

# Label regions – strategy for sustainable regional development in the Alpine region

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The current situation of the Alpine cultural landscape is characterised by a striking discrepancy between “appreciation” and “Economic Value Added”. Whereas the social appreciation of the landscape remains high, the Alpine region seems to keep losing its importance as a traditional resource of production under changed structures of Economic Value Added. This is a consequence of the economic and structural pressure on peripheral mountain regions, which has been increasing since the early 1990s, and which is expressed in the development of the population and in changes in forms of production.

At the same time, in some Alpine countries, high transfer payments have been made into mountain valleys, for example in Bavaria, Austria, Switzerland and South Tyrol, to support mountain agriculture in advance. Against this background, one should distinguish between different regional types to achieve a differentiated view of future development possibilities of the mountain regions. Basically, three paths of development can be seen. These differ in terms of how strongly dependent they are on transfers of government money.

**Intensive regions:** This highly-visited (urban) region type is characterised by intensive touristic and industrial use with extensive infrastructure (skiing areas, parashotellerie, factories, transport etc.) (Examples: Davos, Switzerland; Grenoble, France; Innsbruck, Austria).

**Shrinking regions:** These are characterised by the extensive retreat of agriculture under the tendency to abandon of settlements, and extensive or no tourist usage. (Examples: western Piedmont, Italy; Drôme, France).

**Label regions:** Oriented towards the principles of sustainable development, these areas are characterised by agriculture, intact cultural landscapes with partially traditional settlement structures, and tourism that is sustainable and close to nature. One must start from the premise that this sustainable usage type will completely disappear in the future without regulatory measures by the state in its favour, primarily because it lacks competitiveness. (Examples: Lesach Valley, Austria; Binn Valley, Switzerland; Logarska Dolina, Slovenia).

As it changes from an agriculture-dominated production area to a tourist service area, the mountain region faces the challenge to direct future regional development in such a way that sustainable developmental targets aren't only used in soap-box oratory of politicians but are actually implemented. For this, a regulatory instrument for certifying the sustainability of mountain areas and creating “label regions” is suggested. Certified label regions should receive preferential treatment in the future for the allocation of government money. Furthermore, they should especially profit from the implementation of regional sustainability strategies from the growing market for sustainable products.

Sustainable developmental targets and a certification strategy for label regions can support the development of the Alpine region in the future. The goal of such a strategy should be to procure preferential access to funding from the Alpine states and the EU to label regions that commit themselves to sustainability. At the same time, the new label is also intended to provide market advantages for its recipients, for example in tourism and in the marketing of regional quality products and quality services, including in the areas of agriculture and health.

A strategy based on label regions, which is comprehensively implemented in mountain region policies, which focuses on sustainability, and whose label is effectively marketed, can significantly increase the future prospects of structurally weak peripheral areas and their populations. The certification of a mountain area as a label area does not, however, automatically guarantee either an economic boom or sustainable development. For this, the regions and their population need the ability to innovate as well as to think and act in ways that are both sustainable and entrepreneurial. The same is true for the market: Only if the consumers recognise the added value of the Alpine label will they be ready to pay an adequate price for it. Only then can added value be created through appreciation.