#### **International Conference**

### Potentials for Territorial Co-operation with Western Balkans



Maribor, 19. 4. 2010

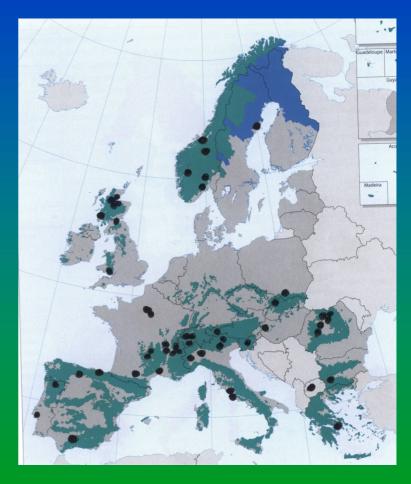
# DEVELOPMENT OPPORTUNITIES AND POTENTIALS OF MOUNTAIN AREAS IN EUROPE

Assoc. Prof. Andreja Borec, EUROMONTANA Board Member

# EUROMONTANA European association for mountain areas



- European multisectoral association (since 1996)
- Around 70 members from 17 countries
- Comprising:
  - RDAs,
  - regional authorities,
  - agriculture organisations,
  - environmental organisations,
  - research organisations...



# EUROMONTANA LINKS ITS NETWORK WITH EUROPE



**European** institutions

Advisory Groups ENRD Regular meetings European organisations: AEM, EMF CPMR, COPA...

**Collaborations** 

### **EUROMONTANA**

**Observer** 

Inter-gouvernemental
Cooperation
Alpine
Convention

Project SARD-M Sustainable Agriculture & rural development in mountain areas

International organisations: FAO – UN ECOSOC

# STRUCTURE OF THE ASSOCIATION



#### **Elected representatives**

#### **President**

André Marcon president@euromontana.org

#### **Board of directors**

20 members

including 5 Vice-presidents





Senate

#### **General assembly of Members**

Election of new board (2008-2012) during the general assembly (10 October)

#### **Secretariat in Brussels**

#### **Director**

Alexia Rouby alexia.rouby@euromontana.org

#### **Project Manager**

Marie Guitton

Marie.guitton@euromontana.org

#### **Project Officer**

#### **Information Officer (EVS)**

Daria Godlewska project@euromontana.org

**Network coordination** 

# OUR VISION FOR THE MOUNTAINS

EUROMONTANA

- Living mountain areas
- Culturally, economically and environmentally diverse mountains
- Mountains overcoming natural handicaps and marginalisation

Mountains are territories with a future and opportunities for Europe!



### OUR CONCRETE ACTIONS: COOPERATION AND DEVELOPMENT OF MOUNTAIN AREAS



#### 1. Lobbying

- 2. Information on European policies:
  - 1. Seminars
  - 2. newsletters
- 3. Facilitating exchange of experiences between territories:
  - 1. 2-annual European Mountain Conventions
  - 2. European cooperation projects
- 4. Develop and manage projects
- 5. Develop our expertise (studies)





# WEAKNESSES OF MOUNTAIN AREAS



### Socio-economic and environmental weaknesses:

- Population decline
- Ageing of population (more then 30% aged over 60)
- Greatest out migration rates
- Natural handicaps
- Climatic restriction for economic activities
- Climate change
- Poor access and lack of infrastructure and services
- Mountain specificities are not sufficiently integrated in regional national and EU policies

The economic, social, cultural and environmental changes taking place in mountains present a complex and often inter-related set of threats and problems





# OPPORTUNITIES FOR MOUNTAINS



Opportunities background – debate on market role of public goods:

Public goods are a special case of externalities and are goods for which consumption cannot be confined to a particular consumer or group of consumers.

Public Goods are characterized by:

- •Non-rival if the good is consumed by one person it does not reduce the amount available to others.
- Non-excludability if the good is available to one person, others cannot be excluded from the benefits it confers.



# OPPORTUNITIES FOR MOUNTAINS—cont.



- For the provision of goods with a high degree of publicness market mechanisms do not function.
- non-excludability and non-rivalry in consumption imply that users have no incentive to pay for public goods
   ⇒ over-exploitation.
- farmers have little incentive to provide public goods because they are not being paid to do so.
- these two factors explain the undersupply of public goods, and therefore, in the absence of functioning markets, public intervention is needed to achieve a desirable level of provision in line with societal demand.

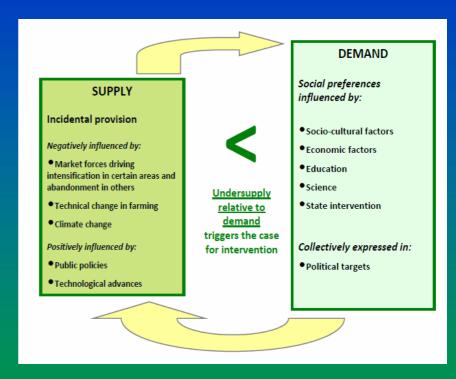


Figure 3: Factors influencing the supply of and demand for environmental public goods

### OPPORTUNITIES FOR MOUNTAINS-co



### Mountains produce a wide range of public goods valued by EU citizens:

- Biodiversity
- Air of high quality
- Stabile climate
- Non use values of landscape
- Rural vitality
- Food security and quality
- Animal welfare and health
- Soil functionality

#### Why are public goods so important to mountains?

- mountain areas can not compete in mass markets (communication difficulties, lack of scale)
- mountains have competitive advantage (environmental and cultural qualities)
- tradition is more common
- mountain farming practices support and maintain public goods in mountains

# Public intervention – future CAP and importancy of public goods



- Vision of future CAP: using the principle: "public money for public goods" rewarding farmers for the delivery of public goods
- At the same time, the EU citizens broadly support the new CAP (average 90%)
- According to public opinion, the future CAP should:
  - ensuring the quality and safety of agricultural products,
  - provide a decent standard of living for farmers,
  - ensure reasonable prices for consumers,
  - protect the environment
  - rise the challenges for climate change

# OPPORTUNITIES FOR MOUNTAINS-cont.



## To take advantage of opportunities the recognition of public goods is of vital importance

EU Policy measures with no or a low degree of targeting towards provision of public goods:

- Decoupled direct payments
  - Keeping farming in place
- Cross-compliance
  - Ensure that farmland is kept in good agricultural and environmental condition
  - Can preserve landscape features, existing habitats, water courses and contributes to soil conservation
- LFA payments
  - Keeps farming in place; often in marginal areas or areas of high nature value
- Farm modernization
  - Can contribute to enhanced water quality, better application of pesticides and fertilizer

# OPPORTUNITIES FOR MOUNTAINS-cont.



### EU policy measures targeted towards encouraging the provision of public goods:

- Agri-environment measures
  - By far the most important measure when it comes to the provision of public goods (also in monetary terms).
  - Provides for landscape preservation, maintenance or enhancement of habitats, biodiversity, soil quality, etc.
- Natura 2000
  - Preservation of biodiversity and habitats
- Training/ advisory services
- <u>Diversification measures</u>
  - Contributes to keeping traditional farming methods and region specific production methods in place.

## POTENTIALS OF MOUNTAINS



### With public goods as basis, mountains reflect also other key potentials:

- High quality of water
- Sources of renewable energy (air, water, biomass)
- Sources of cultural diversity (tradition, language, local knowledge, music, culinary,...)
- Environmental values (biodiversity, clean air,..)
- Tourism and recreation
- Territorial innovation is very much developed
- Investments are more sustainable as in lowland.



# HOW TO REALIZE POTENTIALS?



- Encouraging PPP-s PP investment is crucial. The return on investment might indeed be longer in mountain areas but investment itself will undeniably be more sustainable.
- Integrated work of different policies (horizontal and vertical) – bottom up approach – LEADER or LEADER like programmes
- Promote quality (quality of soci-economic and environmental factors)





### European Charter on Mountain Products



### Objectives: to recognise and protect mountain food products specificities

- The Charter is based on the 5 following principles:
  - The raw materials must be derived from a mountain region;
  - The processing must be carried in a mountain region;
  - Production must take into account local concerns relating to sustainable development;
  - Production must attempt to maintain the biodiversity and heritage of mountain regions;
  - Production must be able to guarantee at all times the transparency of information to consumers.



 This charter and its principles are binding only on its signatories



### Mountain quality food products



- 10 years of work!
- The European charter for Mountain quality food products
- EuroMARC Research project
- Revision of the European policy for agricultural food products





### Euro-Marc Project (6th RTD FP)



- Promote mountain agrofood products as a lever for sustainable development that ensures economic activity in mountain areas.
- Analyze actions of consumers, retailers, producers and policy makers with respect to these products.
- Outputs: successfully applying the European Charter of Mountain Quality Food Products for professionals and policy makers/ Consumer recognition of mountain products in Europe

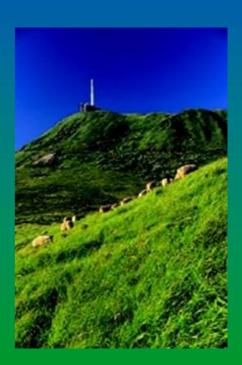
FINAL CONFERENCE: 3-4 December, Maribor, Slovenia

To be developed: EuroMAP

### Other EU funded projects



- INTERREG IV C:
  - PADIMA: Policies against depopulation in mountain areas
    - 8 partners (inc Buskerud and Hedmark)
    - 3 sub-themes:
      - Education and training
      - Territorial marketing/promotion campaigns
      - Diversification of economy
    - Integrated policy recommendations
  - European mountain ABC
- Research (7th Framework programme):
  - MOUNTAIN TRIP: « Transforming research into practice »



# European mountain conventions



- 6<sup>th</sup> European mountain Convention Brig
  - How to generate added value
     from Europe's mountains?
     (8-10 October 2008, Switzerland, Canton of Valais, city of Brig)

**Declaration of Brig** 



 7<sup>th</sup> European mountain convention Lillehammer, Norway, 15-17 Sept 2010





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