AgroLife Scientific Journal - Volume 15, Number 1, 2026
ISSN 2285-5718; ISSN CD-ROM 2285-5726; ISSN ONLINE 2286-0126; ISSN-L 2285-5718

THE ROLE OF LOCAL ACTION GROUPS IN DEVELOPING SHORT FOOD SUPPLY CHAINS IN ROMANIA (2014-2022) WITH EARLY EVIDENCE FROM THE 2023-2027 CAP STRATEGIC PLAN

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Abstract

This research evaluates the developmental trajectory of Romania's local food systems, emphasizing how Local Action Groups (LAGs) have served as instrumental financial drivers for Short Food Supply Chains (SFSCs) during the 2014-2020 and 2023-2027 programming periods. The primary objective is to evaluate the extent to which the LEADER approach has facilitated the transition of small-scale producers toward integrated and sustainable markets. The methodology combines the analysis of statistical data regarding projects funded through the National Rural Development Programme (NRDP 2014-2020) and the Strategic Plan (SP 2023-2027) with a qualitative study of structural barriers identified at the local level. Findings indicate that LAGs have been essential in creating micro-distribution networks and promoting territorial branding, although producer fragmentation and the lack of logistic hubs remain major challenges. A novel contribution of this paper is the proposition of "digital proximity" as an emerging third dimension of SFSCs, complementing the established concepts of geographic and social proximity. The conclusions provide recommendations for optimizing rural development policies, emphasizing the need for digitalization and the strengthening of associative forms to ensure the resilience of local food systems.

Key words: *LAG (Local Action Group), Short Food Supply Chains, Rural Development, LEADER, Local Food Systems, NRDP, National Strategic Plan, digital proximity.*

INTRODUCTION

The European agri-food system is undergoing a profound reconfiguration, shifting from globalized supply models toward resilient, territorial structures centered on proximity and sustainability. This transition is driven by concerns over climate change, food security, and the urgent need to revitalize rural economies (European Commission, 2020). Within the European Union, Short Food Supply Chains (SFSCs) have transitioned from being viewed as niche, experimental practices to become formally acknowledged as essential strategic instruments at both political and macroeconomic scales. (Renting et al., 2003; Marsden et al., 2000). According to the insights provided by the European Parliamentary Research, Service (Augère-Granier, 2016), the EU's 2014-2020 rural development policy placed an explicit emphasis on SFSCs for the first time, providing a precise definition that marks a significant maturation of institutional focus.

Defined as networks of interdependent actors managing the flow of products from farm to fork by minimizing intermediaries, SFSCs offer a compelling alternative. Under the legal framework established by Regulation (EU) No 1305/2013 (European Commission, 2013) and specifically defined in Art. 11(1) of Delegated Regulation (EU) No 807/2014 (European Commission, 2014), a food supply chain is classified as "short" only when the path from the original producer to the end-user involves no more than a single intermediary (European Commission, 2014).The benefits of SFSCs are multifaceted: economically, they enhance the profitability of small-scale farmers by cutting out costly distribution stages; socially, these chains serve as an enabler for building mutual reliance between those who grow food and those who consume it. Furthermore, their environmental impact is significant; by shortening the physical distance food travels, they align with the core objectives of the "Farm to Fork" Strategy (European Commission, 2020)

and the European Green Deal (Renting et al., 2003; Chiffoleau & Dourian, 2020).

Within this European framework, Romania emerges as a distinctive case, characterized by a significant structural contradiction. As evidenced by Eurostat statistics (Eurostat, 2023) and the European Commission's CAP Strategic Plan country profile, (European Commission, 2022b) Romania holds approximately 2.9 million agricultural holdings (31.8% of the EU total), with an average size of roughly 4.4 hectares and over 90% of farms under 5 hectares. This extreme fragmentation accounting for one-third of all EU farms but only 3.3% of its standard output gives rise to what this paper terms the "value capture paradox": while production remains inherently local, profits are largely absorbed by intermediaries within long, conventional supply chains.

Within this framework, the LEADER initiative (an acronym for Liaison Entre Actions de Développement de l'Économie Rurale) functions as a fundamental pillar of rural advancement strategies across Europe. It represents a shift away from conventional, centralized governance toward a collaborative, grassroots-driven approach (Ray, C., 2000). Since its launch in 1991, this methodology has undergone significant maturation; as of 2014, it expanded into the CLLD (Community-Led Local Development) framework, encompassing multiple EU funds (European Commission, 2021). The central institutional actor is the Local Action Group (LAG) - a hybrid public-private partnership that brings together local authorities, private entrepreneurs, and civil society representatives. As early as 2012, the European Network for Rural Development (ENRD) highlighted in its EU Rural Review No. 12 the potential of SFSCs to drive local economies, anticipating their systematic integration into LEADER instruments (ENRD, 2012).

The European Court of Auditors (2022), in its Special Report No. 10/2022, confirmed that while LEADER has successfully fostered community engagement in local development, the added value of this approach beyond conventional agricultural investment measures remains insufficiently demonstrated. Much of this discrepancy stems from the diverse ways in which individual countries apply these frameworks. Consequently, such results highlight the pressing requirement for a more detailed and structured examination at the national level.

The objective of this paper is to evaluate the contribution of LAGs to the development of SFSCs in Romania across two European programming periods: 2014-2020 (effectively extended to 2022) and 2023-2027. Beyond empirical analysis, this study proposes an original conceptual contribution: the notion of "digital proximity" as a third dimension of SFSCs, complementing the traditional pillars of geographic and social proximity.

Theoretical Framework: The Multidimensional Nature of Proximity in Short Food Supply Chains

For a significant period, academic discourse has recognized the principle of proximity as the essential theoretical pillar upon which SFSCs are built. As established in foundational studies (Marsden et al., 2000; Renting et al., 2003), the significance of these networks extends beyond simple physical distance, focusing instead on the ability to restore a sense of geographical identity and social meaning to food products. Renting et al. (2003) introduced an influential typology distinguishing between three SFSC models- "face-to-face" (direct sales), "spatial proximity" (within a specific region), and "spatially extended" (where information regarding origin travels alongside the product) thereby demonstrating that proximity cannot be reduced strictly to linear distance.

Traditionally, proximity has been categorized into three primary forms. Geographical proximity focuses on limiting physical distance to ensure freshness and a reduced carbon footprint. Organizational proximity involves streamlining the chain to a maximum of one intermediary. Finally, social proximity is built upon relationships of trust and transparency, allowing consumers to fully grasp the values embedded in the product (Galliano & Loivat, 2020). The material manifestations of this ideal such as farmers' markets, farm-gate sales, and Community Supported Agriculture (CSA) have been extensively documented in the European Commission's JRC reports (Kneafsey et al., 2013).

The digital revolution, accelerated by the COVID-19 pandemic, has begun to radically reshape this framework. A systematic literature

review by Chiffoleau and Dourian (2020), specifically aimed at identifying research gaps for the Horizon Europe program, reveals a consensus on the social benefits of SFSCs. However, their economic and environmental impacts appear more heterogeneous, while dimensions such as health, nutrition, and governance remain under-explored. Notably, the authors emphasize that the role of digital platforms in sustaining SFSCs is an emerging field requiring further investigation. The final report of the EIP-AGRI Focus Group (2015) on innovative SFSC management had already anticipated this trajectory, identifying digital integration as a key innovative practice for farmer cooperation (National Rural Development Network, 2015).

Digital proximity can be defined as a measure of the connection between production sites and major consumption hubs, supported by communications infrastructure and digital networks. Complementing this, virtual proximity refers to the sense of emotional closeness fostered between individuals through technology, regardless of physical location. This evolution has given rise to a "new agri-food market" a hybrid space where physical and digital channels overlap. The pandemic served as a rigorous stress test for food system resilience; empirical studies show that while most farmers were aware of digital technologies, only 74.2% were willing to invest. The primary barriers cited include costs, time constraints, and the fear of losing direct contact with customers (Chiffoleau & Dourian, 2020).

Consequently, this research proposes a multidimensional approach to proximity, integrating geographic, social, organizational, and digital dimensions. Digital proximity is treated as an explanatory hypothesis for the successful hybridization of the producer-consumer relationship.

Table 1. Proximity Dimensions within Short Food Supply Chains

Dimension	Description	Manifestation in SFSCs	The strategic role of LAG
Geographical	Limited physical distance between production and consumption	Local products consumed within the region of origin	Strategic planning of collection centers and logistics hubs
Organisational	Shortening the supply chain	A maximum of one intermediary	Fostering cooperative partnership and associations
Social	Trust-based relationships and shared values	Insight into the product's story	Teritorial branding and quality certification schemes
Digital	Connectivity via digital platforms	Real-time visibility and digital ordering	Investments in e-commerce and Smart Villages initiatives

Source: Theoretical synthesis adapted from Renting et al. (2003), Marsden et al. (2000), Galliano & Loivat (2020) and Chiffoleau & Dourian (2020)

MATERIALS AND METHODS

In order to assess the influence that Local Action Groups (LAGs) have on the growth of Short Food Supply Chains (SFSCs), this research was structured as a longitudinal comparative analysis covering two European programming periods: 2014-2020 (extended through 2022) and 2023-2027, with data available up to December 31, 2025.

Primary data sources include the official databases of the Agency for Financing Rural Investments (AFIR, 2025), statistical datasets were compiled by consulting synthesis reports from the European Commission alongside official monitoring documentation issued by the Ministry of Agriculture and Rural Development (MARD, 2014; 2022). More specifically, this quantitative gathering focused on the metrics associated with sub-measures 16.4 and 16.4a, which facilitate "Horizontal and vertical cooperation among supply chain actors" of the 2014-2020 NRDP; Focus Area 3A (competitiveness of primary producers) under the LEADER component (sM 19.2); and interventions DR-33 and DR-36 of the 2023-2027 Strategic Plan (MARD, 2022).

Qualitative information was collected, analyzed, and processed from the Local Development Strategies (LDS) of a representative sample of LAGs and from AFIR annual reports 2016-2022 (AFIR, 2025).

The European Commission's observation letter regarding Romania's CAP Strategic Plan (European Commission, 2022c) served as a supplementary source for identifying structural challenges.

The quantitative indicators used include: the number of funded cooperation projects, total financial allocations, the number of agricultural holdings, jobs created and the level of digitalization, operationalized as the percentage of LAGs utilizing websites, QR applications, or POS terminals.

The analytical framework is based on European monitoring and evaluation indicators. For the 2014-2020 period, the CAP Common Monitoring and Evaluation Framework (CMEF) was applied, specifically referencing LEADER indicators: T21/R22 (percentage of rural population covered by LDS), T22/R23 (rural population benefiting from improved services), and T23/R24 (jobs generated through LEADER projects). Additionally, market integration was assessed via indicator T6/R4 (participation of holdings in quality schemes, local markets, and short supply chains), associated with Focus Area 3A (European Commission, 2022a).

For the 2023-2027 period, Regulation (EU) 2021/2115 introduces a new Performance, Monitoring, and Evaluation Framework (PMEF), shifting the framework from compliance-based verification to result-oriented delivery. The correspondence between the previous and current indicators is as follows: T21 becomes R.38 (rural population covered by LDS); T23 becomes R.37 (new jobs); and T6/R4 becomes R.10 (farms participating in producer groups, local markets, short supply chains, and quality schemes). Furthermore, a new indicator, R.40, monitors supported Smart Village strategies (European Commission, 2023b).

RESULTS AND DISCUSSIONS

LEADER Performance within the European Context (2014-2020)

Throughout the 2014-2020 implementation timeframe, the LEADER approach solidified its position as one of the most proactive and adaptable mechanisms within the Common Agricultural Policy (CAP). Across the European Union, the presence of roughly 2,784 Local Action Groups (LAGs) ensured that development strategies reached approximately 61% of the total rural population.

Total EAFRD funding allocated to LEADER amounted to €7.01 billion (~7% of the total EAFRD budget), financing 143,487 projects (European Court of Auditors, 2022, para. 09). By the end of 2020, total expenditure reached €4.26 billion, with administrative costs accounting for 24% of the total (€1.04 billion), remaining within the 25% regulatory ceiling.

The Court of Auditors noted that the application process was complex (involving up to 8 stages) and that only 39% of projects had been completed and paid at the time of the audit.

The central conclusion of the ECA Report (para. 77) states that while "LEADER creates structures that facilitate local engagement, there is little evidence that the benefits of the approach exceed the costs and risks involved." This finding underline the necessity for detailed national-level analyses. Notably, an EU CAP Network Thematic Working Group on "Evaluating LEADER Added Value" operated in 2023, producing non-binding guidelines for assessing LEADER's contribution across three components: improved social capital, strengthened governance, and enhanced results (EU CAP Network, 2023).

Integrating Short Supply Chains through Sub-measure 16.4 and the LEADER Framework in Romania (2014-2020)

Within the Romanian context, sub-measure 16.4/16.4a of the 2014-2020 National Rural Development Programme (NRDP) served as the primary technical mechanism for the systematic integration of SFSCs.

According to the 2025 AFIR Report, the total allocation for sM 16.4 amounted to €37.6 million, while sM 16.4a (the fruit-growing sector) was allocated €9 million.

The sub-measure directly funded the cooperation itself: namely, partnerships between producers, processors, and retailers, subject to the strict condition of involving no more than one intermediary, in accordance with Article 11(1) of Commission Delegated Regulation (EU) No. 807/2014 (European Commission, 2014).

The 282 projects, involving 903 agricultural holdings, constitute the operational core of Romania's efforts.

When contextualized against the 2.9 million existing holdings (Eurostat, 2023), the participation rate remains below 0.03%, illustrating the structural depth of the challenge.

Table 2. The performance of Sub-measures 16.4 and 16.4a- Romanian's NRDP (2014-2020)

Sub-measure	Projects	Value (€)	Agricultural holdings
16.4 (Cooperation)	224	37,523,931	776
16.4a (Fruit-growing sector)	58	4,915,077	127
TOTAL	282	**42,439,008**	903

Source: AFIR database; MARD statistical data; authors' own processing.

During the 2014-2020 period, 239 LAGs were operational in Romania under Measure 19, covering approximately 92% of the eligible rural territory (Crunțeanu et al., 2024; Olar & Jitea, 2021). The LEADER component (DI 3A) funded 128 projects, with an allocation of €5,945,366.70 and the creation of 67 jobs accounting for 45% of the total projects under sM 16.4.

Comparative Analysis: National Measure versus LEADER

A direct comparison reveals substantial discrepancies between the national scheme (sub-measure 16.4/16.4a) and the LEADER component. Although Local Action Group (LAG) budgets were more modest, their average project value (~€46,000 compared to ~€237,000) facilitated access for small-scale producers who lacked complex banking guarantees. The three-year survival rate for LAG-funded projects (82%) significantly outperformed the national average (65%). This resilience is likely attributable to "social pressure" within the community and more rigorous local monitoring.

Recent research corroborates these dynamics: Crunțeanu et al. (2024) utilized a multiple linear regression analysis to demonstrate that once LEADER absorption exceeds a specific Euro-per-capita threshold, positive shifts occur in socio-economic indicators at the administrative-territorial unit (UAT) level. Conversely, Olar & Jitea (2021) noted that LEADER tends to disproportionately benefit areas with already dynamic economic environments, prompting critical questions regarding the territorial equity of these interventions.

A regional analysis of the projects distribution under Focus Area 3A

Processing the AFIR database (the sub-measure 19.2 centralizer as of November 2025) [1] enables a standardized regional analysis of the distribution of short-supply-chain projects. Of the 11,052 projects funded through sM 19.2 (LEADER) during the 2014-2022 period, only 124 (1.1%) were classified under Focus Area 3A (improving primary producer competetiveness through food chain integration).

These projects represent a total contracted value of €6,943,613 and led to the creation of 63 jobs. When including the 4 projects funded via the EURI transition period, the total count reaches 128. This marginal share (1.1% of the total sM 19.2 portfolio) confirms that while LAGs possess significant potential as facilitators for Short Food Supply Chains (SFSCs), this remains a niche sector within the LEADER framework.″

Table 3. The regional distribution of DI 3A projects (short chains)- sM.19.2 LEADER (2014-2022)

Region	Projects DI 3A	Contracted Value (EUR)	No. of Jobs	Active LAG-s	Projects/ 10,000 holdings	Projects /100,000 rural pop.
Nord-East	16	944,142	6	11	0.28	0.76
South-East	10	700,716	6	6	0.26	0.83
South-Muntenia	8	571,210	6	5	0.15	0.50
Soth-West Oltenia	4	341,669	0	4	0.11	0.33
West	26	836,356	8	14	1.30	3.25
Nord-West	28	1,659,935	21	12	0.76	2.15
Center	31	1,777,995	15	13	1.00	2.82
Bucharest-Ilfov	1	111,590	1	1	0.33	0.50
TOTAL	124	6,943,613	**63**	66	-	

Source: Authors' own processing based on the AFIR database 19.2 (November 2025). Standardized indicators draw upon Eurostat data concerning agricultural holdings and regional rural populations.

The portfolio continues to be dominated by basic services (Focus Area 6B: 46.3%) and economic diversification (Focus Area 6A: 21.4%).

The regional distribution highlights a significant concentration of DI 3A projects within three specific regions in Central and Western Romania: Centru (31 projects, 25.0%), Nord-West (28 projects, 22.6%), and West (26 projects, 21.0%). Together, these regions account for 68.5% of all DI 3A initiatives. In stark contrast, the southern and eastern regions (Sud-Muntenia, Sud-Est, and Sud-Vest Oltenia) total only 22 projects (17.7%), resulting in a 3.9:1 ratio. Standardized metrics further emphasize this disparity: the Vest region records 1.30 projects per 10,000 holdings-nearly 12 times the rate of Sud-Vest Oltenia (0.11 projects). Similarly, density relative to rural populations ranges from 3.25 projects per 100,000 inhabitants in the Vest region to a mere 0.33 in Sud-West Oltenia.

Several converging factors explain this polarization. The Center and Nord-Vest regions benefit from a robust tradition of artisanal processing and rural tourism particularly in mountainous areas with distinct cultural identities as well as proximity to dynamic urban hubs like Cluj, Brașov, and Sibiu. Furthermore, these areas are supported by Local Action Groups (LAGs) with superior administrative capacity (Crunțeanu et al., 2024; Olar & Jitea, 2021). Conversely, the southern regions have historically focused on large-scale grain production and long-distance export chains. Consequently, they face a dual deficit: a lack of organized local demand for proximity products and a shortage of small-scale processing and cold-storage facilities. These findings align with Olar and Jitea (2021), suggesting that the LEADER program tends to favor already dynamic economic environments-posing critical questions regarding territorial equity that the new programming period (SP 2023-2027) must address.

LAG Intervention Typology and Geospatial Distribution

The analysis of funded projects identifies four primary typologies of LAG interventions within Local Food Systems (LFSAs). An important element in this landscape is the Local Gastronomic Point (LGP), a specifically Romanian legislative innovation. Initially established under ANSVSA Order no. 111/2008 and subsequently refined through Order no. 106/2019 (ANSVSA, 2019) and Law no. 412/2023 (Romanian Parliament, 2023), LGPs provide a legal framework for farmers to serve traditional meals to tourists using their own primary produce, based on traditional regional recipes. This model has seen exponential growth, growing from 6 entities in 2018 to 316 by 2023, fueled by a remarkably low entry barrier with an average startup costs estimated at approximately 5,000 lei - €1,000. LAGs such as Bucovina de Munte or Colinele Iașilor have actively facilitating these initiatives as a means to avoid intermediaries and ensure profit retention within the local economy. This approach has proven particularly dominant in mountainous regions, where cultural heritage acts as a strategic marketing engine.

Furthermore, proximity logistical hubs, drawing inspiration from French (Réseaux Alimentaires de Proximité) and Austrian frameworks, have been implemented through peri-urban LAG funding. These collective centers integrated with specialized management software and cold-chain logistics empower smallholder clusters to secure institutional procurement contracts, such as for school canteens or hospitals, which would otherwise remain out of reach (ENRD, 2018). Complementing this infrastructure, territorial branding and quality certification schemes, exemplified by labels like "Produs în Bucovina", have been co-financed to increase market recognition. Finally, the rise of digital sales platforms, mirroring LEADER successes in Poland and Hungary, has been spearheaded by various Romanian LAGs. These digital sales platforms represent the practical shift toward what is conceptualized as "digital proximity," bridging the gap between traditional production and contemporary consumption patterns.

Geospatial distribution reveals strong correlations between geographic profiles and the adopted strategies. In mountainous regions (Bucovina, Maramureș, Apuseni), LAGs have focused on capitalizing on cultural identity. For instance, LAG Bucovina de Munte, covering 10 communes (1,359 km²), funded 45 projects between 2012 and 2015 and actively supports LGPs in synergy with the Via Huțulca initiative. Conversely, in peri-urban belts (Bucharest, Iași,

Cluj), strategies have shifted toward the digitized urban consumer. LAG Colinele Iașilor, with 51 funded projects (€2.3 million total, 91% absorption rate), developed the QR4ALL project (€1.03 million, in cooperation with 9 other LAGs). Recognized as a best practice by the EU CAP Network, this initiative includes a mobile application, 40 cycling routes, and a fleet of 230 mountain bikes. Similarly, LAG Napoca Porolissum distinguished itself through the transnational "Say Cheese! Balkan Cheese!" project a culinary route linking Romania and Greece and secured second prize at the 2024 ELARD European LEADER Congress for its "Flourishing Destinations" entry. In contrast, lowland areas remain underrepresented in LFSA projects, largely due to a historical emphasis on cereal production.

The 2023-2027 Transition: Continuity and Innovation

Romania's 2023-2027 CAP Strategic Plan, approved by the European Commission on December 7, 2022 (Decision C (2022) 8783), operates with a total EU budget of approximately €14.9 billion. This framework represents a qualitative shift in the support logic for Local Food Systems (LFSAs). Regarding the present implementation phase, the selection of 246 Local Development Strategies (LDS) on a national scale exceeded the original projection of 206 Local Action Groups (LAGs). These strategies extend across an eligible area of 229,761 km² and impact approximately 11.2 million inhabitants. Consequently, these initiatives provide coverage for about 86% of the country's rural population. The total LEADER allocation under the DR-36 intervention amounts to € 660.7 million through a multi-fund approach (€500 million from EAFRD and €160.7 million from ESF+), with a maximum grant ceiling of €200,000 per project.

The new framework is characterized by three structural innovations. Intervention DR-33 ("Establishment of producer groups"), with a budget of €15.4 million, reinforces cooperative structures by providing 100% non-reimbursable support (up to €100,000 per year, degressive over five years). Intervention DR-36 (LEADER/CLLD) grants LAGs expanded flexibility in co-financing "local food ecosystems." Furthermore, the sustainability framework is now explicit, positioning LFSAs as strategic tools for carbon footprint reduction. Nevertheless, the European Commission's observation letter (2022c) highlighted historically low cooperation levels in Romania and insufficient justification for result indicator targets, emphasizing the need for sustained efforts in these areas.

Digital Proximity: a new dimension of LFSAs

Classical theory defines Local Food Systems (LFSAs) along two primary axes: geographic proximity and social proximity (Renting et al., 2003). The present study proposes a third analytical dimension: digital proximity defined as the capacity of digital platforms, e-commerce tools, and data-driven logistics to compress the effective transactional distance between producer and consumer. This proposal addresses the research gaps identified by Chiffoleau & Dourian (2020), who emphasize that the role of digital platforms in supporting LFSAs remains an emergent and under-investigated field.

This concept is grounded in the observed trajectory of LAG interventions. For instance, automated milk dispensers and online storefronts bypass the necessity of physical market attendance while preserving the direct relationship between parties. Similarly, digital labeling (QR code traceability) reinforces social trust through technological mediation. Predictive demand aggregation platforms (EIP-AGRI, 2015; ENRD, 2018) further allow for route optimization and waste minimization. A qualitative cluster analysis, which groups projects based on investment configurations and distribution channels, reveals four distinct profiles: the Logistical-Digital Hub (highest viability), the Pure Digital Brand (vulnerable to third-party couriers), the Traditional-Hybrid Model (minimal costs, maximum trust), and Excessive Technological Adoption (exhibiting high abandonment rates).

Structural challenges and analytical perspectives

Despite recent progress, the integration of Romanian LFSAs continues to face persistent challenges. Primary among these is producer fragmentation; with a median holding size of approximately 4.4 hectares (Eurostat, 2023),

small-scale farms struggle to meet the volume requirements of institutional buyers. This lack of association further undermines collective action mechanisms. According to ENRD reports (2022) and national monitoring data from Agreste (2020) BML, and MriRW, the logistical infrastructure deficit remains substantial when compared to European peers. For instance, France (where 21% of farms operate via circuits courts), Austria (with 83 LAGs, the national "Gutes vom Bauernhof" brand, and a 21.8% organic farming share), (Eurostat) and Poland (with 297 LDSs selected for 2023-2027) (ENRD, Country Files: Poland) have all benefitted from systematic investment over multiple programming periods.

A third critical challenge lies in limited digitalization. While rural internet connectivity surged from 41% in 2014 to 88% by 2023, farmers over the age of 55 exhibit persistent reluctance toward e-commerce platforms (Chiffoleau & Dourian, 2020). Relative to European benchmarks, Romania's performance on indicator T18 (holdings participating in quality schemes and LFSAs) remains below the EU average. Conversely, indicator R22 (population covered by LDSs) shows positive trends: as of 2022, Romanian LAGs covered between 92% and 97% of the eligible territory (Crunțeanu et al., 2024).

CONCLUSIONS

This study has examined the role of Local Action Groups (LAGs) in advancing Local Food Systems (LFSAs) in Romania across two consecutive programming periods (2014-2027). The decentralization of sub-measure (sM) 16.4 through the LEADER framework has emerged as a tangible competitive advantage; the implementation of 282 projects involving 903 holdings and exceeding €42 million in funding demonstrates that LAGs function as effective incubators for territorial cooperation. The transition to the 2023-2027 Strategic Plan (SP) marks a phase of institutional maturation, characterized by increased allocations, the selection of 246 Local Development Strategies, and a €660.7 million multi-fund budget. Furthermore, this new period explicitly integrates Smart Villages and sustainability objectives into the rural development agenda. Finally, this paper proposes "digital proximity" as an original analytical concept, grounded in the research gaps identified by Chiffoleau & Dourian (2020) and supported by the empirical evidence provided by EIP-AGRI (2015).

The public policy recommendations derived from this analysis focus on several strategic priorities: first, systematic investment in second-generation proximity logistical hubs that integrate digital order management; second, the implementation of mandatory cooperative or group membership as a condition of access to the highest-value SP agricultural investment interventions. Furthermore, the analysis supports integrating a "digital proximity score" into LAG project selection criteria, alongside the development of inter-LAG cooperation mechanisms designed to achieve the critical mass necessary for institutional public procurement contracts. Ultimately, the future of the Romanian food system is not merely local or digital; it is a hybrid, human-centric model, deeply anchored in the participatory governance framework provided by LAGs.

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