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ASSESSING THE IMPACT OF THE LEADER PROGRAM APPROACH ON THE SOCIAL AND ECONOMIC DEVELOPMENT OF RURAL AREAS IN BULGARIA: AN EMPIRICAL ANALYSIS

ABSTRACT

This paper presents an empirical analysis of the impact of the LEADER program approach on the social and economic development of rural areas in Bulgaria. The analysis is based on a structured survey conducted among 321 respondents from various municipalities across the country. The study explores key dimensions such as public awareness, participation levels, perceived benefits, barriers to engagement, and overall perceptions of effectiveness. The findings indicate a generally positive attitude toward the LEADER program approach and its outcomes, particularly in terms of community development and local

empowerment. However, the results also reveal significant gaps in information dissemination and highlight the need for more strategic and inclusive engagement of local stakeholders in the planning and implementation processes.

KEYWORDS: LEADER, local development, LAGs, survey research, social impact

JEL: R11, O18, Q18, L31, H77

INTRODUCTION

Over the past two decades, the LEADER program approach has emerged as one of the key instruments for promoting sustainable rural development within the European Union. Implemented through Local Action Groups (LAGs), the approach is grounded in bottom-up principles, enabling rural communities to design and execute local development strategies tailored to their specific needs, priorities, and available resources. These strategies aim to foster economic diversification, social inclusion, and stronger local governance by actively involving stakeholders from the public, private, and civil society sectors.

In the Bulgarian context, the LEADER program approach has been integrated into national rural development policy, with Local Action Groups serving as the main vehicles for its implementation. However, while considerable financial resources have been allocated to

support these initiatives, there remains a need for a deeper understanding of their actual impact on the social and economic fabric of rural areas.

1. LITERATURE REVIEW

The LEADER approach (*Liaison entre actions de développement de l'économie rurale*) has been developed as part of the European Union's broader policies to promote territorial cohesion and sustainable rural development. Its defining feature is the bottom-up methodology, which empowers local communities to actively identify challenges and propose tailored solutions for their development (European Commission, 2014). This participatory dynamic is institutionalized through the creation of Local Action Groups (LAGs), composed of a diverse mix of actors including local authorities, NGOs, farmers, SMEs, and civil society organizations. These groups form legally recognized partnerships aimed at promoting public-private cooperation, enhancing local governance, and building capacity for economic diversification (Buda, D., Pop, A., 2024).

Over time, academic discourse has emphasized the relevance of neo-endogenous development, a concept that blends endogenous potential with external linkages. Scholars such as Gkartzios, M., Lowe, P. (2019), Dax and Oedl-Wieser (2016), Shucksmith (2000), and Shortall (2008) have argued that strategic use of local resources, social cohesion, and cultural identity can significantly stimulate innovation and social capital. Shucksmith (2000) further interrogates the role of local elites and the representation process within LEADER, cautioning against imbalances in participatory governance, while Shortall (2008) underscores the need for inclusive engagement, particularly among women and marginalized groups.

In terms of tangible outcomes, research points to the LEADER approach as an effective mechanism for reinforcing territorial coherence and implementing integrated development actions, which can enhance economic diversification and community well-being (Florescu, M., Rahoveanu, A., 2021). For instance, more than 60% of LAGs in Romania attracted additional funds beyond their initial allocation, leading to the creation of over 3,400 new jobs - a compelling indicator of the program's economic impact (Staic, L., Vladu, M., 2021).

Functionally, the LAG serves as the central actor within the LEADER framework, tasked with designing and executing local development strategies in close collaboration with both public and private stakeholders. These strategies often target agrifood systems, rural tourism, small-scale enterprises, and infrastructure improvements, leveraging the LAG's position to align resources with community-specific priorities (Ferrazzi et al., 2013). The approach also enables an environment for governance innovation, where local actors are not just recipients of development, but co-creators of its direction and implementation (Florescu & Rahoveanu, 2021).

Beyond economic and institutional gains, LEADER's social dimension has also drawn scholarly attention. Menconi et al. (2018) argue that LAGs play a crucial role in enhancing the sense of belonging among rural residents by fostering connections with cultural, historical, and environmental assets. This emotional and psychological bond between people and place is viewed as fundamental to territorial identity and community resilience.

In the Bulgarian context, the 2014–2020 Rural Development Programme, administered by the Ministry of Agriculture, integrated LEADER as a central axis for supporting LAGs. Within this framework, each LAG developed and implemented a localized development strategy, financed through EU and national funding. Evaluations of implementation effectiveness in this period highlight several critical success factors: open communication with the community, technical support for applicants, and sensitivity to the specific local context.

Despite the overall positive narrative surrounding the LEADER program approach, the actual evaluation of its social and economic impact remains methodologically challenging and often inconclusive. As highlighted by the European Court of Auditors (2022), there is “insufficient evidence of the added value of the LEADER approach,” with concerns about financial efficiency, project relevance, and long-term outcomes. In the Bulgarian context, while the LEADER measure has been implemented as a core component of the Rural Development Programme (2014–2020), systematic empirical assessments of its impact on rural communities remain limited. Most existing analyses tend to focus on implementation processes rather than outcome-based evaluation. This research seeks to address that gap by providing an empirical analysis of the social and economic effects of LEADER/CLLD in Bulgarian rural areas, with particular attention to local development dynamics, stakeholder engagement, and measurable indicators of success.

In a broader context, we find several studies aimed at assessing the degree of socio-economic development of regions and municipalities in Bulgaria, such as Tsonkov (2023, 2024), Tsonkov, Petrov and Slaveva (2024), Petrov and Tsonkov (2023), Borisov, Petrov and Tsankov (2024), Aleksandrova-Zlatanska (2019), Tsekov (2021), Berberova-Valcheva (2024), Georgieva-Petrov (2024) and Angelova (2020). All of the authors mentioned examine various aspects of regional and municipal development, such as spatial and regional development, regional disparities and how to overcome them, fiscal autonomy and municipal policy, demographic development, and others. In this regard, the present study fills existing scientific gaps in the field of municipal regional development by assessing the contribution of the Leader approach and Local Action Groups.

2. METHODOLOGY

The aim of the present study is to assess the perceived effects of the LEADER program approach on the social and economic development of rural regions in Bulgaria. The analysis draws on data from a structured survey conducted among key local stakeholders, offering empirical insights into levels of awareness, participation, experienced benefits, and perceived challenges associated with the implementation of the approach.

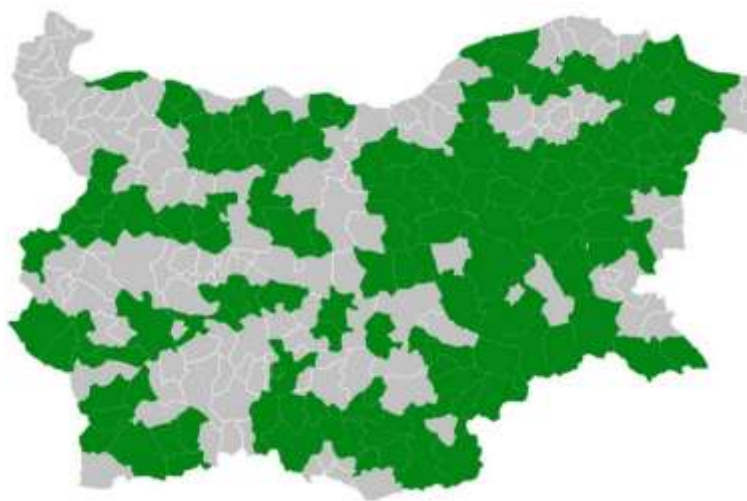
This study is based on a quantitative analysis of survey data collected from 321 respondents residing in municipalities located within the territories of various Local Action Groups (LAGs) in Bulgaria. The survey was specifically designed for this research and includes both closed- and open-ended questions. It is structured into six thematic sections:

1. Demographic characteristics of respondents (gender, age, education, affiliation, and geographic location);
2. Level of awareness and participation in the LEADER/CLLD programme;
3. Assessment of impact on key aspects of regional development, including economy, social services, infrastructure, culture, and environment;
4. Perceptions of the effectiveness of LAG activities;
5. Barriers to participation in the programme;
6. Suggestions for improvement and expectations from the local community.

The questionnaire was distributed online via Google Forms, as well as through collaboration with local partners such as LAGs and municipal authorities, during the period January–February 2025. The closed-ended items include Likert-scale questions ranging from 1 (“strongly disagree”) to 5 (“strongly agree”), allowing for quantitative measurement of attitudes

and perceptions. The open-ended questions provided respondents with the opportunity to express specific observations, opinions, and recommendations.

Figure 1. Map of municipalities in Bulgaria that took part in the study.



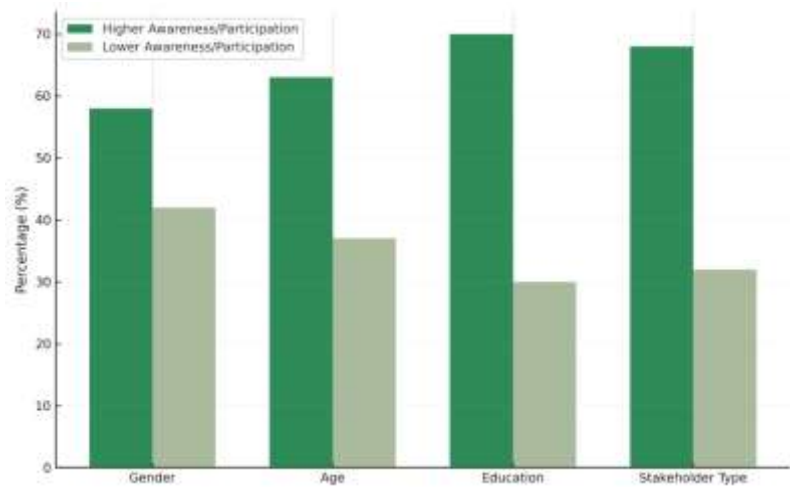
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3. RESULTS

Awareness and Participation

The survey findings indicate that 47% of respondents have participated in LEADER/CLLD-related projects. Women reported higher levels of actual involvement compared to men, while younger participants showed lower engagement rates relative to older age groups. The highest levels of awareness were observed among individuals with higher education and representatives of the public sector and NGOs. Awareness levels were significantly higher in municipalities where the LAG had conducted active outreach campaigns, including seminars and community events.

Figure 2. Awareness and Participation



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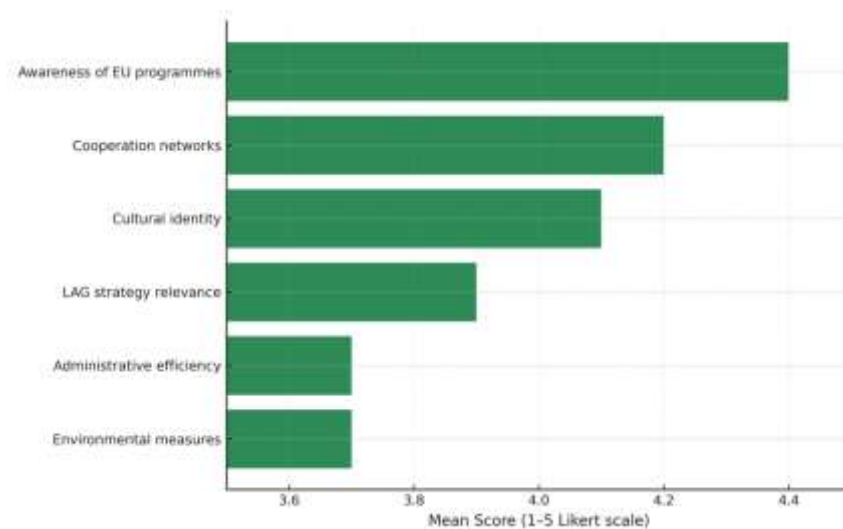
Perceived Impact

Respondents' ratings of LEADER/CLLD's impact on various aspects of regional development ranged from 3.7 to 4.4 on a 5-point Likert scale. The most positively rated aspects were:

- Increased awareness of EU programmes,
- Creation of cooperation networks, and
- Preservation of local cultural identity.

Lower scores were assigned to the administrative efficiency of municipalities and environmental measures. Despite these variations, most respondents believed that their LAG's strategy aligns with the needs of the local territory.

Figure 3. Perceived Impact



Source: own

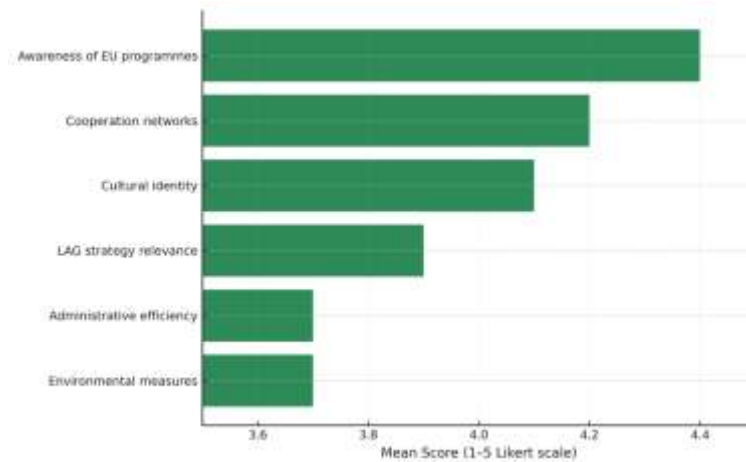
Perceived Benefits

Participants identified several key benefits from their involvement in the programme:

- Improved knowledge and professional development,
- Access to funding and advisory services,
- Opportunities to attend training and build networks with other stakeholders and local authorities.

Respondents from the business sector emphasized enhancements in entrepreneurial capacity and the ability to implement local initiatives.

Figure 4. Perceived Benefits



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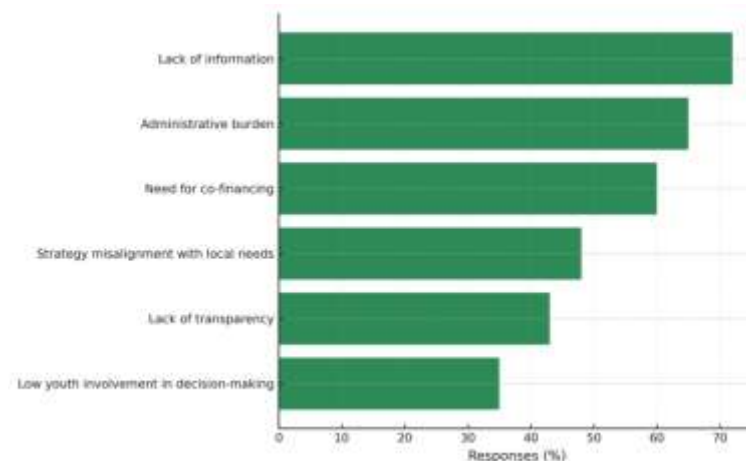
Barriers and Challenges

The most frequently mentioned barriers included:

- Lack of information,
- Cumbersome administrative procedures, and
- The need for co-financing.

Some participants noted that LAG strategies do not always reflect the current needs of local communities, and concerns were raised regarding transparency in project evaluation. Among younger respondents, there was a notable sense of limited involvement in decision-making processes.

Figure 5. Barriers and Challenges



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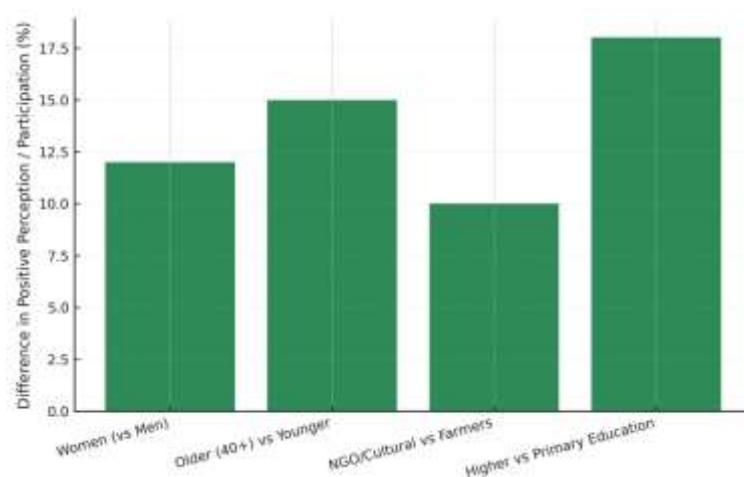
Group Differences

The analysis revealed important variations across demographic and stakeholder groups:

- Women demonstrated higher levels of participation and more positive perceptions of LEADER/CLLD outcomes.

- Older respondents (40+) were more inclined to assess the programme positively compared to younger individuals.
- NGO and community center representatives emphasized the social and cultural roles of the approach, while farmers focused on the need for clearer economic support mechanisms.
- In terms of education, participants with secondary and higher education assigned significantly higher impact ratings than those with only primary education

Figure 6. Group Differences



Source: own

1. DISCUSSION

The findings of this study confirm that the LEADER Program approach has a positive impact on several dimensions of regional development. The most highly rated outcome was the increase in public awareness regarding opportunities under the Rural Development Programme, which is a critical factor for encouraging active participation of local communities in project planning and implementation. This aligns well with LEADER's core objectives of mobilizing local capacity and fostering community-led initiatives.

The comparative analysis by demographic indicators reveals that women tend to be more actively engaged in LEADER program activities than men, and individuals over the age of 40 participate more frequently than younger respondents. This may be interpreted as a function of accumulated experience, existing institutional networks, and a stronger motivation to implement concrete initiatives in later stages of life.

Despite the overall positive perception of the programme, the research also identifies several important challenges. Some respondents reported that LAG strategies do not fully reflect the needs of all stakeholder groups, particularly small businesses, civil society organizations, and young people. Barriers such as limited access to clear and user-friendly information and burdensome administrative procedures were frequently mentioned. These issues are echoed in studies from Central and Eastern Europe, suggesting that there is a broader need to adapt implementation procedures to local contexts (e.g., Guzál-Dec & Zbucki, 2021; Kassai & Farkas, 2013).

Responses to the open-ended survey questions further emphasize the need to:

- Improve transparency in project evaluation and decision-making,

- Digitize communication channels, and
- Enhance citizen participation in governance processes.

In this context, LEADER/CLLD continues to hold strong potential as a tool for sustainable rural development, but it requires more targeted policy support at both local and national levels. Differences in participation and perception across gender and age groups also point to the necessity of developing more inclusive and tailored outreach strategies. Additionally, enhanced institutional backing and the simplification of application procedures would help unlock broader community engagement and foster more equitable access to programme benefits.

CONCLUSION

The LEADER approach has demonstrated a clear contribution to the sustainable development of rural areas in Bulgaria, particularly through the promotion of local participation, the strengthening of social capital, and the encouragement of entrepreneurial initiatives. The results of this study confirm that, when effectively implemented, the LEADER approach can serve as a valuable tool for empowering rural communities and addressing locally identified needs.

However, to further enhance its effectiveness and broaden its impact, several policy and implementation improvements are recommended:

1. Enhancing public awareness through targeted local information campaigns that increase visibility and understanding of the LEADER approach opportunities.
2. Providing more accessible advisory and support services to assist potential applicants throughout the project lifecycle.
3. Simplifying administrative procedures in order to reduce bureaucratic burdens and improve access to funding, particularly for smaller organizations and first-time participants.
4. Actively engaging youth and vulnerable groups through tailored outreach strategies and inclusive participation mechanisms.

By addressing these challenges and building on its existing strengths, the LEADER approach can continue to evolve as a key driver of inclusive and resilient rural development in Bulgaria and across the European Union.

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