



► **Commission des Iles CRPM** ►

► **CPMR Islands Commission** ►

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34th Annual Conference of the CPMR Islands Commission

22 & 23 April 2014, Rhodes (South-Aegean, Greece)

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Commission des Iles ▶ Islands Commission ▶ Ö-kommissionen ▶ Επιτροπή των Νησιών
Comisión de las Islas ▶ Comissão das Ilhas ▶ Commissione delle Isole
Saarte Komisjon ▶ Kummissjoni ta'Gúejjer ▶ Ø Kommission

34th Annual Conference of the CPMR Islands Commission

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FINAL DECLARATION

The Island Region Authorities gathered in Rhodes (South-Aegean) on 22 and 23 April 2014 in the framework of the 34th Annual Conference of the CPMR Islands Commission:

Azores (PT), Bornholm (DK), Gotland (SE), Gozo (Malta), Ionia Nissia (GR), La Réunion (FR), Madeira (PT), Notio Aigaio (GR), Orkney (UK), Saaremaa/Hiiumaa (EE), Orkney (UK), French Polynesia (FR), Shetland (UK), Western Isles (UK)

Thank the South-Aegean Region for hosting their annual conference.

Adopt the following Declaration:

Cohesion Policy

The drafting and implementation process for EU Cohesion Policy 2014-2020 is arousing a certain sense of frustration among the island regional authorities both in respect of its form and content:

- Because the innovative proposal initially backed by the REGI Committee of the European Parliament - namely to take into account serious and permanent geographic and demographic handicaps suffered by Member States as one of the criteria for allocating Structural and Investment Funds between these States - has never been taken into consideration, nor has it come under any serious discussion, whereas such a provision would have contributed greatly to effectively implementing the provisions of Article 174 the Treaty;
- Because although different Member States have ultimately benefited from additional allocations that could possibly help them to meet the needs of their islands (especially Malta and Cyprus where this allocation is clearly warranted on account of the handicaps related to their insularity – something that is greatly welcomed), the fact remains that generally speaking, there has been no clear and objectively based specific approach to the island issue;
- Because significantly, further to the European Council Conclusions of February 2013 stressing the need to pay particular attention to the islands in the payment of additional special allocations for certain territories, there has been no budget allocation and so these conclusions have gone unheeded;
- Because various amendments of particular interest for the islands, such as abolishing the 150km limit for cross-border cooperation in the sea basins or relaxing the rules on thematic concentration for island territories, have come up against constant opposition, especially from the European Commission;

- Because final ratification of Cohesion Policy by Parliament was by way of a block vote, preventing any discussion of amendments in plenary, a questionable procedure that does nothing to build up European citizens' trust in the democratic functioning of the EU institutions;
- Because, finally, the provisions of the COREPER agreement on Partnership Agreements of 19 December 2013, which included an analysis of territorial difficulties and explicitly mentioned the situation of territories with permanent handicaps, were radically watered down in the Code of Conduct published much later by the Commission (February 2014) and in the form of a delegated act. This has led to the situation of the islands being marginalised or even ignored in the Partnership Agreements submitted by some States.
- Because there is once more limited reference to Article 349 of the Treaty, at a time when EU policies are being adapted to the specific characteristics of the Outermost Regions. The expected political commitment in favour of a real EU Policy for Outermost Regions has not been reaffirmed.

These different observations lead the island regional authorities to engage without delay in a fight to gain recognition of geographic and demographic handicaps in the forthcoming programming policy. This recognition should be based on clear criteria and a transparent procedure, while meeting the objectives laid down in Articles 170 and 174 of the Treaty for island Regions and Articles 349 and 355.1 for Outermost Regions and in accordance with the principles of subsidiarity and proportionality.

In this respect, the island regional authorities consider that the situation of the islands cannot be assessed solely on the basis of criteria such as GDP/capita or unemployment - indicators whose shortcomings have been demonstrated on repeated occasions.

They urge the EU institutions to begin a long-term reflection on the use of new statistical indicators to objectively assess the effects of geographic and demographic territorial handicaps in addition to the current indicators used.

In particular, they want:

On the one hand, statistical indicators to be drawn up designed to take better account of the additional costs incurred in terms of infrastructure spending (especially in the framework of TEN-T, TEN-EN and TEN-C) by States in which a significant part of the territory is beset by geographic or demographic handicaps;

On the other hand, the reduced competitiveness of territories (rather than their lower level of productivity) to be a key factor in allocating Structural and Investment Funds.

- In this respect, the island regions point out that the Regional Competitiveness Index developed by the European Commission (Joint Research Centre and DG REGIO) shows very clearly the lagging-behind suffered here by islands in comparison with the EU average, while these same lagging-behind tends tend to be underestimated, or even obscured by their GDP figures.
- They therefore ask the EU Institutions to continue working on this index, but where necessary, moving down to a statistical level below the NUTS II level, to avoid a large number of islands (particularly in the north of the European Union) being included in mainland groupings whose situation is unrelated to their own (e.g. the island of Bornholm with the capital Region of Hovedstaden, etc.).
- They note that the definition of competitiveness as stated in the EC study ("*Regional competitiveness can be defined as the ability to offer an attractive and sustainable environment for firms and residents to live and work*") can be compared with the findings of the ESPON study entitled "Euroislands". They believe that the purpose of Cohesion Policy should be precisely to increase the attractiveness of island territories through flexible instruments tailored to their actual circumstances.

State Aid Regime

The island Regions note the wide variety of ways in which the Commission addresses the issue of islands in relation to the various guidelines on State Aid.

The structural, permanent and combined handicaps suffered by Outermost Regions justify a differentiated treatment in respect of State Aid. These adaptations should be affirmed in the sectoral policy frameworks by referring systematically to Article 107.3a.

They welcome the fact that the recent guidelines on State Aid for airports and airlines define without any hesitation all the islands of the European Union, including small island states, as remote regions in the same way as outermost regions and sparsely populated areas. This shows that if there is a political will, there is no particular issue as far as establishing a definition is concerned to come in the way of implementing a differentiated policy for the islands. Similarly they welcome the fact that these Guidelines give the islands more flexible provisions for start-up aid for new air routes and increased intensities of investment aid for airports in these territories, and also that they authorise operating aid unlimited in time for airports operating as part of a Service of General Economic Interest.

However, they strongly regret that in respect of regional State Aid, there is no differential treatment for the situation of the islands (except for an already existing special definition with regard to statistical zoning). Similarly, they regret that the ceiling of the so-called “*de minimis*” aid has remained unchanged since 2006 – which, due to inflation, translates as a significant reduction in real terms.

Similarly, they regret that despite the observations made by the CPMR during the public consultation on the draft, the Guidelines on environmental protection and energy, which speak of “the specific handicaps of assisted regions” (point 23), define these assisted areas solely on the basis of eligibility under Articles 107.3 a) and 107.3 c) of the Treaty. They recall that Articles 170 and 174 of the Treaty contain a general reference to geographic handicaps, whereas the map of assisted areas under Articles 107.3 a) and 107.3 c) excludes from this scope a certain number of island regions.

Nevertheless, they welcome the fact that the aforesaid Guidelines now recognise (as was pointed out by the CPMR) the impossibility to undertake a meaningful bidding process in a number of circumstances which are characteristic of islands, that there might be market failure for infrastructure investment in certain areas, or that standard balancing responsibilities may also prove to be impossible.

Tourism

The Island Regions acknowledge and welcome the conclusions of the European Commission’s Communication entitled “A European Strategy for more Growth and Jobs in Coastal and Maritime Tourism” (COM (2014) 86 final), which among other things refers to insularity and remoteness.

They welcome the proposals included in this Communication, and ask the European Commission to:

- Support the creation of a Federation of Island Tourist Offices to serve as a platform for cooperation and exchanges of good practice between professional bodies of the various EU islands;
- Support a cooperation programme to promote island cultures;
- Support actions where necessary to collect statistical data allowing for a more detailed and focused approach to island tourism markets;
- Support initiatives or projects based on the principle of sustainable development and which aim at the regeneration of currently tired and dilapidated coastal tourism areas;
- Support the inclusion of the Indian Ocean basin, and consequently the European outermost regions in this area, in the strategy for the development of coastal and maritime tourism.

Culture

The Island Region Authorities:

Whereas Article 151.4 of the European Treaty urges the Union to take into account culture in all its actions so as to encourage respect and promote diversity,

Whereas recognition of Europe’s cultural diversity aids mutual understanding between people, social inclusion and mutual enrichment and staves off the latent inclinations towards racism, xenophobia and withdrawal into self-identity,

Whereas the European islands represent a wealth of forms of cultural expression (drama, dance, music, literature, publishing, cinema, audio-visual industry), and consequently, the preservation of cultural heritage and the conservation of archaeological remains should be valued and supported by Europe.

Whereas, furthermore, culture has an undeniable economic dimension and can help to create many jobs, and the sea is what links all island peoples,

We propose that a festival of island maritime cultures should be organised annually in order to showcase the maritime heritage of each island and promote innovative cultural industries.

Agriculture

The Island Regions acknowledge the conclusions of the European Commission's Report on the case for an optional quality label "product of island farming" (COM (2013) 888 final).

These conclusions recognise that while the creation of such a label has some advantages, it also has several drawbacks, and does not therefore constitute a significant advance over existing provisions.

Nevertheless, they do ask the Commission to reconsider the usefulness of such a label, in an adapted format, where the islands would be used as "safe areas" in order to protect island production in the event of epidemics or outbreaks of epizootic diseases on the European mainland.

Maritime Policy

At a time when 90% of world trade is carried by sea and where the blue economy has become a global geostrategic issue especially as regards renewable energy, it is important for European islands to make their voices heard among the EU authorities with regard to maritime strategy.

- Whereas we have joint responsibilities and are obliged to combine two essential requirements - preservation and development - where we need to protect the most outstanding natural areas and at the same time ensure we give the right place to economic activities by making our territories centres for research spearheading innovation in ocean sciences,

The Island Region Authorities:

- Whereas our islands provide all the conditions for a maritime economy that can create wealth and a great many jobs, including for mainland Europe,

- Whereas all the major powers have now realised that the sea is humanity's largest pool of resources (energy, food, medical and mineral resources),

- Whereas it is our duty to prepare the future of our territories and it is certain that this future lies deep in the oceans,

We propose to implement a sea basin Maritime Policy oriented towards the islands and translated in practice by the creation of an Island Maritime Institute for Ocean Research and Technologies.

Each European maritime Region will have the chance to become an area of application for industrial eco-innovation, for marine renewable energy, etc.

We urge the European Commission to become aware of the need to recognise the islands as strategic centres capable of fulfilling the European Union's maritime destiny.

Adopted unanimously

RESOLUTION ON SMART ISLANDS

Whereas 65 European island authorities have signed the Pact of Islands and have developed Island Sustainable Energy Action Plans (ISEAP),

Whereas the implementation of green sustainable investments is often faced with barriers due to multi-level governance problems,

Whereas there is a need to promote the cooperation, joint efforts and achievement of island communities with the view to facilitate local economic growth and investments, maintain a high quality of life,

The CPMR Islands Commission:

- Endorses the concept of “Smart Islands” as a vehicle for promoting a brand name for Islands that excel in developing and implementing intelligent and innovative solutions in priority areas of local sustainable growth, such as :
 - o Sustainable tourism;
 - o Sustainable energy production and use;
 - o Sustainable transport;
 - o Sustainable waste management and water solutions.

Adopted unanimously

ADMINISTRATIVE DECISIONS

Forthcoming meetings

Umeå (24 September 2014)

A mini-assembly of the Islands Commission shall meet on 24 September 2014 in the framework of the CPMR General Assembly in Umeå.

The date and venue for the 35th General Assembly shall be fixed on this occasion.

Implementation of the resolution on tourism

Gozo proposed to the Assembly to take the initiative to work on the implementation of the resolution on tourism, in particular the creation of a Federation of Island Tourist Offices.

Election of the President and the Bureau of the Islands Commission

The Governor of the South Aegean Region, Mr Ioannis MACHAIRIDIS is unanimously elected as President of the CPMR Islands Commission for one year.

The following list of members of the Islands Commission Political Bureau is adopted. This list will be completed during the meeting of the Islands Commission to be held in parallel with the CPMR General Assembly in Umeå (24 September 2014).

List of the Political Bureau (Elected in Rhodes, April 2014)

- **President**

Ioannis MACHAIRIDIS, Regional Governor, Notio Aigaio / South Aegean (GR)

- **Vice-Presidents**

CYPRUS

Ermis KLOKKARIS, Chief Town Planning Officer, Department of Town Planning and Housing (CY)

DENMARK

Winni GROSBØLL, Mayor, Bornholms Regionskommune (DK)

ESTONIA

Kaido KAASIK, Mayor, County Governor, County Government of Saaremaa (EE)

FRANCE

Didier ROBERT, President of the Regional Council of La Réunion (FR)

ITALY - To be nominated

MALTA

Anton REFALO, Minister of State, Ministry for Gozo (MT)

PORTUGAL

Alberto J.C. JARDIM, President, Governo Autónomo da Madeira (PT)

SPAIN

José Ramón BAUZÁ DÍAZ, President, Govern de les Illes Balears (ES)

SWEDEN

Åke SVENSSON, County Mayor, Gotlands Kommun (SE)

UK

Steven HEDDLE, Convener, Orkney Islands Council (UK)