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DRAFT REPORT

on cohesion policy in mountainous regions of the EU
(2015/2279(INI))

Committee on Regional Development

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MOTION FOR A EUROPEAN PARLIAMENT RESOLUTION

on cohesion policy in mountainous regions of the EU (2015/2279(INI))

The European Parliament,

- having regard to Article 174 of the Treaty on the Functioning of the European Union (TFEU),
- having regard to Regulation (EU) No 1303/2013 of the European Parliament and of the Council of 17 December 2013 laying down common provisions on the European Regional Development Fund, the European Social Fund, the Cohesion Fund, the European Agricultural Fund for Rural Development and the European Maritime and Fisheries Fund and laying down general provisions on the European Regional Development Fund, the European Social Fund, the Cohesion Fund and the European Maritime and Fisheries Fund and repealing Council Regulation (EC) No 1083/2006 (hereinafter ‘the CPR’)¹,
- having regard to Regulation (EU) No 1301/2013 of the European Parliament and of the Council of 17 December 2013 on the European Regional Development Fund and on specific provisions concerning the Investment for growth and jobs goal and repealing Regulation (EC) No 1080/2006²,
- having regard to Regulation (EU) No 1301/2013 of the European Parliament and of the Council of 17 December 2013 on the European Social Fund and repealing Council Regulation (EC) No 1081/2006³,
- having regard to Regulation (EU) No 1305/2013 of the European Parliament and of the Council of 17 December 2013 on support for rural development by the European Agricultural Fund for Rural Development (EAFRD) and repealing Council Regulation (EC) No 1698/2005⁴,
- having regard to Regulation (EU) No 1299/2013 of the European Parliament and of the Council of 17 December 2013 on specific provisions for the support from the European Regional Development Fund to the European territorial cooperation goal⁵,
- having regard to Regulation (EU) No 1302/2013 of the European Parliament and of the Council of 17 December 2013 amending Regulation (EC) No 1082/2006 on a European grouping of territorial cooperation (EGTC) as regards the clarification, simplification and improvement of the establishment and functioning of such groupings⁶,
- having regard to Regulation (EU) No 2015/1017 of the European Parliament and of the

¹ OJ L 347, 20.12.2013, p. 320.

² OJ L 347, 20.12.2013, p. 289.

³ OJ L 347, 20.12.2013, p. 470.

⁴ OJ L 347, 20.12.2013, p. 487.

⁵ OJ L 347, 20.12.2013, p. 259.

⁶ OJ L 347, 20.12.2013, p. 303.

Council of 25 June 2015 on the European Fund for Strategic Investments, the European Investment Advisory Hub and the European Investment Project Portal and amending Regulations (EU) No 1291/2013 and (EU) No 1316/2013 – the European Fund for Strategic Investments¹,

- having regard to its resolution of 23 May 2013 on a macro-regional strategy for the Alps²,
- having regard to the Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions concerning a European Union Strategy for the Alpine Region (COM(2015)0366) and the accompanying action plan,
- having regard to the opinion of the Committee of the Regions of 21 January 2015 entitled ‘An Alpine macro-regional strategy for the European Union’³,
- having regard to its resolution of 17 February 2011 on the implementation of the EU Strategy for the Danube Region⁴,
- having regard to its resolution of 21 January 2010 on a European Strategy for the Danube Region⁵,
- having regard to the Council conclusions of 13 April 2011 on the EU Strategy for the Danube Region,
- having regard to the Report from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions concerning the European Union Strategy for the Danube Region (COM(2013)0181),
- having regard to the Commission communication entitled ‘European Union Strategy for Danube Region’ (COM(2010)0715) and the indicative action plan accompanying that strategy (SEC(2009)0712),
- having regard to the opinion of the European Economic and Social Committee of 16 June 2011 on the ‘Communication from the Commission - European Union Strategy for the Danube Region’⁶,
- having regard to the opinion of the Committee of the Regions of 31 March 2011 on ‘The Danube Region Strategy’⁷,
- having regard to the report from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the

¹ OJ L 169, 01.07.2015, p.1.

² Texts adopted, P7_TA(2013)0229.

³ OJ C 19, 21.1.2015, p. 32.

⁴ OJ C 188 E, 28.6.2012, p. 30.

⁵ OJ C 305 E, 11.11.2010, p. 14.

⁶ OJ C 248, 25.8.2011, p. 81.

⁷ OJ C 166, 7.6.2011, p.23.

Regions concerning the added value of macro-regional strategies (COM(2013)0468) and the relevant Council conclusions of 22 October 2013,

- having regard to the Sixth Report on Economic, Social and Territorial Cohesion (COM(2014)0473),
 - having regard to the study drafted by Euromontana of 28 February 2013 entitled ‘Toward Mountains 2020: Step 1 – capitalising on Euromontana work to inspire programming’,
 - having regard to the draft in-depth analysis by its Directorate-General for Internal Policies (Department B: Structural and Cohesion Policies) of January 2016 entitled ‘Cohesion in mountainous regions of the EU’,
 - having regard to Rule 52 of its Rules of Procedure,
 - having regard to the report of the Committee on Regional Development and the opinion of the Committee on Agricultural and Rural Development (A8-0000/2015),
- A. whereas mountainous regions represent a significant amount of EU territory (around 30 %), and whereas the entirety of the EU depends on their ecosystem services;
- B. whereas there is no explicit definition of mountainous regions in EU regional policy, and whereas the definition used in the European Agricultural Fund for Rural Development (EARDF) must be reworded;
- C. whereas many mountainous regions face depopulation and ageing populations, owing to the extreme conditions and remoteness, which upsets the natural cycle of generations and leads to a lowering of social standards and the quality of life; whereas this often leads to a rise in unemployment, social exclusion and urban migration;
- D. whereas mountainous regions offer a number of opportunities for achieving EU targets – concerning employment, cohesion and safeguarding the environment – through the sustainable use of their natural resources;
- E. whereas support from the EARDF for mountainous regions could be complemented by European Structural and Investment (ESI) funds with a view to achieving better and more inclusive development;
- F. whereas mountainous regions play an important role for the economic development of Member States;
- G. whereas, due to their specificities, especially the abundance and variety of renewables and their dependence on resource and energy efficiency, mountainous regions can contribute to the development of new technologies and innovation in general;
- H. whereas mountainous regions face serious challenges – as regards social and economic development, climate change, transport and demographic issues – that can only be addressed through the establishment of adequate connections with urban areas;
- I. whereas there are different types of mountainous regions in Europe, but they all share a

number of common problems, such as poor accessibility, few employment opportunities' an ageing population and a lack of connectivity;

- J. whereas in Europe there are mountain ridges that expand into non-Member States;
- K. whereas many mountainous regions lack basic infrastructure and access to services of general interest;
- L. whereas mountainous regions depend largely upon mountain agriculture;
- M. whereas Article 174(3) TFEU expressly mentions that specific attention should be paid to mountainous regions, among others; whereas a number of EU policies, programmes and strategies exist that have an indirect effect on mountainous regions;

Coordinated approach and general considerations

1. Calls on the Commission to start the process of creating a working definition for functional mountainous regions in the context of the Cohesion Policy; considers that such a definition must be wide and inclusive, taking into account different factors such as altitude, accessibility and slope; calls on the Commission also to take into consideration areas that, while not mountainous, depend heavily on mountains; points out, in this context, the idea reflected in the EU Strategy for the Alpine Region (EUSALP) of including non-mountainous areas in the strategy as a good initiative;
2. Considers that EU policies should have a specific approach to mountainous regions, as they need additional support to overcome the challenges of climate change, be able to provide employment, economic development and protection of the environment, and help reach the EU renewable energy targets; considers, as a result of this, that mountainous regions should be mainstreamed in all aspects of EU policies, including the Cohesion Policy;
3. Recognises that the EU has no specific policy for mountainous regions, and points out that those already existing policies, programmes and strategies that do have an indirect effect on such areas provide grounds for an 'Agenda for EU Mountainous Regions', which should represent the basis for an EU strategy aimed at achieving the long-term development of mountainous regions and the areas dependent on them;
4. Calls on the Commission to work on an 'Agenda for EU Mountainous Regions', which should be a framework that contributes to transnational, cross-border and interregional policies; believes that the future agenda should identify the priorities for the development of these regions, so that sectorial policies may be adjusted in a better way and opportunities to finance them steered through EU funds, and so that long-term sustainable policies for inclusion may be achieved;
5. Calls for the coordination of EU policies, strategies and programmes that have an indirect effect upon mountainous regions, such as Horizon 2020, COSME, LIFE, Natura 2000, the EU Broadband Strategy, the EU Climate Adaptation Strategy, the EU Environment Action Programme, the Connecting Europe Facility, European Territorial Cooperation, ESI Funds and the European Fund for Strategic Investments (EFSI); calls on the Commission to consider the specific application of these programmes to

mountainous regions;

6. Calls for a substantial increase in allocations of ESI Funds at national level for undeveloped mountainous areas, using a multi-sectoral policy approach, where possible;
7. Stresses that the territorial dimension of the Cohesion Policy must be prioritised, through targeted initiatives for territorial development and additional support for territorial cooperation at European level;
8. Encourages the Member States to make use of tools such as the Integrated Territorial Investment (ITI) and the Community-led Local Development (CLLD) instruments in support of the development of mountainous areas;
9. Underlines the potential and importance of existing and future development of macro-regional strategies for the sustainable development of the EU's mountainous regions with a strong cross-border cooperation dimension, where applicable;
10. Welcomes the current initiatives for the Carpathian Mountains in the EU Strategy for the Danube Region and the progress made on the EU macro-regional strategy for the Alps; notes that the latter is a good example of an integrated approach to territorial development, taking into account mountainous areas and regions dependent on them;
11. Believes that the European Territorial Cooperation (ETC) instrument offers an excellent opportunity to share best practices and knowledge among mountainous regions, and calls for a specific mountain dimension in the future ETC; welcomes initiatives, such as 'Policies against depopulation in mountainous areas' (PADIMA), that are aimed to address the specific problems faced by mountainous regions;
12. Calls on the Commission to present a communication containing an 'Agenda for EU Mountainous Regions' and, subsequent to this, a White Paper on the development of mountainous regions, based on best practices and involving local, regional and national authorities, and other relevant actors, including economic and social partners and representatives of civil society;
13. Insists that the Commission and other stakeholders undertake a thorough and regular assessment of the condition of mountainous regions in the EU, and analyse data, such as the results of the implementation of Cohesion Policy operational programmes and indicators on changes in the quality of life and the demography, in order to focus EU funding and policy implementation in a correct way;
14. Underlines the need to be able to rely on statistical data on which to base policy initiatives;
15. Calls for cooperation with European non-Member States for the implementation of a policy for mountainous regions;
16. Calls on the Commission to encourage the use of financial engineering instruments in mountainous regions in order to reach concrete results;
17. Welcomes the ongoing debate on simplification of the Cohesion Policy; hopes that a

lighter framework, and the availability of instruments that are easier for stakeholders and recipients to use, will contribute to the development of EU mountainous regions; calls for specific attention to be paid to simplification and to efforts to facilitate investments in mountain regions;

18. Calls on the Commission to propose a European Year of Islands and Mountains;

Jobs and growth in mountainous regions

19. Notes that SMEs in mountainous regions are faced with serious difficulties owing to lack of accessibility, infrastructure, connectivity and human resources; calls on the Commission to pay specific attention to the development of SMEs in mountainous regions, and to combine the European Fund for Regional Development (ERDF), EARDF resources and the COSME programme in a holistic and effective policy approach to supporting SMEs;
20. Welcomes the progress made on the EU Forest Strategy; supports the sustainable development of forests at Union level, especially as regards the contribution of forests to safeguarding the environment and biodiversity and achieving renewable energy targets; notes that the economic dimension of forestry could be emphasised within the strategy;
21. Considers that sustainable forestry can offer jobs and economic development for mountainous regions; calls for the support of SMEs involved in the wood sector;
22. Calls on the beneficiaries of ESI Funds in the mountainous regions assess the performance, potential and needs of locally situated technological parks and, where such parks do not exist, consider building them using EU and national means;
23. Underlines the need for smart specialisation strategies, where applicable, in boosting the potential offered by mountainous regions;
24. Recognises the need for support from the EARDP, and believes that its synergy with ESI Funds could have a positive impact in mountainous regions;
25. Supports the use of ESI Funds for industry sectors that do not pollute, such as sustainable tourism, sustainable forestry and the renewables sector;

Social dimension of the mountainous regions

26. Notes that supporting the shift towards a low-carbon, climate-resilient, resource-efficient and environmentally sustainable economy could be emphasised within the Cohesion Policy;
27. Considers that increasing the qualifications of the workforce and the creation of new jobs in the green economy should be part of the investment priorities of the European Social Fund (ESF), and stresses that EU policies should support training in areas such as mountain agriculture, sustainable tourism, sustainable forestry and renewable energy technologies;
28. Highlights the potential of dual education in mountainous regions; points at the

encouraging results achieved in Austria, Germany and other Member States; welcomes as well projects for dual education within the macro-regional EU Strategy for the Danube Region;

29. Supports innovative solutions for access to basic education in remote mountainous areas, such as through cooperation among mountainous regions and cities;
30. Calls for the improvement of healthcare facilities in mountainous regions, where necessary;
31. Stresses the importance of the Youth Employment Initiative as a good opportunity to stop the outflow of young people from mountainous regions in response to the demographic crisis and the problem of an ageing population; calls for youth employment initiatives specifically oriented to meet the needs of underdeveloped mountainous regions;

Environmental protection within mountainous regions

32. Recalls the richness, in amount and variety, of renewables in mountainous areas; believes that these areas should take the lead in achieving EU renewable energy targets; calls on the Commission to focus on policies that encourage and facilitate the use of renewables in mountainous regions;
33. Insists that reaching EU renewable energy targets must not come at the cost of nature and the environment; recalls that, in some cases, hydropower and biomass extraction may be highly damaging for ecosystems, while wind and solar energy plants can harm the landscape;
34. Notes that mountainous regions are especially vulnerable to climate change; believes, in this regard, that safeguarding the environment, combatting climate change and taking appropriate climate change adaptation measures must be at the heart of a future 'Agenda for EU Mountainous Regions';
35. Notes that mountainous regions are an important source of water resources that must be safeguarded and managed in a sustainable way; notes the reliance of urban areas on water resources from the mountainous regions;
36. Notes the dependence of urban areas on ecosystem services offered by mountainous regions, and that these regions often do not receive a just return;
37. Supports the development of sustainable tourism as a positive opportunity to provide jobs and promote the sustainable development of these areas; underlines the need for the development of broadband internet as a basis for sustainable tourism;

Connectivity and accessibility in mountainous regions

38. Considers that the internet and, specifically, next-generation access (NGA) technologies play a crucial part in overcoming the challenges faced by mountainous regions; recalls that the internet is linked to services of general interest (SGIs) and that lack of access to such services can lead to depopulation;

39. Welcomes the EU Satellite Voucher Scheme, by which satellite connections provide a useful alternative for areas with insufficient infrastructure or where there is a lack of interest from investors;
40. Calls on the Commission, when developing policies for broadband access, to take into account the lack of infrastructure and interest of investors owing to the sparse population and remoteness of mountainous regions; calls on the Commission to develop specific policies for overcoming the digital divide in these regions;
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41. Instructs its President to forward this resolution to the Council, the Commission and the Committee of the Regions, and to the governments and national and regional parliaments of the Member States.

EXPLANATORY STATEMENT

Mountainous regions in the EU are rarely in the focus of Cohesion Policy. The territorial dimension is the subject of debate, yet mountains themselves are often left by the wayside and there is a reliance on Member States themselves to pay attention to mountains and their associated challenges. Yet the EU funds often focus on achieving specific results. The difficulty of investment in mountains caused by a lack of infrastructure and additional costs due to remoteness, leads to the disregard of mountainous regions.

This report focuses on how the mountains of the EU can contribute to its targets, such as Europe 2020. The rich natural resources and assets of mountainous areas can provide jobs to improve employment within the EU, especially green jobs which contribute to the fight against climate change. The rich variety and abundance of renewable energy sources can contribute to the EU renewable energy targets. At the same time, poverty and social exclusion within less developed mountainous regions of the EU can be reduced with the help of EU funds. Developing many of the assets of mountainous regions can also lead to better social, economic and territorial cohesion by providing sustainable economic development for mountains. As centres of green growth, mountains themselves can be a leading force in sustainable growth within the EU.

A definition for mountainous regions

A definition of mountains exists in the European Agricultural Fund for Rural Development¹. This definition is specialized for agriculture, as it takes into account a shorter growing season and the inability to use machines due to slope.

For a holistic European approach to mountains there needs also to be a definition for regional policy. This report raises the point that the crucial connection of mountainous regions to their surrounding and urban areas needs to be taken into account. The EU Strategy for the Alpine region provides a good example of including these areas within a strategy for a mountainous region - it includes over 70 million people², many of whom do not live in the mountains themselves. This approach to the sustainable development of mountains must be carried over into Cohesion Policy.

Call for an Agenda for EU Mountainous Regions

In addition to the establishment of a definition, a concrete proposal for mountainous policy is needed. This is raised in the report in the form of a call for an Agenda for EU Mountainous Regions.

The grounds for this agenda are the various policies that relate to mountainous regions indirectly - Horizon 2020, COSME, LIFE, Natura 2000, the EU Broadband Strategy, the EU Climate Adaptation Strategy, the EU Environment Action Programme, the Connecting Europe Facility (CEF), European Territorial Cooperation (ETC), the European Structural and Investment Funds (ESI Funds) and the European Fund for Strategic Investment (EFSI). These

¹ Regulation (EU) No 1305/2013 of the European Parliament and of the Council of 17 December 2013 on support for rural development by the European Agricultural Fund for Rural Development (EAFRD) and repealing Council Regulation (EC) No 1698/2005

² http://ec.europa.eu/regional_policy/sources/cooperate/alpine/eusalp_map.pdf

policies relate to mountainous regions and have an effect on them, but there is no clear, single policy approach to mountains. Thus, an Agenda would represent a framework that provides additional focus within Cohesion Policy. It would also serve the valuable purpose of setting the foundations for a territorial focus for the next programming period. In time, this Agenda could also serve as the core for a more comprehensive strategy for the development of mountainous regions.

Coordinating EU policies for mountainous regions

A coordinated approach is crucial in whichever form it may take, to ensure that EU funding has a proper strategic orientation towards achieving sustainable and inclusive growth. This report calls for both the inception of an Agenda for EU Mountainous Regions and the consideration of the mountain dimension within future programmes and policies of the EU, especially within the ESIF. The ongoing programming period of Cohesion Policy is in its very beginning, but the first steps for mountains in Cohesion Policy must be undertaken now. This is why the report calls for an increase in the allocations of the ESI funds for underdeveloped mountainous regions, which can be taken into consideration within the next programming period. The addition of ‘underdeveloped’ is placed because of the existence of well-developed and less developed mountains within the same member state, whereas the underdeveloped ones are the ones that need the support of EU funds to overcome their specific challenges and achieve sustainable growth and, subsequently, cohesion. The report also calls for a specific mountain dimension within European Territorial Cooperation, which would provide a good drive for mountain policy in the EU by expanding the platform for best practices in these regions.

The pillars of sustainable growth

The report also details what an Agenda and specific mountain policy could take into account. It focuses on the three types of growth the EU aims for - smart, sustainable and inclusive growth. These types of growth are interlinked within mountainous regions, as they all require a consideration for the preservation of the environment and an approach to overcoming the common challenges that exist in mountainous regions, especially in regards to connectivity and accessibility. This is why the report calls for support to the use of renewables within mountains, but only with a consideration for the ecological impact they may have. The report also calls for support to overcoming the digital divide, which would be a significant step towards helping stop the depopulation of some mountainous regions. Mountain areas are already a desirable living space¹ and with more EU support for connectivity and accessibility they would become more attractive places for living and establishing SMEs.

¹ EPSON study on GEOSPECS: ‘European Perspectives on Specific Types of Territories’
http://www.espon.eu/export/sites/default/Documents/Projects/AppliedResearch/GEOSPECS/FR/GEOSPECS_Final_Report_v8___revised_version.pdf