Euromontana reply to the COHESION CONSULTATION

Friday, 25 January 2008

Introduction

What is Euromontana?

Euromontana is the European multisectoral association for co-operation and development of mountain territories. Euromontana brings together organisations of mountain people: development and environmental agencies, agricultural and rural development centres, territorial authorities, research institutes, etc. It includes organisations from Western Europe as well as from Central and Eastern European countries with the aim of developing international co-operation. Currently 72 organisations from 17 wider European countries are members of Euromontana.

Euromontana’s mission is to promote living mountains, integrated and sustainable development and quality of life in mountain areas.

In order to achieve this, Euromontana facilitates the exchange of information and experience among these areas by organizing seminars and major conferences, by conducting and collaborating in studies, by developing, managing and participating in European projects and by working with the European institutions on mountain related affairs.

Our comments on the 4th Cohesion Report

Euromontana welcomes the Fourth Cohesion report and the opportunity to contribute to the consultation. We note and recognise the trend of concentration of economic activities and also on the new challenges identified.

However, we regret that the omission from the report of the concept of areas with permanent natural handicaps that was usefully introduced in the Third Cohesion Report.
We would have also welcomed a more in-depth analysis of the mountain areas which comprise 40% of the European landmass and are home to 20% of the population according to DG Regio’s own study. Although we welcome the recognition of the importance of land management in remote and disadvantaged areas, in particular we would have hoped to see more analysis of the mountain areas as providers of public goods to society at large in terms of biodiversity, protection against floods and landslides, mountains as Europe’s watertowers etc.

Finally although we also recognize the opportunities created by modern telecommunications infrastructure in mountain areas, particularly in service delivery, we would caution against declaring this to constitute the ‘death of distance’. This would be to confuse the potential of ICT with its current reality in rural areas. A true level playing field will be achieved only when provision is universal in terms of capacity and quality and effectively simultaneous in terms of incremental updates. The Commission has also noted that the infrastructure in mountain areas tends to lag behind. Secondly current research shows an ever-increasing economic tendency of geographical concentration contrary to early speculations.

The main point we would like to make on territorial cohesion

Cohesion policy as a concept dates back to the Single European Act, where cohesion was established as the essential counterforce for the predicted centripetal influence of a single market. Euromontana along with other European mountain organisations, islands and sparsely populated areas was central in lobbying for the inclusion of the concept of Territorial Cohesion in the European Constitution, now accepted in the Reform Treaty. Mountain, islands and sparsely populated areas also have a specific mention in the Reform Treaty.

We would like to take this opportunity to appeal again to the European Institutions to build synergies, where possible combining the current approaches to territorial cohesion by the intergovernmental Territorial Agenda process, the upcoming Green Paper on territorial cohesion and the current cohesion consultation.

We would also like to recall that the original concept of the territorial cohesion, which, as recognised in the 3rd Cohesion Report, was to offer similar life opportunities to citizens of Europe, irrespective of where they resided geographically. Territorial cohesion is not the same as the territorial approach, although much current commentary confuses the two. Territorial Cohesion contemplates a degree of spatial discrimination to respond to need and opportunity and to achieve balanced spatial development: the territorial approach is simply descriptive of a spatial methodology. Territorial cohesion in our view means assistance to areas most in need of assisting on territorial basis, such as mountains, islands, sparsely populated and northern areas, and post-industrial re-conversion areas. Territorial cohesion is not a suitable approach, for example, to inner city problems which are not territorial in nature and should be targeted by social programmes. Neither is Territorial cohesion synonymous with more horizontal general regional policy, territorial cohesion is about addressing the needs and opportunities of the worse off areas. It provides a focus or litmus test for the performance of European cohesion policy.
Although territorial cohesion should specifically target permanent handicap and lesser favoured areas, territorial cohesion should be about building on their potentials and helping to use the numerous assets of these areas.

Territorial cohesion presupposes integrated solutions and has the territorial approach in its heart. Sectoral policies have to be adapted to specific territorial situations and integrated on a territorial level as far as possible.

Finally, when talking about territorial cohesion we would like to caution against an extreme polycentric approach. Although cities in short term offer growth they are also associated with congestion and social and environmental problems. The European approach should be about opportunities everywhere, also in rural areas, where the centre can be a large village or a very small town. All of Europe is not within the influence range – the functional reach - of major cities. Mountain areas also need to innovate. There is a need for a policy that adds the rural dimension to the more urban oriented theories of innovation systems.
1. What lessons can be drawn from the experience of preparing the 2007-2013 programmes? In this context and in the light of the analysis provided by this report, how far is cohesion policy adapted to the new challenges European regions will face in the coming years? For example:

Despite promising signs in the early stages of the regulations and guidelines drafting, regional specificities such as mountain areas were not sufficiently taken into consideration in the 2007-2013 programmes. Considering that building on regional specificities has been a Commission recommendation, Euromontana considers neglecting these areas that provide a genuine difference represents a serious omission that must be rectified.

In terms of integration between the different funds, progress was effectively reversed for the 2007-2013 Programme period by the conversion of EAGGF to EAFRD and its excision from the Structural Funds regime. This change and the similar treatment of the Fisheries Fund, has resulted in 4 different operational programmes being required for ERDF, ESF, EAFRD and FF where formerly one operational programme was sufficient. This is regrettable, especially when in rural development terms the admirable integration achieved by the Objective 5(b) approach has never since been replicated.

1.1. How can the regions react to restructuring pressures from dynamic competitors in low and medium tech sectors?

Europe’s strength is in its diversity and no-where is this diversity more apparent than in its mountain areas. Europe should be building on this diversity, supporting innovation in all its different areas in all different formats, supporting quality, differentiated production at premium prices.

1.2. Given wide differences in birth rates, death rates and migratory flows at regional level, what is the role of cohesion policy in responding to demographic change?

Euromontana would like to emphasize the importance of retaining population in the rural and natural handicap areas of Europe. Uncontrolled growth of the cities leads to congestion and various social and environmental problems. Maintaining population in rural areas in the face of the current depopulation trend will conserve the precious assets of these areas, provision of public goods that emanate from these areas and the cultural and environmental diversity of Europe. Rural areas should not be treated as mere hinterlands of the cities, but areas of potential in their own right, supported by the cohesion policy.

1.3. To what extent is climate change a challenge for cohesion policy?

Mountain areas that already face severe challenges will be among the hardest hit by the effects of the climate change. Not only the changes in growth conditions and
increased risks of natural hazards have economic consequences, but also the loss of snow-related tourism in various mountain areas. On the other hand mountain areas are in a key position to contribute to managing the effects of increased natural risks such as floods and avalanches for adjacent lowlands, but also in terms of water management etc.

Climate change is a challenge to all policies and should be taken into consideration across all policies. Making sure cohesion policy measures are as climate change positive or at least neutral is essential, but it is equally important for cohesion policy measures to be flexible enough to allow for local and regional adaptation to climate change.

As evident from the ESPON “Territorial futures” study\(^1\) the policy choices between pure orientation to competitiveness and cohesion have far reaching effects also to carbon emissions and climate change, with cohesion-orientation with a more balanced territorial development leading to lower emission levels in general.

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2. How can cohesion policy further develop an integrated and more flexible approach to development/growth and jobs in this new context?

2.1. How can cohesion policy better promote harmonious, balanced and sustainable development taking into account the diversity of EU territories, such as least favoured areas, islands, rural and coastal areas but also cities, declining industrial regions, other areas with particular geographic characteristics?

Harmonious, balanced and sustainable development in particular in least favoured areas, islands, rural and coastal areas, declining industrial regions and other areas with particular geographic characteristics should be at the core of cohesion policy. In Euromontana’s view cities generically are not the main target of the cohesion policy, but should be tackled with regular regional policy and social measures.

- Mountain and other permanent handicap areas also have potential for growth and innovation and should not be overlooked. European model is based on diversity, and Europe should build on all its potential in order to be globally competitive. In principle a 1% increase in European economic growth achieved at disadvantaged area level is just as valuable as 1% growth achieved within a growth pole in economic terms but is much more valuable in social and environmental terms. Mountain areas also have a very strong potential as providers of public goods: protectors from natural hazards, providers of recreational areas for the urban populations, suppliers of quality foods and energy and this should be taken into consideration.

\(^1\) Territorial futures – Spatial scenarios for Europe. ESPON 2007.
Integrated policies should be the basis of cohesion policies, in particular in fragile areas such as the mountain areas.

2.2. What are the impacts of the challenges identified in the report for key elements of social cohesion such as inclusion, integration and opportunity for all? Are further efforts needed to anticipate and counteract these impacts?

2.3. What are the key future skills that are essential for our citizens in facing new challenges?

Besides the obvious new “basic” skills in the information society such as computer literacy, we should not forget traditional skills and local knowledge that can be combined with modern and future skills. There are many clear benefits to be derived from maintaining and/or reintroducing traditional practices in mountain areas, where these are in line with the principles of sustainability.

At the same time, people living in mountain areas need to respond innovatively to both exogenous and endogenous forces of change. Some changes are gradual, some appear and develop rapidly; they can provide both threats and opportunities. To respond proactively, innovations are required and, as far as possible, they should be developed by mountain people themselves. There are certain prerequisite abilities for innovation:

• to produce or participate in projects;
• to keep up with technological, organisational, and methodological innovations;
• to produce original solutions to problems;
• to access substantial funding;
• to activate the private sector and funding in training and education.

A key input to innovation is the ‘tacit’ knowledge that is based on experience and passed on from generation to generation. While this is different from the dominant ‘scientific’ type of knowledge, the two types are complementary. Often, in the complex and dynamic systems which characterise all aspects of mountain areas, such tacit knowledge is an essential prerequisite in developing and implementing projects – and may also be available from other mountain areas. Knowledge – whether tacit or scientific – can be applied as a means of production (e.g., production techniques, use of appropriate local resources, branding), public steering (i.e., evaluation and monitoring), and as a commercial artefact in itself (e.g., knowledge-based tourism). A further use is in training, which must be locally-designed, using participatory approaches that build on and recognise local specificities and needs.

Training is essential as a means of developing skills, not only to continue or reintroduce traditional practices, but also to change passive local actors into active promoters of development and furthering innovation – and also to ensure the sustainability of project activities beyond the end of project funding. Training, building on existing skills, capacity, and knowledge, should therefore be a key element of any project, and may include both face-to-face delivery and remote
delivery (e.g., on-line, video-conferencing) for people who live far from training centres. With respect to public services, certain indicators appear to be relevant for supporting training for innovation, e.g., the level of computerisation and access to broadband; the quantity and quality of educational facilities; and the coherence of the school system and training with the aims of innovation and sustainability.

In time, innovations may become ‘standard practice’; but there are always possibilities for improvement – and hence research that can bring together experts, technicians and local actors to recognise emerging trends and develop and implement new innovations is needed. Appropriate centres for doing this exist in some mountain areas, but more are needed. These stimuli to innovation include the provision by the relevant territorial authority/ies of advice and a favourable environment for project stakeholders. This environment must include support not only for training and research, but also for the development of a capacity to spot potential projects and good ideas (and also to limit or stop the development of inappropriate ones) and the implementation of a regional development strategy that mainstreams the needs and priorities of mountain people.²

2.4. What are the critical competencies that should be developed at the regional level to make regions globally competitive?

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3. Following the appraisal of the previous questions, what is the assessment of the policy management system for the period 2007-2013?

3.1. Given the need for efficient management of cohesion policy programmes, what is the optimum allocation of responsibility between the Community, national and regional levels within a multi-level governance system?

Some aspects of cohesion policy may best be tackled at European or trans-national level, some at national and others at regional level. It is appropriate for the broad strategy to be set at European level through negotiation with Member States, and for the Commission to ensure effective strategic decision making, priority setting and efficient implementation systems. It is also at this wider level that integration of remote areas, physical connectivity and accessibility, particularly for those regions facing geographical handicaps, can be strategically addressed. Enhancing regional social capital and identities and increasing the ability of regions to tackle globalisation are all better delivered at regional level. Integration is perhaps the most important challenge that cohesion policy faces and this must be dealt with at each level. The mistake of dividing the administration of the funds and effectively excising rural development funding (see above) was made at European level and can only be reversed at that level. Integration can also be encouraged at the national level but it is at the regional level that the fragmentation of the funding delivery arrangements referred to above must be retrieved in the medium term by e.g. the regional imposition of common Monitoring Committee arrangements and a common monitoring system.

² Euromountains.net Interreg IIIC project final report www.euromountains.net
3.2 How can cohesion policy become more effective in supporting public policies in Member States and regions? What mechanisms of delivery could make the policy more performance-based and more user-friendly?

Local authorities play a crucial role in sustainable development processes. This role should be reinforced in European and national legislation. In this regard, specific recommendations at the European, national and local levels include:

- with regard to Rural Development Plans (EAFRD funds) and ERDF AND ESF funds, there should be:
  1) an integrated local approach for using financial resources, so that the operational guidelines presented by national governments and regions to the European Commission, for approval in the coming months, prioritise integrated local projects presented by a group of partners;
  2) an integration of different funds (EAFRD, ERDF, ESF) under a coherent planning vision of the mountain/lowland space.

- with regard to the new Objective 3 (Interreg Programme): the perspective of SLOTs or common mountain/lowland spaces of ‘mutual interaction and integration’ should be encouraged in the new transnational and cross-border Interreg Programmes. In particular, Regional Projects (and the creation of Macro European regions) should include the SLOT approach for observation and governance as a tool for a new urban/spatial planning and development policy. Interregional cooperation projects take a certain time to get started, and for the partners to get to know each other and build mutual trust. Also, for cooperation projects to be truly effective partnerships must be sustained. Cooperation projects which utilise existing voluntary networks, such as Euromontana, are more cost-effective to launch, and have a greater chance of becoming sustainable.

- at more local levels, national or regional governments should facilitate collaboration, the exchange of experience, and the development of competence among groups of municipalities on themes of common interest and, as appropriate, encourage the establishment or recognition of mountain regions with clear identities based on common human, cultural, economic and environmental characteristics. Such identities not only provide a strong basis for sustainable development, but can also contribute to it, for instance through the development of labelling schemes which bring added value to regional products and services (e.g., in tourism).³

3.3 How can we further strengthen the relationship between cohesion policy and other national and Community policies to achieve more and better synergies and complementarities?

See above

³ Euromountains.net Interreg IIIC project final report www.euromountains.net
3.4. What are the new opportunities for co-operation between regions, both within and outside the EU?

Territorial cooperation is an integral part of territorial cohesion and offer invaluable opportunities for transfer of experience and good practices. Existing networks such as Euromontana should be fully utilised in building sustainable cooperation between actors. Secondly, cooperation possibilities should also be available for professional actors such as regional development agencies, environmental organisation etc. that often have the policy responsibility at regional level.

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