



The importance of mountain development in the EU



POLICY INSIGHTS

The Common Agricultural Policy (CAP) plays a crucial role in EU mountain areas by providing financial support, promoting sustainable practices and contributing to social cohesion. Without this policy framework, these regions could face even greater challenges in maintaining viable agricultural activities, supporting thriving populations and preserving their unique cultural landscapes.

Mountain areas are home to more than 10% of the EU population and around a third of the European landmass is mountainous. Our mountains are also significant from an EU policy perspective because they play a crucial role in **shaping Europe's climate**, **providing habitats** for diverse flora and fauna as well as offering a unique range of **tourism and recreation** opportunities. The **European Treaty on the Functioning of the EU** provides further policy context, noting that "particular attention" shall be paid to mountainous areas, as they suffer from severe and permanent natural or demographic challenges that hinder development.

Developing and sharing good examples of policy approaches to mountain development has helped to improve conditions and the **European association of mountain areas (Euromontana)** is at the forefront of this work. During the **International Year of Sustainable Mountain Development** in 2022, Euromontana published its **Sila Declaration** on the future of European mountain areas. This provides far-reaching insight into the challenges and opportunities involved with supporting 'Smart mountains'. The Declaration provides a vision for resilient, better managed and **attractive mountain territories** with diversified economies that are able to cope with climate change, are well-connected and offer good quality of life. Food and energy security are also among the key goals.

Mountain farming plays a crucial role in regional food security and, despite the often difficult conditions faced by farmers in these

areas, such as steep slopes or harsh weather, they are able to produce high-quality **brandable** products that are essential for local consumption as well as export. The mountainous regions of Europe have a rich history of food production, with farming techniques passed down through the generations. By continuing to farm in these areas, local communities are able to maintain their unique way of life and preserve EU cultural identity. 'Optional quality terms defined at EU level allow producers to communicate within the internal market on the value-adding characteristics or attributes of their products. Agri-food products originating from mountain areas can be labelled by the optional quality term 'Mountain product' according to Regulation No. 1151/2012. Labelling their product as a 'mountain product' may help farmers to market products made in difficult natural conditions and protects them against false claims.



Mountain farming is also critical for the **conservation of diverse ecosystems** and rare species that depend on traditional upland agricultural practices for their survival. The maintenance of terraced fields, grazing lands and mountain meadows helps to



prevent soil erosion and preserve habitats for many plant and animal species. Agriculture in these often remote and isolated regions provides essential employment opportunities for local residents and supports small-scale businesses, such as cheese production or organic supply chains. Additionally, it promotes **sustainable tourism** by attracting visitors who appreciate the beauty of these landscapes and the authenticity of rural life.

CAP support

A variety of funding options from CAP Strategic Plans (CSPs) can be channelled towards addressing risks which affect mountain farms, as identified by the European Parliament's Future of the European Farming Model study. Thus, CAP funding can contribute to issues that relate to **food security, economic development** and sustainability, cultural preservation, **climate action** and biodiversity conservation in mountain areas.

Rural development payments can help offset the additional costs of mountain farming and income forgone in Areas facing **natural and other specific constraints (ANCs)**. These payments primarily contribute to ensure a fair income and allow farmers to continue agricultural land management in order to prevent land abandonment. Findings in an **EU analytical brief** show that farms located in ANCs are on average less intensive and have larger shares of land uses that are beneficial to the environment and biodiversity, such as grassland, protein crops and fallow land. A **CSP overview** indicates that 17 CSPs provide specific income support for active farmers in designated ANC mountain areas through rural development funds.

Other possibilities for CSP assistance in mountain areas exist for supporting rural infrastructure, cooperation and innovation. This includes community-led local development funded by **LEADER Local Action Groups**.

In addition to CAP funding, EU mountain areas benefit from considerable financial aid provided through **EU cohesion policy** and its considerable **development potential**. Synergy is expected from **coordinating** CSP interventions with all other sources of EU and national aid.

The **EU CAP Network** is helping coordinate European expertise with regard to strengthening the competitiveness and resilience of mountain areas through a **Focus Group** to be launched in November 2023. Members of this **Focus Group, including farmers, foresters, advisers and scientists**, will explore beneficial innovations related to agriculture, forests and, more widely, the bioeconomy. The Focus Group will take into account the diversity of the mountain areas across Europe and look at access to the knowledge and skills necessary to respond to mountain development matters such as climate change, markets and value chains, new technologies and digital solutions, social innovation, and coexistence between farming and **large carnivores**, among other issues. Outcomes are due to help inform ideas for potential **Operational Groups** and innovative projects.

