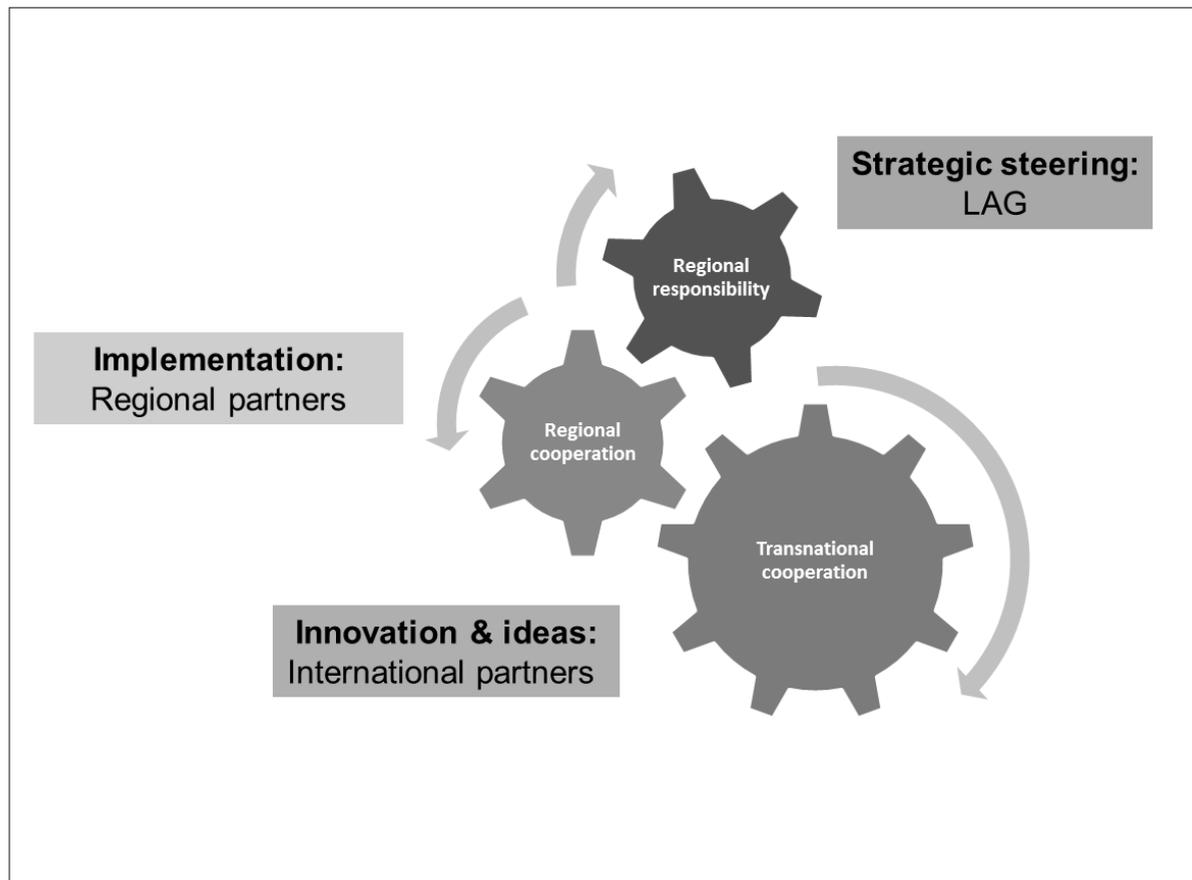


Figure 1: Transmission Force of Transnational Cooperation in LEADER.

Source: Kah, S., *Transnationale Kooperation in LEADER als wertvoller Entwicklungsimpuls – das Beispiel Oststeirisches Kernland* (Studie für die LAG Oststeirisches Kernland, European Policies Research Centre, Glasgow 2015), p. 27.

ty [...] to trigger processes of effective dynamisation of local economies and improvement of the inhabitant's quality of life".²⁰

Despite initial efforts and against a background of rhetoric that cooperation was a "cornerstone" and a "highly valued", "enriching" element of the approach, after the first programme period subsequent LEADER phases did not see any additional effort placed by Member States on implementing transnational cooperation. Yet, there are notable national and regional exceptions, e.g. Italy placed a specific focus on cooperation, so that 95 % of LAGs in the LEADER+ period (2000-06) were involved in cooperation projects.²¹ Other examples include Finland, where the LAGs also engaged strongly in transnational cooperation.

More generally, the levels of cooperation activities, and to an even greater extent the level of transnational cooperation projects, have fallen short of expectations. Almost all Member States reduced their activities and shifted resources from cooperation (measure 421 in the period 2007-13) towards other measures and even the reduced budgets were not fully taken up. For the period 2007-13, the average share of funding used is one third of the available budget, ranging from a full use of the budget in Denmark,

²⁰ *Ibid.*, p. 28.

²¹ Fortunato, A. and Zumpano, C. (eds), *Co-operation between rural areas: Leader and extra-Leader projects of Italian LAGs* (Rete Rurale Nazionale 2007-2013, Roma 2015), p. 17.

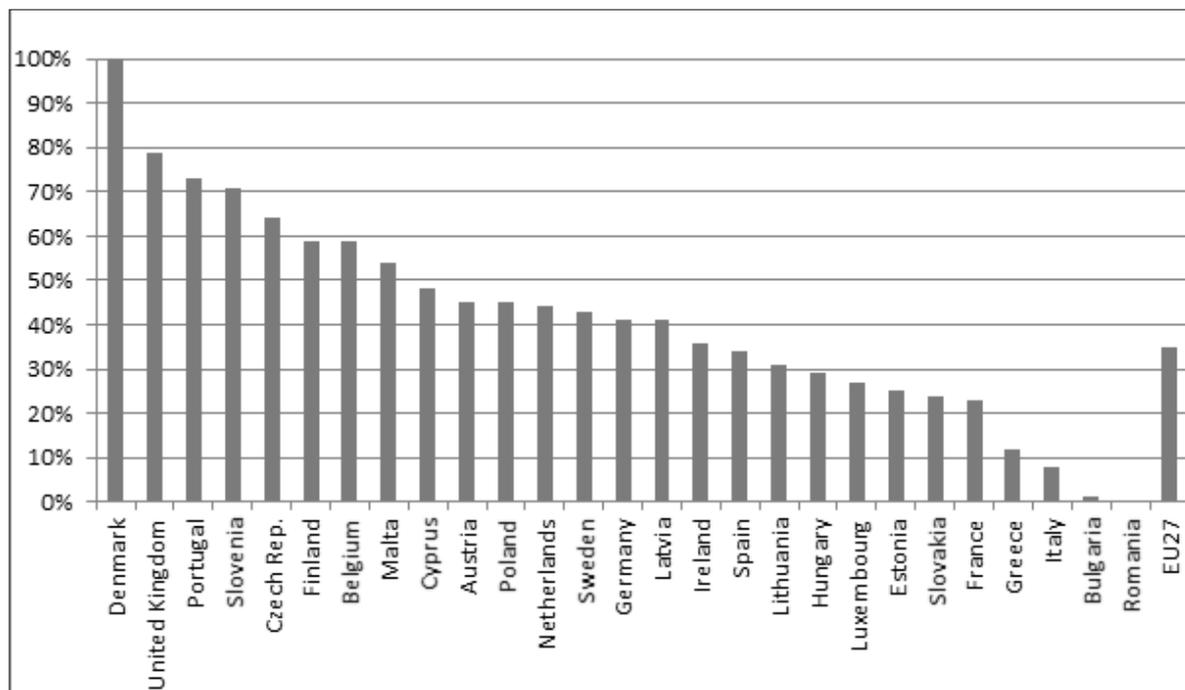


Figure 2: Expenditure for Cooperation Measure against Planned Budget in RDPs 2007-13 (%), April 2015. Source: ENRD, Cooperation under LEADER. Overview of the implementation framework and key changes in relation to the previous period (presentation, 17 November 2015).

down to almost no resources used in Bulgaria and Romania (see figure 2). The level of the cooperation budget in the RDPs for the current period 2014-20 (sub-measure 19.3) is diverse (see figure 3). It ranges from 22 % in Luxembourg and 11 % in Latvia down to very low rates in Estonia (1.3 %) and Denmark (0.03 %). On average, preliminary figures for planned cooperation activities are at 4 % for all EU countries. Also for several other Member States, the allocation of the cooperation budget varies significantly between a very minor involvement (only a few %) to almost 20 %, e.g. in Italy, Germany and

France, and to a lesser extent also for the UK and Spain.²²

Where transnational cooperation activities did take place they were commonly region-specific, with overall programme targets falling short. A reduced emphasis on plans for transnational cooperation funding is commonly ascribed “to the difficulties encountered by all regions in activating [...] territorial programming that, compared with the traditional territorial interventions (i.e. local or sectorial), showed a higher complexity due to the transnational dimensions of the interventions”.²³ Given the substantial obstacles to realising transnational activities by local actors, the need for European networking and national support frameworks to enhance such cooperation is significant. In particular, the LEADER Inspired Network Community (LINC) gathers LAGs from different countries to engage in the exchange of professional experience and to establish links for international cooperation since 2010. The on-going annual conferences “draw attention to the importance of communication and knowledge transfer between local economic and social actors” about all the various options for local development.²⁴

22 Jasinska-Mühleck, K., *Cooperation under LEADER, Overview of the implementation and key changes in relation to the previous period* (presentation, Brussels 2015), p. 12, view online at <http://enrd.ec.europa.eu/sites/enrd/files/clld1_ec_impframework_muehleck.pdf> (last accessed on 10 August 2017).

23 Fortunato, A. and Zumpano, C. (eds) *Co-operation between rural areas: Leader and extra-Leader projects of Italian LAGs* (Rete Rurale Nazionale 2007-2013, Roma 2015), p. 20.

24 LINC Conference 2017, LEADER spirit – empowering people, 09-11 May 2017, Luxembourg, view online at <<http://www.linc2017.eu/downloads/linc2017-brochure>> (last accessed on 10 August 2017).

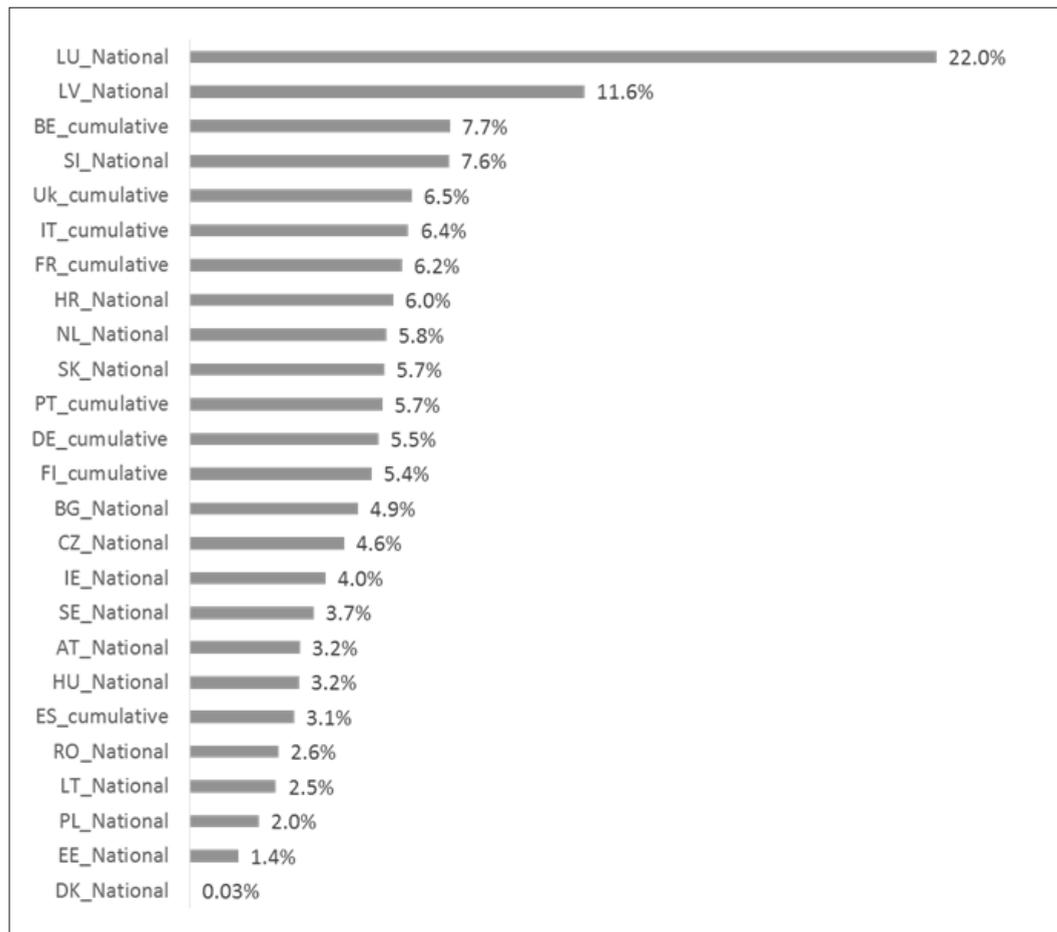


Figure 3: Cooperation Budget for LEADER, 2014-2020.

Note: Data for 68 approved RDPs on 24 August 2015 (out of a total of 118 RDPs).

Source: Jasinska-Mühleck, K., *Cooperation under LEADER, Overview of the implementation and key changes in relation to the previous period* (presentation, Brussels 2015), p. 12, view online at http://enrd.ec.europa.eu/sites/enrd/files/cld1_ec_impframework_muehleleck.pdf (last accessed on 10 August 2017).

IV. Experiences of Transnational Cooperation in an Austrian LAG

As has been illustrated, experiences of transnational cooperation in LEADER have been mixed and involvement has proved challenging. However, transnational cooperation has been a visible and valued element of LEADER. In order to understand its role more fully and draw lessons, the following discussion focusses on a number of case study projects in Austria.

Austria is one of the countries with an early interest in transnational cooperation through LEADER.

Activities have been supported by the active role of the LEADER network (prior to its integration into the National Rural Development Network). There are several “hotspots” of active LAGs in Austria²⁵, one of which is Styria. Within this region, the LAG Oststeirisches Kernland had a particular interest in reviewing and learning from its involvement, which

25 In 2007-13, Austria was fourth by number of transnational cooperation projects, after Germany, Poland and France. See European Network for Rural Development, *The State-of-play of the Implementation of Rural Development Programme Measure 421 in the EU-27* (Final Report, May 2014).

Box 1: Transnational projects of LAG Oststeirisches Kernland in 2007-13.

Culttrips aimed at a “creative tourism in a transnational learning process” and involved partners from Estonia, Finland, Italy and Luxembourg. In total, 15 projects were developed that aimed at ensuring balanced development throughout the whole area of each region. The transnational cooperation aspect consisted of a similar structure of tourism offers and a common marketing approach. It involved an exchange of first experiences between the cooperating regions, while each LAG continued to implement the specific projects within its own region.

Cultlands was a cooperation involving only two other partners from Poland and Spain. The aim was to look for solutions for the future of cultural landscapes threatened by agricultural intensification. It should raise awareness amongst farmers that ecologically beneficial management methods are not only reasonable due to ecological and economic reasons, but that it could also enhance the value added of cultural landscapes in itself. This should help to improve the basis for effective economic pathways in such cultural landscapes. Despite significant difficulties in the cooperation (due to language and location obstacles) all three partners agreed on the usefulness of the cooperation and the willingness to continue exchange beyond the project.

Slow Travel linked two Austrian LAGs with two regions in Luxembourg. It engaged in a wide scope of creative tourism projects at the regional level and included both investment projects and soft measures, like raising awareness and enhancing cultural offers, training, and “Cittàslow”¹ inclusion in the regional activities. In particular, the long cooperation between the Austrian and Luxembourg partners, especially in the project Culttrips (see above), was an advantage. As project funds in the Luxembourg LAGs were very limited, the focus of the cooperation was on strategic considerations and ideas for setting the future course of local development.

¹Cittàslow is an organisation inspired by the Slow Food movement. Its goals include improving the quality of life in towns by slowing down its overall pace. At the time of writing (summer 2017), the network had 233 members. View online at <<http://www.cittaslow.org/>> (last accessed on 10 August 2017).

2010		2011				2012				2013				2014				2015		
III	IV	I	II	III	IV	I	II	III	IV	I	II	III	IV	I	II	III	IV	I		
Culttrips																				
						Cultlands														
														Slow Travel						

Figure 4: Timeline of the Three Transnational Projects of LAG Oststeirisches Kernland.
Source: Kah, S., (2015) *Op. cit.*, p. 7.

extended to three transnational projects in the 2007-13 period (see box 1).²⁶ The following discussion draws on this reflection.

The three projects overlapped in terms of timescale (see figure 4). Through participation in these projects between 2010 and 2015, the LAG Oststeirisches Kernland established contacts with eight European regions in six EU countries (see figure 5). The projects targeted topics linked to the region’s identity and local assets, i.e. enhancing tourist potential in landscapes threatened by current land use changes (Cultlands), and making use of an approach of sustainable tourism development (Culttrips, Slow Travel).

The projects did not involve large investment, but focussed on strategy development and how to deal with changes in the regional economy, particularly its tourism approaches. The LAG Oststeirisches Kernland had a strong role in the projects, coordinating Cultlands and Slow Travel. In terms of budgetary commitment, the LAG’s share in total project costs increased considerably from project to project (see table 1), so that on average across all three projects, the Austrian LAG accounts for more than 40 % of total project expenditure.

By using the framework developed by ENRD for transnational cooperation, the project experiences have been assessed in terms of their “hard” and “soft” effects or types of added value. As shown in table 2, the three projects contributed to similar aspects of cooperation. The effect of transnational cooperation

26 Kah, S. (2015) *Op. cit.*

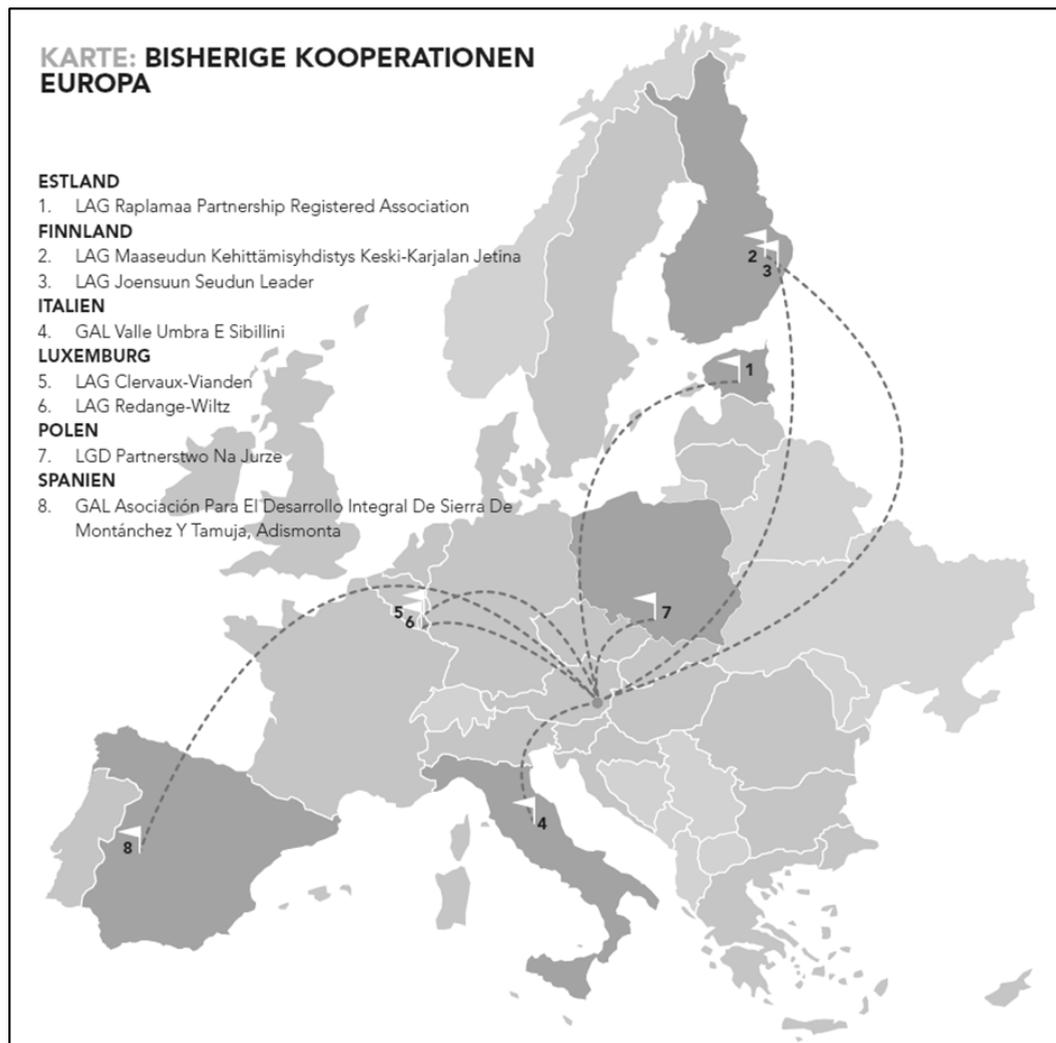


Figure 5: Transnational Cooperation Partners of LAG Oststeirisches Kernland.

Source: LAG Oststeirisches Kernland, *Lokale Entwicklungs-Strategie 2014-2020* (2015), p. 58.

was particularly strong for strengthening local aims, strategies as well as partnership enhancement and sharpened identity of the territory. Cooperation was an incentive for building reflexive capacity and turned regional partners into regional “ambassadors”. This effect is not only true for the tourist offer of the projects Culttrips and Slow Travel, but also for project partners in Cultlands. The leading themes of managing land use of (traditional) permanent cultures (mainly orchards) and specific local fruits (in particular a local type of pear) contributed to raising local identity in the Styrian partner region.

There are important differences between the three transnational projects, in particular in terms of the

methodological implementation of each of them. There are also considerable differences in project input and outcome which could be interpreted as variable effectiveness. However, across the cases, the processes of exchange and development of linkages and the discursive process initiated by partners from outside were highly valuable ingredients for repositioning regional and local strategies and development approaches.

Across the projects the “soft” elements to which transnational cooperation provides substantial incentives are especially important. In particular, this relates to an increased awareness of regional features and spatial specificities as a specific resource, to an

Table 1: Budgets of the Transnational Projects of LAG Oststeirisches Kernland (in 1,000 €).

Transnational project	LAG Oststeirisches Kernland (Austrian partner)				Total costs (all partners)
	Public funds (EAFRD and national)	Private funds	Total costs	Share of Austrian partner in all project costs (in %)	
Culttrips	84	36	120	16.3	738
Cultlands	273	117	390	51.4	759
Slow Travel	189	81	270	76.7	352
Total	546	234	780	42.2	1,849

Source: Kah, S., (2015) *Op. cit.*, p. 7.

acknowledgement of the European perspective of project partners and to enhanced personal skills with regard to international exchange, coordination and negotiation at transnational level, as well as inter-cultural competencies.

Another important point from the case studies is the value of examining the sequence of the three projects. This adds an important element to the analysis, something that is not widely recognised in standard evaluations and assessments of impacts and results. The temporal overlaps and sequencing of the three projects proved beneficial and enhanced project results and development. For example, the project Slow Travel built on the work carried out as part of Culttrips.

The themes of the transnational case study projects have been continued by the LAG Oststeirisches Kernland in the current programme period 2014-20. The projects Culttrips and Slow Travel resulted in further development of the tourism offers in the Styrian partner region. For instance, an old railway carriage had been transformed into an unusual accommodation option as part of the original transnational project. This proved to be a very successful tourism offer, not least due to the promo-

tional effect of extensive media coverage, and led to a follow-up LEADER project looking at the modification of two further carriages and the installation of a draisine track to revitalise an underutilised historic train line. However, attempts to continue the projects in a transnational context have so far not been successful, mainly due to the limited funding that is available for transnational LEADER projects in Austria²⁷ and the domestic decision to cap the national contribution to a single project at € 200,000.

The three projects can thus be seen as a basis for further cooperation and have created an enhanced ability to address more general and far-reaching trends impacting on regional activities and opportunities. While there are important differences between the three transnational projects, in particular in terms of the methodological implementation of each of them, the sequence of the three projects adds to the individual results. The projects have to be understood in an evolutionary context which underlines up-take of learning experiences from previous activities. Further, a systemic assessment of value added provided by the transnational cooperation should highlight the achievements beyond mere project realisation.

Looking ahead, Austria has introduced significant changes for transnational projects in 2014-20. These include a new instrument administered jointly by the Ministry of Agriculture (RDP managing authority) and the Federal Chancellery to support arts, culture and creativity through specific transformation processes²⁸ that make use of the creative potential of

27 View online at <http://enrd.ec.europa.eu/sites/enrd/files/leader-cooperation_factsheet_at.pdf> (last accessed on 10 August 2017).

28 Bundeskanzleramt, *Leader Transnational Kultur 2014-2020* (Wien 2015), view online at <<http://www.kunstkultur.bka.gv.at/site/8221/default.aspx>> (last accessed on 10 August 2017).

Table 2: Contribution of Transnational Projects by LAG Oststeirisches Kernland to Potential Types of Added Value as Defined by ENRD.

	Culttrips	Cultlands	Slow Travel
“Hard” added value			
(1) Contributions to objectives of Local Development Strategy	x	x	x
(2) Realisation of more ambitious projects through attaining critical mass	-	-	-
(3) Improvement of competitiveness: New business partners and positioning on new markets	-	-	-
(4) Strengthening local partnerships	x	x	x
(5) Shaping territorial identity and awareness	x	x	x
(6) New work practices and support of innovation through new skills	(x)	(x)	(x)
“Soft” added value			
(7) Broadening mind-sets and realisation of diversity in regions as a resource	x	x	x
(8) Development of a European identity	x	(x)	x
(9) Acquisition of new capacities	x	x	x

Source: ENRD 2011 European Network for Rural Development, *LEADER Transnational Cooperation Guide* (Brussels 2011), pp. 7-9; Kah, S., (2015) *Op. cit.*, p. 24.

such initiatives at the international level. Yet, more important than this additional feature are the procedural changes in project selection and implementation. Funds for transnational cooperation are no longer included in LAGs' own budgets but are supplied at the national level and will be approved centrally by the national Paying Agency (Agrarmarkt Austria, AMA), which was assigned additional decision-making functions for this instrument. Both the changes in contents and rules intend to strengthen implementation of transnational projects and enhance creativity and learning processes by linking with transnational partners, an objective that has been core to the LEADER programme since its initial stage, and which was reinforced through the extension of the LEADER approach to other Funds by creating the Community-led Local Development (CLLD) instrument for the 2014-20 period.²⁹

V. Conclusions: Transnational Cooperation and Social Innovation

Transnational cooperation is perceived to be a central component of LEADER's rural development initiatives. However, since its establishment in 1991, this aspect has only been able to attract a relatively small share of the activities and funding available in RDP programmes. The gap between aspirations and realisation is exemplified by the difference between planned and implemented funding. For the current 2014-20 programme period, € 404 million of the total € 9.4 billion LEADER budget, just 4 % of total pub-

29 Peters, R., 'Investing in Europe's Future at Grassroots Level: The Role of EU Funded Community Led Local Development (CLLD)' [2013] *European Structural and Investment Funds Journal* (ESStIF) 1(1), pp. 27-30.

lic funds are dedicated to cooperation activities (measure 19.3). The financial allocations dedicated to cooperation activities are similar to those in previous programme rounds and indicate that these do not have high financial priority, although differences are noted between programmes in different EU Member States (and even between regional programmes within countries).

As has been noted, projects also face significant challenges and effective cooperation has relied on a number of factors.³⁰ These include:

- capacity to cope with divergent rules and processes, including time-frames in various Member States;
- overcoming language barriers and cultural differences;
- agreeing common objectives and processes; and
- selecting the appropriate partners and structures for partnership.

Nevertheless, the transnational cooperation element of LEADER has notable strengths. Transnational cooperation cannot be understood as a mere extension of the scope of LAG activities. It addresses different dimensions and activities, which enable partners to participate in “different” experiences and engage in advanced learning processes. Incorporating diversity and differences is one of the main lessons of the LAG case study in Austria. Based on this experience, it can be argued that partners should not be selected based on the similarity of their situations and activities. Instead, they involve a degree of diversity. Dif-

ferent approaches, new concepts and exchange of ideas would allow more significant contributions to the learning processes of the group. Further enhancing “learning” from programme implementation also requires close integration of local actors in the evaluation process of LEADER, which implies enhanced participation and empowerment strategies.³¹

After 25 years of implementation, the long-term effects of LEADER and its contribution to strengthening territorial interrelations are a primary concern for stakeholders and decision-makers. While in many EU regions there is evidence of a wider range of activities, cross-sectoral cooperation, and awareness of local assets in LEADER implementation, the substantial changes in the spatial dynamics at large scale have hardly been a driver for local strategies. This refers particularly to increased inter-relations of spaces and activities. Trans-regional activities (of LEADER/CLLD) have not yet used their full potential of developing creative solutions by fostering cooperation and making use of new types of interaction.³² At an event marking 25 years of INTERREG, the Tartu Declaration highlighted crucial aspects for the future of local development action and noted the need for harmonisation of rules for transnational cooperation projects by stating that “there is a need to create a common understanding by all LEADER actors regarding the benefits and added value of TNC projects.”³³

The findings of this analysis and the experiences of learning and exchange in the cases examined chime with the findings of wider studies on rural cooperation in Europe. In particular:

- the increased relevance of “relational” aspects for rural regions;³⁴
- need for a stronger focus on territorial cohesion action in future rural policies;³⁵ and
- inherent value in supporting learning processes as a fundamental element and achievement of transnational activities.

In our contemporary economy and society, restrictions to experience and approaches shaped within national borders run the danger of preserving inefficient solutions, limiting creativity and preventing innovation and “smart” development.³⁶ On this basis, the value added of transnational cooperation in LEADER is targeted particularly at activities drawing reflections and (locally) useful conclusions from engaging in projects addressing the European diversi-

30 Pfefferkorn, W., Leitgeb-Zach, M. und Favry, E. *Kooperation in der ländlichen Entwicklung: Erfolgsfaktoren und Stolpersteine* (Wien 2010).

31 Dax, T., Oedl-Wieser, T. and Strahl-Naderer, W., ‘Altering the Evaluation Design for Rural Policies’ [2014] *European Structural and Investment Funds Journal* (ESIF) 2(2), pp. 141-152.

32 Dax, T. and Oedl-Wieser, T., ‘Rural innovation activities as a means for changing development perspectives: an assessment of more than two decades of promoting LEADER initiatives across the EU’ [2016] *Studies in Agricultural Economics* 118(1), 30-37.

33 ELARD, *The Tartu Declaration. Renewing LEADER/CLLD for 2020+* (23 November 2016), view online at <https://ldnet.eu/wp-content/uploads/bsk-pdf-manager/tartu-declaration-leader-clld2020_21.pdf> (last accessed on 10 August 2017).

34 Kasabov, E., *Rural Cooperation in Europe, in Search of the ‘Relational Rurals’* (Palgrave Macmillan, New York 2014).

35 Copus, A. K. and De Lima, P. (eds), *Territorial Cohesion in Rural Europe. The Relational Turn in Rural Development* (Regions and Cities 76. Abingdon: Routledge 2015).

36 Mariussen, A. and Virkkala, S. (eds), *Learning Transnational Learning* (Abingdon: Routledge 2013).

ty³⁷ of regional activities. From a territorial perspective of local development, this could involve LEADER cooperation with other policies or EU programmes involving territorial cooperation (e.g. INTERREG, LIFE, URBAN, LA21 etc.), which would enhance the goals of local development considerably by addressing the synergies of such context-related cooperative frameworks. In this way, the “small” LEADER programme and its transnational cooperation activities

could play a crucial role in linking spatial activities at a local/“micro” geographical scale. Thereby, it would contribute to European cooperation and enhance a culture of valuing local assets and common social perspectives across European regions.

37 Saraceno, E., ‘Disparity and Diversity: their Use in EU Rural Policies’ [2013] *Sociologia Ruralis* 53(3), pp. 331-348.