NOTE

from: Austrian delegation

to: Council

Subject: Report concerning the "International Conference on the Future of Mountain Areas"
(Alpbach, 6 - 7 December 2009)

Delegations will find attached a note submitted by the Austrian delegation, to be dealt with under "Any other business" at the Council (Agriculture and Fisheries) on 18 January 2010.
The future design of mountain farming policy was intensively discussed in the course of the year 2009. Not least against the background of the developments of the dairy market situation some Member States and regions with high shares of mountain areas underlined the need for appropriate policy tools.

On 6 and 7 December 2009 an international conference dealing with this topic was held in Alpbach, Austria. The concrete occasion and the centrepiece of the Conference was the presentation of the EU Commission’s document “New Insights into Mountain Farming” by Commissioner Mariann Fischer-Boel. This paper offers a comprehensive description of the situation of mountain farming, thus providing the context and approaches for concrete steps towards the sustainable agricultural and forestry use of mountain regions and, consequently, for the design of future policies. It demonstrates strengths and weaknesses of mountain farming and describes possible strategies for coping with the challenges - for example by trademark protection for products obtained from mountain farming.

The Agriculture Ministers of Slovenia and several German provinces and high-ranking representatives of Italy, France and Switzerland took part in the Conference.

They emphasised the importance of mountain farming and the necessity for agricultural policy to develop and make available special instruments for safeguarding the future of farming in these areas. The existing agricultural policies were predominantly rated positively. This holds true for the first as well as for the second pillar of the Common Agricultural Policy (CAP).
Although the multi-functionality of agriculture is playing a particularly prominent role in mountain areas, stress was laid on the importance of agricultural production. On the one hand, mountain areas contribute to safeguarding food supply; on the other hand, high-quality raw materials and special processing techniques allow the production and marketing of typical products. The outstanding importance of the impacts of mountain farming on the environmental quality, the landscape and recreational areas, and the contribution mountain farming makes to the protection against natural hazards were underlined.

In addition to the political debate, the perspectives for mountain farming in global competition, the environmental services rendered by mountain farming and the possibilities of diversification as a key to safeguarding mountain farms were discussed in three working groups. Scientists presented analyses and assessments of the issues concerned. Apart from representatives of the DG Agriculture and Rural Development of the European Commission, also representatives of successful projects were given the opportunity to present concrete examples of implementation for all fields addressed in the working groups.

To sum it up, it was stated that

- the income from production,
- the direct payments of the first pillar of the Common Agricultural Policy,
- the compensation for the competitive disadvantages resulting from the natural handicaps by means of the payments for Less-Favoured Areas, and
- higher intensities of support for investments

are essential elements of sustainable agricultural production in mountain areas. Only if these conditions are satisfied will mountain farmers be in a position to render the services in relation to landscape and the environment expected by society on a permanent basis. These public goods, which are not sufficiently taken into account by the market, must be remunerated in a targeted manner and in line with the relevant service provided.