



Seminar on the future of the CAP in mountain areas

July 26, 2008, Brussels

Euromontana together with the Department of Agriculture, Fisheries and Food of the Spanish Basque region and Gune 6 (Basque group of companies for the agriculture, fisheries, food and rural development) organised on the 26 June a seminar on the future of the CAP in mountain areas. Among others, the event aimed to discuss and clarify Euromontana's position on the future of the CAP after 2013 (see Euromontana position available on the website).

To enrich the debate, Euromontana invited speakers that presented their European and national points of view, with different backgrounds (agriculture but also rural development): Loretta Dormal Marino, Deputy Director General DG Agri, Jean-Michel Courades and Antonella Zona from DG Agri; Bernadette Bourzai, Member of the European Parliament; Olivier Bertrand, from the Committee of Regions and the Association of Elected Mountain Representatives; Jean-Louis Cazaubon from COPA-COGECA; Domenico Mastrogiovanni, CIA (Italy), Peter Cook (Scotland); Jorge Garbisu, Department of Agriculture, Fisheries and Food (Spanish Basque Country); Virginie Jorissen, Ministry of Agriculture (France) and Antonio Machado, ADRAT (Portugal).



Ibon Mendibelzua et Frank Gaskell

After the opening of the seminar by Ibon Mendibelzua (Delegate of the Basque Country in Brussels) Frank Gaskell began the seminar with a session dedicated to the ongoing revisions of the CAP.

Jean-Michel Courades introduced the legislative proposals of the Commission concerning the "health check" of the CAP and emphasized the proposals related to mountain areas. The main measures to be implemented will be linked to three main objectives:

- **simplify the management of direct aid:** possible standardization of amounts of single farm payment; total decoupling, except for dairy cows, sheep and goats; simplification of rules of attribution; introduction of a minimum threshold and updating conditionality;
- **remove limits of production to answer to the new situation on the markets and the rising of prices:** gradual increase of milk quotas before their abolition in 2015, abolition or limitation of the intervention on the majority of the sectors, excluding bread wheat;

- **Strengthen rural development to cope with new challenges** by allowing Member States to increase modulation for the farmers that receive more than 5000 € of aid, which would finance measures related to climate change, management water, biodiversity...

To counterbalance the negative effects on certain sectors or areas in difficulty, the Commission proposes, in addition to the possibility of maintaining coupled aid on suckler cows, sheep and goats, the introduction of specific measures for sectors in difficulty, such as the dairy sector in mountain areas. It also proposes a revision of Article 69 (now Article 68) to help financing regions or sectors in difficulty and risk management measures through retaining up to 10% of the first pillar budget, with ¼ of the amount collected to be used for direct support to productive sectors.



Jean Michel Courades

The participants immediately raised the question of the impact of decoupling on land abandonment and suckler production, and especially on the consequences for ovine production. They regretted that although so soon after the 2003 reform, the Commission has decided to go further with the decoupling, which in some countries has been implemented only in 2006. The impacts of the decoupling policy on the sectors and territories, which will be felt in the medium to long term, have not been assessed yet. The Commission recognized the need for a study and Jean-Michel Courades insisted on the **need of a territorial approach when developing these studies in order to assess the impact of the CAP**, acknowledging that this type of approach is for the time being missing. However, the Commission recalled that the "health check" was not a reform but an adjustment, and that no total decoupling but rather a progressive decoupling is predicted, since no negative sign of the impact of decoupling has been verified. So far, no study demonstrating that decoupling leads to the abandonment of production has been provided, although these problems would have been observed through the implementation of conditionality. Studies will be conducted within the next reform of the CAP.

Antonella Zona from DG Agriculture has presented the ongoing work on the new system of support for less favoured areas. The work is conducted under the mandate given by the Council to the Commission in June 2005 with the completion of a report with proposals for a new system in 2008; the new system would then be implemented from 2010. She introduced her remarks by stating that the Commission was at the stage of reflection, and she recalled the various consultations on the subject, such as the hearing held on March 14 2008 by an interdepartmental group of the Committee, in which Euromontana has participated (see newsletter of April 2008). Ms Zona highlighted the current perspectives as well as development objectives since 1975. Although the maintenance of the population and a viable rural community were the focus of policy between 1975 and 2006, the **objectives set for 2007 are more focused on the environment**, land use planning, the fight against erosion and the conservation of biodiversity. The **socio-economic component**, which is the subject of specific measures within the framework of the axis 3 of rural development programmes, **has therefore been withdrawn from the LFA scheme**.

The current debate therefore does not aim to review the objectives of support to disadvantaged areas, but to define the implementation rules. The discussion also does not concern mountain areas whose definition criteria are considered as being objectives according to conclusions of the

assessment phase; only LFA other than mountains should be reviewed. The Commission therefore has a mandate to **objectify the criteria** enabling the determination of the delimitation of “intermediate” LFAs (and thereby avoiding the risk of unequal treatment). Once the review will be applied, the amount of compensation for producers should compensate the additional costs due to the natural handicap. The Commission has therefore worked with a panel of scientists on the definition of the criteria. These fall into four categories: criteria related to soil, climate-related criteria, criteria combining soil and climate and criteria related to the land characteristics (slope). Consistent with the objectives, **this list does not include any social and economic criteria**. Based on this scientific work, the Commission must now move forward in assessing the feasibility and in fact, mapping all areas in accordance with all criteria can be a very long, tedious and therefore costly process. To be considered as a disadvantaged region, a region should meet at least one of the criteria. On the other hand, if the handicap is overcome thanks to some technical work (for example drainage or irrigation) the farmers would not be considered eligible to receive compensation.



Antonella Zona et Juan Andres Gutierrez

Antonella Zona presented four scenarios that the Commission should consider in preparing the new system, which varies according to the rules of eligibility and delimitation:

- **Status quo:** delimitation of areas made by the Member States (MS), not using anymore socio-economic criteria but only those proposed by the Commission; eligibility determined by the Member States,
- **Common criteria:** common criteria for delimitation; eligibility determined by the Member States,
- **Common eligibility:** common criteria for delimitation and eligibility,
- **“High Natural Value”:** common criteria for a delimitation based on a junction between physical, soil and climate criteria proposed by the Commission and the delimitation of agricultural areas with high environmental value; eligibility determined by MS in coherence with the objectives of the system.

The advantage of adopting common criteria is to make the system more transparent and comparable from one country to another. However, the disadvantage is that it takes less into account specificities and there are more administrative burdens.

The participants **deeply regretted that the economic and social component is no longer part of the criteria used**. Indeed, some areas that do not correspond to the defined criteria may find themselves in difficulty for reasons for example of isolation, as it is the case of several regions of Scotland. The lack of access to transportation, the difficulty in finding suppliers and buyers nearby and the additional costs that follow are criteria that seem to be as acceptable as those defined by the experts.

Jean-Louis Cazaubon presented the position of COPA-COGECA on these subjects. The guideline for this position is the promotion of sustainable agriculture, introduced throughout the territory, integrated into rural economies and mostly, economically viable. Mr Cazaubon insisted on the set of benefits of agriculture all over and especially in mountains areas: **maintaining employment** (rural,

agricultural, agro-food, etc.), **spatial planning, water management... A living agriculture in mountains is a condition *sine qua non* for the achievement of the Lisbon and Göteborg strategies.**

In response to the presentation made earlier on the "health check" of the CAP, Jean-Louis Cazaubon insisted in **the new situation of agricultural markets**, with the rising of prices and its consequences for food. This development should encourage the debate of agricultural policies to ensure food security for the 500 million Europeans, not to mention other countries. **Agriculture must meet this challenge while considering other demands of society on the environment, landscape, animal welfare and food quality.**

To achieve this objective, COPA calls for **the maintenance of market regulation mechanisms to limit the volatility of prices for producers and consumers.**

Food storage is thus considered as a necessary evil, whose absence has cruelly shown its effects this year. COPA therefore believes that the continued intervention, private storage and export subsidies are needed, with the possibility to assess the relevance of the instruments and if necessary the establishment of new ones.



Juanan Gutierrez, Jean Michel Courades, Peter Cook, Domenico Mastrogiovanni et Jean Louis Cazaubon

Regarding milk production, it was recalled that measures to control supply must also be managed to ensure its **stability, predictability and a territorial balance.** The milk quotas had the merit of setting milk production throughout the territory. With their abolition, there is the concern that processors will move to the most profitable areas, leaving farmers in remote areas without market opportunities. Although mountain milk can in some places get a good remuneration thanks to cheese PDO/PGI, as demonstrated by the study conducted by the Commission, this is not the case everywhere, and particularly in the new member states, since not all less favoured areas benefit from a designation. Thus, one of the conclusions of the Commission's study is that 5% of dairy mountain farmers will end up with negative margins after the abolition of milk quotas.

On decoupling, Jean-Louis Cazaubon drew attention on the difference between crop and livestock production. Crop production can indeed adapt to market conditions from one year to another. A parcel may be left as fallow land one year and seeded again the next year. However, as far as the livestock sector is concerned, the decision of not producing for one year has consequences on the sale and production of livestock, which cannot be solved as easily the following year. The decoupling in animal production should therefore be considered cautiously. Thus, **access to subsidies must be conditioned to the effective maintenance of agricultural production and the full decoupling option should be analysed case-by-case for each product and sector.**

Finally, on Article 68, which focuses on areas and sectors in difficulty, COPA-COGECA believes that **such measures are needed, particularly to counteract the negative effects of decoupling. However, the Commission's proposals are not sufficient.** Indeed, to reorientate 10% of the funds from the first pillar is not enough to support all vulnerable areas and sectors in need (sheep, mountain milk, oilseed crops...). The percentage of funds to be redirected should be revalued upwards, and this need is confirmed by the fact that several Member States are ready to challenge the proposal of 10%. COPA-COGECA considers that measures such as those developed under Article 68 must be seen as additional tools to CAP measures for balance and market management, since it is primarily the maintenance of a market that will allow the maintenance of agriculture on the whole territory, including in the mountainous areas.

The next intervention, done by **Domenico Mastrogiovanni, from the Italian Confederation of Agriculture (CIA)**, went in the same direction, namely in what concerns **the promotion of an agricultural policy that maintains above all economic activity and farmers in mountainous areas.** Mr. Mastrogiovanni explained the negative effects of a tendency towards "lisbonisation" of the CAP, principle according to which only competitive areas would be supported in detriment of other regions that end up



Domenico Mastrogiovanni

forgotten. It is clear that moving in this direction means the abandoning of agriculture in the whole EU territory, marginalizing regions with natural handicaps, the abandonment of farmland, loss of biodiversity, the cessation of quality production, consequences on water management... It is therefore essential to maintain agricultural production in areas with natural handicaps, but with emphasis on production. Indeed, farmers must produce for the market, to sell products and not only to be paid for the maintenance of the territory. It is because they have an agricultural activity and have an income that they are in the territory and generate the production of positive externalities.

This being said, as the conditions in mountains are getting difficult and the work is less profitable, **it appears normal to support farmers, because their efforts to maintain agricultural production contribute to the continuity of the economic and social tissue in these regions.** It is imperative to recognize the strategic role of mountain farming and to developed integrated policies emphasizing the economy and subsidiarity. New ways of governance, with greater collaboration between local actors, must be put in place. Domenico Mastrogiovanni concluded highlighting the importance of the development of Leader approaches.

Peter Cook made then a scientific contribution and provided concrete elements on **assessing the impact of decoupling on mountain agriculture in Scotland.** Commissioned by Highlands and Islands Enterprise, the case study presents an evolution of livestock in the area of the Highlands, comparing it with Scotland as a whole. All supports in Great Britain were completely decoupled, and the reform of the CAP has been applied since 2004. Conducted over two periods 2001-2004 and 2004-2006 and updated with data of 2007, the study shows the evolutions caused by the reform.

The study has shown that the overall decline in the sheep livestock, about 3% per year, has accelerated to 5% in 2006 and 6% in 2007, following the decoupling. The decline in the Scottish herd

is essentially in the Highlands, which means that the mountain areas are most affected. Besides, it was verified that **the total number of animals diminishes faster than the number of farms**. This is explained by the fact that farmers, receiving subsidies per hectare but facing charges per head in connection with prices relatively low, have all the interest in reducing their costs and hence the size of their herd. Large herds have been reduced, especially culling low value or low productivity animals.

The tendencies are similar regarding suckler cows, with a doubling of the annual decline of livestock in the Highlands after the introduction of decoupling, verified in 2006 and again in 2007 (2.8% instead of the previous 0.7%). The finest grasslands and the ones receiving environmental support are slightly protected against these developments. Again, the tendency observed is a reduction of number of livestock units rather than a decrease in the number of herd, farmers working with fewer animals, but better finished and therefore more valuable.

The **number of dairy cows has also decreased**, but milk production increased again since farmers kept the most productive animals.

Cultures finally have drastically declined after the introduction of decoupling, a trend which should be reversed with the increase of the prices.

The number of full-time farmers has decreased significantly. The decline has stopped with only a few active farmers still working. It is now the number of part-time employees that starts to decrease.

The impact of decoupling reinforces the current tendencies of ageing farming population, of shrinking of the workforce available for agricultural work, of declining population. The ovine sector is the most exposed and dependent on subsidies but also the least favoured by the current British system of compensation for natural handicaps.

Finally, the risk for Scottish less favoured areas is that the number of farmers falls below the threshold of critical mass for maintaining the sector. Indeed, if the number of farmers in a region is too low, it will not be possible for the activities upstream and downstream to continue due to the lack of clients. Without these, the continuation of agricultural activity is not possible in the region.

As a conclusion, Peter Cook **explained the issues in the elaboration of policies**, that are being reviewed simultaneously (CAP, rural development, disadvantaged areas...) **in the broader context of questions on climate change and food security**.

The debate was then opened. Participants began by pointing out the wishes, expressed here and there, of a renationalisation of these policies. On the contrary, the participants desires that a common and European framework remains. The question of the urgent **need for good studies** such as the one made by Peter Cook was again emphasised. The audience expressed their hopes that these studies would be conducted prior to further reform and with hindsight to judge the impact of past actions. A measure such as LFA had an impact per euro on the number of jobs what is quite interesting and it would be a shame to forget. It is also necessary to observe locally to see, in each case, who has benefited and suffered from certain measures, in order to avoiding the smoothing effects of a global analysis.

The debate then shifted to the financing instruments and coordination between them. Indeed, it is recognized that the EAFRD is insufficient to achieve its goals, in particular those fixed by axis 3 rural development: the funds are far from being enough to support rural areas at the level they need. Some consider that the ERDF should also be used to finance rural development measures. It is clear from the debate that **funding for rural development through agricultural policy and financing for development in rural areas by the regional policy are both inadequate**. An alternative solution was raised by Bernadette Bourzai which participated in the discussion that had taken place that morning at the European Parliament, on a possible merge of structural funds that would give the territories ways to finance their projects.

After a lunch break which allowed the participants to continue the discussions, a second session moderated by Sylvain Marmier (FNSEA) was opened on the objectives and views for the CAP after 2013.

Bernadette Bourzai, member of the European Parliament and the Commission on Regional Policy, then presented in detail her vision on the development of rural areas in general and of mountainous areas in particular by introducing the Ebner's report on the future of agriculture in mountain areas. The report was adopted by the Agricultural Committee on July 14 after the consideration of 117 amendments, which demonstrates the strong interest that the subject has aroused. It will be adopted by the plenary session in the fall and can lead to a deliberation. The report recommends:

- Maintenance of LFA payments
- Maintenance of aid to young farmers
- Establishment of specific support for the dairy sector
- Consideration of SMEs' role.
- Maintenance of specific funds to support disadvantaged areas
- Increasing up to 20% of the amount assigned in Article 68 to generate funding for mountain areas and increasing the share that can be devoted to specific sectors
- A forestry strategy
- The enhancement of agro-tourism and its development through vocational training.

Mrs Bourzai recalled as well the importance of mountain agriculture in the production of quality products and the role of mountains in general in preventing climate change, as carbon sinks. In conclusion, Ms Bourzai emphasized that the next legislature would be the one articulating the structural funds with the CAP, requiring an integrated approach of supply chains and farms anchored in the territory, but has deplored the lack of power from the Parliament regarding agriculture.

Virginie Jorissen, representative of the French Ministry of Agriculture followed Ms Bourzai approaching the debate taking place in France on agriculture after 2013, and the intentions of the French presidency on this issue. To build and refine a vision for the future of agriculture, the Minister Michel Barnier launched earlier this year a **broad consultation in the form of departmental meetings** organized by the chambers of agriculture and accomplishing the whole agricultural world. They were designed **to place the debate on the "health check" in the continuity of a general reflection on the future of European agriculture**, developing a project reflecting a long time perspective on the CAP after 2013.

During these meetings the French agricultural representatives positioned themselves in favour of retaining the **common tools for managing markets, the coupled support** for suckler cows, sheep and goats, an accompaniment under very strict conditions of the increase in milk quotas, the **introduction of new instruments on crop insurance and mutual funds**. A redistribution of funds from the first pillar to fragile territories or channels on the basis of size and employment, with priority given to grass productions, was also proposed.



Sylvain Marmier, Bernadette Bourzai, Jorge Garbisu and Virginie Jorissen

Participants in the meetings were **reserved on the possibility to have regional amounts of single payments and rather opposed to a strengthening of the second pillar, which would increase modulation** (including the co-financing that implies). They expressed the willingness to refocus the second pillar on compensation for natural handicap, installation of young farmers, modernization of farms and agro-environmental measures. The agro-environmental measures should also be re-calibrated. The participants also called for a **simplification of conditionality**.

Virginie JORISSEN reported the vision of the future president of the council of ministers of agriculture on the challenges of agriculture. For Michel Barnier, a European agricultural policy must be renewed and should have as objectives:

- to ensure food autonomy in Europe,
- to contribute to global food balances,
- to preserve the balance of rural areas,
- to participate in improving the environment and in the fight against climate change.

During the three remaining months, the projects of the French presidency are to complete discussions with Parliament and the European Commission on the "health check". Indeed, this assessment is meaningful only if it is implemented now and it is necessary that the discussions leads to conclusions early enough. **The Presidency aims at achieving a political agreement in mid-November**. The Presidency also intends to start from the beginning the debate on CAP after 2013, in order to reach a **consensus before the debate on the revision of the budgetary perspectives**. At this stage, the objectives are not to discuss instruments, tools, money or pillars, but to find and promote goals for the 27 MS, for an agricultural policy of the European Union. **Agriculture is in the heart of food, energy, environmental, ecological and societal challenges. We must produce more, better and everywhere**.

Following these exchanges, **Jorge Garbisu**, from the Basque government, took the floor to present a critical analysis of the possible effects of the CAP in mountain areas and the basis for discussion of the position of Euromontana on European agriculture in 2013. **The elements of this position are at the heart of the debate conducted since the beginning of the year within the network of**

Euromontana. They are detailed in the draft of the position paper of Euromontana and the presentation, both available in the website. The main points of the position are to **promote a first pillar** that maintains market mechanisms, measures to regulate the supply (milk quotas), consistent and fairer aids, better distributed and available to full-time farmers as well as part-time farmers, and comprised between a minimum amount and a ceiling, which would be established by each Member State. Increased production to support grass should be considered. The document also proposes to have different amounts of support for the first pillar based on measurable characteristics associated with multifunctionality. The proposal is also in favor of a stronger second pillar without co-financing, to target support to regions and sectors of production in the greatest difficulty and to develop policies in line with environmental issues (climate change, water management, and fight against the fire).

The presentations were followed by the roundtable. **Loretta Dormal Marino**, Vice-Director General of DG AGRI, began the discussion giving her opinion on the positions that had just been presented. Ms Dormal Marino called into question and explained why she **doesn't agree with some positions that come back to a pre-Mc Sharry reform agricultural policy (1992)**. She also stated that a number of measures of the "health check" are positive for mountain areas. The "health check" of the CAP promotes a greater **adjustment to the market and the liberation of production forces to achieve greater competitiveness and monitoring of the consumers' view. In addition, the use of Article 68 will provide appropriate support for mountain agriculture.** The proposals also aim to **increase modulation in order to have more financial possibilities to finance measures against climate change, which is also positive for mountain areas.**

Looking at the challenges that must be met, the proposals are appropriate. Loretta Dormal Marino suggested to the participants **the adoption of a more positive and less defensive attitude.** It is a fact that mountain areas face natural handicaps and have to deal with additional costs, but they also have advantages such as production of quality and protected products, that the Commission intends to promote through the publication of a Green Paper on Quality in October. In addition, Euromontana has still a lot of work to do with the European network of rural development and the Commission expect it to be a source of proposal in a constructive spirit. The vice-director asked for **a specification of what is understood when asking for sustaining the tools for market regulation:** tools for crisis management, mutual funds as well as other tools? For example, the Commission considers that price support in the current context would be meaningless. She recalled the need for a CAP closer to consumers and major current issues (such as rural development, environment, and water management). In this sense, to talk about Community preference today is to adopt a defensive scenario, with no consistency with the real objectives of the CAP. On the project of the French presidency, finally, Ms Dormal Marino praised the intentions of an approach focused on the objectives. But there are some doubts, however, on the question whether a consensus can be reached on time. Ms Dormal Marino concluded by saying that all the **interests involved in the debate should keep in mind that the CAP is under attack and that its social legitimacy must be strengthened.** This requires the construction of very strong arguments.

The **President of the group for Rural Development from the Committee of the Regions**, Mr. Olivier Bertrand gave his vision on the topic right after Ms Dormal Marino. According to him, it is time to renew the instruments of agricultural and regional policies, which have remained the same despite the enlargement of the European Union and the global changes. Mr. Bertrand opened the debate on the necessary reflection on the future of regional policy: policies at regional level have proved to be

effective, a better accompaniment at European level must be considered: it appears indispensable to think locally, but following the principle of expansion. As regards specifically the European agricultural policy, Olivier Bertrand agreed with Mrs. Dormal-Marino that the CAP should be directed to European citizens, answering to their expectations on quality products. In this context, the Committee of the Regions positioned itself in favor of a **Green Paper for Mountains**.

Antonio Machado has contributed to the debate by sharing its experience within ADRAT, rural development agency, which acts on four main themes: **territories, support instruments, objectives and new activities for the rural world**.

According to him, **the CAP is not just a sectoral policy but also a territorial policy**. The specificity of mountain farming can result in competitiveness, provided that access to innovation is ensured. Projects must be built on a local basis. To clarify his point, Antonio Machado based his argumentation on the Portuguese example: direct support does not have the desired effect in some rural areas of Portugal because there is not anymore enough population, and therefore the market is too restricted. The policies must be designed to maintain population in the territory, and population has to be considered as a real asset.

The agriculture sector should also be better represented: everything that is done on agriculture should be seen as transversal. Agriculture also comprises landscape, energy, quality of life, risk prevention... The articulation between the agrarian sector and other sectors must be improved, which will diversify the activities in mountains and thus strengthen territories based on three of its major assets: air, water and forest. Mr Machado invited the public to consider the social dimension of intervention in the agricultural sector and the importance of spatial planning, including the need to better link rural and urban territories that are actually interconnected. In conclusion, he noted the need to consider a model of territory rather than separate policies (EAGGF... ERDF), and called for a possible Green Paper including a horizontal analysis.



António Machado et Loretta Dormal Marino



Jorge Garbisu et Olivier Bertrand

As a conclusion, Loretta Dormal Marino added that it is necessary to **define the risks and opportunities for rural areas in an integrated manner**. The specificities of mountain areas are already recognized. There are several possibilities to support them. The "health check" of the CAP takes into account the difficulties of certain sectors and proposes solutions.

Olivier Bertrand also stated that it was not the CAP that created problems to the agriculture or to mountain areas, they happened in particular due to problems of rural depopulation and socio-economic development of the CAP that, in fact, has instead restrained this problems. We must now move forward, contributing with our

ideas to the global dialogue, communicating at the same time the importance of territorial development.

In response to the intervention of Ms Dormal Marino, Jean-Louis Cazaubon explained that it is envisaged to keep intervention in wheat and storage as tools for market regulation; he highlighted the disastrous effects observed this year concerning the lack of stocks that could have been used to stop current speculation.

The participants agreed otherwise on the importance of LEADER and INTERREG programmes, whose principle is recognized and exported outside the EU.

Frank Gaskell invited Marie Guitton to join him to conclude the seminar. She began by reminding the consistency of the initiative of Euromontana with the timetables of the French presidency and of the European institutions. It is therefore essential for Euromontana to continue its efforts to make its voice heard and to have the needs of adaptation for agriculture in mountain areas recognized. Euromontana may also note with satisfaction that some legislative proposals of the Commission go actually in the direction of an agricultural policy that takes into account the particularities of mountain areas, with in particular the proposal to maintain coupled support for livestock production and with the new Article 68.

Measures in favor of support for mountain milk production have also been announced. However, the proposals are yet too limited, or not well detailed. Moreover, the possibility to use no more than 2.5% of the budget for the first pillar of the CAP to support specific productive sectors is not enough for Euromontana. It was explained as well that the rate of 10% of reorientation of the budget for the first pillar under Article 68 would most likely be contested by some Member States and Euromontana will support this demand by proposing a higher rate, with more than a quarter of the new funds to support specific sectors. Ms Guitton reminded that although future measures to support the dairy mountain sector were announced by the Commission, they are not yet well defined. Euromontana remains waiting for additional information and recalls that this is not only about producing but also about maintaining the dairy industry in the mountains. Ms Guitton concluded by stating that the information and comments gathered during the day would help clarify and amend the position paper of Euromontana.

The President of Euromontana concluded by thanking the participants for the rich seminar on the future of mountain areas. Mountains can indeed be the first victims of an inappropriate reform and we will ever remember how positive externalities produced by mountain agriculture fully justify the permanence of a policy of active and integrated support.