At a glance

Plenary - 4 May 2016



An agenda for the EU's mountainous regions

In the May plenary session, the EP is expected to vote on a resolution that calls for an integrated policy approach to mountain areas, to allow for better consideration of their development needs.

Background

Mountains, defined in terms of altitude, terrain roughness and slope, are estimated to cover <u>28.8%</u> of the EU's territory and are home to 16.9% of its population. While mountain areas share common features, they also exhibit wide diversity in terms of climate, ecology and economy. In almost all EU countries it is the services sector that provides the <u>greatest</u> source of employment in mountain areas, but the primary sector remains important. Mountain farming <u>represents</u> 17.8% of the total number of agricultural holdings, and employs 17% of the total agricultural labour force in the EU. Mountains' wealth of <u>biodiversity</u> and natural resources, notably water, is an asset and a development factor but, at the same time, their ecosystems are highly vulnerable to change brought about by global warming, infrastructure development and tourism, for instance. Sustainable development thus constitutes a crucial public policy challenge.

Mountains in EU policy

There is no specific EU policy for mountainous regions, and the numerous EU policies, strategies and programmes that impact on them, whether in the fields of environment and climate change, transport and connectivity or entrepreneurship, do not for the most part include any specific mountain dimension.

The Common Agricultural Policy (CAP) does offer differentiated measures for mountain areas. Under its first pillar (direct payments), Member States can opt for an additional payment to farmers in areas with natural constraints such as mountains, using up to 5% of their national direct aid envelope. Under the second pillar of the CAP (rural development) another scheme allows them to compensate farmers for income foregone and additional costs arising from the constraints on agricultural production in mountain areas. Aid can amount to up to €450 per hectare per year.

Within cohesion policy, mountainous regions are approached as areas with severe and permanent handicaps requiring particular attention, in line with the provisions of Article 174 of the Treaty on the Functioning of the European Union (TFEU). While no specific financial resources are earmarked for mountain areas as such, Member States can take their specific circumstances into account. Article 121 of the Common Provisions Regulation (CPR), governing the five European Structural and Investment (ESI) Funds, allows for modulation of co-financing (i.e. intervention) rates from the Funds for mountainous areas. Under the European territorial cooperation objective (ETC), cohesion policy supports international collaboration in mountainous regions as well. Some of the cross-border, transnational and interregional programmes co-financed by the European Regional Development Fund (ERDF), such as the Alpine Space Programme, concern mountain areas specifically. Others, like the Northern Periphery and Arctic Programme, cover mountain areas, but are not specific to them. Cooperation can also take place within an integrated framework known as a macroregional strategy. The EU has recently launched one for a mountain area, the strategy for the Alpine Region.

As highlighted in a recent <u>study</u>, and as repeatedly underlined by the EP, more integrated approaches are necessary to address development opportunities and challenges in mountainous regions.

The Committee on Regional Development's <u>report</u> on cohesion policy in mountainous regions of the EU (rapporteur: Iliana lotova, S&D, Bulgaria) advocates the adoption of an agenda for EU mountainous regions to identify priorities for their development, so as to tailor sectoral policies accordingly and maximise opportunities to finance them using EU funds. It also calls for the mountain dimension to be mainstreamed within future EU programmes and policies, notably within the ESI Funds. The text is to be voted at the May plenary session.

