

EUROMONTANA'S RESPONSE TO THE PUBLIC CONSULTATION
ON THE EVALUATION OF THE EU AGRICULTURAL PROMOTION
POLICY

SEPTEMBER 2020

Foreword

Mountain agriculture accounts for 18% of agricultural holdings, 15% of Utilised Agricultural Area and 15% of agricultural workforce in the EU. The total output of mountain farming is estimated as €23.4 billion, around 8% of the total EU agricultural output¹. Mountain farming is at the crossroads of time, both rooted in the traditions of pastoral practices and quality products, and future-oriented to tackle major challenges such as climate change mitigation and adaptation.

Mountain agriculture is characterised by extensive low input and low output farming systems, oriented towards specific productions of high quality. These farming systems are dominated by livestock production, based on grazing, and by permanent crops.

Around a third of 3,207 GIs and TSG protected across the 28 EU Member States at the end of 2017 are located in mountain areas. These quality foods produced are mainly meat and dairy products, wines, fruits and vegetables, cereals, herbal plants and honey. Mountain products are shaped by the unique natural conditions and traditional methods of European mountain territories.

In addition, to protect the use of the term "mountain product", the European Union adopted in 2012 the <u>regulation (EU) No 1151/2012</u>, followed in 2014 by the <u>delegated act (EU) No 665/2014</u>. Since the establishment of the EU Optional Quality Term "mountain product", nine Member States have actively implemented the regulation, allowing farmers to use the term, to guarantee the origin of the product to consumers and create added value in mountains areas². Despite the efforts made in some Member States to implement and promote the Optional Quality Term "mountain product", the EU action for the promotion of the term remains too timid.

Mountain foods are products that are socially, economically and environmentally sustainable and they should be further promoted in the next EU Agricultural Promotion Policy.

Recommendations to improve the future EU Agricultural Promotion Policy

In the context of the European Green Deal, the EU Agricultural Promotion Policy must tend to promote sustainable productions, including extensive meat and dairy products. Moreover, the Covid-19 outbreak demonstrated how important it is to strengthen the resilience of regional food value chains and to encourage local consumption — as outlined by the European Commission in the Farm to Fork Strategy.

Mountain products, either labelled under the optional quality term mountain products or under other quality schemes play a crucial role in promoting sustainable and quality foods, protecting mountains' unique biodiversity, in creating value in regions and in preserving rural traditions and cultural heritage. Yet, since the revision of the EU Agricultural Promotion Policy in 2014, no campaign has been funded to promote mountain products. To address the challenges of healthy and sustainable diets, the OQT and more widely EU quality schemes must have a more significant place in the promotion programmes.

¹ JRC Scientific and Policy Reports: Labelling of agricultural and food products of mountain farming, JRC, 2013

² Euromontana, "Implementation of the EU Optional Quality Term "mountain product": where do we stand in the different Member States?", June 2020

Euromontana therefore calls upon the European Commission to:

Better valorise the Optional Quality Term "mountain product" in the Agricultural Promotion Policy

Mountain products are sustainable foods to promote but the eligibility of the OQT is unclear and calls do not leave enough space to the different quality schemes. To drive the policy towards sustainability, it is essential to restructure promotion calls and leave more space to quality products by:

- ➤ Setting objectives for the OQT visibility in annual Work Programmes, as done for other schemes, to impulse the promotion of the term at EU level and increase the awareness on the characteristics of "mountain products".
- ▶ Clearly referring to the OQT "mountain product" in the list of eligible schemes to the promotion calls as well as on CHAFEA's website and communication, including during the annual Info Day. So far, the eligibility of the term remains too unclear compared to other schemes.
- ➤ Creating sub-categories for each scheme in the promotion policy calls. For each topic, a specific line must allocate budget to GIs, TSG, organic products, the OQT "outermost region" and the OQT "mountain product". This can help to better promote quality schemes in general and to integrate the OQT "mountain product" into the promotion policy by making it more visible among producers.
- Allocating more budget to calls dedicated to all quality schemes. Euromontana welcomes the two lines currently dedicated to quality schemes for simple and multi programmes but an increase remains necessarily in particular to improve the recognition of PDO, PGI and TSG labels and benefits in the EU because, as detailed by AREPO the Association of European Regions for Products of Origin (AREPO), some EU countries (particularly in Eastern and Northern Europe, but also some in Central Europe) still lack proper information to consumers about the EU quality schemes.

2. Better target small producer organisations

Current and past calls were mostly designed for large organisations, in particular export-oriented ones. The budget and structure of the promotion calls do not reflect the reality of smaller organisations, including OQT producer organisations, which have a greater need to raise awareness on their products but limited resources and project engineering capacity to develop proposals. To achieve the objectives of the Promotion Policy and to further promote quality foods, the EU must reach out to small producers by:

- ▶ Allocating more budget to promotion calls targeting the internal market, as small organisations rather target European markets. This would also be more consistent with the European Green Deal and the Farm to Fork strategy objectives for more local value chains.
- ➤ Simplify the application process of the calls: smaller organisations have more limited resources and therefore have more difficulties to build a successful proposal under the complex administrative process of the current calls, information in all 24 EU official languages, a simplification of the administrative requirements, such as a two-steps procedure could encourage the participation of smaller organisations
- ► Further assisting producers in the preparation of project proposals. Euromontana recognises the efforts made since 2014 to make more background information available for applicants, including market trend analyses and countries briefs. Yet, smaller producer organisations have

limited resources to conduct market analysis prior to the submission of the application. To better assist them, and in line with the EU sustainability objectives, CHAFEA could for instance produce analyses of strategies for regional markets penetration and analyses of markets trends for each quality scheme, including the OQT "mountain product".

3. Prioritize sustainable products in the allocation of promotion funds

In line with the objectives of the Farm to Fork Strategy and more widely those of the European Green Deal, the Promotion Policy must focus on the promotion of sustainable and quality products. In line with AREPO- the Association of European Regions for Products of Origin (AREPO), Euromontana would like to reaffirm that "EU quality schemes should remain a priority in the future promotion policy as an instrumental sustainability tool, considering their potential in generating public goods in terms of conservation of biodiversity, contribution to animal welfare, protection of cultural heritage, sociocultural and rural development and reduction of poverty, in particular in mountainous and remote regions, where the farming sector accounts for a significant part of the economy and production costs are high. Furthermore, GIs can contribute to food security, by delivering safe, local, nutritious food, and by supporting the welfare of farmers. Thanks to the mechanisms included in the specifications to assure product traceability, they also guarantee food safety. "

- Euromontana shares with AREPO its concern about how the sustainability of production and consumption will be further assessed in the next promotion policy. Indeed, several dimensions of the sustainability of a food product should be taken into account (production of public goods, production of healthy food for everyone, whilst ensuring farmers' livelihoods...) and a calculation only based on carbon-efficiency would not be enough to reflect the diversity of quality schemes present in mountain areas. Euromontana shares with AREPO the request to have a holistic approach taking into account all the dimensions of sustainability.
- To apply this holistic approach, Euromontana suggests for instance to assess the sustainability of a food product in the evaluation of the proposals by:
 - Creating environmental criteria, in particular for meat and dairy products. Promotional campaign on extensive farming practices, like pastoralism, is a way to raise awareness on the sustainable foods available on the market. Such environmental criteria could for instance be based on the High Nature Value farming requirements, which are particularly relevant in the case of livestock farming. These criteria must be transparent and designed with relevant stakeholders, such as organisations part of DG AGRI Civil Dialogue Group "quality and promotion" in order to base these criteria on territorial realities and to avoid possibilities of greenwashing in future calls.
 - Assessing the socio-economic sustainability of applications and their ability to ensure fairer income to farmers and to contribute to rural revitalisation.

A more ambitious budget dedicated to quality schemes combined with a greater visibility of the Optional Quality Term "mountain product" in the calls would contribute to make the EU Agricultural Promotion Policy more sustainable by valorising quality products that contribute to protect the environment, maintain traditional farming practice and preserve a vibrant rural life.

Mountain products are sustainable foods to promote

Because of the geographical constraints, work productivity is on average lower by 28% in mountain areas compared to less favoured areas and by 40% compared to lowlands. In areas of low agronomic value, difficult to access or non-mechanizable, the OQT "mountain product" encourages the creation of non-relocatable added value in mountain territories and contributes to maintain economic activity, including traditional farming practices such as pastoralism, and preserve rural life. As other EU measures, such as the CAP Payments to Areas facing Natural Constraints, the OQT plays an important role in the continuation of extensive agriculture and quality production in mountain areas.

These extensive practices are also environmentally sustainable as they help combat soil erosion and contribute to carbon sequestration. Practices used in the mountains such as permanent grasslands, crop-livestock farming systems and extensive management systems supports better water and soil management. In mountain areas, pig farming for example brings to grasslands organic inputs which are more valuable for soils and biodiversity than mineral ones. Moreover, practices like mixed infra-livestock breeding are real environmental opportunities in our regions; for instance combining the uses of pig and cattle breedings produces different natural resources (different feeds, organic manures and nutrients) that helps to decrease the pressure on the local environment.

Pastoralism is a key traditional extensive livestock farming practice in mountain areas. Pastoral activities are crucial to protect mountains' unique biodiversity. According to 2019 report commissioned by the European Commission "Evaluation of the impact of the CAP on habitats, landscapes, biodiversity", the protection of 25 habitats listed on Annex I of the Habitats Directive is fully connected to agriculture, including specific mountain habitats such as mountain hay meadows, mountain Cytisus purgans formations and alpine heaths. Likewise, mountain agriculture plays a key role for the preservation of some species listed in the Habitats Directive and the Birds Directive, as wild mountain goat, Appenine Chamois, Golden and Imperial Eagles. Apart from sustainable grasslands and forests managements, pastoralism also helps to protect mountains' habitats and species by preventing natural disasters, including forest fires.

Euromontana - the European Association for mountain areas

Euromontana is 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 in and out of the EU. 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 cohesion policy, rural development, climate change, innovation, mountain products, tourism, agriculture and forestry, transport, youth among others. Euromontana is also officially supporting the RUMRA (Rural, Mountainous and Remote Areas) & Smart Villages intergroup of the European Parliament.

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