Community policies and mountain areas

Proceedings of the conference

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‘Regional policy and mountain areas’
2002 was the International Year of Mountains. Across the world, events were held to promote a better understanding of the significance of the mountains in historical, ecological, cultural and economic terms and to examine ways to encourage the sustainable development of mountains and mountain communities in the future.

This was why we decided that the time was also ripe for a major European conference on Community policies and the mountain areas, the first occasion of its kind to be organised by the European Commission.

This is an important subject for Europe: in the European Union, mountain areas represent over one third of the territory, an area that will expand considerably as alpine and mountainous regions become part of the EU with enlargement. The mountains are a source of strength in Europe providing great biodiversity, strategic goods such as water, and services such as leisure and tourism. At the same time, land use is limited, climatic conditions are generally harder, while access to markets and services is more difficult.

The principal policy challenge is therefore one of maximising the opportunities possessed by mountain regions in fields such as authentic products of high quality or their attractiveness for urban dwellers as a result of a well-preserved environment. At the same time, efforts need to be pursued to limit the effects of their natural handicaps, for example, through the development of new information technologies in order to offset the effects of remoteness.

In order to address the challenges, and in an effort to maintain the vitality of mountain communities, the European Union intervenes extensively under its regional and rural development policies as well as under its different sectoral policies.

How can the mountains make the fullest use of these opportunities? That was the question participants at the conference debated in the course of three workshops: ‘Regional policy and regional planning in mountain areas’, ‘The challenge of agriculture in mountain areas’ and ‘The quality of life in mountain areas’.

The event confirmed the strong commitment of players at all levels to promote sustainable development in European mountain regions. It also demonstrated the imagination of participants in the pursuit of innovative solutions, as confirmed in the contributions contained in this report.
Opening plenary session

1. Mountain areas and European integration
The EU is expanding

Distinguished guests, ladies and gentlemen,

It gives me great pleasure to welcome you to this conference on EU policies and mountain areas.

This conference has been organised by the Commission on the occasion of the International Year of Mountains 2002. It will provide an opportunity to explain the impact of EU policies on mountain regions. It will also allow us to listen to — and learn from — all of you here.

I am especially pleased that representatives from the candidate countries are here among us today.

Only last week, the Commission formally named the 10 countries with which we recommend concluding negotiations by the end of this year on EU membership.

These are therefore truly historic times. We are on the eve of a major reunification of Europe after half a century of artificial division. We in western Europe have enjoyed peace, stability and prosperity thanks to European integration. And now, the benefits of that process can be shared with our fellow Europeans to the east.

Enlargement creates a whole new perspective. It will certainly lead to a more diverse European Union in every sense. We should welcome and respect this diversity. After all, our objective is to create greater unity, and not uniformity in Europe.

On the other hand, we must strive to reduce wide disparities in quality of life and opportunity between regions and countries within the European Union. We must therefore ensure that the Union
has the policy instruments to increase cohesion and to reduce the gaps between rich and poor and between east and west.

**Diversity, cohesion and mountain areas**

The themes of cohesion and diversity are key to our policies and to any discussion of mountain areas.

Mountain areas are a vital element of European diversity. We all know how true this is in terms of biodiversity. Our environment would be immeasurably poorer without the plants and animals that find refuge in mountain habitats and contribute to preserving the ecosystem generally.

Let me give you an example. Soil erosion has dramatic consequences: think of the devastation wrought by floods and landslides in our valleys. So, it is in our own self-interest to ensure that the people who have always looked after the landscape in mountain areas continue to do so.

We rely on mountain regions for 50% of the water we drink and for between a quarter and a third of the forests that purify our atmosphere. They play an important role in safeguarding the sustainability of life on this planet.

But, mountain regions are also vital for the diverse ways of life they offer. This wealth of cultural and social diversity is an asset that benefits us all. As a community we would be all the poorer if the people who live and work in our mountain regions were to abandon them for the valleys and plains of our continent.

Mountain regions are often at greater risk than other areas too — in terms of climate change and social and economic change. And this vulnerability means that mountain areas and the communities that inhabit them deserve our solidarity and support.

They face special difficulties. It is more difficult to earn a livelihood in mountain regions:

- it costs more to produce there;
- markets are further away;
- the soil is less fertile;
- the climate is more severe;
- distances are greater;
- services are harder to access and less profitable to supply.

On the other hand, agriculture and the economy in mountain regions have their positive sides too. The quality and authenticity of their products are unmatched.

Isolation is a handicap, but it can be an advantage — in maintaining organic and traditional production methods and conserving biodiversity.

But, this diversity we cherish inevitably comes at a price. In reality, the natural heritage of our mountains owes a lot to humans and calls for great efforts by mountain communities to sustain it.

The pressures of modern society on the economy and ecology of mountain areas have meant that Europe's mountain communities have been unable to address all of the problems on their own. As a consequence, we need strong European policies in the fields of regional and rural development, agriculture, the environment, research and development, the information society and so on.
That is why our recent proposals to remodel and refocus our agricultural policy are vital. We need to switch from a system based on aid for production to one based on support for those who look after the environment.

We need to switch to a form of stewardship of the land that recognises the farmer's role in caring for the countryside, safeguarding unique landscapes and habitats and protecting the flora and fauna there.

That is why we need regional development policies, based on the principles of sustainable development, to create new opportunities in mountain areas. We need to ensure that people in mountain areas have opportunities and a decent quality of life. We cannot afford to stand back as these areas are depopulated.

**The bigger picture: an effective European Union and an efficient Commission**

Ladies and gentlemen,

If internal cohesion and solidarity are to continue to be the hallmarks of European integration, we need a stronger, more efficient Union.

These issues are currently being discussed within the European convention that is leading the debate on the future of Europe.

Past attempts to strengthen the EU’s political integration have been problematic, as the difficulties in the negotiations preceding the Amsterdam and Nice Treaties showed.

That is why, at Laeken last year, the European Council decided to bring together the stakeholders, including the candidate countries, within the convention to debate the future of the EU.

The aim is to ensure the debate is as wide and transparent as possible in the run-up to the Intergovernmental Conference. This will be called in 2004 and it will decide on the changes needed in the Treaties.

The issues at stake are hugely important. They call for great imagination and political will on the part of all involved.

First, the Union needs to re-connect with its citizens and respond to the demands for greater transparency and simplification. It needs to become more democratic. The right approach is one that takes us closer to a political Union based on a constitutional treaty, enshrining citizens’ fundamental rights and our common values, without introducing more red tape or cumbersome institutions.

Second, we must improve the decision-making process in the enlarged EU. We need more majority voting. We need strong democratic institutions that are up to the task. Institutions that can safeguard the interest of smaller countries while drawing on the strength of the larger ones.

Third, and as a consequence, we need to maintain a strong Commission, because only a strong Commission can represent the common interest in the face of conflicting national or sectoral interests and can act as an honest broker. And can speak for the EU as a whole on the international scene.

Ladies and gentlemen,

In these two days, as you focus on the way our EU policies affect mountain regions, I would ask you to keep something in mind.

Mountains often stand at our borders. They have traditionally acted as barriers between nation States, though less so between cultures.
Over the centuries, the peoples who live in the harsh conditions there have developed a strong sense of solidarity that often transcends national borders. Helping each other and strangers in need, and seeing what needs doing comes naturally to them.

May their values inspire us in the EU too!

Thank you.
Dear President of the Commission, ladies and gentlemen,

It is my privilege to be here with you today to discuss issues related to the development of mountain areas in the context of European integration and to give some insights on Slovene policies aiming at balanced and sustainable development of mountain areas.

I would also like to stress that Slovenia welcomes the initiative of the European Commission to organise this conference which would help to identify ways and means to support the development of mountain areas within the enlarged European Union. This is especially important since mountain areas are vital to life on earth as providers of water and biological diversity, as well as the keepers of traditions and cultural heritage. Dear colleagues, it is our responsibility to be able to translate the conclusions of the conference to programmes ensuring adequate political, institutional and financial commitment to concrete action not only by national governments but also by the Structural Funds.

The issue of mountain area development is of a vital importance for my country. Mountain areas represent 42 % of total landmass. In this area lives more than one third of the two-million strong Slovenian population. Some 68 % of Slovenia’s surface is covered by forest. Therefore, sustainable development of this part of Slovenian territory is not a specific issue, which should be addressed by a selected regional approach, but a question of overall national development policy. Therefore, a balanced development of the mountain areas equals successful development of Slovenia. Nevertheless, the implementation remains region specific.

The formulation of the regional development policy in Slovenia went through two phases. The government of independent Slovenia first passed the law on stimulating the development of demographically endangered areas, followed by the law on the promotion of balanced regional development in 1999 and on this basis endorsed the strategy for regional development in 2001. The law
aims at achieving balanced, sustainable regional development based on optimal but environmentally
friendly use of natural resources.

Over the last several years, the State introduced numerous instruments for reducing regional dispari-
ties:

• capital transfers from the budget through the public fund for regional development and preserva-
tion of Slovene rural areas;
• transfers from the Ministry of Economy and ecological fund for the investment in local infrastruc-
ture;
• transfers from the budget for the so-called financial equalisation in case the local community does
not generate sufficient local funds;
• support from the budget and Phare support for the areas suffering in the 1998 earthquake;
• the measures of the active employment policy, which include two projects, financed by Phare.

In spite of the above-mentioned efforts, the trend of growing regional disparities has not been
reversed. Growing disparities on the other hand are also due to the fact that Slovenia is facing new
economic and social realities. And these realities could not be sufficiently addressed solely by the
above-mentioned instruments. In a nutshell, the so-called traditional approach to rural mountain
development based either on direct support to the agriculture and physical infrastructure develop-
ment, or on human capital and investment from outside rural communities, or on rehabilitation of
economically inefficient industries in nearby valleys, could not provide conditions for sustainable
development in mountain areas.

With the increasing globalisation of Slovenian economy, we are aware that the critical factors for gen-
erating employment opportunities, and thus better social welfare in mountain communities, are not
only policies for removing impediments to the utilisation of natural resources, but are also, if not pri-
marily, programmes and policy incentives that encourage the development of mountain areas’ own
innovative potential, while at the same time achieving balance between conversation and develop-
ment. Central to this approach therefore is the development of entrepreneurship by programmes and
policy incentives that will stimulate entrepreneurs to find a unique blend of resources, either within or
outside agriculture and forestry. While tradition is important it is nevertheless dangerous to be over-
occupied with the past, otherwise the mountain communities my turn into a nostalgia-driven society.
In the era of service-oriented economy with largely spread high-information and communication tech-
nology, un-traditional opportunities are also opening to mountain communities since technological
advances are making jobs and working conditions more flexible as well as are opening numerous new
business niches.

Taking this into account, the regional policy that is today carried out in Slovenia is an important part
of entrepreneurship and competitiveness policy carried out by the Ministry of Economy. This policy
aimed among others at strengthening the key factors of business success such as knowledge, innova-
tion technology and entrepreneurship as a basis for improving the economic vitality of all regions.

The programmes and policy incentives with regional dimension are aiming at creating the conditions
for improvement of economic vitality of the region. The new regional policy is oriented towards the
development of institutional support to individuals, local communities and regions for fast and suc-
cesful adoption to changes. For strengthening economic vitality of mountain areas, policy supports,
for example, the development of tourism so that specific mountain ecosystems are maintained, the
use of environmentally friendly technologies, the development of local clusters for strengthening the
competitiveness at micro and small enterprises, and it also provides voucher system for consultancy
during start-up and growth stage, etc. The emphasis is also put on stimulating the networking between different agencies to overcome the present low level of cooperation of local communities, by pooling together different sources and skills, and thus be able to assist a greater number of local mountain entrepreneurial initiatives as would otherwise be possible. These programmes are complemented by policy measures for the development of agriculture and countryside, protection of natural and cultural heritage, and regulation of space and environment.

To conclude, let me reflect on the new regional policy in European conditions. It should be aimed not only at the elimination of development differences at the level of large regions but also, if not primarily, at the stimulation of development potential and international competitiveness of specific areas representing the identity such as, for example, biodiversity and capability of sustainable development in the framework of enlarged European Union. In this respect, it is necessary to help to support more intensively particularly the regions with the predominantly mountainous and hilly areas which have, due to the protection of sensitive natural equilibrium and exposure to natural disasters, limited development potentials and therefore specific competitive position. At the same time, these are the areas which, due to the historical development, represent the majority of the areas of the traditional cross-border cooperation which is becoming in the framework of the Interreg 3A initiative, one of the important future instruments in the development of border areas of the new EU members. Using GDP as the only indicator of development does not enable the identification of specific development characteristics of such areas and therefore it is necessary to think about how to improve the present framework. The initiative — the dialogue on the revision of structural policy goals which would enable the efficient social and economic cohesion initiated by the Commissioner Mr Barnier — is definitely an opportunity for the beginning of the discussion to bring about the conditions for sustainable development in the mountain areas in the enlarged European Union.

At the end, allow me to invite you to the exhibition in the Conference Centre Charlemagne prepared by Slovenian students with Austrian colleagues, introducing the development potential of Alpine region. This is also a very good example of the possibilities for cross-border cooperation and at the same time it is an invitation to you to visit not only the beautiful mountain areas but all the rest my country can offer.
The protagonists as regards policies for mountain areas, in Europe and worldwide, must first and foremost be the mountain dwellers themselves. Otherwise, without human players, nature is not complete. This does not mean being unscrupulously anthropocentric, since every human being has certain obvious responsibilities towards our planet, which puts our own position into perspective. However, we must avoid the equally grotesque paradox of those who think that mountains without mountain dwellers remain the same; this concept often goes hand in hand with an inflated idea of the environment as a religion with all its attendant extremism.

Indeed, some people, sometimes in the form of requests for protected spaces even in mountain regions, have followed a logic which does not seek to develop all natural resources, which include man, but instead would like to eliminate all traces of his presence, which is considered as a disturbance of a pre-existent natural state. This does not reflect the reality of Europe’s mountains, such as the Alps, which in the words of Paul Guichonnet ‘are a highly populated space, full of human activity, and surrounded by countries with a high level of technical and economic development’.

The attention of a cultured and sensitive section of public opinion often turns towards the mountain areas, which are culturally rich and threatened by violent assimilation from one of the occupying States. Once fashions and quests are over, this should allow for greater awareness in everyday life of mountains like the Alps, where culture is on a smaller scale, or which are less threatened by imported models. We must take both types of mountain area into account.

We must ask the question why all Europeans should believe in the need to protect and develop Europe’s mountains.

I shall offer a tentative reply: because we are dealing with a unique heritage of cultural biodiversity which cannot be replaced. Beside the landscapes, the architecture, traditional practices and knowl-
edge, there is a rich heritage of living creatures, ecological systems, genetic diversity and local products. The future of mountain dwellers is closely linked to the future of the mountains. What once seemed a simple relic of the past, interesting only from a conservation perspective or for having a mere flavour of folklore, today seems to be a model for living, of human cohesion, and of a unified outlook which is better able to meet the challenges of modernity.

In order to exemplify the problems associated with mountains, let us imagine that we wish to build a house for Europe's mountain dwellers, to be placed within the shared European home.

The foundations of our mountain dwellers' house must first and foremost be represented by the legal basis. This includes both the position of the EU on the Alpine Convention, ratified in 1996, and its implementing protocols (at present, the EU has ratified only the protocol on transport), and, in the area of international law, a renewed pledge to adopt the European Charter of Mountain Regions. At the level of Community law, the concept of 'mountains', unlike those of islands or the outermost regions, does not exist in the Treaties so now is the time for the European convention to introduce a specific article for such territories as mountains. It is also of interest to the mountain regions to know what direction the convention will take regarding federalism and regionalism, since the principle of local government is central to the mountain world, along with the protection of linguistic and national minorities. The legal basis could take the form of a specific directive on mountain areas, together with special consideration in every aspect of European legislation.

Let us think now about the house's four walls. The first links mountain agriculture with sustainable tourism, which is an indispensable adjunct to the other economic activities, according to the principle of functional diversity for mountain dwellers. The second wall is the cohesion policy after 2006, whether a specific fund for the benefit of the mountains — when there is finally a European definition of the concept — or for transnational cooperation as a key to the mountain ranges regaining their unity, as natural Euroregions. The third wall is formed by the paradigm which associates transport with environmental protection. The fourth is represented by scientific research and new technologies for the mountains of Europe.

And finally, the roof: in order to prevent rain getting into the mountain dwellers' house we need, firstly, a harmonisation of European competition policy with the requirements of public assistance as compensation for handicaps and, secondly, we need public services such as health, schools, social assistance, communication and telecommunications.

The 2002 International Year of Mountains will have been useful for the overall debate on mountain areas, especially if all the statements of principle are followed by concrete measures in rather innovative directions. 'Si haute soit la montagne, on y trouve un sentier' ('No matter how high the mountain, a path can be found'): I would like to use this old saying to emphasise that the conference organised by the Commission has helped us, all working together, to find this path.

However, if 2002 were regarded simply as a 'space to fill', then the matter would be of no interest to me. Let's be honest: it is time to debate these blessed mountains (I shall not pause to consider how true it is that all religions associate spirituality with mountain peaks!), to debate and to keep on debating in order to take action and operate in the way which the mountain dwellers demand. We must look to the examples of development which have taken place, thanks to political autonomy, a strong sense of identity as well as to financial resources, for example in the Alps.

I would like to think that the international year has been, ultimately, a series of sparks. Not sparks from fireworks destined to die but sparks which help to keep the fire alive. I am thinking of those bonfires on the feast of St John, which in many areas of the Alps light up the darkness of the night. And in this case, the night can be equated with two risks which threaten the mountains.

The first is that the mountains might be cut off and identified with the sort of curse which Braudel
attributed to them in the past, concluding that the mountains had no history and that their immobi-
ility and backwardness placed them outside of the great currents of civilisation. We know how unjust
such descriptions are. And these new technologies, which transmit information and news even to the
most distant areas, or those considered to be the most marginal, are shattering the limits to their hori-
zons, if they ever really existed, and giving them networks.

The second is that the mountain populations, as has often happened in the past, may not participate
in the decisions which concern them, what with differences of substance and the gravity of the situa-
tion dividing northern and southern hemispheres.

But, how can we deny that in the end it is a problem of democracy? This is perhaps the most sensi-
tive aspect. Where depopulation has led to the disappearance of human communities, we may choose
a model for managing territory and its resources through networks of protected areas.

Moreover, I regard the message sent to us in a bottle from the last century, in the form of the ‘Chivas-
so Declaration’, as still valid. This federalist document is certainly dated, given that it goes back to a
meeting between Waldensians and the inhabitants of Val d’Aosta which took place on 19 December
1943, in the middle of the Second World War and during those terrible years for Italy and for Europe.
This decisive declaration is above all about federalism. In the preamble, there is a passage which could
be read as a warning not from an Alpine population of more than 50 years ago, but from many of
Europe’s populations today, on this, the eve of the drafting of a type of European Constitution.

Let us read the passage, which refers primarily to linguistic and cultural freedom: ‘[…] federalism is the
most appropriate framework for providing the guarantees of this individual and collective right and is
the solution for the problem of small nationalities and the definitive liquidation of the historical phe-
nomenon of irredentism, ensuring in the future European situation the advent of a stable and lasting
peace’. But it is the ‘heart’ of the declaration that remains so modern, certainly as regards politics and
culture, though perhaps less so in economic matters.

We must of course bear in mind the attempts to uproot and change identity carried out by fascism in
Italy. However, some centralist approaches by the nation-State have basically applied methods in cer-
tain large mountain valleys which were often quasi-colonial.

Local, regional and national choice must find their place in the jigsaw, together with the European
plan for a new constitution at a continental level.

Unfortunately, the representatives of mountain dwellers will never have large majorities in elected
assemblies, except possibly in some small Italian regions or Swiss Cantons. Certainly, the number of
actual representatives of the mountain dwellers is very limited (in particular in the European Parlia-
ment!) but we can find many individuals, frequenters or lovers of mountains, who can play a full part
in our battles.

Let me conclude with a reflection. Since the first meetings dedicated to the international year with the
directors of the FAO, I have been impressed by their request that the committees from western coun-
tries should not isolate and limit themselves in their activities, to their own reciprocal exchanges.

The reason is obvious: the existence of really terrible problems in the third and fourth worlds. A sort
of ‘other’ mountain, which signifies hunger, major epidemics, the exploitation of women, the
marginalisation of national minorities, destructive tourism and many other problems.

Globalisation can benefit the mountains if it can hold out a hand, is able to suggest and listen, and
provide concrete solutions to this ‘other’ mountain. Perhaps, more than any of the other arguments,
this could become one of the fruits of our labours in the years to come.
The mountains, in this sense, demand novel approaches. We have our Euroregions. I am thinking of the Mont Blanc ‘Euroregio’ or ‘Euro-region’. I am referring to cross-border cooperation, which is today hemmed in by the old Madrid convention (badly received in Italy, which has not even ratified the additional enhanced protocols), but which could bring life to European integration by returning to the situation that existed before the borders became rigid. This is the challenge: to head straight towards the new developments of the future, knowing how long, intricate and entwined are the roots under our feet and within our minds. This dynamic between past and future is like a breath which allows us to hope, like a beating heart, which opens up possibilities for our mountain populations — together and apart.
The mountain regions and the European Union

In intellectual and cultural confrontations with the topic ‘mountains’, our observations must be marked by honesty and truth. I say this precisely because in the romantic world of the mountains, the creation of myth tends to be preferred to clear analysis. And this holds dangers, because myth cannot replace reality.

I would like to analyse three of the many myths, so as to deal with the topic honestly.

The myth from the first half of the 20th century was that the mountain regions constituted an idyllic natural landscape created by God, which was endangered during that period by the development of industry and tourism. The truth is that the mountains have been fundamentally altered by man over the course of 6 000 years. They constitute a historical phenomenon, evolving from the conflict between peoples and their given environment. This long development and constant change has produced a unique European cultural landscape, displaying a high degree of internal stability, which today appears to be threatened both from within and without.

This reflection leads to the next myth, namely that improved access through technology represents the Alps’ good fortune. In the 1960s and up to the early 1980s, even in the Alps themselves, the view holding sway was that only streets, tunnels, power stations and cable railways were needed to improve access to the mountains and so bring affluence and stability to the Alpine world. Even if the myth of improved access is still anchored in many minds as a bringer of benefits, we know today that this improvement in access must be carried out with sensitivity and moderation. In the valleys, there are few alternatives to tourism, so the development of tourism must be sustained. Future generations must also have their free space for development.
The third myth is that events management is the strategy of the future for the Alps. This strategy is highly valued today. The Europe-wide phenomenon of the staged event conceals a danger, however. The mountains will become at most the background to a spectacle which could occur anywhere. This means that experience bears no relation to place. Such placelessness can become so extreme that the names of mountains, squares and businesses can be changed to make them more marketable. The history and special characteristics of the environment are no longer of any interest. One is no longer physically or mentally involved with the mountains, the people and their cultural traditions. The place is no longer of any importance. A sense of uniqueness is lost. It is only logical that at some point even the backdrop will no longer be needed. It will be manufactured in climbing halls, Disneylands, theme parks and roofed-in ski runs. Tourists will no longer encounter the source of the unchanging, archaic and sometimes mysterious, but instead will depend on exchangeable settings and new trends.

However, the distinctive qualities of the mountains are not a myth and must be taken into consideration when developing strategies for the Alpine area. I would like to comment on five special characteristics which I consider to be of the utmost importance.

1. The mountain areas are Europe’s junctions.
   This is true geographically, historically and culturally.

   Europe’s power regions are connected by mountain areas. The mountain regions are so to speak the bones and the power regions the flesh. This is true of the connection between the powerful Catalan area and the south of France via the Pyrenees, also between the South of France and Piedmont or the plain of the River Po and the South of Germany via the Alps. A European mountain policy is needed, not so as to include mountain areas in the system of subsidies but because in European terms mountain areas are a paradigm of European integration. Europe’s DNA, one might say. Thus, the mountain areas have a central function and a pioneering role in Europe for cross-border thinking.

2. The mountain areas are spaces with strong national identities.

   These strong identities have their roots in the history of constant anticipation of danger.

   Thus, regional identities must not be opposed by European policy but positively supported, since they express the variety of our continent. For this reason too, it is necessary to give European regional policy more space.

3. Mountain areas are ecologically sensitive spaces.

   The mountain areas are also border territories in ecological terms. The excesses of ecological strain make themselves felt earlier in mountain areas.

   Mountain areas are a sensor for developments which have gone wrong. This also applies to the effects of climatic change. In this sense too, mountains are an important sensor for Europe.

4. Mountain areas are spaces which are subject to the most varied demands. By fulfilling these demands, they risk falling into one of two main categories:

   The intensively used, and also abused, areas with high levels of economic power and the peripheral, weaker regions. Intensive use arises from highly developed agriculture (e.g. fruit and wine growing), trade and industry. These constitute approximately 6% of the Alpine surface. The highly developed tourist zones are also under intensive use; these make up around 2% of the surface. The rest is made up of areas in which competitiveness is only possible with great difficulty but which represent the main part of the cultural landscape. The danger of the economic separation between the areas demonstrates the necessity of a comprehensive mountain area policy.
5. Mountain areas are exposed to great pressure for change.

From within: depopulation, improved access, sports and events areas, etc.

From without: second homes, establishment of new businesses, through traffic, protected areas, etc.

The areas are becoming more heteronymous and this is provoking resistance among the local population, which is particularly in need of a sustained and comprehensive mountain area policy at a European level.

From this analysis, the following strategic approaches may arise:

1. A comprehensive European mountain area policy is needed which will support regional policy. European mountain policy must be much more than just a policy for subsidising agriculture.

2. We need a mountain policy which will try to integrate the various functions of the mountain areas in order to prevent the split between intensive and peripheral areas.

3. Harmony is needed between economy and ecology. The leitmotiv must be: without ecologically responsible planning for mountain regions, the mountains have no economically viable future. Mountain areas are closely connected with natural conditions. Thus, it is especially true of the mountain areas that in a time of short-term changes long-term thinking is needed. This applies to questions of improved access, settlement development, traffic and agriculture. Environmentally-friendly strategies must always be long-term strategies.

4. We need a mountain policy which will increase their reproductive force. This applies not only to agriculture but equally to traffic or the development of settlements. Where money is generated from road transport, it should be invested in building rail structures which run parallel to these. Where donations are received, they should be invested in measures for preserving and protecting the living space. The list could be continued ad nauseam.

5. At the centre of any mountain policy objective are the people who live and work there. Historically, particularly in the Alpine world, they have fashioned the environment and made it what we proudly see today. That is why the protection of nature in the mountains must always be protection with people, not from people.

6. A policy for the mountain areas must provide sustainable protection for the countryside. This means not only protecting farming, but also the social and cultural dimensions of the countryside.

7. The diversity of mountain regions is a great resource which must be fostered, not limited. European policy for mountain areas must not restrict itself to a variety of local costumes and musical offerings but recognise diversity as a value. It must then considerably extend the possibilities for those with authority at a regional level.

I can imagine that the Alpine Convention, which has also been ratified by the EU, might constitute the basic regime for mountain areas and that regional autonomy could be practised within these guidelines.

Besides these basic strategies for mountain areas, there are probably many others. If we want the development of mountain areas to be largely autonomous, then it is necessary that we also keep to these strategies and not just insist that others do so. Implementing such strategies cannot, however, mean leaving everything as it is. It also requires the courage to make changes.
Opening plenary session

2. Expectations of socioeconomic partners
I have the privilege to speak to you today as President of Euromontana at the kind invitation of the Commission who took the excellent initiative to convene this important conference. I thank them on behalf of Euromontana.

Euromontana is the European Association of Mountain Areas. It comprises over 45 organisations from greater Europe — from Scotland in the west to Georgia in the east, from Greece in the south to Sweden in the north. Our network spans farmers’ associations, rural development agencies, environmental agencies, forestry bodies, technical institutes and regional and local authorities. It is this cross-sectoral quality that provides our network’s strength. The common thread, the fil rouge, of the membership is their desire to achieve aims and to cooperate on projects for the ultimate practical benefit of mountain communities. All members from which ever sector are implacably committed to the preservation of the economic and social welfare of mountain communities and the mountain landscape. This commitment, I am sure, is shared by many of you here today who carry responsibility for mountain areas, mountain people and mountain life.

The current alarming trend towards polarisation of economic activity throughout Europe holds serious implications for the equilibrium of the European Union. Yet, it appears that increasingly European Member States are leaning towards economic development of perceived growth regions irrespective of their development need and moving away from classic regional development of lagging areas. This is a particularly direct threat to the mountains — which are seldom growth areas — perhaps especially in eastern and central Europe where it must be more difficult to resist the temptation to invest in growth poles at the expense of fragile mountain areas.

There are strong and compelling practical arguments for mountain areas and their communities. They are the last reservoir of diversity in an increasingly homogenised world. But, the real argument is more profound or even spiritual.
In a European context, undoubtedly, the Union can survive even if the precious and fragile communities of mountain areas do not and if the assets they provide disappear with them. But, do Europeans really want to live in a society whose cultural fabric is so seriously depleted?

**The mountain argument is about the type of world that European wish to live in.**

At this moment, a snapshot of the diversity and richness of mountain life and activities throughout Europe would still reveal a precious and multicoloured mosaic. If the interests of mountain communities are not recognised now and if efforts are not made now to secure and develop them, both within the European Union and east European countries, in 20 years time that picture could be virtually monochrome.

If this is too philosophical, I would also point out that it is simply not efficient for Europe to ignore the real contribution that these valuable fragile mountain assets can make to the economic welfare of the whole of Europe. So, if the equity argument does not impress, the efficiency argument should. But, if there are some clouds over mountains at the moment, I am confident that the dawn can be bright.

The second cohesion report provides clear evidence that the Commission is sensitive to these mountain realities. This is a real reason for optimism. Mountains are included with islands and sparsely populated areas within the suggested priority ‘Areas with severe geographical or natural handicaps’. Of course, this conference also demonstrates the Commission’s awareness. This is very good news in the light of the changes in delivery of Structural Funds that will be necessary after 2006. But, the critical issue here of course is the extent to which the Commission is able to ensure that any priority addressing mountains will be adopted by Member States in cases where this is clearly appropriate.

Perversely, another reason to be positive is globalisation. Globalisation with its homogenised outputs has provoked a reflex demand for differentiation of products. A huge demand for diversity. Mountain areas can provide that diversity: diversity of crafts, diversity of culture, diversity of local food products and biodiversity. At last, in the 21st century, mountain areas have a comparative advantage. A comparative advantage in the field of niche marketing. Moreover e-commerce, information and communication technologies promise to provide some means to overcome retailing problems that were insurmountable until now. But unfortunately e-commerce cannot compensate for the transport and delivery difficulties that mountain producers commonly face.

It is in these circumstances that the proposals in the CAP mid-term review for the introduction of a compulsory accompanying measure to address food quality is particularly interesting to mountain areas.

We are here today because the European regional and common agricultural policies can play a major role in addressing these issues and seizing these opportunities. And today and tomorrow, we will be looking at what measures are available within the regional and common agricultural policies and how they have been used and might be used. We will be looking at examples of good practice.

I have mentioned eastern Europe, the candidate countries and the serious issues their mountain areas must address. Here, perhaps good practice can be applied to greatest effect and therefore improved trans-national networking is essential. To date, Interreg, Phare and Tacis have worked together less than perfectly. After accession in 2004, all 10 current candidate States will enjoy full Interreg status. Euromontana looks forward to a consequential transformation in the impact of transnational projects in the new eastern third of the Union.

Euromontana and AEM — the European association of elected representatives from mountain areas — have prepared a joint communiqué offering some issues we consider could be usefully explored during our work here today and tomorrow. Copies will be available today. I will not therefore take up valuable time with further detail on individual suggestions. You can read about them.

This is an important event for us. It is an important event for the mountain communities of Europe. We have a duty to them and we must all take that duty seriously. Let us leave Brussels tomorrow having made a real contribution to their future.
M. C. Pinto

Secretary-General of the European Association of Elected Representatives from Mountain Areas, President of the ‘mountain’ section of the National Association of Portuguese Municipalities

The mountain representatives are pleased to note that the Commission has finally decided to explore the possibility of conducting its regional policy in the future on the basis of territorial considerations.

For many years, they have been trying to have the importance of specific territorial characteristics, including those of mountain areas, recognised in the debate. They submitted a memorandum to this effect during the negotiation of Agenda 2000. They contributed to the elaboration of the European Economic and Social Committee’s recent initiative opining on the future of the mountain territories in the European Union, whose conclusions in favour of an integrated Community policy regarding mountain territories deserve the Commission’s full attention. A similar process has been embarked on within the Committee of the Regions, the results of which will enrich our debate in a few months’ time.

1. Recognising those territories at stake in the Treaties

The objective of economic and social cohesion assigned to the EU by the founding treaties may only be achieved effectively if one’s consideration of social and economic inequalities includes the crucial factor of the nature of the territory.

In the context of enlargement, budgetary considerations are causing the Commission to be more selective in its allocation of Structural Funds for the future. To the extent that the nature of certain types of territory has been shown to aggravate economic and social inequality, it seems appropriate to regard this inequality as a real priority.

The territorial handicap should not in itself be the basis of Community assistance, since as such it may only serve as a basis, in the name of the principle of territorial equality, for a policy of financial compensation for various additional costs, whose only justification is the actual and permanent existence
of the handicap. This is a fragile basis which could be challenged at any time should budgetary cuts be imposed. For this reason, it is necessary to add to the notion of a handicap that of special advantages, and hence it is preferable to speak of ‘territories at stake’ rather than territories subject to severe handicaps.

It is because territories such as mountain areas contain important resources (air, water, space, biodiversity, culture) and because these are pre-eminently of general interest that the handicaps to which the territories are subject require from the public authorities not only a necessary and just compensation for additional costs arising from the handicap, but also an active management of resources. This involves an incentive to enhance the value of the natural advantages within the framework of a sustained and equitable development. From this point of view, the case of agriculture is a fairly good example.

A debate on the place of the mountains in Community policy should not overlook that of mountain agriculture in the future, both in terms of sustainable development and of CAP reform. Agriculture remains one of the vital pillars of mountain economy, not only because of the importance of the number of persons employed in this sector among local populations, but also because of its essential role, which is of general interest, in guaranteeing the preservation of space and biodiversity. For this reason, the function of producers of agricultural goods and providers of amenities (non-saleable goods) must be promoted, in particular, as a model of sustainable development in the context of future regulations by encouraging grazing systems and other measures for rural development of this type, especially those favouring multi-purpose farming.

2. Making territorial objectives wholly Community competent

With the inclusion of the territories planned by the Commission, the structural policy fund would tend to shift from measures in the area of economic and social cohesion towards a policy of territorial cohesion. This must be fully assumed and recognised by the Member States and by public authorities at a sub-national level, which are responsible for management of the territories. This does not question the rights of the latter but, with respect to the subsidiarity principle, it should be recognised that, from a logical point of view, the European Union has a specific role in providing a framework and a harmony in order to ensure the overall functioning and coherence of the Community territory, especially given the fluidity of movement of both persons and goods between the different Member States. It is for this reason that a competence in the area of territorial coherence should be inscribed, to the benefit of the territories, in the Treaties.

The question of services of general interest quite clearly reinforces the need of a role for the EU in favour of territorial cohesion. The quality and proximity of services of general interest in the territory is a determining factor in the retention of dynamic populations. This is a particularly sensitive issue in the case of mountain territories, which are usually isolated and where the least distances may be difficult to cross. Because of this, the proximity of the services to the mountain populations, as well as the connection of the territories with the various traffic and distribution networks are even more onerous, with prospects of low profitability on investments in the short term. Among these different networks, we must point to the major importance of those relying on new communication technologies, in respect of which the mountains’ handicap is doubly aggravated, both by the size of the necessary investments and by the indispensable strategic contribution which they now constitute for the development of businesses.

There is, then, an obvious handicap in this area, clearly linked to the nature of the territory, which the Structural Funds policy is bound to deal with in the course of providing assistance if it really wants the mountain territories and their populations to be harmoniously integrated into the Community space and so prevent their being marginalised.

With reference to the mechanisms which the Commission is presently considering for implementing
this selective territorial approach, it appears that future Community regulations could lay down a minimum number of objectives for Member States and/or regions, whether territorial or socioeconomic in nature, which they could freely select from two menus, each with distinct options and possibilities for combining the two. While appreciating the benefits of being able to make a selection (which might or might not permit the concentration of certain measures on different parts of the territory), there is, conversely, a fear that such a system of mere choice applied to territorial objectives might bring with it a risk of neglect. This is even more the case in Member States where there is at present no policy in respect of mountain areas. Taking their specific characteristics into account at these levels certainly depends on the mobilisation of representatives in the territories concerned, but EU support for this will be crucial. Without going so far as to suggest that Member States and the regional authorities are both subject to Community territorial priorities, it is desirable that the Union ensures that these priorities are taken into account wherever necessary by the competent authorities in their selection of objectives, which will then be notified to the Commission.

3. Allowing local players to control the working of the Structural Funds at the most appropriate level

If territorial stakes which should in future be dealt with by the Structural Funds are to be identified at EU level, the treatment to be accorded to them must, as far as possible, be decided and managed locally. This also favours the most direct dialogue and cooperation possible between the Commission and the local decentralised authorities. For the EU, this implies a simplification and acceleration of its financial procedures, in order to delegate management projects to the local management level as quickly as possible (subject of course to the adequate provision of ex post evaluation).

In the case of mountain territories, where the ranges are often divided into the various administrative entities of one or more Member States, this presupposes that this particular aspect should be taken fully into account and that the management of operational programmes be set up at this level so as to permit the best representation and participation by local players in mountain areas.
Response
of the European Commission
Dr Franz Fischler
Commissioner responsible for agriculture, rural development and fisheries
‘Rural development and mountain areas: a first assessment’

Ladies and gentlemen,

It is a pleasure for me to welcome you today at this seminar, which the European Commission has organised as a contribution to the International Year of Mountains. Commissioner Barnier and I jointly took the initiative to organise this seminar on ‘EU policies and the mountain’, because we are convinced that our mountain areas deserve special consideration at European level.

Over a third of the European Union surface are mountain areas, reaching from the Alps to the Pyrenees, from the Massif Central to the north of Europe, and from the Spanish Meseta to the Apennines and the Greek mountains — to name just a few. And with enlargement, we will add another alpine country, Slovenia, and a whole series of other mountain areas; let me mention only the Carpathians or the Tatras as examples.

All those mountain regions are of course varied, not only in geography and climate, but also in terms of culture and lifestyle.

At the same time, they share a number of characteristics, such as limited land use or high work costs due to natural handicaps.

Ladies and gentlemen,

The contributions from our mountain areas are of utmost importance for the maintenance of our unique natural and cultural heritage, for environmental protection, and for the production of quality food.

We therefore must protect and preserve our mountain areas. Thus, the EU’s rural development policy and the regional policy target the socioeconomic and environmental development of mountain areas.
Community support for mountain areas is not new: as early as in 1975, the EC introduced direct income support for farmers in mountain areas.

Ever since then, Community rural development measures are particularly appropriate to target and assist mountain regions, and they have recently been strengthened.

The new common agricultural policy, which was presented in Agenda 2000, puts a stronger emphasis on rural development. We made rural development the ‘second pillar’ of the CAP. The new programming period runs from 2000 to 2006.

The support for mountain regions is co-financed by the European budget, through a section of the European Agricultural Guidance and Guarantee Fund (EAGGF) and the Member States. The aims are:

- to strengthen the agricultural and forestry sector;
- to improve the competitiveness of rural areas;
- to preserve the environment and natural heritage;
- and to promote the multifunctional role of agriculture.

You will hear more about the details on EU support for mountain areas during the seminar. Let me just briefly mention our main ways of support: That is:

- support for less favoured areas (LFA);
- agri-environmental measures;
- forestry measures;
- so-called Article 33 measures. They include for example diversification off-farm, protection of rural heritage, protection of the environment, or land improvement;
- and our Community initiative Leader+.

Coming myself from a mountain area, I am very well aware that these regions have to deal with very specific challenges. Therefore it is essential that rural development programmes be tailor-made, and give specific answers and support to each area. Because it is the people in the regions who know best what their countryside really needs, the EU has reinforced a decentralised approach. Concretely, this means that Member States can — within the general framework defined by Community legislation — choose the measures, which are most suitable for their territories. And I think that this decentralised approach is particularly well adapted to the mountain areas. We have, by the way, also kept this same decentralised approach for the pre-accession programme Sapard. Moreover, the Community initiative for rural development Leader+ is based on a bottom-up approach involving local actors. This approach proves so far very successful, and I am happy to welcome among us a number of representatives from such local action groups (LAGs).

Ladies and gentlemen,

A first assessment of the new CAP and mountain areas leads me to the following conclusions.

For the 30 million people who inhabit our mountain areas, agriculture and its related activities are a key component of the rural economy. At the same time, agriculture has its role to play in sustainable management of the countryside and the mountains, in the conservation of our biodiversity and traditional landscapes. It is up to us to support agriculture in all these functions.

Due to natural handicaps, mountain farmers’ average incomes remain definitely lower than average incomes of low land farmers. We therefore have to keep the direct income subsidies to maintain agricultural activity in mountain areas.

Some mountain areas managed better than others to ensure their economic development, be it through quality products, different levels of industrialisation, or the development of tourism. There-
fore, Member States now have to make a better distinction between areas, to better respond to the
real economic situation and the different specific needs.

We have to further develop the concept of ‘quality products’ in mountain regions. This will increase
consumer confidence and help our mountain agriculture.

And finally, it seems clear to me that we need to protect mountain ecosystems and to support moun-
tain people. Mountain-friendly policies and laws are therefore vital.

With our proposed midterm-review (MTR), we make another step in this direction. Our MTR propos-
als are widely known. I will therefore not go into detail now. Let me just say some words about two
main points, which are particularly relevant for mountain areas:

— First, we want to increase our support for rural development, both financially and in scope.
— And second, we plan to decouple direct support from production, in order to improve the effec-
tiveness of direct payments.

First, reinforcing rural development. At present, only 10 % of our agricultural budget goes into rural
development. The plan is now to introduce Modulation, this means to shift more money from the direct
payments (first pillar) to rural development (second pillar). This will give us more resources for supporting
our less favoured areas, including the mountain areas. As most mountain farms are small, they will bene-
fit from the franchise of EUR 5 000. This means that they will not be touched by the yearly 3 % cut in di-
rect aid. In addition to increased financial support, we also plan to introduce new measures, which can also
be very attractive for mountain areas — take the example of food quality, or agri-environmental measures.

And second, decoupling. We plan to shift our support from product to producer, by introducing one
single income payment per farm. This system is simpler and more effective. And it will allow farmers
to benefit from market opportunities and make their own production decisions. For farmers in moun-
tain areas, decoupling should therefore make it easier to focus on regional products, which are better
adapted to local production conditions. After all, farmers know their individual strengths and oppor-
tunities better than the bureaucrats in Brussels!

Let me finally mention that we will of course keep the less favoured area payments.

Ladies and gentlemen,

With our policies, we want to help and protect mountain ecosystems, and we want to strengthen
mountain communities.

I think a number of needs of our mountain areas can already be addressed with our current provisions
if the Member States and the regions have the will to do so. This seminar will offer opportunities to
present some examples of good practice from the implementation of the Community instruments.

This seminar should also give us an excellent opportunity for an exchange of ideas on how mountain
regions could make even better use of the existing policies. And I am convinced that this seminar is
also an important step in creating public awareness for the unique character of our mountain areas.

We want and we have to preserve, develop and support the specific characters of our mountain areas.

Thank you for your attention.
Mr E. Liikanen
Commissioner responsible for enterprise and the information society
‘The information society: an opportunity for mountain regions’

1. Introduction

Ladies and gentlemen,

First of all, I would like to thank my colleagues, commissioners Barnier and Fischler, for inviting me to participate in the conference. The mountain areas are, indeed, equally important as the urban and other rural areas of the EU. They are often a key component to the Union’s environmental and cultural heritage. For this reason, they have a specific role to play in the economic and social development of the Union. Their importance, but handicaps too, are recognised in the second economic and social cohesion report of the EU.

Due to their specific geographical features, mountain areas tend to be isolated and often their inhabitants do not have easily access to basic public services, largely available to most European citizens.

The successful roll-out of the information society in these areas, through the development of appropriate tools and applications, can contribute significantly to overcoming the isolation problem as well as the lack of services to their inhabitants.

2. eEurope 2005

The response of the European Commission to the development of the information society throughout the EU is the eEurope action plan. eEurope is part of the Lisbon strategy increase competitiveness and growth, create jobs and promote social inclusion.

The objective of the action plan until 2005 is:
— to provide a favourable environment for private investment and for the creation of new jobs;
— to boost productivity;
— to modernise public services;
— to give everyone the opportunity to participate in the global information society, especially those living in remote and consequently mountain areas.

By 2005, Europe should have modern online public services (e-government, e-learning services, e-health services) and a dynamic e-business environment based on the widespread availability of broadband access at competitive prices and a secure information infrastructure. eEurope 2005 therefore aims to stimulate secure services, applications and content based on a widely available broadband infrastructure.

3. Information society and Structural Funds

The importance of the information society and of the changes that come along is recognised and well reflected in the national and regional operational programmes of the Member States, financed by the Structural Funds for the period 2000–06.

A current study of the European Commission on the impact of the information society on Structural Funds shows that the latter can be expected to co-finance a total of just under EUR 16 billion of information society investment in the period 2000–06. This amount, which includes both Community and national funds, represents an estimated 7 % of total Structural Funds investment allocated to information society investment and suggests that national and regional decision-makers are increasingly committed to information society development.

The overall priorities of this investment include:
— enhancement of infrastructure;
— access and participation for all to diminish the digital divide;
— the acceleration of, and support for, e-commerce (especially for SMEs);
— the development of skills for work in the knowledge-based economy.

I am happy to notice that these priorities are overall consistent with the priorities of eEurope.

Currently, the Commission finances and supports research in information society through so-called IST programme in areas like developing appropriate applications for the public administration, health, businesses, education, environment, tourism, cultural heritage. The results of these research activities can ease the isolation problem faced by the remote areas in the EU and facilitate their access to public services.

The IST programme tries to disseminate the results of its research activities in all regions in the EU through the design of appropriate accompanying measures. The DIAS.net project, for example, aims at the development of a cooperation platform that will facilitate the insular, isolated and lesser-developed regions of Europe on their way towards the information society. The project puts emphasis on digital economy.

The take-up of the latest IS technologies and applications with the objective to ease the isolation and access problems of the remote areas is also a target of the second priority of the Structural Funds’ information society investment I mentioned before.
4. Information society and remote areas (broadband)

The eEurope 2005 action plan explicitly states that ‘Member States, in cooperation with the Commission should support, where necessary, broadband deployment in less favoured areas, and where possible may use Structural Funds and/or financial incentives (without prejudice to competition rules). Particular attention should be paid to outermost regions’.

An analysis of the regional operational programmes for the period 2000–06 shows that the more sparsely populated and more peripheral regions of the Union propose to commit more per capita on information society development than the other regions.

In terms of telecommunications infrastructure, a broadly estimated 20 % of the total Structural Funds investment in information society development will be committed to telecommunications infrastructure. This concerns mainly rural, less-populated and peripheral territories that have failed to attract private investment and the case for public intervention is much stronger. The centres of population concentration tend to be well developed by market forces.

I can assure you that my services follow closely the national and regional operational programmes of the Member States in order to ensure that the development of broadband receives full and appropriate consideration, as we are certain that its deployment will facilitate both inclusion and cohesion in the EU. We lay emphasis on region-specific needs and priorities.

Realising the potential of broadband requires that everyone is given the ability and opportunity to enjoy its richness and benefits (in terms of healthcare, education and business for example). This means that the goal of the eEurope 2002 action plan of achieving ‘an information society for all’ remains valid for eEurope 2005.

By supporting the emergence of alternative access platforms, such as digital television, fibre optic, fixed wireless access (FWA), 3G mobile systems or satellite communication systems, the new action plan will further facilitate e-inclusion, also for people with special needs and people living in remote areas, such as the mountain areas.

In relation to the outermost regions of the EU (RUP — régions ultrapériphériques (1)), the importance of which is recognised by Article 299(2) of the Amsterdam Treaty, my services carried out a study with the objective to examine the status of the development of the information society in these regions. The study analysed the following domains:

— the supply of telecommunications infrastructures and services;
— the human capital (education, training, research);
— ICTs in the service of economic and social development (e.g. e-government and general interest applications);
— strategies, policies and initiatives for the development of the information society in the various RUP;
— external exchanges and interregional cooperation.

The Commission is currently working with the Group of the Presidents of these regions to translate the findings of the study into an action plan that will meet the specific needs of the regions in the context of the global information society.

(1) RUP: Guadeloupe, Martinique, Guyana, Island of Reunion, Azores, Madera, Canary Islands.
5. Conclusions

I would like to conclude by saying the following:

— The socioeconomic development of mountain areas, and of remote areas in general, is a priority for the European Union.

— The eEurope 2002 action plan established that a priority for the Union is to ensure that less favoured regions can fully participate in the information society. This priority remains valid in the new action plan.

— The development of broadband networks and services, as emphasised in the eEurope 2005 action plan, is expected to become an increasing factor in achieving regional competitiveness and in diminishing the digital divide with sparsely populated and peripheral regions.

— Broadband enabled communication, in combination with convergence, will bring social as well as economic benefits. It will contribute to e-inclusion, cohesion and cultural diversity. It offers the potential to improve and simplify the life of all Europeans, independently of which region or area they live in, and to change the way people interact, not just at work, but also with friends, family, community and institutions, and the way companies operate.

Thank you.
M. M. Barnier
Commissioner responsible for regional policy and institutional reform
‘Regional policy and mountain areas: a first assessment’

The International Year of Mountains: an occasion for numerous demonstrations throughout the year. It has been a great opportunity for the economic and political players in mountain areas to mobilise and send out some strong messages, to exchange experiences and embark on new directions for the future. It is in this spirit that we wished to organise this conference.

Mountain areas make up a significant portion of Europe:

• one third of the territory;
• 10 % of the total population;
• and, may I remind you, 95 % is eligible for the Structural Funds.

I myself had the opportunity to take part in several demonstrations dedicated to the mountains this year (e.g. in May at Inverness, at the Euromontana meeting). I was able to observe the dogged commitment of those on the ground in favour of developing their regions, and the support given by politicians at the local, regional and national levels.

I am here to listen to you and soon to take part in the discussion with you. Before we begin, I would like to mention two points:

• The possibilities which already exist on the basis of Community policies, in particular regional policy, for which I am responsible.
• The outlook for the period following 2006, in the context of the new generation of Community policies in an enlarged Europe.
The existing possibilities

Regional policies

A budget of EUR 195 billion for 2000–06, that is the second largest budget in the EU, after the CAP: 95 % of the EU’s mountain areas receive aid for development (Objective 1) or economic and social conversion (Objective 2). This is considerable if you compare this figure to other types of territory.

The measures carried out by the Commission are varied: helping SMEs or research centres, boosting traditional production, developing transport infrastructure, developing or improving tourism, supporting initiatives for a sustainable development, preserving the cultural heritage.

As you know, in the regional programmes the choice of which projects to finance is made by the region itself and not by the Commission. I would like to state that the majority of the regions concerned have included specific measures in favour of their mountain areas. In addition to these regional programmes, there are other Community instruments.

I am thinking particularly of the Community initiatives and in particular Interreg (which aims at cross-border, trans-national cooperation). For the first time, one of these programmes has been specially dedicated to mountain areas, the Alpine area bringing together the four Member States concerned (Italy, Germany, France and Austria), as well as Switzerland, Liechtenstein and Slovenia. This programme has been given Community assistance amounting to EUR 58 million for the period 2000–06. This is certainly an important step towards a more systematic promotion and enlargement of the specific characteristics of mountain areas in European and national policies.

Many other Interreg programmes actually concern mountain areas, in particular certain cross-border programmes: France — Spain, with the Pyrenees/Germany — Austria/Austria — Italy, including of course programmes at the Union’s external borders (with Poland, the Czech Republic and Slovenia, for example).

The Interreg initiative is all the more important in that it introduces a novelty: cross-border government. A new form of management of policies and measures which prefigures a European policy and would really bridge the traditional borders.

The URBAN initiative also gives support to the urban spaces of the large mountain towns, which encounter specific problems.

The third type of instrument: innovative actions. Certainly, Community aid has been cut, but these measures allow regions to cooperate in an open manner and according to the priorities which they themselves have chosen. Regions without any borders may also cooperate in this context (e.g. the Scottish Highlands and Islands, Catalonia, Alsace and Lombardy).

I sometimes have the impression, however, that the mountain areas have not always fully utilised the real possibilities offered by these programmes for innovative action. Complementing what Erkki Liikanen has just told you, I wish to remind you that the following three types of action can receive funding: ‘regional economies based on knowledge and technological innovation’, ‘eEurope’ (the information society at the service of regional development), and ‘regional identity and sustainable development.’ You still have time to take part in these actions, since the calls for proposals are made every year. I invite you to take part in them.

The role of other policies

Regional policy is not the only one to favour the mountain areas. F. Fischler has just presented the main lines of the agriculture and rural development policy, which is active in these areas.
In another area, I have taken the initiative, with my colleagues Anna Diamantopoulou and Franz Fischler, of supporting the maintenance of services to EU citizens in the least populated areas against the background of a growing liberalisation of the market, in particular energy and transport. The preservation of these services of general interest, in particular in mountain areas, must be studied in depth. One of the projects presented this afternoon in Workshop 3 dealt precisely with this matter.

The transport policy, for which Loyola de Palacio is responsible, plays an important role in the opening up of certain EU regions.

Thus the White Paper on ‘Transport policy for 2010’ places the fight against congestion and the integration of transport in a sustainable development at the heart of the Commission’s priorities for action, in conformity with the conclusions of the European Council meeting at Gothenburg, which called for environmentally-friendly transport.

The White Paper pays particular attention to mountain areas, which are the sensitive areas *par excellence*. In order to reduce transit through mountain areas, in particular travel by tunnel or mountain passes, it is necessary to redress the balance in the modes of transport, giving a greater role to rail transport and to transport by sea and the inland waterways.

For example, the Lyon-Turin link and the Brenner Pass remain an absolute priority for transferring part of the growth in road traffic to the railway system. The Commission has proposed adding a new railway across the Pyrenees.

In the area of environmental policy, for which my colleague Margot Wallström is responsible:

- The directive concerning the assessment of environmental impact is one of the most important instruments for ensuring that no project implemented will have a negative effect.
- The LIFE programme, in the context of Natura 2000, for financing projects for the development or rehabilitation of natural spaces.
- The Commission has been a contracting party to the Alpine Convention since 1996, limiting its participation to certain specific points (due to a lack of resources), but it is studying the possibility of reinforcing its participation in activities related to the convention.

Here is an assessment, at what is almost mid-term, of the Berlin agenda.

**The outlook for the period following 2006**

**Political framework**

The Convention on the Future of Europe, of whose Praesidium I am a member, alongside my colleague António Vitorino, began its preparatory work for the Intergovernmental Conference of 2004. It opened up debates on several subjects which will allow for a definition of the future role of the European institutions and of the Commission in the context of an enlarged Union, which will ultimately bring together almost 30 Member States.

In this context, I will personally and forcefully defend the Union’s competence in the area of regional policy against all attempts to undermine this policy, or even to bring it back within the national competence.

**What will be the contents of a future regional policy?**

The regional policy following enlargement will comprise three chapters:
• Objective 1: shifting the centre of gravity towards the east.
• Beyond Objective 1: more targeted, more decentralised, simpler.
• Cross-border cooperation measures (Interreg).

The second cohesion report refers even in its title to the diversity of territories and cites among six priorities, those areas with a ‘natural, permanent handicap’, which includes the mountain areas. This is an important innovation which points to a political awareness of the specific realities which these territories in the EU face. This territorial priority could be merged with other more thematic priorities, such as that of the information society or the prevention of natural disasters. The third report, containing concrete proposals is expected at the end of 2003.

Work is continuing, including the study of mountain areas: I requested the initiating of a specific study. The objective is the completion (or updating) of a definition of criteria for demarcating the mountain areas and their zoning. On this basis, an inventory will be made of the EU’s mountain areas eligible under Objectives 1 and 2 of the Structural Funds and those covered by the derogations concerning State aid mentioned in the Treaty.

The indications collected relate to physical geography, demography, the socioeconomic situation, agriculture, infrastructure, the environment and natural hazards.

The study relates to the mountain areas of the 15 countries of the Union (including those in the outermost regions) and the 12 candidate countries. It also includes the study of Arctic areas (to the north of the 62nd parallel). I will have the first results of this study by the beginning of 2003; the final results are expected by the middle of 2003.

I believe that we can count on the support of other institutions in this initiative and in preparations for the future.

• Creation of the ‘Friends of the mountains’ group within the EP, which we spoke of at Trento (when I presented you with the first ‘Mountain’ brochure); my greetings to its president, Luciano Caveri.

• Mr Michl Ebner’s recently published book also emphasises the role played by the EP in achieving a better appreciation of the mountains at a European level. Ewa Petersen’s initiative in favour of the Union’s sparsely populated areas also addresses mountain areas.

• Creation of a research group at the European Economic and Social Committee on the ‘Future of mountain areas’, presided over Mr Kirschen.

In order to succeed in this area, we need you, the players on the ground who are familiar with EU measures in the regions. Indeed, if Community regional policy were to disappear or be reduced, the policy in favour of the mountains would, by definition, be threatened.

But, I would now like to open the debate to you. My colleagues, Frans Fischler and Erkki Liikanen, as well as myself, will do our best to reply to your questions according to our areas of competence.
Workshop 1

‘Regional policy and regional planning in mountain areas’

Speakers
M. A. McFarlane-Slack
President of Lochaber Enterprise Company
‘The Kinlochleven project’ (Scotland)

Kinlochleven village regeneration

Area covered: Kinlochleven

Dates: 1995 to present day

Project partners: KLDT, Community, Lochaber Enterprise, Highland Council, Historic Scotland, SNH, Alcan, Scottish Land Fund, Community Land Unit, ERDF, ESF, HIPP

Total project cost: EUR 4,682,691
ERDF/ESF: EUR 2,148,117

Project description

As a result of the impending and subsequent closure of the Alcan aluminium smelter in Kinlochleven, significant funding has been injected into the village to initiate re-generation of the local economy.

ERDF funds have assisted with the clearance and decontamination of the carbon works site and subsequent initial preparatory work involving the conversion of buildings retained because of their architectural and historic interest together with the building of four business units, extending to 740 m². There are a number of employers, including a call centre, micro-brewery, bunkhouse, and childcare unit.

ESF assistance has supported various training projects for the people of Kinlochleven and the wider Lochaber community. Following a study part-funded by Leader II, opportunities were identified to exploit the natural resources surrounding Kinlochleven and attract increasing numbers of hillwalkers and tourists to the area. Ongoing training projects in environmental skills and footpath creation will enable trainees to gain relevant industry certificates whilst contributing to the overall regeneration of this fragile village.

It is anticipated that further assistance in connection to the redevelopment of Kinlochleven will be sought from the new programme. This is most likely to be in connection to further business, community and human resource development. Proposals for the creation of an international standard indoor climbing facility are well advanced with ERDF assistance considered to be the key component.
**Impacts:**

- Two hectares of land prepared for development
- 2 140 m² of new business space, including refurbished historic buildings
- Four new businesses
- 30 FTEs
- Various village environmental improvements
- New paths
- Training
- Historic land transfer from Alcan to KLDT

**Transferable aspects:**

- Use of historic buildings
- Use of training schemes to achieve projects
- Engagement with community
- Partnership working

**Specific issues related to mountain territory:**

- Interpretation (proposed)
- Niche tourism
- Distance from markets
- Reuse of developable land/buildings
- Diversification of economy

**Lessons learnt:**

- Potential of partnership working including community
- Need to use whatever assets available
- Need to plan in advance of closures, if possible, to limit impact
- Benefits of long lead in time to plan and implement changes so negative impacts are minimised
Ms J. Alquier
Regional Councillor in Midi-Pyrénées and President of the Environment and Sustainable Development Committee of the Midi-Pyrénées Regional Council, Toulouse, France

Ms Martinez Lasierra
Department of European funds, Government of Aragón, Spain
Project ‘Historic routes of the Luchon Bénasque valley’ (Central Pyrenees, France — Spain)

Joint enhancement of the value of eco-tourism in the Luchon and Bénasque valleys — Restoration of the historic paths in the Central Pyrenees

I. CONTEXT OF PROJECT:

This project is being carried out in the context of the close collaboration concerning environmental matters in which the Regional Council of the Midi-Pyrénées and the Autonomous Community of Aragon have been engaged for several years.

The project was initiated in 1996 and was based on the promotion of the paths which have historically connected the Haut Comminges and the Vallée de Bénasque (between Saint-Bertrand de Comminges and Roda de Isabena) and that of the cross-border gateways which until not so long ago united the valleys of Luchon and Bénasque, and have an exceptional cultural and natural heritage.

The operation's general objective was to put forward the sustainable enhancement of the value of eco-tourism in these symbolic cross-border Pyrenean territories (Central Pyrenean: the massifs of Luchon, Aneto-Maladetta and Posets).

II. PHASES OF THE OPERATION:

The project may be broken down into two distinct phases:

Phase I: Today, this phase has been completed, under the auspices of the Regional Council of the
Midi-Pyrénées and the Autonomous Community of Aragon; it was financed through European Interreg II (FEDER) funding. It involved the setting-up of bases for the enhancement of the value of eco-tourism, which fell into two categories:

Section 1: Preliminary studies

1. On the French side: Preparation of historical research and carrying out studies on aspects concerning the environment and tourism.

2. On the Aragonese side: carrying out historical studies and archaeological excavations.

Section 2: Extending knowledge

This phase, mainly carried out on the French side together with Aragonese researchers, enabled the setting up of a significant database containing information on this cross-border territory. This is managed jointly by the Regional Council of the Midi-Pyrénées and the State (Ministry of Culture).

Phase II: Development over the whole cross-border territory.

This phase has been under development since the beginning of 2000 with organisations and local players from this mountain area, in order to create a real cross-border cooperation programme, beginning with the vital connection represented by the historic paths and using the knowledge acquired during Phase I.

III. FINANCING:

The cost for the French side in Phase I came to EUR 126 880. It received 50 % of the financing from Interreg II European funds, the remainder being provided by the Regional Council of the Midi-Pyrénées and the State (FNADT (the national fund for land planning and development)).

The Spanish side also received Interreg II funding.
Conclusions of Workshop 1
Chairperson: M. B. Lange
Head of unit, Directorate-General for Regional Policy,
European Commission

Rapporteur: Prof. J. Batchler
European Policies Research Centre (EPRC),
University of Strathclyde (Glasgow, UK)

Subjects discussed:

• Are the Community instruments in favour of territorial cohesion adapted to mountain areas?

• Government: how may measures be better integrated at local, national and European levels?

Two projects co-funded by FEDER have been presented in order to provide illustrations:

1 The regeneration programme for the village of Kinlochleven in Scotland.

2 The cross-border tourism development project in the Luchon and Bénasque valleys (historic paths) in the Central Pyrenees, France and Spain.

The discussions which followed dealt first and foremost with the characteristics of mountain areas in the European Union:

• The speakers emphasised that mountain areas have not only handicaps but also some considerable advantages, the value of which should be enhanced (variety in natural spaces retained, quality products, an economy tending towards diversification, etc.).

• The facts are that mountain areas vary considerably from one to the other: some suffer from depopulation problems and a rural exodus with a very limited economic basis, while others are flourishing socially and economically.
• Finally, the tradition of mutual aid and cooperation within mountain regions has been emphasised by all the participants. The exchange of experiences has become one of the lines of action to be preferred in the implementation of these policies.

Proposals for greater added value from Community assistance:

• As regards the political priorities to be given preference, the participants have recommended the strengthening of measures in the areas of environment, transport and tourism (in particular in the area of risk prevention in the first two areas).

• It did not seem useful to us to create new financial instruments. Rather, the coherence and interaction of existing instruments needs to be improved (Structural Funds and environmental programmes linked to transport, energy and research), in order to achieve real, integrated measures on the ground.

• Policies administered from Brussels must be better adapted to local needs (that is at a sub-regional level).

• A simplification of procedures for small-scale projects is desirable.

• Certain participants called for a revision of the method of calculating State aid in determining the eligibility of expenses.

• Assistance from the Structural Funds in mountain areas must focus not on the handicaps to be overcome but rather on the opportunities to be developed and the natural advantages, the value of which is to be enhanced there.
Workshop 2

‘The challenge of agriculture in mountain areas’

Speakers
Mr I. Knöbl
Austrian Federal Minister for Agriculture
‘Agro-environmental measures in mountain areas from the Austrian rural development programme 2000–06’ (Vienna, Austria)

What role do agri-environmental measures play in the context of Austria’s rural development programme for mountain agriculture?

‘Land of mountains’ is the first line of the Austrian national anthem. And a look at a topographical map of my country will show that this description is justified. A considerable part of the central European alpine mountain range lies in Austria. And Austria is referred to rather sweetly as the Alpine Republic’.

However, Austria’s mountain regions are not only made up of the Alps with their high mountains. In the north, the mountains composing the ‘Wald and Mühlviertel’ have lower peaks. Geologically, they form part of the Bohemian massif and thus in a sense form a bridge to the great mountain range of the acceding countries, the Carpathians.

How does Austria’s topographical situation fit into the regulatory structure of Community law?

The demarcation criteria for less favoured areas give the following picture for Austria:
The green on the map stands for mountain areas, yellow for other less favoured areas in accordance with Article 18 of the aforementioned regulation and blue the areas referred to in Article 19. As you can clearly see from the picture, the ‘mountain areas’ is the most significant category in Austria.

- 70 % of the country comprises mountain areas according to EU criteria;
- 58 % of usable agricultural land and 75 % of the forests lie in the mountain areas (less favoured areas in total: 71 % of the total surface);
- 40 % of the Austrian population live in the mountains;
- about four fifths of tourists’ overnight stays take place in the mountains.

Austria was already concerned with those measures of the common agricultural policy which are now contained in the so-called second pillar at the time of its accession. I would like to make this clearer for you by means of the following graphic:

**The common agricultural policy in Austria**

| Percentage breakdown of the two pillars of the CAP (1995–99 — annual average) |
|---------------------------------|--------|------------|-------------|
| EU budget (millions of ECU)     | 37.2   | 1.9        | 3.7         |
| Austria–EU funds (in national currency) | 6.7    | 3.6        | 1.7         |
| Austria total (in national currency) | 6.9    | 7.2        | 5.4         |

The expenditure in the EU agricultural budget relating to market support (now the first pillar of the CAP) constituted on average around 85 % of the total from 1995 to 1999, while only 15 % of the budget was used for the associated measures for agricultural reform and for improving agricultural structures. However, even then, the expenditure in Austria for improving agricultural structures (Objectives 5a and 5b, comparable national measures) and associated measures received the greatest emphasis. The EU agricultural market regime could only take credit for approximately one third of public payments received by Austrian farmers. The agri-environmental programme — indicated in green in the figure — was already prominent at this stage of our membership. According to Agenda 2000, these measures were to be consolidated into a rural development programme.

**Strategy of the programme**

Ongoing, multifunctional agriculture and forestry within a dynamic rural context

- Return on effort
- Improvement in competitiveness
- Protection of basic substance

Austrian rural development programme
The Austrian programme follows a basic strategy of promoting sustainable, mixed activity farming and forestry in a functional and living countryside. In order to achieve this, three sets of objectives were laid down in the development plan.

**The preservation of assets:** This includes all investments which are beneficial and necessary for rural development but which would not be made according to strict cost-effective criteria. In mountain areas particularly, the cost-effectiveness of investments is quickly reached.

Improving **competitiveness** includes, firstly, competitiveness in the area of agriculture and forestry in the classical sense, that is the rationalisation of original production and the improvement of market conditions. Secondly, we also understand competitiveness as the diversification of activities on agricultural holdings. This leads to additional sources of income for farmers. Holdings in mountain areas are particularly dependent on income from diverse sources. The economic preconditions are particularly satisfied in areas where tourism is thriving.

**Compensation for special services** refers to the provision of compensation to farmers for environmental services, in particular those carried out within the framework of the agri-environment programme, and also to compensation for farming carried out in the mountainous and other less favoured areas.

The **compensatory allowance** is the only second pillar measure which is restricted to less favoured areas. It is intended to compensate for higher production costs due to the existence of natural handicaps. Austria makes full use of the possibilities within the scope of Council Regulation (EC) No 1257/99 in the form of the compensatory allowance.

In the Austrian programme, the compensatory allowance is covered by a quarter of the total allocation of public monies.

![Financing of the Austrian rural development programme](image)

Agri-environment measures constitute the focus of the Austrian programme, amounting to around 60% of the total budget.

As early as its accession in 1995, Austria submitted to the Commission an agri-environment programme, which very rapidly became the central promotional instrument in Austrian agriculture. It was overwhelmingly accepted by farmers. Over 90% of fodder-producing holdings in mountain areas took part in at least one of the measures. The abbreviation ÖPUL — the Austrian programme for environmentally-friendly agriculture — became a label. In the context of the Austrian rural development...
programme, the third generation of agri-environmental programmes in Austria has already been
implemented: following ÖPUL 95 and ÖPUL 98, ÖPUL 2000 has been in force since 2001. In develop-
ing ÖPUL 2000, evaluation results of the earlier programmes were taken into account as were the
wishes of social groups regarding, for example, the inclusion of measures for protecting nature and
taking precautions in the provision of drinking water.

At first sight, the Austrian agri-environment programme is a very complicated instrument. 31 different
measures are listed in the programme’s text. These many measures may be summarised, somewhat
schematically, in the following main categories:

- at the bottom is the basic grant;
- above this are the various agricultural extensification possibilities for pasture and arable land, which
  range from total abstention to yield-increasing production methods;
- above this the promotion of integrated environmentally-friendly production systems for fruit, wine
  and vegetables;
- at the top of the pyramid is organic farming.

While the measures in this pyramid refer to the type of business, other measures are purely related to
the nature of the terrain:

- encouragement of farming Alpine areas and mowing steep slopes;
- several measures specific to nature protection.

In the course of Council negotiations leading to Council Regulation (EC) No. 1257/99, the Commis-
sion described the drafted regulation as a menu, from which each region could take its pick. ÖPUL
2000 is a particularly extensive and varied menu which allows almost every Austrian farmer to make a
selection that is palatable to him and to the environment. Its success is demonstrated by the high level
of participation. The result of this participation is that agriculture in Austria is on average carried out
at production levels of very moderate intensity. This prevents damage to the environment from farm-
ing. The high level of participation also ensures the preservation of Austria’s cultural landscape. This
landscape represents our potential in the area of tourism. Moreover, the wide participation in the pro-
gramme also means that more and more farmers are becoming increasingly environmentally aware. Only as a result of this will many farmers be prepared to take further steps to protect the environment. This has also been demonstrated by the actual implementation of the programme. I refer, for example, to the high concentration of organic farmers in Austria.

Austria takes the view that, by contrast with the compensatory allowance for less favoured areas, agri-environmental measures must be directed at agriculture as a whole. Thus, there are no measures here which are restricted to mountain areas.

Traditional mountain farming is environmentally-friendly and adapted to the countryside naturally. Nevertheless, measures are needed to ensure environmental protection and effective incentives for the provision of specific services (those which preserve the countryside). Thus, a basket of varied and performance-related measures are made available to farmers in the context of agri-environmental measures.

An analysis of mountain farmers’ participation in agri-environmental measures shows that, overall, more than 50 % of agri-environment support goes to mountain areas. Some measures such as the extensification of pastureland usage, keeping steep slopes open in the form of meadows and mountain pastures are primarily directed at agriculture in mountain areas and are correspondingly remunerated in those areas. But, the promotion of organic agriculture is also most prevalent in the mountain areas (three quarters of the subsidies for organic farming flow into mountain areas).

**Summary**

In accordance with the European agricultural model, mountain farming and forestry is a multi-functional economic area. Alongside the production of food products and renewable raw materials, mountain agriculture contributes to the formation and preservation of the cultural landscape, ensures biodiversity, takes precautions against natural hazards and finally preserves minimum population levels. All this together makes mountain areas a high-quality living space and is the precondition for dynamic and sustainable development in the mountains.

The support for mountain agriculture is based on the following income components:

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**Protection of mountain and hill farming**

- Income from outside agriculture
- Payment for multi-functional activities (agri-environmental programme)
- Compensation for farming in difficult conditions (compensatory allowance)
- Market income from production and diversification
- Upland farming

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• Market-related income on the basis of production possibilities. In order to protect these potential incomes, measures are needed to direct production. The premiums provided for in the first pillar of the CAP (common agricultural policy) form a component of this market-related income.

• Diversification within holdings — dependent on the possibilities open to the holding in question.

• Compensation for handicaps (compensatory allowance).


• Extra-agricultural sources of income (combination of activities).

In Austria, agri-environment measures form a sizeable proportion of farmers’ income. Our experience is that such a mix of income sources works well. However, structural change in mountain areas lags behind, compared with the so-called favoured areas. We may conclude from this that mountain farming in Austria is relatively stable and that this stability is the result of a wide range of income sources for farmers.
In its contribution to production, employment, soil conservation and protection of the countryside, mountain agriculture is recognised as being of a common interest as regards the preservation and development of activities in mountain areas.

Thus, the French Government recognises these fundamental roles of mountain agriculture. It is particularly committed to promoting quality production and taking into account its specific characteristics in conformity with the provisions establishing the Economic Community.

The corpus of national regulations was first set up to benefit all quality products. The essential question for our work today is to identify the position given by these provisions to what are known as mountain products.

**Review of the founding elements of Community policy in the area of quality**

Two periods may be distinguished.

1980–90: an initial awareness

An awareness grew up among professionals and in policies at a European level which led to new bearings in the context of the CAP.

Changes were necessary to deal with, in particular:

- an increase in production and production surpluses;
- the impact of the common agricultural policy on the occupation of the land (the concentration and increased size of holdings, a drop in the number of farmers, the phenomenon of a loss of interest in farming in certain regions) and on the environment in areas of intensive production;
- consumer expectations regarding traceability and the monitoring of products, information on origin, methods of production and development, and the search for more authentic products.
In this new context, the quality policy has become a major stake in agricultural policy, at national, European and even international levels. Its aim is both:

- to give consumers the confidence and product guarantees which they are asking for;
- to allow the development of an agriculture which generates wealth and added value, contributing to the survival of holdings and derived activities. This should include those regions which are disadvantaged in terms of productivity.

1990–2000: the development of a product quality and origin policy at European level

The beginning of the 1990s was characterised by the implementation of three European regulations connected with the recognition and protection of specific products:

- Council Regulation (EEC) No 2092/91 of 24 June 1991 on organic production of agricultural products. While it initially concerned only vegetable products, it was later finalised by a section on animal products.
- Council Regulation (EEC) No 2081/92 of 14 July 1992 on the protection of geographical indications and designations of origin for agricultural products and foodstuffs: This regulation sets up a Community registration system for geographical product designations, ensuring their protection throughout the European Union. It distinguishes between two concepts: designation of origin and geographical indication, which differ according to the strength (in the case of designations of origin for agricultural products) or lack of it (in the case of the protection of geographical indications), of a product’s connection with its geographical origin.
- Council Regulation (EC) No 2082/92 of 14 July 1992 on certificates of specific character for agricultural products and foodstuffs, which allows for the protection of products with a traditional character, which do not or no longer present any link with their geographical origin, for example the protection of recipes.

Two observations may be made at this stage: there is no text specifically dealing with ‘mountain products’. On the other hand, in terms of their particular characteristics, mountain products may be easily integrated into the various processes for identifying quality. As examples one might mention cheeses with a designated origin such as Beaufort, Abondance or l’Ossau-Iraty.

A specific instrument for mountain products: the French example

The initial context for introducing a quality mark

Mountain produce is synonymous with higher prices. These are linked to the cost of harvesting as well as to the provision of services. However, such produce benefits, in the eyes of the consumers, form an intrinsically positive image and quality.

Indeed, the very features of these territories which represent difficulties for producers and processors — natural handicaps related to the climate and the nature of the terrain — represent assets for consumers. The impossibility of having a very intensive production process in these areas allows mountain products to benefit from a ‘confidence asset’ related to an image of purity (naturalness) which will increase its value as long as it is reflected in practice.

For this reason, consumers are ready to pay rather more for these products.

Thus, since 1985, the collective interest in a regulatory instrument providing for a distinctive mark or designation has been identified. Its objective was notably to avoid the illegitimate use of the moun-
tain designation by certain business operators — since such use could mislead the consumer and be a source of distortion for competition in relation to mountain products.

Although Community regulations have not provided specific provisions, they do not prevent Member States from enacting national legislation. However, they allow this only as long as the fundamental principles of Community law are respected, in particular:

- national quality designations must relate to a product’s factual and intrinsic characteristics, being more than the mere fact of the product’s origin or geographical provenance;
- every national quality designation must be open to all producers established in the Community whose products satisfy the requirements. This principle of non-discrimination implies setting precise requirements, which can be monitored, clearly defined and the information made accessible to whoever wishes to obtain it.

Thus, the European Court of Justice indicated to France in 1997, that the ‘Treaty was opposed to the application of national regulations which would reserve the use of the designation ‘mountain’ to only those products which have been produced in the national territory and composed of national raw materials.’

As a result, France amended its regulations, which are not only applied to products of French origin, in particular as regards raw materials referred to in the 1999 Agricultural Steering Act. A new decree in 2000 defined the conditions for using this quality mark. This new instrument was submitted to the Commission and accepted.

The ‘mountain’ designation arising from the Agricultural Steering Act and the Decree of December 2000

The framework of the mountain designation aims, first and foremost, at ensuring that all stages in the development of a product, including raw materials used and the feeding of animals, occur in mountain areas. The objective is to enhance the value of agricultural produce in these areas. However, limited derogations are possible.

The ‘mountain’ designation is defined in a decree of 15 December 2000, implementing Article 87 of the Agricultural Steering Act of 9 July 1999, in order to set forth the conditions for use of the term ‘mountain’.

A decision was made to give preference to simplicity and efficiency in the new instrument, for which professionals were consulted and a favourable opinion from the Commission received. This regulation basically provides for:

- a decentralisation of decisions authorising use of the term ‘mountain’ to regional level by reference to a regional commission for quality foodstuffs;
- the necessity that all operations — from the production of raw materials to the finishing of the products — take place in mountain areas, in compliance with precise specifications providing all the necessary guarantees to consumers.

Consequently, the only restriction emphasised is a very strict one as regards place. However, derogations are possible. These may, where necessary, be laid down in the context of national technical regulations. They are elaborated by professional organisations and validated by the public authorities as regards the provenance of raw materials, in particular those used for feeding animals and also as regards the place of slaughter or packaging.

This possibility, offered by the decree, of specifying the conditions for applying derogations from such regulations will be sufficient to resolve certain interpretative difficulties at a local level. Moreover, it should also make it possible to meet the concern of certain operators to preserve the coherence of the instrument among the regions concerned:
• by determining a framework for each sector;
• by taking its specific characteristics into account.

It seems, however, that at this level it is desirable to insist on the spirit of the mountain decree and to specify its position within the quality and origin identification processes for agricultural products and foodstuffs, which have been developed in France.

Indeed, even if at a national level, the 1999 Agricultural Steering Act now includes the designation ‘mountain’ in the official quality and origin identification marks, the ‘mountain’ label does not have the same characteristics as the other official marks of quality.

It is not defined in a specific Community regulation.

At the national level, the regulation of the ‘mountain’ designation aims first and foremost at ensuring that all the production stages, including the raw material used and the feeding of the animals actually do take place in mountain areas, in order to promote and enhance the value of agricultural produce in these areas and to combat the unjustified use of this designation.

Thus, even if derogations are possible, the objective is not to lay down particular conditions a priori concerning the raising of animals, feeding, choice of breeds, processing. The instrument does not lay down any predetermined quality restriction, whether in terms of the means or the results, for the ‘mountain’ product. A demarcation in terms of quality may only be obtained in association with another quality mark. This also explains the fact that the monitoring mechanisms for ‘mountain’ products are less strict than those for other quality marks.

Other marks of identification and origin are granted on the basis of quality in a manner which does not reflect the ‘altitude of a territory’ but which results from the recognition of:

• quality resulting from the nature of the territory, in the case of a designation of protected origin;
• quality resulting from knowledge which is associated with a particular area, in the case of protected geographical indications;
• quality deriving from production methods which respect the balance of nature, in the case of organic farming.

However, the mountains have undeniable advantages in terms of quality in their ‘environment’ in the usual, typical senses of a territory or terrain, its production methods and local knowledge. The value of these advantages may be enhanced through initiatives if there is a commitment on the part of operators and sectors to obtain a mark of identification and origin for their product.

A series of symbols specifically for the mountain is strongly desired by a number of professionals, at both a national and a Community level.

At a national level, in the interest of clarity, it was decided not to identify ‘mountain’ products by an official State logo. However, commercial brands exist and by way of an example we may refer to the labels on certain mineral waters and on mountain pork.

This question concerning the promotion of mountain symbols could possibly lead to a study, which would need to be carried out against the background of the evolution of the system of marks identifying quality and origin.

Let us remind ourselves that at a European level there is at present no regulatory framework or protection instrument for the ‘mountain’ designation.
A Community regulation setting out conditions for the use of the term ‘mountain’ would be able to meet this objective. It is certainly a sensitive area, which should be regulated by the Commission.

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Although the new procedures for using this designation are recent, our experience already allows us to observe:

- on the one hand, that the products using this quality mark are less affected by critical situations;
- on the other, that the instrument allows production in these territories to continue.

Two sectors are particularly successful examples: the milk and the ‘mountain’ pork sector.

In the context of this seminar, this observation is particularly interesting and may lead us to wonder if a more general study could not be carried out in favour of mountain areas — one which could enhance the value of their heritage.

This line of reasoning would be given its rightful place if it were integrated back into the general perspective of the debate on the future of the CAP.
APPENDIX 1: The mountain pork sector

This initiative is based on two bodies.

L’Association Porc Montagne — The Mountain Pork Association (MPA)

The MPA was set up in 1996 in order to group all regional pork-related trades in mountain areas, with a view to initiating and coordinating the mountain pork sector. MPA is the main speaker concerning the provision of aid for pigs in mountain areas, which is managed by Ofival (the National Allied Trades Office for Meat, Livestock and Poultry). This association is increasingly recognised by the public authorities as an important player for developing the policy and measures implemented for mountain zones.

Thus, the MPA has been able to carry out two actions in the context of two agreements reached with Ofival:

— In 1997, the Mountain Pork Association was instructed to set up a monitoring organisation regarding the conditions for allocating aid with the assistance of a certification body. Thus, SGS Qualicert implemented a monitoring plan and has carried out check-ups on stockbreeders with reference to its specifications since the autumn of 1997.

— The MPA piloted a study of the differences in pork production in mountain areas. The aim of this work was to propose conditions for enhancing the value of products from the mountain areas of the Massif Central and define an effective demarcation policy for mountain products.

Thus, the MPA initiated the demand for standardising a conformity certificate for ‘mountain pork’ products and drafted a national technical regulation project for pork, by applying the mountain decree. This national technical regulation project is the first to become available for public consultation and could generate case-law to be followed by the other sectors where similar projects are envisaged.

Porc Montagne Développement — Development of Mountain Pork (DMP)

A study of a sample of medium and large supermarkets revealed that mountain pork is sold in supermarkets at up to 30% above the standard price.

In order to help all stockbreeders in mountain areas to benefit from this extra value, the MPA created the central sales division, DMP, which buys meat from slaughterers/cutters and sells it on to the supermarkets. This marketing organisation collects all supplies of mountain pork in order to be able to define a unitary tariff policy for all mountain pork in sales to supermarkets.

In order to use the collective ‘mountain pork’ label created by the MPA, the supermarkets must pay the PMD an annual fee which is redistributed to producers through the MPA. This fee will constitute part of the extra value and the other part will derive from the higher price paid by the market. PMD is stocked by Monoprix, although other distributors have been contacted.

Public assistance for the mountain pork initiative

A sum of FRF 30 million has been made available since 1988 for stockbreeding in mountain areas. The objective was to take into account the specific restrictions and costs borne by producers of pork in these regions, subject to the latter taking part in a contractual programme for improving the quality of animals produced there.
Since its implementation, this initiative has undergone many modifications, in the direction of a greater emphasis on quality.

• In 1993, differences in the procedures for allocating aid were in accordance with the levels of demand in terms of quality.

Thus, supplementary aid is accorded in addition to the basic assistance to stockbreeders who follow the specifications, which set higher standards than need be met in order to qualify for the basic assistance. The specifications relate to feeding, medication treatment, and transport conditions for pigs. Thus, a breeding and rearing unit may qualify for aid up to FRF 47 per pig: FRF 12 (basic assistance) + FRF 25 (supplementary assistance) + FRF 10 (premium if the facility has a label or product conformity certificate).

• In 1994, mountain pork assistance was increased by FRF 10 million with a view to implementing a scheme in favour of regional measures involving the whole sector (before and after) in long-term structural activities.

Thus, at present, mountain pork assistance amounts to FRF 40 million per year.

The number of stockbreeders who qualify has not varied much and is around 2,500. The average aid per unit has increased consistently, from FRF 11,000 in 1990 to nearly FRF 15,000 over the past year, reflecting a higher use of credits.

The outlook

The idea of mountain assistance has changed. In the beginning, it was a matter of providing support to cover the natural handicaps and extra restrictions suffered by these areas. But now, the trend is towards helping a real quality initiative whose long-term objective is to enhance the value of mountain products.

The MPA is beginning to adopt this principle and must be encouraged to make use of a reward strategy from the sales price rather than from subsidies. It is with this purpose that the mountain pork assistance initiative was originally set up by Ofival. Thus, MPA must obtain higher prices for the product by a policy of differentiation at the consumer level.

The creation of a ‘trade association’ for the whole of the mountain pork industry was called for some years ago. This project was suspended in anticipation of a national pork trade association.
**APPENDIX 2: The mountain milk sector**

There is no specific indicator allowing us to monitor the prices of mountain products. This is all the more true since any indicators serve to evaluate the prices of ‘industrial products’ (butter, powdered milk, so-called industrial cheeses). These products are effectively the pillars of the milk sector.

The mountain areas are characterised, in particular, by the fact that they do not produce these products (or only to a very limited extent). At any rate, they are not competitive.

On the other hand, products exist which are distinguished by the typical characteristics and added value of the mountain areas: so-called mountain milk, which sells much better than standard UHT milk, and particularly cheeses with distinctive characteristics, many of which qualify for a designation of origin (Beaufort, Reblochon, Saint-Nectaire, Cantal, Ossau-Iraty, Roquefort, Bleu des Causses, Tomme de Savoie, Tome des Bauges, Comté, etc.) or a geographical indication mark (Emmental de Savoie etc.). For this reason, these are considered to be high-quality products, because of which they avoid the occurrence of cyclical crises affecting industrial products.

This phenomenon undoubtedly explains why mountain zones have been able to maintain a strong and active diary production.

**APPENDIX 3: Organic farming in the mountains**

This question is generally influenced by the same factors as are relevant to the other quality marks, and the enhancement of mountain product value.

We can only repeat our conviction that the mountains have undeniable advantages in terms of the quality of their ‘environment’, this time in the wider sense, its production methods, and its local knowledge. The value of these can be enhanced in an initiative for implementing production methods which respect the balance of nature and by the provision of a mark for organic farming.

By way of an example, the east, in particular the Département of Doubs, has for several years been one of the main development centres for organic farming.
Navarra is situated in northern Spain and borders France across the Pyrenees.

Navarra is a rich region and its per capita gross domestic product and social services, especially health, education and social protection, make it the 42nd most developed region among the European Union’s current 202 regions.

The unique environment of the Autonomous Community of Navarra derives from the fact that three major biogeographical regions converge in an area of only some 10 000 km²: Alpine (represented by the Pyrenees), Atlantic (Cantabrian valleys) and Mediterranean (the remainder).
Its wealth of ecosystems, landscapes and wild flora and fauna make Navarra a true land of biodiversity, so much so that Navarra is often likened to a ‘Noah’s Ark’.

**Biodiversity**

- Calculating the biodiversity index (No of species — richness — against the logarithm of the area)

<table>
<thead>
<tr>
<th>Country/Region</th>
<th>Diversity</th>
</tr>
</thead>
<tbody>
<tr>
<td>Germany</td>
<td>62</td>
</tr>
<tr>
<td>Belgium</td>
<td>59</td>
</tr>
<tr>
<td>France</td>
<td>63</td>
</tr>
<tr>
<td>Spain</td>
<td>99</td>
</tr>
<tr>
<td>France</td>
<td>74</td>
</tr>
<tr>
<td>Greece</td>
<td>79</td>
</tr>
<tr>
<td>Netherlands</td>
<td>57</td>
</tr>
<tr>
<td>Ireland</td>
<td>36</td>
</tr>
<tr>
<td>Italy</td>
<td>75</td>
</tr>
<tr>
<td>Luxembourg</td>
<td>60</td>
</tr>
<tr>
<td>Portugal</td>
<td>85</td>
</tr>
<tr>
<td>United Kingdom</td>
<td>63</td>
</tr>
<tr>
<td>Navarra</td>
<td>98</td>
</tr>
</tbody>
</table>

**Navarra’s unique environment (III)**

- Navarra occupies 2% of Spain and 0.35% of the EU:
- 236 species of bird
  (47% of all species in the European Union)
- 75 species of mammal
  (50% of all species in the European Union)
- 52 habitats of Community interest
  (23% of the European Union)
Navarra’s biodiversity is protected by means of active conservation measures structured into management plans for the 42 sites of Community interest in the Natura 2000 network.

Conscious of its immensely valuable natural heritage, Navarra has made a financial assessment of its biodiversity. This has included valuing its production assets (which have a market value), as well as its recreational value (calculated using travel cost methods), the value of the services provided by its ecosystems (calculated in terms of avoided costs) and the value of its landscape and species (evaluated in line with the Blue Ribbon Panel’s evaluation protocol). \( STPR = \) social time preference rate.

![Conservation of biodiversity: Natura 2000 network](image)

248,401 hectares, 75% of which are Forests.

<table>
<thead>
<tr>
<th>Section</th>
<th>Type of asset</th>
<th>Annual income (EUR)</th>
<th>Value (STPR = 2%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2.1</td>
<td>Wood</td>
<td>9,920,000</td>
<td>495,890,000</td>
</tr>
<tr>
<td>2.2</td>
<td>Grazing</td>
<td>6,700,000</td>
<td>335,130,000</td>
</tr>
<tr>
<td>2.3</td>
<td>Hunting</td>
<td>6,520,000</td>
<td>325,860,000</td>
</tr>
<tr>
<td>2.4</td>
<td>Fishing</td>
<td>3,770,000</td>
<td>188,310,000</td>
</tr>
<tr>
<td>2.5</td>
<td>Wind</td>
<td>910,000</td>
<td>45,700,000</td>
</tr>
<tr>
<td>2.6</td>
<td>Recreation</td>
<td>5,870,000</td>
<td>293,310,000</td>
</tr>
<tr>
<td>2.7</td>
<td>Landscape</td>
<td>5,355,820</td>
<td>267,790,000</td>
</tr>
<tr>
<td>2.8</td>
<td>No use</td>
<td>29,300,000</td>
<td>1,465,030,000</td>
</tr>
<tr>
<td><strong>2.9</strong></td>
<td>Carbon binding</td>
<td><strong>10,290,000</strong></td>
<td><strong>514,360,000</strong></td>
</tr>
</tbody>
</table>

**TEV**

78,630,000

3,931,390,000

(Total economic value, not market prices.)
Mountains occupy 5,622 Km² (54.11% of Navarra’s surface area) and are home to 76,309 people (13.72% of the population). Its principal forests—predominantly of beech and pine—are situated in the mountain areas, which are responsible for producing the largest proportion of positive externalities, including biodiversity, carbon binding (each year, Navarra’s forests bind 515,520 metric tons of CO₂, 18% of our annual emissions) and the supply of quality water to the rest of the region.

The Navarran mountain region, apart from maintaining the integrity of the water systems, supplies clean water to the rest of Navarra. Thanks to this, Navarra can meet its own needs and export 2,145 Hm³ a year to the Ebro basin, with a value of EUR 49.5 million.
RURAL DEVELOPMENT PROGRAMME

All of Navarra’s mountain areas come under Objective 2 (50 % part-financing of public expenditure).

Strand 5: Forestry, natural environment and landscape (EUR 40.243 million)

Measure 5.1: ‘Forestry assistance’ (improved harvesting, processing and marketing of forest products, sustainable forest management, planning, fire, forest hydrology restoration).

Measure 5.2: ‘Conservation of environmental assets’ (infrastructure to allow the public to discover natural assets and adaptation of unspoiled natural areas).

This strand represents 15 % of the programme’s total funds.

(It is the highest percentage for this programme in Spain.)

RESULTS OF THIS PROGRAMME:

Although undeniably very positive, this programme is not enough to slow down the severe depopulation and abandonment of forest management in mountain areas, to which we are inexorably being led by the current market rationale (globalisation) and the new social demands (areas of unspoiled nature, services) which town planners are aiming to satisfy in these areas.

If we compare the benefits generated by mountain areas with the subsidies they receive from the rural development programme, we see that these subsidies are very meagre.

<table>
<thead>
<tr>
<th>Annual income (including externalities) in million EUR</th>
</tr>
</thead>
<tbody>
<tr>
<td>Biodiversity</td>
</tr>
<tr>
<td>CO₂ binding</td>
</tr>
<tr>
<td>Water (opportunity costs)</td>
</tr>
<tr>
<td>TOTAL</td>
</tr>
</tbody>
</table>

The rural development programme (2000–06) invests EUR 5.7 million per annum.

Grants from the rural development programme represent only 4.5 % of the annual income produced by Navarra’s mountain forests.

ANALYSIS:

In the first analysis, the programme shows three principal failings:

• policy misalignment;
• insufficient funding, in terms of both the amount allocated and the items receiving assistance;
• administratively complex to monitor.

Misalignment of Community policy:

The EU has a forest strategy but it does not have a forest policy that takes into account the fact that forests have now been turned into a tertiary sector resource and that this has happened gradually, without losing the elements of the former primary and secondary sectors.
The most serious problem for mountain forests is that they are unable to find their niche in Community policies:

- **They do not find it in the CAP** (clash of interests with intensive farming. Quantitatively speaking the CAP subsidises little in mountain forest areas).

- **They do not find it in the Cohesion Fund** (which require very large-scale public investment projects worth several million EUR, not covering private forests).

- **They do not find it in the ERDF Funds** (whose environmental strand is mainly devoted to infrastructure for reducing environmental pollution).

What is more, forests have been excluded from technological advances.

**Lack of coherence of the current Community policy:**

The EU, which is spearheading sustainable development at world level (Johannesburg), nevertheless does not recompense the positive externalities that mountain forests produce.

The EU itself is promoting many of these externalities, which are of Community importance, with its standards for complying with them (Kyoto Protocol, Natura 2000 network, water framework directive).

**This leads to a loss of the regional perspective, since it gives only a partial view that fails to include forests.**

**Insufficient funding:**

As we have already seen, the rural development programme grants represent only 4.5 % of the income that Navarra’s mountain areas generate, including externalities.

Failure to recompense the positive externalities of forests, as is the case at present, leads to under-investment in forests, which prevents them from being properly maintained.

The result is a perverse paradox whereby the greater the positive externalities such areas generate, the higher the penalty they pay.

This goes entirely against the spirit of the ‘polluter pays’ principle, since in this case it is ‘those who conserve and produce public assets who must pay for this’, instead of being rewarded.

The penalty being paid by these areas, through a failure to recompense their externalities, can be seen in the growth in ‘free riding’:

- at intra-sectorial level (the urban world and tourism are availing themselves free of charge of many of the forests’ goods and services (water, CO₂ binding, biodiversity, landscape, etc));

- at inter-sectorial level (under such circumstances action by forestry associations produces no benefits, but it is costly in terms of money and time, which is why associations are very poorly developed);

- at political level (socially less populated areas have less conflict, losses will fall to future generations, etc).

If there is no change of direction in the current policy, this situation is bound to worsen still further with the accession of the CEECs, since many of these countries are heavily forested, with entire regions
dominated by forests. Under such circumstances, accession will lead to the demographic collapse of these countries’ mountain areas.

What is more, the scant CAP funding currently earmarked for forests (1.25% of the CAP) will be distributed among many more recipients, meaning that grants per hectare will be even smaller.

**Proposed solutions:**

The most effective means of protecting mountain forests is not to abandon them, but to manage them in order to yield returns and positive externalities, seen as the distinguishing marks of a cultural landscape. These would ensure that the farming, livestock production and forestry sectors, which manage this territory, can see that it remains populated, cared for and protected from agents of every kind.

The solution therefore involves an integrated rural policy specifically for mountain areas, targeted at the region and at maintaining minimum population thresholds.

For this, it is vital to reorient the CAP.

In mountain forest areas, the only justification for the CAP in the future is to recompense the environmental function of all types of land use, incorporating multifunctional demands (positive externalities).

As with the ‘polluter pays’ principle, which the EU has already adopted for environmental pollution issues, the principle of ‘those who conserve and produce public assets should charge for this’ must also be introduced into EU policy.

**CONCRETE MEASURES PROPOSED:**

— To reform the CAP in order to reduce the appalling disparity between direct producer subsidies and subsidies for rural development and the promotion of multifunctionality.

— To study the possibility of opening up a new objective area: ‘Mountain areas and Natura 2000 network areas’ (in Spain, mountain forest areas represent 75% of Natura).

— With a view to financing this, to study the possibility of creating a targeted fund for financing the direct costs of implementing the Natura 2000 management plans.

— The fund could be fed by a tax on CO\textsubscript{2} emissions, which would provide for the taxes to be transferred to mountain forests in return for the effective and demonstrable job they do in binding this gas.

— To vary the percentage of part-financing in line with the mountain forest and Natura 2000 network areas contributed by each country, in such a way that the greater the surface area they have, the less their national cofinancing requirement would be.

This new programme would be structured into forest environment contracts for mountain forests or environmental contracts for the Natura network, similar to the agri-environmental contracts in farming areas.

There is also a need for RTD and marketing of forest and extensive livestock farming products with an ecological certificate or label.
We should take advantage of the year 2003 to propose such changes, since this is the year when there are plans to:

- **Revise the EU forest strategy**

- The mid-term review of the rural development programmes may be a good time to study the future possibility of reorienting some of the CAP funds — which have been eroded by production and social bonuses — towards horizontal rural development measures and financing of positive externalities.
Conclusions of Workshop 2
The aim in this workshop’s discussions was to consider to what extent the common agricultural policy takes the natural handicaps for agriculture in mountain areas into account. In addition, we were looking for specific activities in the area of rural development which are suited to mountain areas.

Mountain agriculture already covers 20% of the EU’s usable agricultural land and with the enlargement other extensive mountain areas will be included. Agriculture and forestry in mountain areas must be understood as multi-functional economic activities. Alongside the production of food products and renewable raw materials, mountain farming contributes to the formation and preservation of the cultural landscape, ensures biodiversity, takes precautions against natural hazards and, finally, preserves minimum population levels. All this together makes mountain areas a high-quality living space and an ecologically sensitive area and is the precondition for dynamic and sustainable development in the mountains. The central role of agriculture in the development of the cultural landscape in mountain areas was particularly visible in the three presentations to the workshop.

The first contribution (by Ignaz Knöbl) was concerned with the role of agri-environmental measures in mountain areas, in the context of the rural development programme from an Austrian perspective. He showed the high contribution which this measure makes to mountain farming. In conjunction with the compensatory allowance, this measure is intended to provide remuneration to mountain farmers for their services. The example of the Austrian programme emphasises the possibility, on the basis of many years of experience with the measures for promoting mountain agriculture and the development of agri-environmental measures, of shifting the emphasis in agricultural subsidies to the second pillar of the common agricultural policy.

The second contribution (by Marie-Lise Molinier) goes into the French experience in relation to the ‘mountain area’ label. Following a comprehensive exercise in awareness about quality production, this
strategy seems particularly suited for mountain areas and is increasingly accepted by consumers. This orientation towards product quality must be seen precisely in connection with consumer acceptance and represents a central aspect of using special values in mountain areas and successful diversification measures, which emphasise the close connection between farming, product quality, natural spaces and regional origin.

The third contribution (by José Ignacio Elorrieta) was concerned with the development of afforestation measures in the context of Navarra's rural development programme (in Spain). This plays a central role in relation to the mountain forests and the scale and development of biodiversity in Spain. The direct connection between the spatial and ecological effects of agriculture and forestry is undoubtedly one of the topics which require more attention, particularly in mountain areas. The promotion of forestry in mountain areas should contribute, in particular, to an integrated development policy in mountain areas.

In addition to these three topics, the compensatory allowance, which is the oldest comprehensive subsidy for mountain areas, also represents a central element for the further development of the common agricultural policy. It cannot be denied that this measure will remain the most important subsidy element for mountain farmers in the future, constituting the most direct specific compensation for handicaps to production and for the service provided to the formation of the cultural landscape. An important feature is a correspondingly differentiated form which takes the varied production conditions into account. In discussions on the challenges to agriculture in mountain areas, the various aspects of unfavourable production conditions and policy measures were dealt with. The following aspects were considered to be important by participants:

- The definition of the EU mountain areas as the central basis for financial allocations is urgently needed.
- There is no specific legal basis for subsidising mountain agriculture in the EU treaties. An express anchoring of the mountain areas as areas particularly in need of support, either in the future EU constitution or on the basis of an addition to Article 158 of the Treaty establishing the European Community, would be particularly desirable. The mountain areas must not be seen simply as agricultural production zones but rather as an important living space which contains about 10 % of the EU's population.
- In general, the shifting of resources from the first to the second pillar of the common agricultural policy is welcomed.
- Ensuring support for mountain farming is seen as being of special importance. In particular, competition questions must be explained and specific conditions for mountain areas considered.
- Cooperation and joint actions will play a particularly important role in the development of measures in mountain areas.
- Global decisions also have strong regional effects regarding environmental matters and are significant for Europe's mountains. Mountain areas, being sensitive, are particularly important indicators of global environmental changes. Avoidance of increased transit to the mountain areas is also a good example. For this reason, special regulations are required such as road-rail cross-financing and must be facilitated by appropriate legal provisions.
- The problem of migration from mountain areas is not only an economic problem; it also has a number of cultural aspects. The inhabitants of mountain areas want to participate in general social trends and not feel marginalised. Thus, the social recognition of mountain areas must also be a priority.
• It is particularly important to extend and evaluate the functions of agriculture. The concept of multi-functionality in its regional form should thereby be better explained and we should aim at a deeper understanding of the concept in Europe.

• Mountain agriculture's basic problem is a lack of potential in terms of production. For this reason, those cultivation methods that are particularly suited to mountain areas should receive further support. Retaining the milk quota regulations or implementing other provisions which ensure production potential could have positive effects for mountain agriculture.

• A quality stamp for mountain areas would also have a positive effect on the provision of positive services by mountain agriculture.

• Beside the support of mountain agriculture, its combination with forestry must be supported as an important potential income component.

• Mountain agriculture also makes a considerable contribution to the avoidance of catastrophes and the evolution of the mountain areas must also take this long-term aspect into account. Farming which anticipates future developments does not only serve a protective function in mountain areas but also makes positive contributions to large sections outside the mountain areas themselves.

• Tourism is the most important sector in many mountain areas benefiting from the preservation of mountain agriculture. Many local initiatives and experiences demonstrate the mutual effects of these two economic activities. By giving careful consideration to the resulting problems, the burdens arising from tourism and the restrictions on farming must be taken into account and property rights must be protected.

• Given the threat of marginalisation in large areas of the mountains, there is a pressing need for action here towards an integrated rural development programme. The securing of jobs by such a programme would influence the whole local economy.

• Mountain agriculture is particularly characterised by a combination of various income sources. Additional income and diversification are, therefore, central strategies for the future of farming businesses.

• Specific regional situations must be given particular consideration in the development of integrated programmes. An important aspect here is the key question of coherence between various political areas and sectors.

Contributions to the workshop’s discussions exceeded the narrow field of mountain agriculture at many points and thereby emphasised the need to work out appropriate strategies, in connection with the overall social, cultural and economic development of the mountain areas.

In view of the severely unfavourable production conditions of mountain agriculture, the challenge for our agricultural policy will be to support a targeted mix of services. This should not only be paid for by the consumers of agricultural products but should also be seen increasingly as a contribution to the development of the cultural landscape. The many discussions conducted in the International Year of Mountains 2002 and many studies on the development of mountain agriculture demonstrate the current efforts to find solutions to these problems. The increased engagement with questions of multi-purpose land use, questions on external effects, the interconnection between sectors and the role of mountain agriculture in the regional economy also represent important research topics at a European level. We consider it important to build on the many initiatives of the European institutions and organisations, the cooperation between European mountain areas and regional experiences, for the further development of a sustainable mountain agriculture. This conference in the International Year of Mountains 2002 should also contribute to the discussion on the reform of the common agricultural policy.
Workshop 3

‘The quality of life in mountain areas’

Speakers
In the past programming period, the Autonomous Province of Trento participated in a transitional project entitled ‘Rationalisation, maintenance and re-insertion of public and private services in rural mountain areas’ financed under Article 10 of the ERDF joint pilot action programme for the Alpine space. The project made it possible to focus on the problems and define new strategies and implementation tools for depopulated mountain areas.

The population in rural mountain areas is decreasing and is characterised by a sparse and scattered distribution. As a consequence of the depopulation of the last 20 years, mountain areas are suffering a progressive reduction in the basic services for the population leading to a further decreasing of the competitiveness of mountain territories. The quality of life, the social network and local identity are greatly affected by the presence of services, offices, bars, groceries and other structures providing goods and services. Moreover, depopulation causes a progressive decrease in the economic sustainability of trading activities as well as of social services, whereas the ageing of the inhabitants tends to create an increasing demand for social and healthcare services.

The project was intended to find new strategies and solutions to overcome this situation taking into account the needs of the weakest categories like the elderly, children, the disabled, the sick, etc. The discussions which took place and the experience which was gained in the project identified the following main tools that can contribute, in an integrated approach, to reducing the phenomenon discussed above:

- Creation of multi-service centres, under the same roof, using public structures and set up with derogation from State aid regulations.
- Using appropriate telecommunication technologies, the services that can be provided are certification services on personal or land registry data, justice, chamber of commerce, etc.; bank tele-consulting; health services tele-booking; tele-connection among family doctors and specialised health services; tele-working; vocational training; information on transport, environment, emergency, etc., tele-shopping, creation of e-government, e-commerce, e-business systems.
- The use of local farm structures and their machinery in order to provide services for the population: snow-plough; common store function; road maintenance, school pooling, transport, small works in house-building, land maintenance, etc.

In order to implement these activities, an integrated planning approach and new legislative instrument are necessary in order to allow farmers to carry out this kind of work and public bodies to support investment without restrictions.
BRUSSELS
17 and 18 OCTOBER 2002

CONFERENCE:
‘COMMUNITY POLICIES AND MOUNTAIN AREAS’

‘PUBLIC AND PRIVATE SERVICES IN MOUNTAIN AREAS’

AUTONOMOUS PROVINCE OF TRENTO

ALPINE SPACE
ERDF Art. 10
PROJECT C1

‘RATIONALISATION, MAINTENANCE AND REINSERTION OF PUBLIC AND PRIVATE SERVICES AT THE LOCAL AND REGIONAL LEVEL’

Partners: Total budget: EUR 764 000
Lead partner
REGION FRIULI V-G ..................................................... 248 000
TRENTO PROVINCE ..................................................... 76 000
LAND SALZBURG ..................................................... 100 000
REGION LOMBARDIA ................................................ 300 000
REGION VENETO ..................................................... 40 000
PARTNERS ACTIVITIES

REGION FRIULI V-G (lead partner):
Functioning of a tele-centre

LAND SALZBURG:
New managing methods for local suppliers

LOMBARDIA REGION:
Building of a tele-centre

VENETO REGION:
Study about rural economic activities

PROJECT LOCATION
ITALY, TRENTINO, ALPINE SPACE

SURFACE OF THE PROVINCE: 6 206.88 km²
POPULATION: 469 887 inhabitants
AVERAGE DENSITY: 75.7 inhabitants/km²
MOUNTAIN AREA: 100 %
FOREST: 55.4 % (343 928 ha)
AGRICULTURE: 149 900 ha (122 000 ha meadows and pastures)
PROTECTED AREAS: 104 761 ha
MUNICIPALITIES: 223 (169 located above 400 m a.s.l.)
ACTIVITIES IN THE PROVINCE OF TRENTO

- Selection of 3 disadvantaged rural communes
- Planning one-year e-services experiment in post offices located in the selected communes
- Advertising campaign through the press, local radio, sending of leaflets
- Computer training course for post office staff
- Implementation period
- Final evaluation and results presentation seminar

EXPERIMENTAL STAGE INFO-SERVICE AT PILOT POST OFFICES

From computers installed inside post offices users obtained the following documentation in real time:
- Certificates and registers extracts from chamber of commerce
- Urban land register extracts (cadastral data)

From internet access users were allowed to access:
- E-mail
- Tenders, car tax and notices
- Bibliographic catalogue
- Databases
**OBTAINED RESULTS**

Link with Chamber of Commerce over the whole period (1 June 2000 to 31 May 2001) allowed the issuing of 350 documents.

Link with urban land register office over the whole period (1 June 2000 to 31 May 2001) allowed the issuing of 103 documents.

Use of e-mail and the Internet was intense during summer, above all, among students.

**WEAK POINTS**

- Telecommunications services at post offices need to be simplified and supported by special computer training.

- The e-services offered at post offices may become obsolete due to expanding Internet usage.

- It is necessary to extend the range of services offered and provide an easier access to the services.
STRONG POINTS

- E-SERVICES LOCATED IN THE MOUNTAIN POST OFFICES OFFER A WIDE NUMBER OF OPPORTUNITIES AND POTENTIAL FOR POPULATION, EXTENDING THEIR INFLUENCE BEYOND THE COMMUNE OF ITS LOCATION.

- E-SERVICES ARE NOT LIMITED TO RESIDENTS BUT EXTENDING ALSO TO TOURISTS AND FOR E-COMMERCE OF LOCAL PRODUCTS.

NEEDS FOR THE FUTURE

- RETHINKING THE LOCATION OF THE TELEMATIC POINTS. IT IS NECESSARY TO ENCOURAGE ACCESS TO THE SERVICES FROM WIDER TERRITORY IN ORDER TO ACHIEVE A SATISFACTORY LEVEL OF USAGE.

- FIND NEW STRATEGY TO OVERCOME DIFFICULTIES IN MANAGING SERVICES REGARDING FEE PAYMENT FOR THE TELECOMMUNICATIONS ACCESS.

- IDENTIFICATION OF FURTHER SERVICES TO INTEGRATE THOSE ALREADY OFFERED, IN ORDER TO CREATE MULTI-SERVICE CENTRES.
SUGGESTIONS

NEW SERVICES USING TELECOMMUNICATION TECHNOLOGIES:
- Health services connecting family doctors to specialised health services;
- Vocational training, long life learning and communication between school and family via the Internet;
- Tele-working, especially dedicated to women tele-shopping and delivery of essential products (medicine, food, etc.)

NEW SERVICES FOR MOUNTAIN AREAS USING FARMS STRUCTURES
- Snow-plug services;
- Common store function;
- Road maintenance;
- Car pooling and transport;
- Land and landscape maintenance.

GENERAL CONCLUSION

FROM THE PROJECT EXPERIENCES THE FOLLOWING CONCLUSIONS CAN BE OUTLINED:

It is necessary to support the e-services initiatives by proper information to the population and to the potential users.

It is necessary to involve local community actors in the e-services: associations, local administrations and institutions, volunteers, citizens, entrepreneurs and to address the services also to the tourist sector.

E-services telematic points should be located in multi-function centres providing a large number of consumer goods and services.
Mr A. Corral Gonzalez
Head of sector projects and works in regional development in Galicia
‘The Rías Bajas express route project’ (Galicia, Spain)

THE REGIONAL SPHERE

In the European regional sphere, Galicia is a peripheral region remote from the system’s centres. Not only is it remote from the centres of Europe, but also from major population and consumption centres in Spain (the Seville–Madrid–Barcelona axis). Aggravating this geographical condition is the local factor of its geographical relief: even though the Galicia region is open to the Atlantic and has some of the best natural ports in existence, it is laid out in a series of steps running from east to west, with an average altitude of barely 500 metres but a very complex relief.

The access to the plateau across the provinces of Zamora and Leon is bordered by mountain ranges running north/south, such as the Los Ancares and El Caurel mountains and the Segundera mountains between the administrative district of El Bollo in the province of Orense and the administrative district of Sanabria in the province of Zamora.

Due to this configuration of the terrain, the only access from the plateau was via steep passes like those of El Padornelo (1 360 m) and La Canda (1 262 m) between Zamora and Orense on the route of the A-52 motorway, which is analysed below.

Galicia’s peripheral situation and hilly terrain has in the past led to a lack of road infrastructure, heightened by scant demand and high cost, since until recently Spain had to focus primarily on demand requirements rather than on correcting regional imbalances. So, problems of access to Galicia have had a highly negative impact on its development, operating as an isolating factor that has held back industrial modernisation and gradually led to an acute loss of jobs and population in inland provinces.

As a result, Galicia numbers among the European Union’s Objective 1 regions, with a per capita GDP rate of under 80 % of the national average. It has an agrarian economy, part of which is traditional with low productivity, requiring support in order to keep it stable (the primary sector accounts for some 20 % of jobs and 10 % of GDP).

Galicia’s customary situation of economic backwardness and scant infrastructure did not start to change substantially until the major trunk roads were built. These were the Atlantic motorway connecting the major economic and population centres on the coast, and the A-6 and A-52 motorways, which followed on from the A-9 in La Coruña and Vigo respectively, linking up with the plateau and Madrid.
The A-52 motorway

The A-52 motorway is situated in southern Galicia, roughly following the route of the N-120 between Porriño (near Vigo) and Orense, then the route of the N-525 between Orense and Villavieja on the border with the province of Zamora, and from there, as far as Benavente. It therefore runs right through the Galician provinces of Pontevedra and Orense and the province of Zamora in Castilla-Leon.

Remember, too, that the A-52 motorway supplements the link with Portugal with high-capacity routes, not only in Tuy where it already exists, but also in Verín and other places, since its route parallel to the Miño river and close to the border is sure to play a particularly important role in funnelling traffic and activities from the Norte region of Portugal.

Functional characteristics

The A-52 Rías Bajas motorway runs for 305 km along the Porriño (Vigo)-Orense-Benavente route, with 187 km in the Galicia region and the remaining 118 km in the region of Castile-Leon.

The works contract for the Galician stretch of the motorway was divided into two phases: an initial phase of 79 km between the two most important urban centres of Vigo (Porriño) and Orense and a subsequent 108 km phase between Orense and Villavieja. In spite of more than one year between the planned two phases of the works contract, both sections of the Galician stretch were completed almost simultaneously in December 1998. Whenever it was possible, independently contracted sub-sections between two junctions were put into service earlier, in view of public demand for access to stretches of the motorway, albeit discontinuous.

The standard section or platform width is comprised of two seven-metre wide carriageways, with 2.5-metre wide hard shoulders on the outer edges and an 11-metre wide central reservation, including one-metre wide interior hard shoulders. There are also additional lanes on extended gradients.

The total platform of 30 metres will allow for an additional lane to be added in each direction when traffic demand so requires, reducing the width of the central reservation to four metres.

The road surface is flexible with a drainage layer, which improves driving conditions for users (by preventing water from spraying up onto vehicles and reducing noise), as well as improving safety (by preventing aquaplaning and improving road holding). The geometric characteristics are for a motorway of a 120 km/hour design speed (maximum permitted speed in Spain), with minimum radiuses of 450 metres and maximum gradients of 5 % between Orense and Porriño and 6 % on the rest of the route.

The path of the motorway serves as an alternative route over its entire length with full access control, running alongside the N-120 and N-525 trunks roads, which formed part of the original national road network and are still in operation. When in exceptional cases the route of the motorway proved incompatible with that of these two roads, the two trunk roads were reinstated with relief road sections respecting the geometric conditions and platform (usually with minimum radiuses of 100 metres, a platform of 10 or 12 metres and gradients of up to 10 %).

As the motorway runs through hilly terrain, a great many viaducts and tunnels have been built totalling approximately 17 km in length.

It is very permeable, as clearly demonstrated by the number of crossings: 161 flyovers, 138 underpasses and 45 interchanges, together with viaducts spanning wide valleys. There is an average of less than one kilometre distance between two successive crossings, in response to the need to restore existing farming tracks — which, in Galicia especially, form a closely-woven network — thereby minimising the motorway’s inevitable barrier effect on the region.
TRAFFIC

The characteristics of the traffic along the route make it advisable to divide it into two sections. Between Vigo and Orense, the weighted average daily intensity is estimated to be 15 000 vehicles/day, with higher intensities in the vicinity of Orense and Porriño (20 000 vehicles/day) and lower intensities of 12 000 in the central sections. Between Orense and Villavieja, the weighted AADT is approximately 8 500 vehicles/day (2001 figures).

The average travel speeds throughout the motorway exceed 120 km/hour, according to the data obtained from field measurements in the year 2000.

The traffic is in the region of only 5 000 vehicles/day on the N-120 trunk road from Orense–Vigo and 3 500 on the N-525 from Orense–Benavente, their role being to capture short-distance local traffic.

In summary, the results for the year 2001 are as follows:

<table>
<thead>
<tr>
<th>Porriño–Orense corridor</th>
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<tbody>
<tr>
<td>AADT on corridor</td>
</tr>
<tr>
<td>AADT on motorway</td>
</tr>
<tr>
<td>AADT on N-120 trunk road</td>
</tr>
<tr>
<td>% of heavy goods vehicles on the motorway</td>
</tr>
<tr>
<td>% of traffic distribution</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Orense–Benavente corridor</th>
</tr>
</thead>
<tbody>
<tr>
<td>AADT on corridor</td>
</tr>
<tr>
<td>AADT on motorway</td>
</tr>
<tr>
<td>AADT on N-525 trunk road</td>
</tr>
<tr>
<td>% of heavy goods vehicles on the motorway</td>
</tr>
<tr>
<td>% of traffic distribution</td>
</tr>
</tbody>
</table>

These results reveal that traffic intensity between Vigo and Orense is almost double that of the Orense–Benavente section. In the Vigo–Orense section, there is a larger percentage of daily work traffic, while in the Orense–Benavente section, there is a greater proportion of long-distance traffic with a very high percentage of heavy goods vehicles.

The surveys carried out for previous studies to analyse transport demand in the corridor, prior to the construction of the motorways, indicated that 57 % of the journeys between Vigo and Orense were due to daily commuter traffic, compared with 16 % between Orense and Benavente.

INVESTMENT

Total investment in the motorway from Porriño to Benavente is approximately EUR 1 015 million, of which 85 % was financed from the European Cohesion Fund.

This investment can be broken down as follows:
The average cost of the motorway per kilometre is approximately EUR 3.3 million.

**Socioeconomic effects**

A fundamental factor in evaluating a transport project is to characterise demand. To do this, the University of Santiago used the above-mentioned traffic data (AADT, percentage of heavy goods vehicles, reasons for travel (work or leisure), travel distance and hilliness of the terrain) to make a cost–benefit analysis in order to assess the social cost-effectiveness. The social benefits generated by this investment derive mainly from savings in time, accidents and operational costs. The social costs are calculated on the basis of the investment and maintenance costs throughout the life of the project.

In the specific case of the A-52 motorway, time savings are calculated from the data on speeds before and after the project was implemented. The isochrone maps from Santiago are showed in the attached graphs.

The estimated time savings are 63 minutes between Orense and Vigo and 100 minutes between Benavente and Vigo.

Savings on accidents are estimated and evaluated on the basis of the data on hazard ratings in the corridor before and after the motorway was built.

The results of this analysis, expressed in million EUR for the year 1996, are as follows:

| Works between Porriño and Orense | EUR 290 million |
| Works between Orense and Villavieja | EUR 360 million |
| Works between Villavieja and Benavente | EUR 260 million |
| **Total** | EUR 910 million (90 %) |
| Expropriation works | EUR 83 million (8 %) |
| Other (studies, projects, supervision) | EUR 22 million (2 %) |
| **Total** | EUR 1 015 million |

<table>
<thead>
<tr>
<th>Time savings</th>
<th>Savings on accidents</th>
<th>Total cost</th>
<th>Earnings</th>
</tr>
</thead>
<tbody>
<tr>
<td>Porriño–Orense</td>
<td>1 137</td>
<td>100</td>
<td>362</td>
</tr>
<tr>
<td>Orense–Benavente</td>
<td>661</td>
<td>143</td>
<td>722</td>
</tr>
<tr>
<td>Porriño–Benavente</td>
<td>1 798</td>
<td>243</td>
<td>1 082</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Time savings</th>
<th>Savings on accidents</th>
<th>Total cost</th>
<th>Earnings</th>
</tr>
</thead>
<tbody>
<tr>
<td>Porriño–Orense</td>
<td>1 494</td>
<td>131</td>
<td>369</td>
</tr>
<tr>
<td>Orense–Benavente</td>
<td>863</td>
<td>188</td>
<td>761</td>
</tr>
<tr>
<td>Porriño–Benavente</td>
<td>1 357</td>
<td>319</td>
<td>1 130</td>
</tr>
</tbody>
</table>
The study did not assess the reduction in operational costs (fuel, wear on tyres, etc.), or the costs that would have been produced on the N-120 and N-525 trunk roads.

The number of accidents indicated by Spain’s accident assessment methods is very low compared with those used in other European Union countries.

The data estimated in the study are very close to the data observed after the motorway was brought into service.

Apart from these direct effects on users, there is a wide range of spillover effects. The shorter travel time is sure to have a special economic impact on the export of perishable goods, which is a very important sector in Galicia (fresh and frozen fish, seafood, flowers, and horticultural and meat products).

Improved accessibility facilitates the development of tourism, especially rural tourism, and leads to a rise in the number of day trips to the beach and the creation of new residential, industrial and academic settlements (there is a project for a university campus at Puenteareas, close to Vigo).

**DIRECT IMPACT ON THE REGION**

The total expropriated land in Galicia, which includes the area of earthworks, plus an eight-metre bordering strip, comes to 1,839 hectares from 21,215 farms. According to the expropriation files, in Galicia, the areas of expropriated land and their previous uses are as follows:

<table>
<thead>
<tr>
<th>Type of Area</th>
<th>Hectares</th>
</tr>
</thead>
<tbody>
<tr>
<td>Meadow</td>
<td>229</td>
</tr>
<tr>
<td>13 %</td>
<td></td>
</tr>
<tr>
<td>Vineyard</td>
<td>79</td>
</tr>
<tr>
<td>4 %</td>
<td></td>
</tr>
<tr>
<td>Arable</td>
<td>338</td>
</tr>
<tr>
<td>18 %</td>
<td></td>
</tr>
<tr>
<td>Scrub and woodland</td>
<td>1,136</td>
</tr>
<tr>
<td>62 %</td>
<td></td>
</tr>
<tr>
<td>Other types of area</td>
<td>57</td>
</tr>
<tr>
<td>3 %</td>
<td></td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>1,839</strong></td>
</tr>
</tbody>
</table>

As can be seen, most of the affected land is unproductive scrub or forest.

The average width of the expropriated area is approximately 100 metres, although its distribution varies widely depending on how hilly the terrain is.

The average surface area of the affected farms is 867 m²/farm, which, taking into account the large proportion of scrub and woodland involved, reveals that most of the land is in smallholdings.

Farm and livestock tracks have been restored parallel to the motorway for access to the land adjacent with the expropriated land. The tracks are between six and 10 metres wide and are usually surfaced with bitumen primer.
So we see a triple hierarchical system in the region:

- The motorway, for long- and medium-distance traffic.
- The N-120 and N-525 trunk roads for local traffic.

A system of farm and livestock tracks for access to farms adjacent with the motorway (tractors, farm machinery, walking, etc.).

**Works**

Within this major project, we highlight some of the most prominent works on this motorway, which were built using a wide variety of the most innovative technologies in the construction industry:

- Ribadavia viaduct;
- Miño viaduct;
- Arnoia viaduct;
- Santa Marta viaduct;
- River Mente viaduct;
- Folgoso tunnel.

**Environmental Impact**

The information studies for the Orense–Porriño and Orense–Villavieja sections were written in 1990, and one of the factors they analysed was the environmental impact, since it was one of the variables to be considered when selecting alternatives.

The results of these studies were turned into the environmental impact statements, published in the Spanish Official Journal. The statement for the Orense–Porriño section was published on 13 March 1992 and the one for the Orense–Villavieja section on 23 July 1993.

The construction projects drawn up between 1992 and 1994 included the corrective measures included in the statements.

The most significant corrective measures were the following:

- Longitudinal and transversal permeability of the region (mention has already been made of the high density of crossings and service roads.
- Protection of the hydrology system:
  - by shifting the abutments of the banks of the rivers and streams crossed by between five and 10 metres, which exceeds the criterion of strict hydraulic dimensioning;
  - control of spillage into watercourses during the works.
- Protection of more fragile ecosystems:
  - indigenous forest of Toén along the banks of the River Miño, near Orense, to minimise the area of earthworks;
— wetland of the Antela Lagoon (so as to not affect its drainage system and minimise the use of highly productive farming land).

• Noise prevention, with a prospective study and project for noise screens in the zones close to rural centres or on an ad hoc basis close to isolated homes.

• Protection of the cultural heritage. This involved an intensive phase of advance surveys in order to locate the cultural heritage, and follow-up and recovery treatment during the implementation phases of the construction work. To achieve this, each project was given a budget heading. The most important research took place in the town of Barbantes, where archaeological remains (pottery, coins, ornamental pieces) appeared on the site of a pre-Roman settlement. Once sorted and inventoried, the archaeological pieces were lodged in the Provincial Archaeological Museum of Orense.

• Protection of flora and fauna:
  — with plans for planted areas for landscaping purposes (junction areas) or functional purposes: plants for central reservations and slopes (to prevent erosion);
  — transplant of unique specimens;
  — recovery of topsoil, for use on embankment slopes;
  — inclusion of wildlife crossings to minimise the barrier effect on the area’s mammal populations.

• Location and treatment of landfill sites.

CONCLUSION

The A-52 motorway, together with the A-9 coastal motorway, the A-6 motorway from Benavente to La Coruña and the future construction for the Cantabrian motorway, provides the backbone of the entire Galician region, affording convenient road communication with the outside world, safety and time savings. This will maximise productivity and promote the exploitation of its natural resources, thereby overcoming the region’s traditional isolation.

Those of us who have been directly involved in securing it cannot conceal the satisfaction we feel.
Conclusions of Workshop 3
Chairperson: Mr S. Kaiser
Director, Directorate-General for the Environment, European Commission

Rapporteur: Ms Marjorie Jouen
Research and studies group ‘Notre Europe’ (Paris, France)

Subjects covered:

• Transport and environmental policies: how should they be integrated?
• Sustainable development: which specific measures in mountain areas?

Two projects co-financed by the Structural Fund and the Cohesion Fund were presented in order to illustrate these topics:

— A project concerning the maintenance of services for citizens in mountain areas — in the Province of Trento, Italy.
— The ‘Rías Bajas Express Route’ — in the Galicia Region in Spain.

The discussions following the presentation of the projects dealt with three questions relating to the workshop’s general topic:

1. What are the basic elements comprising ‘quality of life’?

• Firstly, the existence of services deemed to be ‘essential’ for the population: post, health, education, transport, power, rapid access to information, access to administrative services.

• In the area of transport, the accessibility and opening up of mountain areas were emphasised, while taking environmental requirements into account (see Rías Bajas project).
The participants expressed a need for high-quality education and training at a lower cost (e.g. through the development of distance-learning, ongoing education, particularly for women, education for the elderly).

Protecting the environment, which was deemed to constitute a priority in itself, must take into account not only the demands of tourists but also the effect of measures carried out for the resident population.

Finally, for a pleasant quality of life, it is necessary to have a climate favourable to innovation: it must be possible to develop multi-functionality and avoid the conservatism sometimes observed.

2. What were the obstacles encountered/the natural advantages to be promoted and enhanced?

Obstacles:

- Isolation appears to be the major obstacle to development.
- Depopulation and ageing population in certain regions.
- Conflicts of interest between different priorities (e.g. opening up/the search for tranquillity; freedom of movement for individuals/quality of the environment).
- Blockages in the valleys caused by road traffic sometimes make the development of new economic activities impossible.
- Local people are too rarely consulted on policies concerning them directly decided at a regional, national or European level.
- Measures financed by national or European funds lack visibility and are not sustained.

Advantages:

- Young people and women seem to be a major plus in the mountain areas.
- The experience of an integrated approach (environment/infrastructure) in mountain areas can be better utilised.
- Mountain regions are areas where a high level of cooperation has already been developed (for example, there are already 150 natural spaces functioning throughout the Alpine mountain chain). This ‘culture of cooperation’ should be further encouraged.
- The Alpine Convention, which has existed for decades, can provide a framework for measures in the areas in question. Moreover, it could constitute an example of ‘good practice’ for other mountain ranges.

3. What is the future role of Community assistance in mountain areas?

- The participants agreed that it is first and foremost necessary to establish a stable and coherent mid- to long-term framework for assistance (at the level of laws and regulations).
- The desire for relevant, precise and flexible intra-regional zoning was expressed.
- It was also proposed that mountain areas should be specifically mentioned in the Treaty.
- The Commission must be able to arbitrate between political priorities which are sometimes in conflict: competition/public markets, environment/transport, development of internal market/sustainable development, etc.
- The desire to see the Commission take a more active role in the Alpine Convention was frequently expressed.
- Finally, it was thought to be essential to stimulate and spread local experience by connecting networks.
Closing plenary session
On behalf of Commissioner Barnier and myself, I am delighted that you, the actors in the field, have shown so much interest in the conference on Community policies and the mountains.

The conference comes at a time when the debate on the results of regional policy and its future in an enlarged Union is fully under way.

We will be doing our utmost to take into account what you have stated here to ensure that the Community’s policies bring maximum added value to mountain areas, especially in the period after 2006.

I. General lessons to be drawn

Once again, the actors in the field have shown their will and tenacity.

The political will at the local, regional and national levels has been clearly confirmed, not only by the presence here of numerous elected members from these three levels of decision-making but also by their active participation in yesterday’s debates.

It is clear today how important it is for the European Commission and the other European institutions (European Parliament, Committee of the Regions, Economic and Social Committee) to focus more on the realities of mountain areas. The presentation of projects in the workshops and the discussions that followed highlighted some of the characteristics of the interventions carried out in mountain areas:

— The most striking characteristic is the cooperation and the exchange of experiences. Projects implemented through cooperation between regions of the same country or of different countries have more to offer and have a more innovative dimension. Through the exchange of experience, the
regions ensure continuity of cooperation and enable the use of methods that have proved successful in their adaptation to the local context.

— A second lesson is the need to combine policies. It is impossible to separate intervention in favour of transport and that in favour of the environment. The two policies are closely linked. The same is true for the other Community policies: regional policy, enterprise policy, agricultural policy or competition policy. It is by mainstreaming the different policies that a common goal can be reached; i.e. the development of the regions receiving assistance by maximising the potential specific to each region and by relying, of course, on the political actors.

I would also like to underline that there are many aspects that characterise mountain areas apart from their handicaps. Mountain areas have some substantial assets as well. We must take advantage of them. In order to do this, it is therefore necessary to improve the integration of the financial instruments involved.

— A third fundamental element is the viability of the regions, which depends on the existence and maintenance of public and private services of general interest, in other words services essential to everyday life. Many areas, especially in the mountains, suffer from the fact that those services, which are vital in retaining the population are becoming thin on the ground. From this point of view, the mountain areas are not homogeneous: some have very good facilities, while others are in a worrying situation. It is in these latter areas that public action (be it regional, national or European) is needed, along with private investment, in order to help maintain a sufficient level of essential services.

Take the example of Trento for instance, which is significant in this respect. The means to be used are multiple, including virtual ones: new communication technologies, multiservice centres, access to markets.

But, as President Prodi said, the purpose of public support is not to fill a void or to make up for shortcomings but to support projects and help those who undertake action.

— I will mention a final characteristic that has emerged from the discussions at this conference: that is the will to take advantage of local assets and promote the quality of products. This is particularly visible in the case of farm and agrifood products. Today, many countries of the European Union are successfully using designations of origin, or ‘mountain’ stamps of authenticity. These labels are an additional guarantee of quality for consumers who increasingly want ‘local’ products whose origin is synonymous with high quality. The labels are also a guarantee of safety for the producers themselves, since they are based on verifiable standards of quality or origin. It is important to capitalise on this valuable achievement, like what has been done.

II. The future: regional policy and the mountains

Regional policy is, of course, not the only policy concerned with mountain areas, as we have seen throughout this conference. Numerous Community policies deal with the mountains. Most of the time, their actions are combined to enable as comprehensive a development as possible of the regions concerned.

Agriculture should be particularly highlighted here. The progress made over the past 15 years has enabled a convergence of means whereby both mountain farming and rural development are taken into account. However, as Director-General responsible for regional policy, I will focus my presentation on this policy:

— First of all, existing instruments need to be used more efficiently. As several speakers mentioned, the possibilities that exist already with regional development instruments must first be fully utilised before considering any substantial changes to regional policy.
This is the case in particular for the three strands of the Interreg III initiative. The cross-border strand A was illustrated in the first workshop with the project on historical routes in the Pyrenees.

The ‘Alpine area’ programme provides a convincing example of the transnational strand B, since it covers Germany, Austria, France, Italy plus Switzerland, Liechtenstein and Slovenia. But, I would like to highlight the third strand of Interreg, the interregional strand C as it is probably the least well known. What is special about the third strand is that it enables regions, which do not share any common border, to work together on actions or studies that they themselves have chosen. In the case of the mountain areas, for example, we could imagine the regions of Midi-Pyrénées, Lombardy, Navarre and Tyrol implementing an action under Interreg III C that involves information technologies or tourism. So, it is a flexible tool and can be adapted to suit the needs of different regions. Also, if it is successfully implemented, its budget could be increased in the programming period 2007–13.

Innovative actions are another instrument available to the regions, which could be used more intensively. May I remind you that unlike Interreg, an annual call for proposals is issued for innovative actions. Furthermore, let us not forget that together the Objective 1 and Objective 2 programmes cover 95 % of mountain areas. The evaluation of the actions implemented through these programmes will provide valuable indicators of the best ways to take into account the special features of mountains in the next programming period.

Secondly, the possible directions which changes in regional policy could take in the period after 2006. As presented in the second report on economic and social cohesion, we will need to define the conditions whereby areas with permanent natural handicaps can be included in the areas eligible for the Structural Funds. In short, we will have to think about programmes specifically designed to deal with the natural handicaps that need to be overcome.

More weight will probably be given to the Interreg approach, meaning to cooperation that goes beyond regional and national borders. It is in programmes like these that the Community’s added value is most obvious. That is why it is essential for you all, regional and local authorities and players on the ground, to become involved in these programmes of cooperation and to be active and inventive with your neighbours on the other side of the border. These cross-border and transnational programmes are not only a way to carry out concrete actions in your areas today, but they also represent an investment for the future, so that you can position yourself for the next programming period.

III. Conclusion

Whereas the natural handicaps of mountain areas are permanent, the Structural Funds aimed at overcoming them are not. The funds will have to lead to investments that take account of the distinctive features of the different types of mountain areas and result in specific ways of doing things. They will have to give rise to measures opening up access to markets, to knowledge, to information and to the services that account for the quality of life in mountain areas.

It is for this reason that the examples presented during the workshops are so interesting. In many cases, these experiences are transferable; therefore, the exchange of good practices is useful, provided that we use the potential existing in the areas that need to be developed or restructured.

Finally, we must be clear about what we want: I think everyone must keep in mind that the essential criterion which will determine the intervention of the Structural Funds in a certain area is the existence of specific needs and problems that require a solution at the Community level and not the existence of permanent natural handicaps.