

SUMMARY

Report to the Flemish Parliament

European policy for rural development - implementation by the Flemish provinces



The European policy for rural development aims for the improvement of the quality of rural living and the diversification of the rural economy. The Flemish provinces take part in managing and funding the measures of the axes 3 and 4 of the Flemish programme to implement this policy. The Court of Audit audited the management structures involved in both axes, and the consideration given to the aims of the Lisbon Strategy (presently Europe 2020) in the course of the implementation of this part of the rural development programme.

Organizational structure in Flanders

The European policy of rural development is partially funded by the EU and by the Member States; in Belgium - due to the division of competences - by the Regions. The policy is made concrete in three thematic axes and a methodological axis 4 (Leader). Flanders has chosen to divide rural areas in axis 3 and axis 4 areas, that exclude each other geographically. This exclusiveness sometimes leads to inefficient demarcations. Axis 3 projects are assigned by the provincial management committee (PMC) in each province consisting of representatives of local and provincial authorities and the Flemish government. Axis 4 consists of two Leader areas per province. Local Action Groups (LAGs) programme and implement the policy in the Leader areas. Neither the provinces nor the LAGs have seized the opportunity of including clear choices in their programmes, partly because of the mutual geographical exclusion of axis 3 and axis 4 areas.

Selection of projects

Selection of axis 3 projects is identical in all provinces. A technical working group of experts (TWG) advises project propositions. The same representative of the Flemish Land Agency (FLA) has a seat in all TWGs and PMCs. This contributes to uniform decisions. In some provinces few propositions are submitted. This may be a consequence of limited distribution of the project call or of a preliminary selection by the province concerned. In axis 4 most LAGs follow a compulsory preliminary stage for project propositions. As a rule, the monitoring of conformity and quality is less strict than in axis 3, mainly because the FLA does not intervene in the process. Some LAGs receive few propositions and most of them are by members of the LAG themselves or affiliated organisations, which implies the risk of a conflict of interest as the LAGs decide about the allocation of projects. Axis 4 projects generally do not differ much from axis 3 projects, nor do they show distinctive Leader characteristics such as innovation or cooperation.

Monitoring and evaluating projects

Flanders amply lives up to all European monitoring obligations. In axis 3 both provincial co-ordinators and the FLA verify files and declarations. In axis 4 verification has been delegated to the LAG co-ordinators, who find this to be incompatible with their tasks of activating and counselling promoters. Anyway, subsidies are paid regardless of project results.

Programme evaluation

The EU requires a number of evaluations and reports. Again Flanders amply complies with these obligations. However, EU indicators are not always relevant, nor are they interpreted or filled out in a uniform way. As a consequence an accurate overall picture of results and effects of the policy is lacking.

Lisbon and Europe 2020 Strategy

The EU considers the Lisbon Strategy (presently Europe 2020 Strategy) essential for rural development, in particular objectives concerning growth and employment, knowledge-based economy and climate. Flanders concurred. Interim evaluation has shown employment had no priority in the field and employment effects of axis 3 and axis 4 activities were limited. Knowledge-based economy indicators turned out to be rather meaningless and no reports on economic growth and climate are available. As a matter of fact, the EU does not enforce any indicators for these aspects.

Information for the press

The Court of Audit exerts an external control on the financial operations of the Federal State, the Communities, the Regions and the provinces. It contributes to improving public governance by transmitting to the parliamentary assemblies, to the managers and to the audited services any useful and reliable information resulting from a contradictory examination. As a collateral body of the Parliament, the Court performs its missions independently of the authorities it controls.

The *Report of the Court of Audit* has been sent to the Flemish Parliament. The full version and this press release can be found on the Court's website: www.courtsofaudit.be.