



▶ **Commission des Iles CRPM** ▶

▶ **CPMR Islands Commission** ▶

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33rd Annual Conference of the CPMR Islands Commission

20/21 June 2013
Cagliari (Sardinia, Italy)

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FINAL DECLARATION

The island regional authorities gathered in Sardinia on 20 and 21 June 2013 in the framework of the 33rd Annual Conference of the CPMR Islands Commission, whose name follows:

Baléares (ES), Bornholm (DK), Faroe (Observer - DK), Gotland (SE), Gozo (Malta), Ionia Nissia (GR), Kriti (Observer-GR), Madeira (PT), Notio Aigaio (GR), Orkney (UK), Saaremaa/Hiiumaa (EE), Sardegna (IT), Shetland (UK), Sicilia (IT), Western Isles (UK)

Sincerely thank the autonomous Region of Sardinia for hosting their annual conference.

Adopt the following Final Declaration:

Given that negotiations on the future cohesion policy are still in progress, that key points in the Common Strategic Framework Regulations are still the subject of heated discussions between the Council, Parliament and Commission, and that various regulations on the state aid rules are pending publication, it is clear that for the time being the islands are only able to make a partial assessment of the situation.

1. This is that, despite some significant advances, the way territorial realities and above all territorial diversity within the EU is being taken into account is still a far cry from what might have been expected following the adoption of Article 174 in the Lisbon Treaty. In point of fact:
 - The EU budget has been cut drastically by the Council, particularly as regards cohesion policy which for the 2014-2020 period has dropped from 339 to 325 billion euros, with a reduction of 14% for the transition regions and 11% for the more developed regions.
 - Despite the European Parliament representations and the European Council conclusions of February 2013, which had asked to take into consideration the situation of the islands, no specific budget allocation has been earmarked for these territories in the draft EU budget.
 - The additional allocation for outermost regions has decreased from €35 to €30/annum/capita in relation to the current programming period.
 - Despite steps taken by the Council and European Parliament, the Commission has persisted in its determination to apply to the islands the maximum limit of 150km which defines maritime borders eligible for "cross-border cooperation" actions, thereby denying many island territories (which nevertheless are intrinsically border territories) access to nearly $\frac{3}{4}$ of the funds available for territorial cooperation.
 - In addition, with regard to State aid, despite the CPMR's repeated efforts to petition the European Commission and regardless of support from the EP's Regional Development Committee (Vlasak Report), the draft Regulation on regional aid guidelines has failed to include any new provision for the islands. In practice, this will result in absurd situations, such as an isolated and sparsely populated archipelago, Shetland, falling into the "non-assisted region" category alongside the major economic centres of the EU. Similarly, we note in the new RSA Regulation that the ceiling on assistance rates has been reduced by 5 points in the outermost regions, in spite of the provisions set out in Article 349 of the Treaty.
 - Similarly, the Commission's proposals on the future "*de minimis*" aid Regulation (an instrument particularly well suited to the needs of island economies which are dominated by SMEs) plan to freeze the ceiling for this type of aid at the level that was set in 2006 (i.e. €200,000 / 3 fiscal years), which, given inflation, could mean an actual reduction of over 30% by 2020.

2. Of course, the island Regions can praise the fact that, thanks to the support of the European Parliament and certain Member States, some progress seems about to be made in some areas:
 - In this respect, they welcome, in the framework of the Common Strategic Framework Regulations, the COREPER agreement reached in December 2012 on partnership agreements, which specifically mentions the need to adopt an integrated approach for territories beset by permanent geographic and demographic handicaps.
 - Similarly, with regard to thematic concentration, they hope that the future ERDF Regulation will grant them some flexibility in the use of funds, as requested by the European Parliament.
 - They also applaud the fact that the Council has acknowledged the difficulties faced by small island states and that these will receive an additional allocation.
 - Finally, the island regions welcome Commissioner Ciolos's open approach to the issue and the various provisions of the future CAP, which could helpfully contribute towards developing and promoting produce from island agriculture.
3. Nevertheless, the general impression we get from the current negotiations is one of a token implementation of the provisions of Article 174 of the Treaty, particularly those concerning the islands, and a regrettable lack of ambition when it comes to the means deployed to address the issue of regional disparities within the EU.
4. The island regions therefore call on the European institutions to react to the temptation of a 'lowest common denominator' Europe, which ignores its geographical diversity and is reticent towards any approach that would help to effectively implement the territorial component of cohesion policy.

Consequently, they ask that:

- the provisions of the COREPER agreement of December 2012 on partnership agreements do not go unheeded by the Commission or the States, and that the islands be fully involved in developing an integrated approach in the future programming policy;
 - the future ERDF Regulation allow all the EU Island Regions, be they at NUTSII or NUTSIII levels, to benefit from a degree of flexibility in the use of funds, thus balancing the need for thematic concentration with the need for islands to support other projects related to the constraints stemming from their insularity;
 - the Budget Committee of the European Parliament and the European Commission approve the proposed pilot project "Strategy 2020 and island territories" [Cf. Appendix on page 4], with a view to applying the Council Conclusions of 8 February 2013 relating to the islands;
 - the European Commission take into account the observations of the Vlasak Report on the specific circumstances of the islands when drafting the future regulation on "*de minimis*" aid. The island regions believe that, given the additional costs related to island status, the lack of economies of scale and the small size of their local market, it is unlikely that market distortions can result from specific measures being applied to them, **such as applying a differentiated, higher, ceiling of de minimis of €500,000/3 years or by excluding EU subsidies from the calculation of the authorised ceiling** ;
 - Finally, in the long term, the islands want the proposal to take into account geographical and demographic handicaps when allocating CSF funds between the different Member States, as put forward by the Regional Development Committee of the European Parliament, to be studied in detail without delay with the aim of developing objective criteria, rather than it being the subject of last-minute bargaining when the negotiations on the next programming period come around.
5. In conclusion the EU Island Regions ask the Government of the Hellenic Republic, which will be holding the EU Presidency in the 1st half of 2014:
 - to support the aforementioned objectives
 - to foster initiatives in favour of the islands in all fields of EU policies with a strong territorial impact
 - to work, more generally, for an effective implementation of the provisions of Article 174 of the EU Treaty.

Adopted unanimously

EUROPEAN PARLIAMENT

Draft Budget of the European Union for the financial year 2014

Title: Pilot project: Strategy 2020 and Island territories

PRELIMINARY PROPOSAL
FOR PILOT PROJECTS OR PREPARATORY ACTIONS
(TO BE CONFIRMED BY BUDGETARY AMENDMENT IN SEPTEMBER)

TABLED BY (Name, Political Group, Committee): Contact info: francois.alfonsi@europarl.europa.eu

Name: François ALFONSI, Verts-ALE, REGI Committee

Jean Jacob BICEP, Verts-ALE, REGI Committee

Nikos CHRYSOGELOS, Verts-ALE, REGI Committee

Section III: Commission

	Commission Draft Budget 2014		EP Amounts	
	Commitments	Payments	Commitments	Payments
Budget Line N° & Heading: 13 03 XX FONDS EUROPEEN DE DEVELOPPEMENT REGIONAL ET AUTRES INTERVENTIONS REGIONALES				
Appropriations			500 000	500 000
Reserve				

NOMENCLATURE: (delete unused option)

a) Create the following new line (PP): 13 03 XX Strategy 2020 and Island territories

REMARKS: (delete unused option)

a) Add the following:

In the Council conclusions of the 8 February 2013, point 44 regarding Regions with a strong structural handicap stipulates that "The special situation of island regions also needs to be taken into account".

The pilot project proposed is to conduct a thorough analysis of territorial development constraints in island areas covered by Article 153 of the TFEU:

- *Limited and expensive accessibility;*
- *Overcost in the provision of infrastructure and services;*
- *Lack of economies of scale;*
- *Market size limitations for the local industries;*
- *General economic, social, environmental and cultural vulnerability.*

The objective of this in-depth study, through operational recommendations, is to encourage the implementation of the 2020 Strategy in Island territories.

RESOLUTIONS

II.1

RESOLUTION ON THE PACT OF ISLANDS (Resolution presented by Western Isles)

The European Island Regional Authorities gathered in Sardinia on 20 & 21 June 2013:

Consider that they have both a moral duty as well as a vital interest to contribute actively to the efforts to reduce greenhouse gas emissions as proposed by the European Union.

Consider that they have the potential to make a significant impact upon the EU's effort in combating the causes of climate change not only by fostering a better use of energy resources in their territories, but also by developing their, sometimes considerable, renewable energy potential. This potential should be considered as one of their key assets, both on economic and environmental grounds; as well as a means to implement the objective of territorial cohesion as set out in Article 174 of the Treaty.

Recognise the achievements of the 64 Pact of Islands signatories who have developed more than 55 Islands Sustainable Action Plans (ISEAPs) and 56 Bankable project proposals

Note that if the 56 identified bankable projects are implemented by 2020, they will achieve an 18 million tons of CO₂ emissions reduction, equivalent to 24% reduction compared to the 1990 emission levels and better than the 20% objective set up by the EU for 2020.

Note that Pact of Island signatories will continue to receive support from recognised island networks such as ISLENET and SMILEGOV and that these networks will continue to build expertise and capacity among islands, thereby increasing the number of Pact of Islands signatories to over one hundred. These wider services are not available as part of the Covenant of Mayors Office (COMO) mandate.

Appreciate the January 2012 Declaration of the European Parliament, asking the European Commission to consider the Pact of Islands as a European Initiative parallel to the Covenant of Mayors (CoMO).

Appreciate on the other hand the European Commission's view point that all Regional and Local authorities undertaking should be made under CoMO.

The European Island Regions wish to stress that they share and support the goals of CoMO and to contribute to those actively. However they note that CoMO's mandate and structure do not provide the specific attention, means and services which the islands require.

Therefore they ask the European Commission to consider support for ISLEPACT and its related initiatives as fulfilling the need for islands to benefit from complementary tools to CoMO, and not as a desire to create a substitute to CoMO

They congratulate all 64 Pact signatories for their achievements in developing ISEAPs and green projects that are expected to drastically reduce their CO₂ emissions over and above the 20-20-20 EU targets

They **encourage** all other European island regions and municipalities to cooperate with recognised island networks such as ISLENET and SMILEGOV and to sign the Pact of Islands, if they have not already done so.

Adopted unanimously

RESOLUTION WITH REFERENCE TO THE ARTICLE 174

(Resolution presented by the Scottish Islands: Orkney, Shetland, Western Isles)

The Islands Commission expresses its support for the recent initiative of the islands of Scotland to seek formal recognition of their status within the constitutional framework, with reference to principles of art 174 and of subsidiarities.

Adopted unanimously

ADMINISTRATIVE DECISIONS

Forthcoming meetings

WORKSHOP ON TRANSPORT

The Islands Commission will organise its forthcoming workshop on transport on 30 and 31 October 2013, at the invitation of the Balearic Islands and the focus of this workshop will be air transport.

GENERAL ASSEMBLY OF THE ISLANDS COMMISSION

The 34th General Assembly of the CPMR Islands Commission will be held in spring 2014 in Rhodes at the invitation of Regional Governor of South Aegean, Mr Ioannis MACHAIRIDIS.

The Political Bureau of the CPMR Islands Commission

Election of the President of the CPMR Islands Commission and the Political Bureau

The President of Sardinia Region, Mr Ugo CAPPELLACCI was re-elected President of the CPMR Islands Commission for one year.

The list of the members of the CPMR Islands Commission Political Bureau was adopted.

This list will be completed during the meeting of the CPMR Islands Commission that will be held in the framework of the CPMR General Assembly in Saint-Malo (25 September 2013).

List of the Political Bureau (Elected in Cagliari, June 2013)

- **President**

Ugo CAPPELLACCI, Presidente della Regione Sardegna (IT)

- **Vice-Presidents**

DENMARK

Winni GROSBØLL, Mayor, Bornholms Regionskommune (DK)

ESTONIA

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

FRANCE - To be nominated

FINLAND - To be nominated

GREECE

Ioannis MACHAIRIDIS, Regional Governor, Notio Aigaio / South Aegean (GR)
Alternate: S. Spyrou, Regional Governor of Ionia Nisia

MALTA

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

PORTUGAL - To be nominated

SPAIN

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

SWEDEN

Åke SVENSSON, County Mayor, Gotlands Kommun (SE)

UK

Steven HEDDLE, Convener, Orkney Islands Council (UK)
