



EuroMARC — Mountain Agrofood products in Europe, their consumers, retailers and local initiatives



Executive summary

WP5: Policy analysis

This brief presents a summary of the results of WP5 of the EuroMARC project. Phase 1 of WP5 involved the identification and ranking of policies relevant to all stages of the mountain foods process (see full report). Phase 2 involved the interviewing of 30 key individuals both at the EU level and from six European countries, to identify key constraints and opportunities related to the mountain foods process (production, processing and marketing), focusing in particular on issues relating to EU and national policies. Phase 3 involved a further 16 interviews to explore, in a more in-depth manner, the key opportunities and constraints related to the marketing and distribution of mountain quality-food products.

Key issues/constraints for the mountain foods sector

1. Widespread concern was apparent among interviewees in relation to the planned removal of production support (de-coupling) under the CAP and the potential (negative) effects on rural development. The planned removal of the milk quota system was also seen as potentially resulting in further land abandonment in mountain regions, as well as further disadvantaging smaller-scale mountain farmers. Consequent results could be continued rural out-migration and a serious decline in human capital in mountain regions. The resulting lack of entrepreneurial and general business skills was seen as a major constraint to the future farm transformation envisioned by EU policies.

2. An inability to consolidate product among smaller-scale mountain food producers results in difficulties in accessing larger supply chains and processing infrastructures and in further developing mountain food businesses.

3. Mountain food producers, due to their distance from market centres, face high transport costs, which impact heavily on profits. The lack of useful market structures (e.g. farmers' markets) available to market mountain foods was also a key issue.

4. Weak networking and collaboration both among producers and between producers and other businesses was repeatedly referred to as an issue, particularly in Slovenia and Romania. This results in farmers being unable to effectively lobby governments and being unable to consolidate their supply and generate effective economies of scale. Weak networking is further exacerbated by EU Competition regulations, which were seen as limiting the collaboration of producers to control levels of production and supply of products.

5. Complex EU hygiene regulations represent a constraint to mountain food producers and processors. The lack of slaughterhouses in mountain regions was seen as being directly related to the expense associated with implementing EU hygiene and animal welfare regulations in these facilities. In certain cases, the issue of EU hygiene regulations as a constraint may be more related to poor interpretation of EU policy at the national level. Member State governments (in certain cases) appear to be failing to take advantage of opportunities to adapt and derogate from EU regulations.

6. In general, regulations were seen as disadvantaging small-scale operators, and there appeared to be scope, at both EU and national levels, for competition and hygiene regulations to take further account of the needs of small-scale mountain food producers.



FOOD QUALITY AND SAFETY



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Key opportunities for the mountain foods sector

1. A key opportunity for the mountain foods process (and rural development generally) is the further development of more integrated policies for mountain areas, to recognise the multiple benefits of mountain agriculture and food production. The further development of integrated regionalised policy approaches may offer particular potential to address constraints. It is essential to strengthen linkages between the agricultural and tourism sectors and to increase recognition of the importance of productive agriculture for rural development.

2. Continued support, initiated by the EU- and/or Member States, for both distribution networks and processing infrastructures for mountain foods is critical.

3. There would appear to be scope for reassessment of EU hygiene, procurement and competition legislation as they relate to small-scale food producers and of their implementation at the Member State level. Specifically, Member States should capitalise on opportunities to interpret and derogate from EU policy, where appropriate. Key opportunities include developing guidelines for small-scale food producers on adhering to EU hygiene law and developing codes of good practice.

4. The further development of farmer business training programs, initiated and/or supported by the EU and Member States, represents a major opportunity.

5. The further development of collaborative approaches and networking between producers themselves and between producers, processors and the marketing element of the food chain is essential for adequate product consolidation and lobbying power. National and regional governments have a role to play in this regard, through organising networking events and in establishing and improving facilities for collaborative marketing of mountain foods. The development of collaborative logistics (e.g. sharing transport space) and of high-quality food chains (e.g. involving quota-controlled production) also offers the potential for small-scale rural businesses to make cost savings and improve the quality of their product.

6. Direct marketing of quality products continues to represent a key opportunity for the mountain foods sector. Specific opportunities include increased promotion, by national/regional tourism bodies, of agri-tourism and the fur-

ther development of innovative points of sale, such as internet-based food networks, and community-supported agriculture.

Issues and opportunities for the marketing and labelling of mountain foods

1. The PDO/PGI system is clearly of importance for the mountain foods sector. However, these schemes are not directly focused on mountain products, and their application varies greatly between Member States. The level of national awareness of these schemes is also often low, and their suitability for small-scale producers is questionable. Key future opportunities include the exploration for the potential of including a 'mountain' product division within the PDO/PGI schemes at Member State level and the use of a 'tiered' approach to account for a range of different identifiable added values for PDO and PGI products (e.g. PDO-HNV, PDO-Mountain).

2. The TSG system has had very low uptake, and awareness of this system is generally very low. It is recommended that a scoping study be initiated to explore the possible future of the TSG label, to include an exploration of the current benefits of TSG registration. Critically, any re-development of the TSG system should incorporate a more comprehensive and practical definition of what constitutes a 'traditional' food product.

4. The term 'mountain foods' is, in general, not used in policy and not considered to be in common usage in Scotland, Norway or Slovenia, although similar terms, such as 'food specialities' or 'traditional foods' were in common usage. The term is better known in Romania, Austria, and France. Further definition of the terms 'mountain' and 'mountain foods' is possible, although there are a number of potentially major obstacles.

5. As a potential concept, an 'EU Quality Mountain Foods Label' was received positively by a small majority of respondents. However, a range of issues with the development of any such system were raised, including: the lack of inclusion of other landscape/habitat types within such a system; the lack of a clear and consistent distinction in terms of food quality; the lack of an existing definition of the term 'mountain' at the EU level; the potential complexity of any developed criteria; and, for consumers, the greater importance of regional or local origins of food than mountain origins. A further highlighted opportunity was the possibility





to use a High Nature Value (HNV) farming label to account for agriculture within mountain (and other) regions using extensive, environmentally-friendly modes of production leading to the development of high-quality products. The key recommendations in relation to this area are:

- To set down clear definitions for key marketing terms including: 'mountain', 'farmhouse', 'local' and 'regional' within EU marketing standards (reserved terms).
- To develop guidelines for the use of the terms 'regional' and 'local' in conjunction with the marketing of 'quality' foods at the EU level.
- To integrate the concept of quality mountain foods within regional sustainable development, to ensure strong regional-level marketing of quality foods.
- To develop an EU Framework for food quality and food labelling – to include key definitions and guidelines for national and regional schemes.
- To further develop definitions of 'mountain' as a marketing term within the national legislation of mountainous EU Member States.
- To undertake research on the potential overlap between mountain areas and areas of High Nature Value (HNV) farming in the EU.
- To implement a scoping study on the potential development of an NGO-led collaborative European Mountain Quality Food Label.

Key Conclusions

To address the constraints faced by the mountain foods process, a holistic long-term approach is necessary, to ad-

dress multiple issues, including: strengthening mountain food chains through development of supporting infrastructure and actor networks, promoting the benefits of mountain agriculture and quality mountain foods to consumers and policy makers; and developing strong business skills among mountain food producers.

The increased promotion of quality mountain food products using labelling systems offers considerable potential to maximise return to mountain farmers. However, the development of any EU-level mountain foods label is likely to encounter considerable political and practical barriers. A critical opportunity to support the mountain foods process is the continued and further support of regional-level marketing through national and EU policy. A major opportunity in this regard is the definition of key marketing terms such as 'mountain' at the EU and national levels, to provide a framework for regional and national marketing schemes across the EU.

It is essential that a) future EU hygiene policy development takes careful account of small-scale mountain food producers and their existing regulatory burdens and b) Member States take full advantage of the existing opportunities to interpret and derogate from EU hygiene regulations, and to adequately advise and support small-scale operators in dealing with these regulations.

A mixture of collaborative-network and single-producer direct marketing approaches should be encouraged and fostered across Europe, to ensure that the European mountain foods sector of the future is diversified and resilient. It is critical that the full range of benefits being delivered by the mountain foods process is adequately recognised, so that policy processes recognise the importance of supporting small-scale mountain food operators and the distinctive constraints under which they operate.

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