

Towards a long-term vision of rural areas

Contributions of Euromontana for Vice-President Šuica

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Euromontana: the European Association for Mountain Areas.

Founded in 1996, it assembles around 65 organisations (regions, universities, chambers of commerce, of agriculture, development, and environmental agencies) from 15 European countries. Dedicated to the improvement of the quality of life of mountain people, Euromontana is working on different themes of crucial importance for mountain areas, such as mountain products, agriculture and forestry, cohesion policy, rural development, climate change, innovation, tourism, transport, youth... Euromontana is also officially supporting the RUMRA (Rural, Mountainous and Remote Areas) & Smart Villages intergroup of the European Parliament. Euromontana has some expert seats in the Civil Dialogue Groups on Rural Development, CAP, Quality and promotion of products and is also taking part in the Steering Committee of ENRD, such as its thematic group on Smart Villages. It also represents EU civil society at the FAO, Mountain Partnership of the UN.

Our vision of living mountains

Mountains areas cover nearly 29% of EU27 countries and host 13% of its population. These areas constitute water tower of Europe, they are also the continent's ecological backbone containing a huge reservoir of natural resources: 43 % of Natura 2000 areas are mountainous and 15% of EU species exclusively exist in mountain area.

Nonetheless, mountain areas face permanent and structural handicaps such as hypersensitivity to climate change, and the impact of slopes, altitude. They also quite often face problems of remoteness and accessibility, outmigration (including of young people), sparseness of population and loss of businesses.

Mountain regions are also very vulnerable to crises such as the Covid-19-crisis of Spring 2020. The tourism sector, for example, as one of the main pillars of mountain economy was completely shut down from one day to the next. Everywhere, of course, the education system had to switch to home schooling and workers stayed at home for home office. But these changes would not have been possible without the potentials of digitalisation which are significantly less advanced and available in mountains. Rural areas rely on robust digital infrastructures and good digital skills. The main goal of any future rural policy must be to strengthen the resilience of rural areas in this respect and to further encourage regional value chains.

Nonetheless, despite these difficulties, there exists much latent potential. We affirm that mountain areas can bring a lot not only to mountain inhabitants but also to all citizens thanks to a good quality of life, preserved and renewable resources (forest, water, air), production of public goods and

ecosystem services, good conditions for sustainable production (preserved biodiversity, landscape management, innovative management of natural resources, food safety).

This is why we want to unleash the (innovative) potential of mountain areas and keep living mountains with inhabitants in them. More info: www.euromontana.org

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Euromontana is in the process of formulating a long-term vision for our mountain areas. Initially planned for September 2020, **our European Mountain Convention on "Smart mountains"** (a 3-Day event with 300 mountain actors from all over Europe) has been postponed to September 2021 due to the covid-19 outbreak. The preparation of this event will feed our analysis on how to develop models of sustainable and integrated development, notably through the tools for the 2021-2027 programming period but also beyond, laying the foundations for a long-term strategy for smart mountains by 2050. It is through this approach that the mountains of tomorrow will be able to provide effective solutions in terms of mobility, jobs, the environment and also sustainable tourism and agriculture.

The below suggestions are part of our initial reflections for our mountains in 2050. We hope that they could also feed into the debate on the planned EU long-term vision for rural areas.

A REAL ATTENTION PAID TO AREAS WITH GEOGRAPHICAL SPECIFICITIES: MOUNTAINS, ISLANDS, AND SPARSELY POPULATED AREAS

Territorial cohesion is a geographic concept. As a factor for equity among citizens, it can be the ultimate operational expression of European solidarity; as the path to optimal use of all of Europe's territorial diversity - which constitutes a considerable comparative advantage in an era of global turbulence - it is vital to Europe's economic future and should be better implemented.

Based on article 174 TFEU, territorial cohesion should take into account the geographical and permanent handicaps of mountain areas in order to define specific policy actions to address them. Yet, 10 years after this official recognition and despite some interesting efforts, it has to be recognised that much remains to be done.

Indeed, if the implementation of a new European macro strategy for the Alpine region (EUSALP) in 2016, or some cross-borders programmes like the Alpine Space or POCTEFA or some Operational Programmes like the Operational Programmes for the Massif central mountain range or the Pyrenees in France are positively welcome; the initiatives directly targeting mountain areas remain too low to ensure that a real specific attention is paid to mountain areas in Cohesion policy.

At the Operation Programme level, between the earmarking for Priority Objectives 1 and 2 and the targeting for urban areas, it is sometimes complicated for Managing Authorities to see how they can pay specific attention to mountain areas. In particular, the Expert analysis on geographical specificities: Mountains, Islands and Sparsely Populated Areas (2018) has shown that there is a gap between programming and implementation and mountain specificities are too often lost in between.

In addition, a low uptake of the territorial tools available in these regions is often evidenced¹. With only 5 examples in mountain areas at EU level, tools like CLLD and ITI are not known sufficiently and are too complicated to implement. Local stakeholders lack knowledge on how Cohesion instruments might trigger or support their own project and, thereby, how it can favour a wider socio-economic and environmental development in their region.

As a result, it is more than ever time to reaffirm **the need for a placed-based approach**, taking into account the specific features of mountain territories and their urgent needs.

¹ https://ec.europa.eu/regional policy/sources/docgener/studies/pdf/expert analysis geographical specificities en.pdf

Action points suggested for the long-term vision for rural areas to have a better place-based approach:

In Cohesion Policy:

- Ensure that a specific and real emphasis is given to the art 174 regions in the next Territorial
 Agenda.
- Better take into account mountain areas not only in the programming but also in the implementation of the OPs (at regional and cross-border level, such as dedicated OPs for mountain ranges), to better take them into account at local operational level <u>Euromontana's factsheet is a step-by-step guide</u> that could inspire Managing Authorities and ensure a fair and efficient implementation. In particular a more territorial approach is possible with a diagnostic done at regional level to better analyse the different complex situations and to adapt the policies to the different territorial realities (such as valleys, mountains, catchment areas).
- Ensure a better embedding of macroregional strategies in the EU-policies and strive for a better coordination between EUSALP objectives and the different national and regional policies as well as the regional OP to have a more coherent approach for the Alps (common priorities, joint call for proposals).
- Support the Managing Authorities to better inform potential beneficiaries (through training, dissemination of examples, explanation of methodologies) by increasing their knowledge of the available tools (including CLLD and ITI) and of how the OP priorities could match the needs of the territories. Otherwise, these tools will still probably not be used in a significant way in the next 2021-2027 programming period.

In the CAP:

- Encourage a systematic use of the payments for "Areas with Natural Constraints" in the CAP National Strategic Plans in countries covered by mountain areas to maintain the viability of mountain farming, with direct impacts on attractiveness and consequences on land management and climate change mitigation.
- For rural areas to remain viable and attractive places to live, work in and visit, it is crucial that public support is maintained at least at the same level as in the current programming period (2014-2020). Strong funding for rural development and the CAP is fundamental to continue supporting rural activities—a budget without which it will be impossible to adopt an ambitious long-term vision for rural areas.
- Encourage the development of **an integrated and multi-fund approach** and create more synergies between the CAP and the Cohesion Policy (see 4. Governance).

ENCOURAGE AND SUPPORT (SOCIAL) INNOVATION

The current digital divide between connected and non (or badly) connected areas imposes an additional burden on remote and mountainous areas as has been demonstrated in these lockdown times. Still 25% of rural areas do not have Internet access. Strong efforts should be made to deliver good Internet coverage in all rural, mountainous, and remote areas, as access to digitalisation should be considered as a fundamental right in the XXI° century.

Rural communities do not usually have the scale or knowledge base to become front runners in big data, interoperability, artificial intelligence, and the Internet of things. However, innovation is already

vibrant in European mountain areas. This is driving the creation of opportunities for financing, establishment of business incubators, the development of clusters between businesses, universities, public authorities and funders, and the establishment of partnerships with cities situated in valleys or other regions to develop sales systems and remote distribution.

Beyond digitalisation, the role of social innovation in these areas should be underlined considering its important potential to increase social and territorial cohesion. According to SIMRA (see reference below), social innovation shall be understood as "the reconfiguring of social practices, in response to societal challenges, which seeks to enhance outcomes on societal well-being and necessarily includes the engagement of civil society actors", as a way to generate improvements in social, economic and environmental wellbeing.

Action points to support innovation:

- Encourage digitalisation: Digitalisation can help to overcome market failures, remoteness, and marginalisation of mountain areas. It can also give easier access to online administrative services. The focus should not only be on the deployment of the high-speed Internet but also on ICT tools, the development of digital skills for all (including older people) and the implementation of a development strategy for the territory using these tools.
- Encourage the development of social innovation in rural areas (see SIMRA policy guide reference):
 - Encourage the development of the new concept of Smart Villages through a multifund approach focusing on both ICT and social innovation. Silos created by different funds and institutions make the EU fund overwhelmingly complex for practitioners on the ground. The different ESIF funds (including EAFRD) should have common rules (for periods and types of reporting for instance). One-stop shops for Managing Authorities will enable effective delivery of support at community level.
 - With ring-fenced funds, EU policy instruments can contribute to wider acceptance of the importance of social innovation. Specific policy instruments, building inter alia on the success of some LEADER groups, co-operation measures under the RDP, emergent policies such as those to support Smart Villages and some EIP AGRI actions provide some focus on social innovation. However, unless funds are ring-fenced and, where needed, facilitation is undertaken by skilled animateurs, the huge potential of social innovation to lead to better outcomes will not be realised.
 - Animation and capacity building in marginalised communities are critical for long-term benefits but take time to realise. More policy makers must recognise that ignoring the disenfranchised and those who have become marginalised by globalisation comes at a high cost. Building effective strategies for bottom-up community action to help to empower local people and help them to satisfy currently unmet needs is essential to address these challenges.
 - Social innovation can also powerfully contribute to the European Green Deal. Social
 innovation can increase civil society engagement with the action areas in the European
 Green Deal. It can provide a seedbed for innovative actions and practices to help in
 the much-needed transformation, engage the hard to reach, support those left behind
 and help deliver environmental improvements through collaborative action.

ATTRACTIVENESS OF MOUNTAIN AREAS: ENSURE THE ESTABLISHMENT OF THE ENABLING CONDITIONS TO ENCOURAGE PEOPLE TO LIVE IN MOUNTAINS

Mountain areas attract people, including young ones, especially for the quality of life. However, due to the time-distance to schools and universities or the lack of diversified education opportunities at local and regional level, many students leave home at the age of 14-16 and move to urban areas. Young people, and in particular women, are the predominant category of people who leave mountain areas. Depopulation and generation renewal are important issues in -many mountain areas such as the Province of Teruel, Spain, or the Massif Central, France. The 2020 report of ESPON ESCAPE project demonstrated how a contracting economy, poor local development and reduced provision of services lead to a vicious circle of loss of attractivity in these regions.

Mobility plays an important role in the attractiveness of a region. In many rural areas, there is a persisting car dependency and the absence of adequate collective transport solutions imposes social and territorial exclusion of some segments of rural inhabitants. No matter how much effort is spent on education, promotion of tourism, development of new economic initiatives, etc.: accessibility remains a key to success for development initiative. The absence of a good accessibility affects any development strategy implemented in rural territories. This holds true for the accessibility of rural areas from urban areas but also for accessibility within the rural areas. Furthermore, as many rural areas are also border areas, special attention has to be paid to cross-border commuting. Each day 2 million persons cross a national border in Europe to go to work, 600'000 do so in the EUSALP-area. Most of these commuter flows are by car, due to a lack of public transport infrastructure and harmonized cross-border transport schemes. A huge effort has to be made at European, national and regional level to overcome these gaps. Macroregional strategies and the territorial cooperation programmes are ideal tools to take up this challenge².

Natural and cultural heritage are key assets and potentials for mountain areas. Indeed, cultural heritage is particularly rich and diversified in mountain areas. This cultural richness is an integral part of the identity and pride of mountain people. Mountain areas also have a very rich natural heritage. Many natural sites have cultural aspects, and physical, biological, or geological characteristics have influenced the lives of mountain people. For instance, pastoralism is a typical farming activity that influences the natural aspects of the mountain and which contributes to the biodiversity of mountain ecosystems. Cultural and natural heritage in mountain areas are thus intrinsically linked. In the face of today's globalisation, cultural and natural heritage constitute one of the few resources with the potential for socio-economic development directly linked to mountain areas, their inhabitants, and their way of life. It is therefore a major strategic resource for the future, which can offer many social, environmental, and economic benefits, provided it is properly and sustainably exploited and developed.

Actions to be taken to increase the attractivity of mountain areas:

A specific focus should be given to young people by preventing selective out-migration of young people; providing young people with the education they desire at local level to avoid the necessity them to leave for their studies (including through distance learning when needed); ensuring that young people are fully aware of the career opportunities the area can offer, so that they come back if they leave; use the education system as a vehicle to prepare young people to contribute and develop the local economy (see PADIMA reference below). Mountain areas should be encouraged to focus on developing training and life-long learning

² For more information on the situation in EUSALP and the possible solutions, see: https://www.alpine-region.eu/projects/arpaf-crossborder

opportunities linked to their specific local economic needs. (For example, hospitality in tourism areas).

- Encourage territorial marketing: to attract in-migrants, mountain areas need to improve their image and to promote more the quality of life people can access when they choose to live there. This can be done by developing ambassadors of the territories, welcoming policies and a good communication of the job offers available in the region. There is a need to effectively market mountain assets. Such marketing needs to be tailored to specific mountainous contexts in order to attract migrants that complement "gaps" in the local labour markets e.g. domestic help for elderly people in remote mountainous or sparsely populated regions; skilled workers to work in mining activities in some Nordic sparsely populated areas. In addition, cooperation and coordination is required to minimise the challenges of integration for both the immigrants and host communities.
- Smart and clean mobility: encourage sustainable mobility for all, by promoting the development of new, clean and alternative transport modes for people and goods (electric vehicles, car-sharing & car-pooling, combination of different types of services for cost reduction transport on-demand). This challenge should be specifically taken into account in more remote and mountain areas where the distances are greater, and the population is less dense than in towns. In particular, with the covid19crisis, the extension of cycle path networks, particularly within and between villages, to cope with daily traffic congestion, must be accelerated. This mobility challenge should be addressed in a joint manner with the planned EC Strategy for Sustainable and Smart Mobility (see Move on Green reference).
- Smart Living: increase the quality of life by maintaining the provision of qualitative services of general interest in mountain areas. Initiatives should be encouraged to provide the same educational opportunities in the mountains as in the big cities. The experience gained during the Covid-19 outbreak should be used to promote digitisation and effective teaching methods. This represents an opportunity, especially for mountain regions with small numbers of pupils. The relevant digital infrastructure and the skills of teachers need to be systematically strengthened.

More widely, services of general interest, such as e-health should be maintained and available in less than 30 minutes. More incentives should also be given to doctors to stay in mountainous areas throughout the year (and not just during the tourism season).

- Smart employment: encourage jobs, including skilled jobs, all year round in the mountains.
 - Encourage the development of initiatives and complementarities between different employers and overcome the seasonal dimension of jobs, especially in the tourism and agricultural sectors. Provide solutions to overcome the administrative difficulties in having different jobs (insurances, unemployment rights...).
 - Encourage **teleworking**: the covid19 outbreak has led to a massive movement in teleworking, even for many companies which did not think it was possible a few weeks before. Teleworking, by definition, can be undertaken in more mountainous and remote areas (as long as the Internet infrastructures are of good quality) and should be further encouraged to increase the availability of qualified jobs in rural areas.
 - Support the establishment of 'asset-based' development strategies that could contribute to diversification of the economy, delivering more robust labour markets in mountain areas.

Smart economy: on the way towards carbon-neutral economy

 The long-term vision for rural areas should also place mountain territories in the future perspective of the carbon-neutral economy. Considering the substantial resources of mountain areas, our regions can highly contribute to the EU objectives if they get the chance to create skilled employment in the bioeconomy, circular economy, and renewable energy sectors. Mountain areas can be testbeds for a carbon-neutral economy with adequate and sustainable jobs in key sectors such as agriculture, forestry, tourism, and energy production.

- Training, advice, and capacity should be given to local administrations on strategies to develop circular economy mountain areas.
- Policies and actions in mountain areas should be based on the best evidence possible regarding climate change, especially at the regional (sub-national) or local scales, at which most adaptation actions need to be planned and implemented.
- Better recognition of natural and cultural heritage: Better recognise not only the intrinsic value of mountain areas, as well as rural areas more widely, but also their socio-economic contribution to the well-being of all citizens.-Better support collective mountain projects linked to the protection and enhancement of tangible and intangible cultural heritage (e.g. mountain products) in order to strengthen the structure of resilient supply chains and strengthen communities.

ENCOURAGE A SMARTER GOVERNANCE

Smart governance is a co-construction process of policies with public institutions, private organisations, and civil society to build a long-term strategy for their territory. Smart governance can make use of technology and innovation to facilitate and support decision making and planning, as a way to improve democratic processes and transform the delivery of public services.

At EU level, Euromontana recognises the need to maintain some continuity in the implementation of the current rules, as beneficiaries should not be obliged to learn a new set of rules for each new programming period for the CAP and the Cohesion policy notably. However, some changes would allow easier and more flexible access to the Structural and Investment Funds. **Simplification should first and foremost be undertaken for beneficiaries** and only then other bodies involved in implementing European Structural and Investment Funds from the grass roots upwards, starting from local authorities which are delegated to act as implementing and/or intermediary bodies in the Operational Programmes.

Rural development must be articulated with other EU policies in order to achieve its objectives. In particular, an integrated and territorial approach should be encouraged. This is particularly relevant in mountain areas where situations can vary a lot within a few kilometres (from one valley to a mountain to a basin catchment). However, by removing the EAFRD from the Common Strategic Framework, the holistic approach is compromised and isolates rural development in the CAP.

Actions to be taken:

Apply a real rural proofing: this idea was first integrated in the Cork Declaration 2.0. Nonetheless, so far, there is not a real proofing of all policies. Each policy should be analysed through the territorial lenses and to understand its consequences in rural areas, in order to address its disadvantages if any.

- Implement a **European rural agenda**, a real and ambitious action plan, as requested by the Committee of the Regions³ and the European Parliament⁴.
- Encourage an integrated and multi-fund approach: Encourage the possibility of having more synergies between the different Operational Programmes in one region (including between the different Operational Programmes of ERDF, ESF, Cohesion Fund, but also with EAFRD or cross-border or transnational Operational Programmes), but also directly between the different funds for an operation. The lead fund approach suggested in the EC proposals for Cohesion policy for 2021-2027 should be encouraged.
- To help these synergies, it would be beneficial to have one monitoring committee for all the different programmes of the same territory and clear demarcation lines between the different programmes, with clear demarcation of tasks and responsibilities to avoid costly administrative overlaps or duplication.
- Encourage simplification in the Structural and Investment Funds:
 - Encourage a one-stop shop for all Managing Authorities of Structural and Investment Funds, to ensure easier access to funding for beneficiaries and a single, uniform monitoring system for the different Structural and Investment Funds.
 - Encourage Managing Authorities to systematically provide for a pre-financing of at least 50% of project costs at the beginning of each project to avoid cash flow problems for smaller organisations. The absence of pre-financing and long delays between the submission of the report and the interim payment create financial difficulties for smaller organisations who have less cash flow than bigger organisations. As a result, small organisations or NGOs no longer wish to participate in projects financed by the Structural and Investment Funds.
 - Simplify reporting processes: having reporting periods every 6 months, with a systematic first level control, for INTERREG Europe and regional programmes is too demanding and obliges beneficiaries to spend too much time on administrative issues without necessarily ensuring more effective project implementation. Structural and Investment Funds should take inspiration from other EU funds such as Horizon 2020 and implement longer reporting periods (at least every 12 or 18 months); ask for an external audit certification only above a certain threshold of grant received (€325 000 for Horizon 2020 projects); develop systematic electronic reporting in a coherent and uniform approach for all Structural and Investment Funds (same requests for application forms, progress reports).

TO GO FURTHER EXAMPLES OF EU PROJECTS, GOOD PRACTICES

<u>Towards Mountains 2020</u> is a analysis carried out by Euromontana on the possible **contributions of mountain areas to the EU 2020 objectives** in terms of sustainable development and growth, research and innovation, climate change adaptation and mitigation, protection of biodiversity, social inclusion among others.

<u>PADIMA:</u> Policies Against Depopulation In Mountain Areas. Euromontana participated in this Interreg IV C project to address depopulation not only as a problem but as a challenge to overcome. The <u>policy guidelines</u> analyse the demographic trends in the 8 partner regions and the reasons for their

³ CoR, "Reform of the CAP" opinion by Guillaume Cros for the NAT section, 2018

⁴ European Parliament, "<u>EU Agenda for Rural, Mountainous and Remote Areas European, Parliament resolution of 3 October 2018 on addressing the specific needs of rural, mountainous and remote areas"</u>, (2018/2720(RSP))

outmigration. It encouraged the implementation of integrated strategies focusing particularly on increasing the attractiveness for 3 target groups: young people, women and retired people and on 3 themes (education and training; territorial marketing and economic diversification). Practical recommendations are given for each of the themes and target groups. In addition, the 99 good practices, collected during the project, remain available.

SIMRA, social innovation in marginalised rural areas. Euromontana participated in this H2020 project (2016-2020) It aims to advance understanding of social innovation and innovative governance in agriculture, forestry and rural development, and how it can be boosted, in marginalised rural areas across Europe and around the Mediterranean, including non-EU countries. To better understand social innovation and how to implement it in rural areas, a database of examples, 7 collections of good practices (on mountain areas, the Green Deal, provision of rural areas...) show in a synthesis manner inspiring experiences. A 7-step guide for practitioners to help them to implement actions, a policy guide is designed for policy-makers to adapt policies and an evaluation method has been defined too.

<u>Move on Green</u> was an Interreg IV C project (2012-2014) that improved the design and effectiveness of regional policies on **sustainable transport in rural and mountain areas**. <u>51 good practices</u> on transport on-demand, electric bikes, governance, carsharing, combination of services have been gathered to address the specific needs of rural and mountainous areas. <u>Policy Guidelines</u> help to accompany policymakers in the implementation of a more sustainable mobility.

To know more about the distinctive characteristics of mountains, islands and sparsely populated areas, the <u>ESPON BRIDGES project</u> has analysed their needs and challenges and has made some policy recommendations per Strategic Objective of the future Cohesion Policy.

For more information on rural migration and depopulation, the <u>ESPON ESCAPE project</u> has published in 2020 its first interim report analysing the causes of loss of attractiveness of rural areas.

The <u>Bragança Declaration</u> from the Xth European Mountain Convention, 2016, provides more details on the opportunities for mountain areas to contribute to the EU objectives in terms of **climate change mitigation and adaptation**, circular economy, and sustainable value chains.

The <u>Vatra Dornei Declaration</u> from the XIth European Mountain Convention, 2018, provides more information on the importance of **cultural heritage** for the attractiveness and sustainable development of mountain areas.

The Interreg Alpine Space <u>Smart Villages</u> project (2018-2021) aims at showing how the Smart Village concept is particularly relevant in mountain areas to unlock the potential of local actors to make their region a more attractive place in which to live and work. Partners are testing innovative initiatives in <u>11 pilot areas</u> of the Alpine Space in the field of agriculture, tourism, digital, mobility and governance.

The Interreg Alpine Space <u>YOUrALPS</u> project aimed at raising awareness among younger generations of the opportunities offered by Alpine natural and cultural heritage through education. Partners developed the <u>Alpine School Model</u>, successfully tested in 14 pilot areas, which provides the keys to reshape education's governance and better include sustainable development.

