

### How to better valorise mountain food products?

### **Launch of the European Charter for Mountain Quality Food Products**

On 18<sup>th</sup> October 2017, around 100 mountain actors from all over Europe participated in a conference on "How to better valorise mountain food products – Launch of the European Charter for Mountain Quality Food Products" organised by Euromontana in the representation of the European Region Tyrol -South Tyrol-Trentino in Brussels.

Euromontana has always considered important to help better valorise mountain food products and after years of hard work on the introduction of an optional quality term protecting mountain products, in 2014 welcomed the adoption of the delegated act implementing 1151/2012 Regulation.

Three years on from the adoption of the delegated act finalising the details of the optional quality scheme for mountain products, the conference reflected on the implementation of this legislation by Member States and its uptake by producers. Beyond the optional quality scheme, the conference presented different possibilities to better valorise mountain products and create added value in mountain areas.

#### **OPENING**



Juanan Gutierrez

in their local shops.

The President of Euromontana, Juanan Gutierrez, explained why mountain products are important in European farming. Mountain areas cover 29% of Europe's area and are home to 13% of the EU population. They host 15% of Europe's agricultural utilized areas and have 18% of agricultural holdings. The total output of mountain farming is estimated as €23.4 billion, around 8% of the total EU agricultural output. As mountains occur in 16 Member States, they represent an important source of food for Europe, not only for their inhabitants but also for those in the lowlands who visit them regularly or buy mountain products online or

54% of the total turnover of mountain farms comes from livestock activities (dairy sector and grazing livestock meat sector). The rest comes from vegetal production. Mountain farms are in general smaller than those in the rest of the countryside and this is a factor of growth in the mountains, not only due to the farming activity but also linked to agri-tourism, and their multiplier effect on the rest of the mountain economy. Mountain farming thus plays a significant economic role.

In addition, mountain farming plays a key role in the maintenance of positive externalities such as the prevention of avalanches, risk erosion, maintenance of biodiversity or land abandonment. For instance, more than 4 million hectares of agriculture depend on transhumance.

The President of Euromontana encouraged all participants to become ambassadors of the promotion of mountain farming.

# Session 1: How the Optional Quality Term for « Mountain product » can help to better valorise mountain products?

This first session moderated by Théo Gning, from FNSEA focused on the optional quality term for mountain products and how this new possibility has been taken up by producers and by Member States.



Marie Clotteau

Marie Clotteau, Director of Euromontana first presented the state of the art of the implementation of the legislation in the different EU Member States based on a study done by Euromontana in 2016 and updated in 2017, which gave an overview of the situation in several Member States.

After recalling the main elements of the legislation (regulation 1151/2012 and delegated act 665/2014), Marie Clotteau reminded the participants that each Member State has in particular to define if it will use the possible derogation

for the proceessing of mountain products or not, how it will control the use of the optional quality scheme by the producers and if and how it wants to promote this scheme more. A comparison between the choice of the different Member States was presented. Austria and France have decided to use the 30 km derogation whereas Italy has reduced this derogation to 10 km for dairy products and Romania has not authorised any derogation. Producers can either use the optional quality scheme directly (Austria, France) and inform the administrative authorities about it (Italy) or need to have the prior authorisation of the authorities (Romania). (SEE PRESENTATION HERE).

This optional quality scheme for mountain products is supposed to be an easy tool for producers to better valorise the quality of their products. Two producers, Alberto Pecorari, from the Consortium of Parmigiano Reggiano, in

Italy and Christophe Léger, President of SUACI Montagn'Alpes, in France explained why they are interested in this tool.



Alberto Pecorari

Alberto Pecorari, from the Consortium of Parmigiano Reggiano in Italy reported how producers have decided to do some quality segmentation of a well-known PDO (Protected Designation of Origin). The Parmigiano Reggiano cheese is the most significant PDO in mountain areas, in terms of volume. It is produced in Italy between Emilia Romagna and Lombardy regions. This famous cheese represents 15% of the milk production in Italy. 28% of the dairies (93 /335 dairies) are in mountain areas and they produce 21% of the

Parmigiano cheese. The producers in the mountain areas wanted to add value to their products and to use the optional quality scheme as a way to promote the quality of their products and not only their origin. Thus, in 2015, they have created a consortium, to launch a voluntary project to better focus their production on the mountainous aspects. 40% (37/93) of the mountain dairies participate in this voluntary project and have decided to apply stricter conditions that those of the regulations: all milk should come from mountain areas (no derogation) and over 60% of the dry matter for the feedstuff of cows should come from mountain areas.

This project was able to provide to consumers additional guarantee regarding the quality of their products and gave additional incomes to farmers (between 30 and 50 cents per kg of cheese). Nonetheless, this voluntary approach does not prevent other mountain producers from using the normal conditions of the optional quality scheme: the consortium is trying to integrate all of them in the voluntary project to avoid misleading consumers. (SEE PRESENTATION HERE).



Christophe Léger

In the French Northern Alps, some PDO and PGI (Protected Geographical Indications) are produced almost exclusively in mountain areas: Reblochon, Beaufort are two of the 8 mountain examples in Savoy. Production specifications are very detailed, and the focus is on the quality of the production and processing of these cheeses. These producers have secured milk prices up to twice the normal price (from €300 to €800 for 1000 litres of milk): this reflects both the costs production which are higher in mountain areas (from €480 to €800 per 1000 litres) and a long-standing

habit of focusing on quality to take the best out of this extensive mountain farming system.

Some producers in the French Alps have chosen to use the mountain products denomination, which has existed since 2000 in France. With the adoption of the new optional quality scheme for mountain products at EU level, some producers have decided to use again this denomination under the new EU conditions. This optional quality scheme for mountain products has a high potential, according to Christophe Léger, President of Suaci Alps, but when several products are already using other quality schemes, it is more difficult to see the added value of such scheme. The lack of specific communication around this scheme also makes it also difficult to make this tool attractive for producers.

But in some mountain areas where there are not already several PDO/PGI products, it would be interesting to develop more quality products, either with a better valorisation of the milk supply chain (with some mountain milk for instance), or develop more one emblematic product like "tome de montagne" cheese or move towards an organic production. Without any solution, in the forthcoming 3-5 years, all the mountain milk producers will disappear.

Thus, in order to make the best out the optional quality scheme for mountain products, Christophe Léger recommended producers to focus on quality and to look for added value in their supply chain and to communicate about this added value. He recommended that the national and EU authorities should develop an optional quality scheme which is credible, based on controls, with a better recognition of the mountain farming contribution (notably the provision of ecosystem services) and with a better visibility for consumers with a single EU logo. (SEE PRESENTATION HERE).

**Martin Pazeller**, Director of the department of Agriculture of the Autonomous Province of Bolzano/Bozen - South Tyrol, **Christian Jochum**, Austrian Chamber of Agriculture and **Danut Gitan**, CEFIDEC, Romanian Ministry of Agriculture and Rural Development were invited to exchange their views during a round table. The discussion with these three representatives directly involved in the implementation of the scheme in their countries, focused on how to facilitate the implementation of the optional quality term for mountain products, on how to establish relevant controls to respect the legislation, on the communication issues and the difficulties encountered so far.

#### On the controls:

In Austria, there were a lot of difficulties in finding an authority who was willing to take control of the optional quality scheme for mountain products in charge. In the end, after more than one year of discussion, the Food inspection authority is in charge. Austria has developed a pragmatic approach to the controls to avoid controlling every single farm, but developed a cluster approach.



Martin Pazeller and Théo Gning

Indeed, some agrofood consultants hired by Austria – Bavaria and South Tyrol regions have calculated that 2 heads per hectare would allow farmers to meet the requirement for 60% of dry matter in foodstuffs coming from a mountain area (as defined in the regulation). Based on the current participation of farmers in the environmental programme (to be eligible farmers should have a maximum of two heads by ha of pastures), they have established that 95% of the dairy farmers would meet the feed requirements. This seems as an interesting opportunity to decrease the costs of the controls by coupling them.

As Italy has just adopted in September the decree authorising the use of the optional quality scheme, the details of the controls will be presented in the coming months. Regions will be actively involved in collecting the list of producers using the scheme and to operate the controls.

In Romania, the producers need to present some specifications before being authorised to use the optional quality scheme for mountain products, thus, there are already some ex-ante controls. In addition, all producers are listed in a database and can be further controlled, to ensure that they are respecting the legislation well. If a producer makes fraudulent use of the term, he receives a fine and is forbidden to use the optional quality term for 3 years.

#### On communication:

Christian Jochum pointed out that having legislation in place does not ensure the success and take off of the scheme. He advocated having a private logo in addition to the term to make it more visible for the consumers. He also presented the private initiative between Austria, Bavaria and South Tyrol to have a logo for mountain products but also taking into account the specificities of the regions.



Danut Gitan

Romania has tried to develop a national logo, but the European Commission advised the country that as there was no specification about a logo in the EU regulation, the Member States remain free to decide how this scheme would appear of the packaging of the products. Thus, in the end, there is just a private logo "de la Munte" and there is no official logo so far. Danut Gitan would welcome an EU logo to give more visibility to this new scheme. In order to communicate more about the optional quality scheme, several Romanian members of Euromontana were involved in the project "A new CAP – Mountains of

opportunities" which was a first attempt to raise awareness of this new legislation. Now that the whole process is in place, different communication campaigns and different channels have been used at the Romanian level, especially for farmers in the fairs and in the different mountainous regions of the country. In the end, face to face meetings seem to be the more convincing way to present the scheme to farmers.

#### Main problems encountered:

In Austria, a very mountainous country, one of the main challenges is the existence of fancy names, with nice mountain pictures but absolutely not respecting the criteria of the optional quality scheme for mountain products or using all derives words close to mountains, which are not protected by the EU scheme.

To avoid fancy names, it was recalled that this is forbidden to mislead the consumer. Thus, some monitoring can be done by the actors of the



Christian Jochum

supply chain themselves and consortia or producers can write to the producers who are using some fancy names to remind them of the legislation and the penalties that could apply if they maintain their fancy names. This was notably done by the Association Porc Montagne in France to educate other producers and to avoid abusive use of the term.

In South Tyrol, the main barrier is linked to the products mainly produced in the region. There are three main mountain farming activities: apples, wine and dairy products. Wines are not really associated with mountain areas in the consumers head and apples already use a PGO, thus, the optional quality scheme for mountain areas is not the most relevant scheme for these two products. For dairy products, the region is mainly producing yoghourts, which are not listed in the Annex I in the products that could have the optional quality scheme for mountain areas. As a result, it would require a change in the annex of the Treaty and it implies a change of legislation to make this scheme more attractive for mountain farmers in the South Tyrol region. This explains why so far, the optional quality scheme is not used in South Tyrol.

Despite the difficulties encountered, the three panellists remained optimistic about the potential provided by the optional quality scheme for mountain products. Segmentation of the market can work for quality products. For instance, for the Austrian domestic market, the small segment on alpine pastures from June to September represents some added value based on the principle of mountain products.

#### Session 2: How to further encourage the valorisation of mountain products?

Beyond the optional quality term for mountain products, this second session moderated by Olivier Beucherie, Consultant in agri-food strategies, focused on how mountain products could be better valorised, either through different actors or the supply chains, different marketing strategies or thanks to policy-makers.



Enrico Calvo

First, Enrico Calvo, from ERSAF (regional agency in charge of agriculture and forestry in Lombardy), presented the **Charter for Mountain Quality Food Products: Euromontana's initiative to go further**.

Mountain products are really important for Euromontana. In 2005, the network has already launched a Charter of Mountain Quality Food Products which was signed by 69 organisations at that time. More than 10 years and a new legislation later, Euromontana has decided to promote a 2.0 version of its charter to further valorise mountain food

products and more specifically to stimulate development of mountains and create added value through the protection of mountain quality food products, to avoid misleading consumers by

## inappropriate use of the word « mountains » and to increase the competitiveness of traditional mountain farming systems.

This Charter notably calls upon Member States to implement this legislation on the new optional quality term and develop simple procedures for farmers to be able to use this new tool while putting in place sound monitoring systems to avoid misuse of the term and to support mountain farming by different means (notably through Rural Development Programmes). It calls upon the European Commission and the Member States to increase its support of the provision of ecosystem services in mountain areas with the development or maintenance of the greening measures. It also asks the European Commission to develop a specific agenda for mountain areas, as requested by a European Parliament Report, adopted in 2016 and written by MEP lotova.

More than 560 persons and organisations have already signed the Charter and participants were called to further support the initiative to raise more awareness on this issue. (SEE PRESENTATION HERE).

Jean-Pierre Saint-Martin, Master Chef of France and Chef of "le Viscos" Restaurant gave advise to producers on how to use well-known chefs to better valorise their products and have their products on the best tables: he suggested that some education tours might be provided for the chefs with some demonstration and some farm visits to explain the products and their "terroir", their local particularities, to sensitize the chefs to the different products; use social media to present the



Jean-Pierre Saint-Martin

production and cluster with different producers to present different products to some chiefs at the same time; invite the chefs to develop some emblematic recipes; then ask the chefs to focus on some key products each time they are on TV or radio to make the products known beyond the region. This is what happened with "porc noir de Bigorre", a special pork in the Pyrenees which almost disappeared and is now very well-known and appreciated.

Better explanation of the products is also a way to better share added value and reward the efforts made by the farmers to provide high quality products. The seasonality of the products can also be a strength as it shows the story of the region and its cultural aspect that can bring added value to the product.



Thierry Percie Du Sert

Thierry Percie du Sert, from ARPE OCCITANIE explained how the "parc" brand is developed in the Natural Park of Pyrénées Ariégeoises. Park products should comply with strict quality criteria to reflect the territory, their sustainable and human aspects. In the natural Park of Pyrenées Ariégeoises, more than 140 producers with 9 food products all in mountain areas, but also wood and a producer of Christmas trees,

are labelled with this "parc" brand. This brand has become a real reference in the local market, including for inhabitants of the region. Marketing is also undertaken on mountainous aspects on the region. A "parc" producer could meet the criteria of the optional quality scheme as the criteria as relatively close. Thus, this private label has established its own quality criteria and represents a different way to promote mountain products.

Dilyana Slavova, EESC member and President of an association of Bulgarian mountain milk producers regretted that so far, her country has not made a lot of progress in the implementation of the optional quality scheme for mountain areas. Despite a first meeting organised in September 2017, Bulgaria is more in a waitand-see attitude and looking at what has been done by the neighbouring countries before implementing the legislation itself. Ms Slavova also called upon the European Commission to go one step further and **develop a common brand with an EU logo** to give more visibility to the optional quality scheme for mountain products.



Dilyana Slavova

She stressed the need to have enough budget for the CAP in the future MFF (multi financial framework) and especially to have **enough RDP** (**Rural Development Programmes**) **measures for Areas with Natural Constraints**. The focus should be put more on mountain areas and the work done by the EP report of Ms lotova, and the RUMRA intergroup goes into the right direction. Bulgaria will have the Presidency of the EU at the beginning of 2018 and Ms Slavova is trying to integrate a mountain priority, with, in particular, some workshop at the beginning of March on vulnerable areas.



Branka Tome

Branka Tome, Deputy Head of Unit, DG Agri, in charge of Geographical Indications reminded the participants that **mountain products are the only optional quality scheme**, but this is an EU quality scheme, such as PDO, PGI, TSGs (traditional speciality guaranteed). Thus, when EU legislation is speaking about support to quality schemes, mountain products are automatically eligible. As such mountain products are eligible for the

**information policy measures** about the CAP (if quality schemes are selected) and can be supported through the **promotion policy** implemented since 2014. This promotion programme has some substantial increases for quality schemes in 2018 and the next call will be published at the end of January or beginning of February for a submission by April. In addition, mountain products can be supported through the **Rural Development Programmes** as quality schemes are eligible for support for information and communication activities. Thus, the EC representative encouraged the participants to use these three different possibilities to better valorise mountain products.

Regarding the question of having **an EU logo**, she explained that the Commission did not receive any mandate from the Council and the Parliament to develop a logo and in addition the optional quality scheme was supposed to be a very simple scheme to make it easier for producers, thus this explained the absence of EU logo.

She also explained that even if there are differences in the implementation of the legislation (notably regarding the derogations authorised or not in the different countries), the **mutual recognition principle** applies: if a product complies with the legislation of its country, it will be automatically recognised as a mountain product in all the other countries.

Finally, as DG Agri is expected to publish a Communication by the end of November, she stated that some measures like the focus on **digitalisation and innovation**, **on simplification and modernisation**, **on a greener agriculture and with some dedicated measures for risk management** could be particularly relevant for mountain areas.



Michel Dantin

Michel Dantin, Member of the European Parliament warned participants about the timing of the discussions: next MFF will be proposed in May 2018 and elections of the European Parliament will take place one year after in June 2019 and the Commission will be nominated in October 2019. Thus, this is not reasonable to think that there will be an agreement on the budget before 2022/2023. In addition, Mr Dantin recommended having the next CAP reform implemented only once we know the consequences of the

Brexit (especially knowing that UK is importing 2 million tonnes of meat every year, this is important to know what will be the commercial agreement between the EU and the UK). More specifically regarding mountain products, Mr Dantin encouraged the maintenance of the promotion policy and the adoption of simplification measures that could really simplify the life of farmers not only the life of the managing authorities.

To conclude, Dominique Fayel, Vice-President of Euromontana invited all participants to continue their work to support Euromontana's Charter for Mountain Quality Food Products and to continue the work to better valorise mountain products.



Dominique Fayel



Herbert Dorfmann

A cocktail reception of mountain products followed the conference. Mr Herbert Dorfmann, Member of the European Parliament opened this reception explaining to participants that the optional quality scheme for mountain products should be an opportunity to seize for the producers.



Cocktail of Mountain Porducts