

AREPO POSITION ON "A LONG-TERM VISION FOR RURAL AREAS"

The outbreak of COVID-19 has undeniably accentuated the close dependence of cities on rural areas. Primarily as food sources and suppliers, they became equally important as spaces to get away from the rapid spread of contamination and places where working remotely.

A fortiori, because of the renewed attention of EU citizens towards rural territories, AREPO welcomes the European Commission intention to develop a long-term vision for rural areas, acknowledging the importance of consulting rural citizens and stakeholders as well as local and regional authorities in this process.

Within this framework, being driven by a vision of **GIs as tools for rural development and territorial planning**, AREPO would seize the opportunity to remind that GIs can contribute to sustainable rural growth in multiple ways. As a consequence, a long-lasting project for rural areas must include a special regard for the strengthening of EU quality policy, allowing to maximise GIs contribution to rural zones.

Furthermore, looking at the variety of territories and geographical peculiarities represented through AREPO member regions, encompassing mountains, islands and outermost regions too, we would like to draw the attention of the European Commission on the **diversity of EU rural areas**. In this respect, the expertise provided by regions could support the EC in the elaboration of a vision able to provide a response tailored on the specific needs of each territory.

1. HOW REGIONS CAN CONTRIBUTE TO A LONG-TERM VISION FOR RURAL AREAS

Agriculture and the agri-food industry are essential pillars of rural economies and **Regions in particular have long been involved in maintaining economic and social activity in rural areas**, especially through the management and the implementation of Regional Rural Development Programs.

All this considered, in order to better address the challenges faced by rural areas as well as to make better use of the resources at their disposal:

 AREPO encourages the European Commission to better associate and systematically consult its Regions in the next steps of both the development and implementation of the long-term vision for rural areas. The decentralization towards EU Regions allows for a multistakeholder dialogue at local level which could provide a comprehensive understanding of the major issues at stake in rural areas as well as the right means to tackle them.

2. THE NEED FOR AN INTEGRATED AND COORDINATED APPROACH

AREPO reminds to the European Commission that such an ambitious project requires **an integrated and coordinated approach**.

- This means that this vision must fit into the wider framework of EU Common Agricultural and Cohesion policies, as well as be in line with the priorities of the digital agenda and contribute to the objectives of the European Green Deal, running parallel to the Farm to Fork strategy.
- The coherence among policies, must be reflected in a greater **interrelation between funds for financing local strategies**, encouraging the development of a **multi-fund approach** as set forth by Euromontana.



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In line with the position of the Committee of the Regions and the European Parliament¹, and recalling the work carried out in the context of the collaborative platform of the European Countryside Movement (E.C.M.), AREPO would like to stress the importance of adopting a European Rural Agenda. This should provide a strategic multi-annual policy framework capable of linking together several EU policies for the benefit of rural areas. In addition, it is expected to complement the Urban Agenda with the aim to respond to the urban-rural imbalance.

With regards to the CAP:

- AREPO regrets the lack of a truly territorial and regional dimension in the Commission's proposals for the CAP post-2020. A solid vision for the future of rural areas and the role they have to play in our society cannot be achieved without the reintroduction of this territorial logic in the future CAP.
- For the above-mentioned reason, AREPO calls for the reintroduction of the notion of Regional Management Authorities for the implementation of rural development interventions and requests the full association of Regions to the drafting of the National Strategic Plans and to the coordinating bodies set up by the European Commission.
- Plus, we join Euromontana reminding that an ambitious long-term vision for rural areas must be supported by a **strong funding for rural development and the CAP**, at least at the same level as in the current programming period (2014-2020).

3. GIS AS KEY VEHICLE FOR DELIVERING SUSTAINABLE RURAL GROWTH

As recognised as well by the European Commission, GIs are a "*key vehicle for delivering rural growth*"² and they contribute to sustainable food production.

In the light of a long-term vision for rural areas, AREPO encourages the European Commission to properly recognize the enormous potential that EU GIs, as expression of localized agro-food systems (LAFS), can offer to sustainable development of rural areas.

In fact, quality schemes are based on the valorisation of products whose quality characteristics are linked to their territory of origin, offering interesting opportunities in supporting rural development strategies able to include family farmers, small and medium enterprises operating in other stages of food supply chains, and other small firms operating in connected activities like the rural tourism ones.

EU quality schemes, which reward producers for their efforts to produce a diverse range of quality products, **can benefit the rural economy**. Thanks to their multidimensional link to the territory, GIs have a great potential to exert **positive effects on rural development dynamics**, creating **spillover effects** on the local economy.

1. SUSTAINABLE RURAL DEVELOPMENT AND EMPLOYMENT

EU Quality schemes participate in locally delivering socio-economic public goods, by providing income and employment opportunities.

The recognition of origin or quality products through protected GIs allows the market to remunerate producers through the price mechanism, generating an **added value that is redistributed along the value chain**. The extra-price for producers allows them **to further develop their farms and firms** and enhances the collective action on GI promotion and control. Thus, both individual and collective

¹ European Parliament, "<u>EU Agenda for Rural, Mountainous and Remote Areas European, Parliament resolution of 3</u> <u>October 2018 on addressing the specific needs of rural, mountainous and remote areas</u>", (2018/2720(RSP))

² European Commission, Inception Impact Assessment on the Revision of the EU geographical indications (GIs) systems in agricultural products and foodstuffs, wines and spirit drinks, p. 4, Ref. Ares(2020)6037950 - 28/10/2020

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investments activate a *"virtuous"* circle able to effectively reproduce local specific resources connected to product quality attributes. This qualification process fixes and links the added value to the territory, keeping local production systems alive, thus safeguarding SMEs and assuring fairly remunerated and specialised employment, capable to attract young people.

GIs can further affect the rural economy, **boosting other sectors that have backward and forward linkages with GI products,** thus feeding into **the diversification of rural economy**. For instance, they can enhance the reputation of other less-known local products as well as generate important business and employment opportunities for other rural sectors and activities: food-processing, tourism, agritourism, bio-based circular economy etc... This multifunctionality and diversification is pivotal for the **sustainable development** as well as the **resilience of rural and marginal areas**. This is particularly the case in less favoured areas, in mountain areas and in the most remote regions, where the farming sector accounts for a significant part of the economy and production costs are high.

2. GENERATIONAL TURNOVER AND PREVENTION OF DEPOPULATION

As a matter of fact, rural areas are suffering from depopulation and the increasingly higher share of elder farmers proves the lack of an appropriate generational turnover, due to low competitiveness of rural areas in terms of opportunities compared to cities.

In this context, GIs represent a valuable tool to ensure the **attractiveness of rural and marginalised areas as places to live and work.**

On one hand, as outlined so far, the creation of employment opportunities, as well as the variety of economic activities revolving around GIs, helps to **sustain settlement in rural areas** and **increasing the life standards** of rural citizens.

On the other hand, GIs contribute to the valorisation of rural identity as well as cultural and gastronomic heritage. This is fundamental to generate a feeling of belonging and pride to work and live in rural areas, thus retaining young population and preventing their migration from rural to urban areas. Furthermore, products reputation is reflected on the territories of origin with an evident gain in terms of visibility and cultural and touristic attractiveness for regions.

3. SUSTAINABLE AGRICULTURE AND FOOD SYSTEMS

Last, in line with the EU increased attention towards a more equitable, democratic and sustainable agricultural and food systems, it must be mentioned that GIs can play their part in the preservation of the environment, **protecting traditional landscapes and natural resources**.

They have a great potential for the **active protection of agrobiodiversity**, incorporating local breeds and varieties into products able to remunerate farmers for their efforts of preservation.

Even if protection of GIs cannot be considered an environmental tool per se, it can potentially play a positive role in environmental conservation, acting as **a barrier to the intensive farming** and thus **preserving traditional farming systems**. Finally, GIs provides the opportunity for **territorialisation of environmentally friendly production rules**, taking into account the multiplicity of local specific resources.

All this considered, AREPO would like to stress that in order to maximise GIs contribution to rural areas a renewed attention from policy makers is needed to strengthen EU quality policy:

 First of all, AREPO believes that education and training could play a significant role in the development of human and social capital for the successful functioning of EU quality schemes. Particularly, it would be important to further develop and strengthen a transversal

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approach to **train GIs experts**, able to understand the whole complexity, characterisation, construction and territorial impact of GIs.

- Knowledge and skills development should begin in local professional schools in the fields of agricultural and agri-food production, hotel and tourism. Then, a proper connection should be established with **universities**, allowing for the possibility to complete this education process, by stimulating research on various topics concerning GIs such as: improvement of production, product conservation, biodiversity, adaptation to climate change, knowledge of nutritional and nutraceutical characteristics, communication to consumers, etc..
- Additionally, to consolidate the contribution of GIs in preventing depopulation, it is essential to provide young generations with opportunities of decent jobs and high standards of living. Hence, considered the potential and the territorial implications of a GI, young farmers interested in taking over this kind of production need to be trained, guided and supported, thus facilitating the generational turnover and limiting the probability of failure.
- Such a transfer of knowledge and skills should also involve **GI producer groups that should be entrusted with providing specific trainings to young farmers.**
- Finally, it would be important to strengthen the role of GI producer groups, especially with regards to education and training of young generation of producers and elaboration of valorisation strategies encompassing also related activities, such as tourism.

To conclude, AREPO would like to call upon the European Commission for further efforts towards **digitalisation and access to digital infrastructures** in all rural areas. Particularly, the enhancement of the digital skills of rural population could provide further instruments to boost the territorial impact of GIs as well as all the connected entrepreneurial activities.

The <u>Association of European Regions for Products of Origin</u> (AREPO) is a network of Regions and producer associations that deals with products of origin and EU quality schemes. It represents 33 European regions and over 700 associations of producers for more than 50% of European Geographical Indications (GIs).

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