25 YEARS OF THE LEADER INITIATIVE AS EUROPEAN RURAL DEVELOPMENT POLICY: THE CASE OF EXTREMADURA (SW SPAIN)

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Abstract: For 25 years the rural development policy has been implemented through the LEADER Approach in the EU to reduce differences between rural and urban areas, as well as to satisfy the basic needs of the population. In this paper, Extremadura is analysed, which is a Spanish region where LEADER has been applied since its inception in 1991. The objective is to assess if the distribution of rural development aids has been influenced by the diverse demographic and socioeconomic realities that Extremadura presents from the analysis of variables that represent these realities on the territory through a GIS. Following this methodology, it has been noticed that the largest investments have been executed in the most developed rural areas of the region.

Key words: Rural development, LEADER Approach, Local Action Group, Geographic Information System

1. Introduction

In the mid-eighties, the existence of spatial imbalances and socioeconomic inequalities in European deprived areas began to become apparent, so from that moment on, a decision has been made to start work on methodologies destined to correct the differences of rural areas with regard to urban ones (García Rodríguez, Febles Ramírez, & Zapata Hernández, 2005), as well as the problems that characterise the first ones (agricultural surpluses, high levels of unemployment, ageing population, high negative migration rates, low levels of per capita income and weakness in production systems). Among these initiatives there is one which is dedicated to rural development through the LEADER Approach, which began in the early 90s. Its main objective is to activate the potential of rural areas and keep them with an appropriate demographic level through the diversification of its economic activities, with additional income in the agricultural sector, with actions such as the conservation of heritage, the creation of tourist activities, SMEs and new services, or the promotion of the use of technologies (Cebrián Abellán, 2003). All of this is through the implementation of various projects co-financed by the European Structural and Investment Funds, national administrations (central government, autonomous regions and councils, in the case of Spain) and private actors (local population)(Nieto Masot & Cárdenas Alonso, 2015). From the beginning, LEADER has been considered as an innovative, alternative and different method of managing public funds to the traditional ones of Public Administration (Buller, 2002), because its implementation involves actors with a non-political nature, such as the population that inhabits the territory of action, in the design of development strategies and implies the creation of new relationships between these actors and the administration at different levels of decisions (Abad Aragón, 2014). Thereby, the territorial rural development strategy is designed with the participation of the local population, taking into account its characteristics and needs (Nieto Masot & Cárdenas Alonso, 2015) and, with this, the notion of ‘the region as an actor’
is strengthened (Bruckmeier, 2000). Additionally, as Thuesen and Nielsen (2014) report, “pursuing the LEADER method at the LAG level enhances rural development in the form of leverage, democratisation and bottom-up decision making that none of the other levels in the multi-level governance setup of LEADER would be able to provide”.

In view of the above, LEADER is based on two principles: subsidiarity – decisions must be taken by bodies located in the intervention areas – and association – the hierarchy in the decision-making process should be replaced by a mechanism in which all social actors are involved in the same way (Osti, 2000). At this point, it is necessary to highlight the work of Local Action Groups (LAGs), which have been previously mentioned. These groups are non-profit associations where different actors of the territory – public and private – are represented, as well as being responsible for the proper execution of LEADER. The LAGs are referents for local communities and influence the decision-making at the time of choosing the type of investments (Esparcia Pérez, 2000). On the other hand, in some cases, these partnerships have a key role as human and social actors with great influence to shape and orientate in the production of new values through project activity (Rizzo, 2013). At the same time, LAGs offer the opportunity to the local people to present their needs and opinions regarding the design of the development strategy of their territory.

Following Esparcia Pérez (2012) and García Rodríguez et al. (2005), a number of concepts that help to explain how LEADER is applied can be established: territorial, for the design and implementation of projects to subsidise according to the characteristics and needs of the area of action (this is why endogenous development is also mentioned); bottom up and decentralised, because of the method used to make decisions; participative, because it integrates representative agents and institutions of the territory into the LAGs; innovative, for innovative actions designed to be implemented; integral and multi-sectoral, because of the global analysis of the territory and its economic diversification through complementary activities that establish links between different sectors; and networking, for transferring experiences to other LAGs or groups.

The interest of this work lies in the fact that the management of the LEADER Approach in Extremadura is analysed, which is considered as a predominantly rural region (OCDE, 2004), the only one in Spain with a GDP lower than 75% of the European average and where LEADER has been managed since its inception in 1991, with 89.7% of its territory protected by this method.

In the last 25 years various stages of LEADER have been launched in European rural areas: LEADER I, from 1991 to 1994, LEADER II from 1995 to 1999 and LEADER+, from 2000 to 2006. Each one of these stages presented new and different objectives. In the first two stages, innovative actions and cooperation were promoted, and then, with LEADER+, the aim was to reflect on the long-term needs of the space involved.

Due to the large demand of the rural areas to be beneficiary of these aids, in 1996 PRODER (Programa Operativo para el Desarrollo y Diversificación económicas de zonas Rurales) was created in Spain. This programme was implemented during two periods: 1995–1999 (PRODER I) and 2000–2006 (PRODER II).

Throughout these years, the spatial scope of the LEADER Approach in Extremadura was expanded, from the first 4 LAGs of LEADER I to its consolidation with the creation of 18 more (6 LEADER II and 12 PRODER I), to reach the 24 current LAGs (10 LEADER and 14 PRODER) (Nieto Masot & Gurría Gascón, 2010). Recently, the last programming period (2007–2013) has finished, in which the LEADER Approach has become known as an own Axis (Axis 4) of the Rural Development Programme (RDP). LAGs manage all measures of Axis 3 (Quality of life in rural areas and rural economy diversification) and one measure of Axis 1, which is destined to increase the added value of agricultural and forestry products.

Recently, a new programming period (2014–2020) has started, with the same claim as since the beginning: making rural areas more attractive and appropriate to live and work and where living conditions attract people of all ages, reversing ageing and the depopulation process and providing them with all the equipment and services for their development (MAPA, 2004).
Several regions have been subject to LEADER analysis in Spain, like Cantabria (Delgado Viñas & Fuente Royano, 2000; Gil de Arriba, 1999; Gutiérrez González, 2000), Castilla-La Mancha (Plaza Tabasco & Pillet Capdepón, 2001; Vargas Vargas & Mondéjar Jiménez, 2006), Castilla y León (Alario Trigueros & Baraja Rodríguez, 2006; Hortelano Mínguez & Martín Jiménez, 1999; Zapatero Zapatero & Sánchez Muñoz, 1999), Aragón (Ruiz Budría, Frutos Mejías, & Climent López, 2000), Andalucía (Cejudo García & Navarro Valverde, 2009; Cortés Macías, 2001; Navarro Rodríguez & Larrubia Vargas, 2000; Navarro Valverde, Cejudo García, & Maroto Martos, 2012), Comunidad Valenciana (Esparraga Pérez, 2015; Martínez Puche, 2001) or Extremadura as well, that has been analysed previously (Nieto Masot & Cárdenas Alonso, 2015; Nieto Masot & Gurría Gascón, 2010; Nieto Masot & Gurría Gascón, 2008). These are research studies in which the distribution of investments by population and area, funding by actions and the type of promoters are presented. Different European regions further away from Extremadura have also been studied, as is the case with Greece (Iakovidou, Koutsouris, & Partalidou, 2002), Italy (Osti, 2000), Romania (Marquardt, Möllers, & Buchenrieder, 2012) and Croatia (Lukic & Obad, 2016). In all these cases, the management of LEADER Approach and its implementation through diversifier projects is analysed, especially tourism-related initiatives.

In addition, most authors analyse the creation and improvement of employment, investment in tourism (one of the most favoured sectors by LEADER) or the incorporation of young people and women into the labour market, two social groups to be retained in rural areas because they are seen as crucial to the long-term viability of them (Bock, 2014). Moreover, an important conclusion can be drawn from these studies: an unequal distribution of investments of LEADER exists in several areas of study, which indicates the existence of a positive discrimination towards the most developed areas, as well as more solvent sectors and entrepreneurs. On the other hand, Máñquez, Foronda, Galindo, and García López (2005), Mondéjar Jiménez, Mondéjar Jiménez, Monsalve Serrano, and Vargas Vargas (2007), Noguera Tur, Pérez Cosín, Valero López, and Ferrandis Martínez (2009) and Navarro Valverde et al. (2012) focus on finding relevant indicators that could be used to analyse the impact of rural development aids, as well as evaluation instruments, as is required by the European Commission.

In this case, the general objective is to contribute to the extensive study that already exists about LEADER in Spain thanks to the authors previously mentioned, providing the latest data. It has been taken into account that Extremadura is considered to be a good example of the management of public aids like LEADER, as OECD stated in its Report of case studies of Rural Development policies (González Cabrera, 2004; OCDE, 2004), which must be exposed through works like this, following the purpose of the LEADER Approach: for its actions to be transferable, with a demonstrative effect and brought to the attention of society. Specifically, the purpose is to analyse the distribution of rural development aids in Extremadura in relation to demographic and socioeconomic behaviours of its territories and to prove, as in other Spanish regions, if the concentration of investments in the most populated and developed areas exists.

Henceforth, after the introduction, the work done is exposed from a second methodological epigraph, in which the data collection is presented. Thirdly, the results are showed and finally, in the last section, the lessons learned.

1.1 Study area

Extremadura is located in the west of Spain and borders with Portugal. Its surface area is 40,000 km² and has just over 1 million inhabitants which are spread across 388 municipalities. In this way, the region has a population density of 27 inhabitants / km² as a result of an intensive emigration suffered in previous decades. Nevertheless, it is necessary to note that Extremadura has the two largest provinces of Spain (Cáceres and Badajoz) and long distances between its ends (more than 300 km from north to south and more than 250 km from east to west). For this reason, its settlement is very dispersed and concentrated in major population centres (Nieto Masot & Cárdenas Alonso, 2015). Furthermore, Extremadura is a space with territorial, demographic and economic characteristics that have conditioned it to sink into a significant delay in relation to other European and Spanish regions. At the same time, there are several differences
between the territories within Extremadura itself. Several areas are identified in the region (Nieto Masot & Gurría Gascón, 2010):

- In northern Extremadura there are mountain regions with a dispersed population in small towns that usually do not exceed 1,000 inhabitants. The economic activity is based on smallholder and subsistence crops due to physical difficulties of the territory to be agriculturally exploited. For this reason, the rich natural and historical heritage is exploited as a tourist attraction. They are the regions of Sierra de Gata, Hurdes, Trasierra-Cáparra, Ambroz and Jerte.

- Further to the south, one of the main axes of the development of Extremadura is which is formed by Valle del Alagón, La Vera and Campo Arañuelo, Jara and Ibores. They are located in irrigated sedimentary basins with a highly established agro-industry.

- Next are the regions of Monfragüe, Sierra de San Pedro-Los Baldios, Montánchez-Tamuja and Miajadas-Trujillo are. These are the regions with the lowest population densities that do not exceed 10 Inhabitants/km² and with low economic development due to their poor soils and the existence of economically unserved subsistence farming.

- The most advanced areas are located in the centre of the region. These are Vegas Altas del Guadiana and Barros Oeste-Sierra Grande, where productive investments, equipment and services and population (60% of the region) are concentrated.

- In the east and southeast of the region there are very unpopulated and traditionally isolated areas. These are La Siberia, La Serena and Campiña Sur, which are regions where extensive cattle ranching and the exploitations of pastures and cereals are the main economic activity.

- Finally, the southwest of the region is characterised by the exploitation of pasturelands and the breeding of Iberian pigs. Here, Olivenza, Jerez-Sierra Surcoeste, Zafra-Rio Bodión and Tentudía are located, which are traditional underdeveloped areas but in which important industrial activities have been carried out causing a strong socioeconomic and demographic dynamism.

2. Methodology

Agreement is needed on a conceptual and methodological framework that shows the problem to understand the phenomenon on which to work, as well as to have data to tackle the problem (Mancebo, Ortega, Valentín, Martín, & Martín, 2008). On the other hand, it is also necessary to have tools to manage and update information, for which a GIS is one of the most appropriate tools. With GIS, the alphanumeric information is associated to a set of graphical information in maps, being able to visualise the data or variables “on the territory”.

In this work, the first methodological step has been the construction of an alphanumeric database consisting of the variables chosen to be analysed together with LEADER investments, obtaining a database with 379 entities (municipalities that are beneficiaries of rural development aids) and 5 attributes (variables) that are related with a common identifier.

The variables analysed are:

<table>
<thead>
<tr>
<th>Percentage of population</th>
<th>Old-age index</th>
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<tbody>
<tr>
<td>Economic activity index</td>
<td>Total investments of LEADER (municipal level)</td>
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<tr>
<td>Total investments of LEADER (LAG level)</td>
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The percentage of population and the Old-age Index have been calculated thanks to the Municipal Register published in the web of National Institute of Statistics and the average for the period between 2010 and 2014 has been calculated in both cases. On the other hand, the Economic
Activity Index is obtained from *Atlas Socioeconómico de Extremadura 2014*\(^3\). Thirdly, data on LEADER investments has been calculated on the basis of information provided by the Regional Government of Extremadura. This data consists of the dossiers of all financed projects with information about beneficiaries, funding funds and total quantities of the last 25 years and then, all of this was refined to create a data at the municipal and LAG levels. Moreover, this data have been used to create some interesting indicators, like planned investment at the beginning of the Programme, committed and executed private investment, number of projects or investments by financing actions.


<table>
<thead>
<tr>
<th>Action 1. Operating expenditures</th>
<th>LEADER II</th>
<th>LEADER+</th>
<th>PRODER I</th>
<th>PRODER II</th>
<th>EAFRD 2007/2013</th>
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<tr>
<td></td>
<td>103. Services to the population</td>
<td></td>
<td></td>
<td>431. Operation of Local Action Group, acquisition of capacities and territorial promotion</td>
<td></td>
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<td></td>
<td>109. Other investments</td>
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<tr>
<th>Action 2. Training and Employment</th>
<th>LEADER II</th>
<th>LEADER+</th>
<th>PRODER I</th>
<th>PRODER II</th>
<th>EAFRD 2007/2013</th>
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<tbody>
<tr>
<td>B2. Training and Aid to the employment</td>
<td>110. Training and Employment</td>
<td>2. Training</td>
<td></td>
<td>331. Training and information of the economic agents who develop their activities in the covered scopes in Axis 3</td>
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<tr>
<th>Action 3. Tourism</th>
<th>LEADER II</th>
<th>LEADER+</th>
<th>PRODER I</th>
<th>PRODER II</th>
<th>EAFRD 2007/2013</th>
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<td>4. Local tourism</td>
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<th>Action 4. SMES, Craft and Services</th>
<th>LEADER II</th>
<th>LEADER+</th>
<th>PRODER I</th>
<th>PRODER II</th>
<th>EAFRD 2007/2013</th>
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<tr>
<td>B4. SMES, Craft and Services</td>
<td>106. SMES and Services</td>
<td>5. SMES, Craft and Services</td>
<td>4. SMES, Craft and Services</td>
<td>311. Diversification into non-agricultural activities</td>
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<td></td>
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<td>312. Aid to the creation and development of micro-enterprises</td>
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<tr>
<th>Action 5. Valuation of the agrarian and forest production</th>
<th>LEADER II</th>
<th>LEADER+</th>
<th>PRODER I</th>
<th>PRODER II</th>
<th>EAFRD 2007/2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>B5. Valuation and Marketing of agrarian, forestry and forest production</td>
<td>105. Valuation of Local farming production</td>
<td>7. Revaluation of agrarian and forest productive potential</td>
<td>5. Revaluation of agrarian and forest productive potential</td>
<td>123. Increase in the added value of agrarian and forest products</td>
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<td>B6. Conservation and improvement of the environment</td>
<td>104. Natural heritage</td>
<td>1. Valuation of the rural heritage</td>
<td>6. Valuation of the rural heritage</td>
<td>321. Basic services for the economy and the rural population</td>
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<td>323. Conservation and improvement of the rural heritage</td>
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<tr>
<th>Action 7. Cooperation</th>
<th>LEADER II</th>
<th>LEADER+</th>
<th>PRODER I</th>
<th>PRODER II</th>
<th>EAFRD 2007/2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>C1. Transnational cooperation</td>
<td>201. Inter-territorial cooperation</td>
<td>202. Transnational cooperation</td>
<td></td>
<td>421. Transnational and inter-territorial cooperation</td>
<td></td>
</tr>
</tbody>
</table>

\(^3\) It is a selection of statistical data at municipal level of Extremadura.
As regulation and funding actions of LEADER have changed in each programming period depending on demographic, socioeconomic and territorial changes that rural areas experience, a homogenisation of them is considered adequate to an evolutionary study (Table 1).

Finally, the database developed, with the five demographic, socioeconomic and LEADER variables, has been assigned to a polygonal map database in .shp format of the municipalities of Extremadura, obtaining (Figure 1):

![Fig 1. Polygonal layer of municipalities of Extremadura with alphanumeric information.](image)

### 3. Results and discussion

As discussed earlier in this paper, Extremadura has been a beneficiary of LEADER since 1991 and currently has 24 LAGs that cover 98.9% of its municipalities, which means 89.7% of the regional area. This implies that practically all its territory is under protection of LEADER, except the four towns with more than 40,000 inhabitants: Badajoz, Cáceres, Mérida and Plasencia.

In these 25 years, the LAGs of Extremadura have managed more than 545 million euros through 11,642 projects (the latest data, which are provided by the Council of Agriculture, Rural Development, Environment and Energy of the Government of Extremadura, corresponds to December 31, 2015, at the end of the period 2007–2013)\(^4\). 50.9% of investments belong to public funds (73% EU) and the rest to private promoters.

Public funding has always been through the various European Structural Funds (ERDF, EAGGF, ESF and currently EAFRD), although it is also necessary to highlight the economic contribution of national administrations, such as the General State Administration of Spain, the Regional Government of Extremadura and the councils of municipalities.

However, if there is something to emphasise on, it is the great economic contribution of the private sector, 48.8% (Table 2), which demonstrates the capacity of LAGs to mobilise the local population of the territories. The perception that people had about the rural world is changing, because it is now considered as a place with significant opportunities to invest and where the private sector is

\(^4\) At the end of 2015, expenditures for 2007–2013 were still being managed due to the ‘n + 2’, a term that refers to the release of funds that have not yet been spent for 2 additional years.
the main protagonist of actions such as LEADER, implementing projects that would not have been possible without co-financing.

Most of the investment is destined mainly to the three actions considered as productive (Table 2) which subsidise projects that generate employment and economic activity. These actions are Action 3 (Tourism), Action 4 (SMEs, handicraft and services) and Action 5 (Valorisation of agricultural production) with a total of 5,776 projects (40% of the total). With these actions, LAGs invest in shares that generate economic activity and employment and therefore benefits focused on diversification outside agricultural activities with the creation, development and modernisation of micro-enterprises in the service sector, crafts and new technologies. At the same time, it is considered important to develop tourist activities, especially those that are productive, like accommodation and restaurants, or other activities complementary to the existing infrastructure which can be advertised with museums, interpretive centres, tourist signs, etc. Moreover, projects dedicated to improving the commercialisation and modernisation of traditional agriculture can generate growth in less developed areas, as some projects oriented to the commercialisation of cheese, oil or wine or others, in which the exploitation of seals of food quality has been the best option. All of these have produced hope and development in villages which were traditionally forgotten.

Investment in Training (Action 2) is also essential for the advance of rural areas and their population and in Cooperation (Action 7) as well, in order to design network projects with which a common agrarian product could be revalued, for example. Nevertheless, investment in both actions is less than 4% of the total and for this reason it is necessary to pay more attention to them in the new period 2014–2020.

As illustrated in Table 2, investments have not been consistent across all periods. LAGs have opted for developing strategies that depended on the characteristics of their territories and the regulations of each programming period. In LEADER II – PRODER I, the exploitations of natural and historical resources was the main activity through Action 3. At that time, rural tourism was a good alternative activity that tackled the crisis in the agricultural sector. Then, during LEADER+ – PRODER II, the experience was taken advantage of and LAGs decided to change the course of their projects and opted for invigorating business through actions 4 and 5. In the last period (EAFRD 2007–2013), tourism contribution decreased, as it is an activity that does not generate enough benefits. In addition, currently, a rural housing saturation exists in some areas due to investments during earlier stages (Nieto Masot & Cárdenas Alonso, 2017). For this reason, investments in Action 4 and Action 6 have increased, with projects dedicated to the rehabilitation of public buildings in order to provide public equipment to the population, such as cultural centres or libraries, or projects to protect the natural environment.

It has been found that the amounts committed to and executed at the beginning of each programme were finally overcome at the end of them (Table 2). The increment has been, in chronological order according to the stages of LEADER, 13.3%, 19.5% and 22.6%. Total investment has also increased (43% from 1995–1999 to 2007–2013), from 128 million euros to 224 million. The same is applied to the number of projects, which has experienced an increase of 10.8%. These data entrench the application of the LEADER Approach in Extremadura and show that more and more entrepreneurs, associations or municipalities are making use of rural development support.

However, not everything is positive about the management of LEADER, especially during the last programming period of the EAFRD Regulation. Studying the Council Regulation (EC) No. 1698/2005 of 20 September 2005 on support for Rural Development (EFRD) and thanks to members from the technical teams of the LAGs, it is known that compulsory co-financing of municipalities has disappeared and they are now direct competitors of the local population in actions, such as Action 6. On the other hand, private investments have decreased by 8.9% due to the economic crisis, over all in more rural areas. Most of the towns with less than 2,000 inhabitants and most adverse territorial conditions have seen their private contributors reduced.
As previously mentioned in the introductory paragraph, studying the spatial distribution of LEADER in a region as Extremadura is interesting because it has an important variety of areas with very noticeable geographical characteristics that determine the distribution of rural development aids.

In this way, although the LAGs have promoted the diversification of activities, finally they have given priority to previously implemented actions that have been the most demanded and investments have been intended for more established sectors in each partnership and the largest investments have taken place in the areas with greatest economic and demographic dynamism of the region (Figures 2 and 3). They are located in territories where agriculture is more productive and modern (irrigation areas and non-irrigated sedimentary basins), and consequently more profitable. At the same time, these areas are where greater employment opportunities, equipment and services are concentrated.

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<tbody>
<tr>
<td>Local Action Groups</td>
<td>22</td>
<td>24</td>
<td>24</td>
<td>24</td>
</tr>
<tr>
<td>Municipalities</td>
<td>302</td>
<td>374</td>
<td>379</td>
<td>379</td>
</tr>
<tr>
<td>Population</td>
<td>563,855 (52.9 per cent)</td>
<td>759,055 (69.6 per cent)</td>
<td>748,123 (68.4 per cent)</td>
<td>748,123 (68.4 per cent)</td>
</tr>
<tr>
<td>Surface (km²)</td>
<td>31,100 (74 per cent)</td>
<td>37,228 (89.32 per cent)</td>
<td>37,369 (89.7 per cent)</td>
<td>37,369 (89.7 per cent)</td>
</tr>
<tr>
<td>Planned investment at the beginning of the Programme</td>
<td>111,591,161 €</td>
<td>156,997,910 €</td>
<td>173,809,646 €</td>
<td>442,398,717 €</td>
</tr>
<tr>
<td>Committed and executed investment</td>
<td>128,608,329 €</td>
<td>195,027,488 €</td>
<td>224,638,655 €</td>
<td>548,274,472 €</td>
</tr>
<tr>
<td>% Private and planned investment at the beginning of the Programme</td>
<td>46.3 per cent</td>
<td>45.1 per cent</td>
<td>30.7 per cent</td>
<td>40.7 per cent</td>
</tr>
<tr>
<td>% Committed and executed private investment</td>
<td>46.3 per cent</td>
<td>54.5 per cent</td>
<td>45.6 per cent</td>
<td>48.8 per cent</td>
</tr>
<tr>
<td>Projects</td>
<td>3,372</td>
<td>3,638</td>
<td>4,632</td>
<td>11,642</td>
</tr>
<tr>
<td>Average investment per project</td>
<td>37,891 €</td>
<td>53,608 €</td>
<td>48,497 €</td>
<td>47,095 €</td>
</tr>
<tr>
<td>Investment Action 1</td>
<td>12,351,884 €</td>
<td>30,252,211 €</td>
<td>22,169,179 €</td>
<td>64,773,274 €</td>
</tr>
<tr>
<td>Investment Action 2</td>
<td>3,026,013 €</td>
<td>3,817,982 €</td>
<td>7,126,731 €</td>
<td>13,970,726 €</td>
</tr>
<tr>
<td>Investment Action 3</td>
<td>32,670,624 €</td>
<td>44,565,867 €</td>
<td>45,535,987 €</td>
<td>122,772,478 €</td>
</tr>
<tr>
<td>Investment Action 4</td>
<td>31,969,482 €</td>
<td>54,140,243 €</td>
<td>80,778,132 €</td>
<td>166,887,856 €</td>
</tr>
<tr>
<td>Investment Action 5</td>
<td>29,056,842 €</td>
<td>35,549,071 €</td>
<td>26,298,563 €</td>
<td>90,904,476 €</td>
</tr>
<tr>
<td>Investment Action 6</td>
<td>16,966,962 €</td>
<td>22,042,250 €</td>
<td>41,873,629 €</td>
<td>80,882,841 €</td>
</tr>
<tr>
<td>Investment Action 7</td>
<td>1,728,042 €</td>
<td>4,659,864 €</td>
<td>856,433 €</td>
<td>7,244,340 €</td>
</tr>
</tbody>
</table>

Significant investments are being carried out in LAGs and towns where the industrial and service sectors are highly developed because of their proximity to major cities of the region: Badajoz, Cáceres and Mérida. In contrast, the LAGs of La Serena and Campiña Sur, in the southeast of Extremadura, have an important socioeconomic and demographic delay but at the same time some of the largest investments, with more than 25 million euros. These cases are good examples of the motivating work that LAGs do.

On the contrary, there are areas in demographic and economic decline with little and ageing population and traditional agricultural structures where investment in rural tourism is the main bet to exploit the rich natural and cultural resources. This is the case of LAGs located in the north of the region in mountain areas (Figure 1). However, investing in a growing sector such as rural tourism, which is actively used for economic diversification and opening up new ways to generate income and employment in less developed areas (Saarinen & Lenao, 2014), is not generating the expected results, especially if it is taken into account that indications from the European Commission, to use tourism as a complementary activity to the income of farmers and not the only one activity, are not being followed. Moreover, being more specialised and related to the area of action (Gómez Borja, Mondéjar Jiménez, Mondéjar Jiménez, & Monsalve Serrano, 2006) tourism is necessary to enhance its natural and cultural identity, so that the hotel and gastronomy infrastructure that already exist will be exploited.

![Fig 2. Territorial distribution of investments of the LEADER Approach (1995–2015).](image)

Analysing Economic Activity and Old-age indexes (Figure 3), it can be noted that the most disadvantaged areas are still unable to solve the ageing process or generate enough economic activity to attract young people even though they have received public subsidies since the 1990s. After all of the foregoing, it can be argued that the distribution of rural development aids in Extremadura suffers from a high positive discrimination towards the most dynamic rural areas and partnerships and, where it is known that the most creditworthy entrepreneurs with financial capacity are participating in the funding of LEADER (Cejudo García & Navarro Valverde, 2009; Nieto Masot & Cárdenas Alonso, 2015), which also occurs in other Spanish and European regions.
as well. The same is experienced at municipal level, since most of the projects and investments are carried out in the main population centres that hold a central position in the transport and regional communication system. These municipalities, that show the highest values in Figure 2, are considered to be county towns and Rural Development Centres of LAGs, with their technical teams placed in them. More than 5 million euros have been invested in each of the county towns, which are distributed throughout the regional territory. This implies that the rest of the rural municipalities around them can obtain sufficient equipment and services for their welfare in a sustainable way and take advantage of the facilities of LAGs. However, it cannot be excused that only 27 of the 379 municipalities under LEADER Approach support make up 43% of the total investments.

![Fig 3. Percentage of population and Economic activity and Old-Age indexes in Extremadura.](image)

**4. Conclusion**

The long path of LEADER in Europe, particularly in Extremadura, helps to achieve wide results for evaluating the implementation of this method and obtaining a series of conclusions.

The LEADER Approach has been consolidated in Extremadura and currently remains throughout its territory, having already begun the new Programming Period 2014–2020. This consolidation is based on the facts that other European initiatives, such as URBAN, EQUAL or INTERREG, have stopped working during the last decade and total investments, private co-financing and the number of projects have increased from the beginning, although the last ones not as significant as investments. This is because in earlier years, lower economic scale projects were carried out due to private entrepreneurs still having doubts about investing in its territory. However, the revitalising and informational labour of LAGs has been very important, as well as the change of mentality of the rural population, therefore becoming more involved in making decisions and investing. Nevertheless, this is being produced mainly in regional areas already developed, which is logical considering that it is there where entrepreneurs with more economic solvency are.

In response to demographic and economic statistical information and territorial distribution of rural development aids, it can be said that the most rural areas of the region do not get good results.
These areas have a low industrial and business fabric due to their difficulty to exploit physical resources and to their regressive demographic characteristics. At the same time, they are far from the major population centres. For this reason, in these areas, exploitation of tourism resources is the economic activity used, but as the only activity of the employer and not as a complementary one, so not enough economic benefits are generated. The tendency towards concentration of investments in the most dynamic areas has been experienced in all stages of LEADER, not only in Extremadura but also in various Spanish regions according to studies by other authors. This trend causes the more peripheral and depressed small towns, especially their people, to be ostracised, interurban differences, and processes of ageing and depopulation to be more severe.

Despite the great work of LAGs in the design of the territorial rural development strategy and public participation of people in it, the more powerful and experienced entrepreneurs are those that shape their projects and success. Therefore, it cannot be made a positive assessment of what has been achieved with LEADER in Extremadura, as there is still some questionable aspects that remain.

Nevertheless, it cannot be denied that LEADER contributes to the functioning of a new development model and involves a large population in decision-making, as well as public institutions. Thanks to LEADER, associations, cooperatives, tourist infrastructures, etc., have been created and an interesting regional identity as well, which is exploited as a tourist recourse in some cases.

Not only have traditional projects such as rural houses, hotels, etc., been executed, but also more innovative ones dedicated to alternative touristic activities or to the rehabilitation of the natural or cultural heritage and to improving public services, such as the adaptation of streets, water tanks and access to resources. These are projects that, in some cases, had not been carried out without LEADER.

Therefore, in view of the above and taking into account the economic, demographic and LEADER variables that have been analysed in this paper, several ideas or suggestions are proposed by the authors to improve the results of LEADER:

- Increasing economic resources in the period 2014–2020 would be appropriate, to the detriment of other actions with worse results (CAP and ERP) and especially through a positive modulation of investments towards the weakest territories.
- Secondly, modifying the type of investments is also needed, because in most disadvantaged areas, the implementation of tourist enterprises is the only activity and this does not generate enough economic benefits.
- Reducing economic demands and bureaucratic burdens to private actors could be a solution to avoid concentrating investments in more developed areas.
- Some LAGs, especially those located in the north of Extremadura, have managed total investments that do not reach the average and 24 LAGs is considered as a large number, so its territorial reorganization would be appropriate in order to exploit the available resources properly and distribute the funds among the population equitably.
- Strengthening urban-rural interactions is necessary to promote the common work and as a solution to the differences between the two spaces, which need each other. In fact, this point is one of the main objectives of European Commission in the Horizon 2020 Programme.

The EU and Member States are working to reverse the results achieved by LEADER through the restructuring of the Regulation in the new period 2014–2020, with which LAGs have more prominence and freedom to design their territorial strategies. It should be emphasised that various changes have been made in subsequent periods of LEADER in order to improve and provide more support to the development of European rural areas, but despite these modifications, the LEADER Approach continues to pay attention to the design of strategies designed by LAGs, as well as to partnerships between public and private actors, to the bottom up approach and to
the capacity of the technique teams of LAGs to decide what the potential of their territories is in order to develop viable projects.

To sum up, even taking into account the disparities that still exist between rural and urban areas in Extremadura, the work of LAGs is essential because they contribute to the settlement of the rural population and to the strengthening of their culture. Since the early 90s, the only purpose has been to get a rural environment with an adequate quality of life and for processes of ageing and depopulation to be reversed, while considering the new and difficult challenges that exist.

Acknowledgements

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Academic references


**Other sources**
