



## SPEECH BY GILLES SIMEONI TO THE GENERAL ASSEMBLY OF THE CPMR ISLANDS COMMISSION

MADEIRA – 18 OCTOBER 2018

(Only the speech as made may be considered authentic)

Dear colleagues,

I would like to update you on the work being carried out by our Islands Commission, and on the reactions of the CPMR and the European institutions, so that we can structure our contribution – on a formal level – to the debates of the General Assembly in order to ensure that the voice of the Islands Commission is heard and taken into account.

To come straight to the point, we are fully aware that we are at a turning-point in the process of European integration; one which could – unless we take remedial action – prove to be very negative for the islands regions we represent.

I am not going to talk yet again about the structural difficulties facing the European Union at the political, institutional and economic level or at the level of the European vision and project. I am not going to talk about this except to state once again that this general political context is leading, in some countries, to a calling into question of the willingness to join together in a partnership in order to achieve a common goal; a challenging not necessarily of the principle of belonging to the European Union, but of the objective values and fundamental principles which comprise the Union. This context undeniably presents an objective difficulty, including for us, as islanders who are also committed European citizens.

The Vice-President of Sicily, Mr Armao, showed me the results of a poll in which only 44% of Italians said they were in favour of their country being a member of the EU. This illustrates some of the fundamental difficulties we are facing.

That's all I want to say about the general context.

As for what concerns us more specifically, I have to say that the concerns are exactly the same. And I say this very seriously, in the strongest terms, having carefully weighed my words.

The Islands Commission is working well and perhaps could work even better and I will have some proposals to make on this subject.

We held a two-day meeting in July, at the end of which we unanimously adopted a Declaration which was carefully crafted and strongly worded both technically and politically. The time has come to see whether our efforts have been sufficiently taken into consideration. And this is where I wanted to share my concern with you. It is not that there has been no progress; there has been some, thanks to our efforts and thanks to the fact that certain European bodies listen to us more than others, in particular the European Parliament, which pays very close attention to what the island regions have to say. However, overall, just a few months away from a crucial date, I have to say that I think that the island dimension is not always recognised as fully as it could be by the European institutions and

in the public policies they implement. I would like to demonstrate this to you with regard to the four main priorities we are discussing, because there are four main themes in the policy areas we have addressed:

- cohesion,
- transport,
- energy, the environment and climate,
- sustainable tourism.

Concerning the first policy area, the European Union's **Cohesion Policy**, this policy is one of the fundamental pillars of the Union. We know that this policy will be significantly challenged, in particular due to Brexit. May I remind you that the main principles that have been decided on are, overall, not favourable to us, given that the budget for European territorial cooperation will be reduced from 10 billion to 8.4 billion euros. This is not just about figures. Overall, this planned 10% financial reduction will have an automatic knock-on effect on your regional budgets and you will have to make politically difficult choices in all your basic areas of activity. And a direct result will be that we – who are elected to defend our islands, our territories, our population, even our peoples – if we give the impression that we are just going to accept this without doing anything to reverse or significantly curb these dangerous trends, than we will, naturally, and quite legitimately, find ourselves challenged.

On the important question of territorial cooperation, on which my Executive Councillor, Nanette Maupertuis has been working for a long time in the COR, there are positive aspects and more worrying aspects.

**Cross-border cooperation** first of all, with a budget of 4.4 billion euros. This strand of cooperation policy is today intended to concern terrestrial cross-border cooperation only very broadly. Islands, unless they have a physical link to the mainland, are in danger of being excluded from the new provisions. This is a key point on which we need to be vigilant, all the more so given that the second strand, **transnational cooperation**, will from now on cover not only cooperation between countries – there are no changes here – but also cooperation between islands. There is a second point of concern in relation to this second strand: inter-island cooperation will no longer be possible in a direct island-to-island form. It is intended to be organised at the scale of the large sea basins, and will therefore principally concern mainland regions. If this trend is not curbed, then interregional cooperation will lose one of its key elements – our inter-island cooperation. We are, of course, continually looking to build strategic partnerships with mainland regions, but it is also absolutely essential that we develop inter-island networks and links. Accepting that territorial cooperation no longer covers – or may no longer cover – inter-island cooperation would be a significant step backwards. There is, within territorial cooperation, a new strand devoted specifically to the outermost regions, with a proposed budget of 270 million euros. This is an important step forward. I am pleased for these peripheral and ultra-peripheral regions that this new strand of territorial cooperation is due to be approved.

A final word about the final strand – **interregional cooperation** in the narrow sense – the INTERREG EUROPE programme, which historically has been the most important pillar of interregional cooperation. I would remind you that this is the strand that is most impacted, since there is an 83% reduction in the interregional cooperation budget, which is a very drastic reduction. If we accept this step backwards in interregional cooperation, we are not doing what we should be doing.

Lastly, concerning the fifth strand, the creation of **interregional technology platforms** for innovation. We are all in favour of this initiative, with its budget of one billion euros. Some regions have become

involved already, notably through the “Vanguard” initiative. It will be necessary to make sure that this budget envelope can benefit all the island regions in a fair manner, because innovation is a decisive factor in growth and development for all our regions.

As far as this first pillar is concerned, we had called for

- i) a maximum level of flexibility for the islands;
- ii) a budget at the same level, or increased;
- iii) the formal recognition of the island dimension, if possible in all the EU’s public policies and if not then at least in the principle public policies.

Today, we see a growing recognition of the outermost regions, and this is good news. We have supported these regions and will continue to support them, because their geographical situation speaks for itself. Supporting you in a specific manner is not only consistent with the spirit of the EU, it also allows the EU to progress and have a presence in regions which are often at the confluence of two or more continents.

Having noted this, we also need to ensure that the island dimension is taken into account and I would like us – and I am very serious about this – to put the same energy into defending the outermost regions and the islands, and to see this dimension recognised first of all by the CPMR, secondly by our Member States and lastly by the EU. I would remind you that we have a legal basis for this demand. Article 349 concerns the outermost regions, but Article 174 specifically addresses the island regions, mountainous regions and sparsely populated regions. We have a legal basis on which to obtain the recognition of the island dimension and for me this, today, must be a central aim of our action. If we come out of the negotiations which are still taking place with, on the one hand as has been announced, the reduction of the overall cohesion policy budget with the strands of cohesion policy which lessen or weaken the existing provisions which have helped to maintain or develop the economies of the island regions; if we accept on the one hand a reduction in the budget and on the other hand to remain in a situation where public policies do not take account of the island dimension, you don’t need to be a genius to understand that the next programming period will inevitably be one of regression for our islands. I am well aware – and this is what our interlocutors often argue – that behind the concept of insularity there is a wide variety of different situations. There are islands in the north, the south and the west; there are islands that are developed and others that are less developed; there are islands that are hundreds of kilometres from the mainland and others that are only a stone’s throw away, some that have a few thousand inhabitants and others five million. This is all true. But it’s also true that, everywhere in Europe and irrespective of the differences between situations, insularity automatically implies – and this has been scientifically observed – a certain number of distortions and structural difficulties that EU policies must systematically take into account. I would like to cite a report from the Corsican Chambers of Commerce and Industry which estimated the annual cost of insularity for Corsica at between 800 million and one billion euros. This is the difference between economic actors located on the mainland and economic actors or households located in Corsica – which is not even a peripheral, let alone an ultra-peripheral, island. Our States and the European institutions need to understand this! I am going to propose that we transpose this method and that we seek together to define the criteria which will enable us to objectively describe the constraints implied for our regions as a result of their insularity.

To finish up on this essential point, we need to speak out and we need to speak with one voice as the Islands Commission. We are only 20 out of 150, but we are 20 and it is not possible to not listen to what nearly 20 million European island citizens have to say. And you are their representatives in this Commission.

So we must speak with one voice!

i) We must speak with one voice to our mother organisation, the CPMR. This General Assembly must be the one that sees collective commitment and mobilisation at this pivotal moment. As part of this collective mobilisation, I propose that the Islands Commission forcefully reaffirms the necessity of having our needs and our expectations taken into account;

ii) Vis-à-vis our Member States, which are often busy with extremely complex and important questions. But we need their help and support in the context of the current negotiations taking place in the EU; we need to ask the Member States on which we depend to clearly state, as individual states and as a group of states, that the islands need and (under TFEU Article 174) have the right to special treatment in European public policies.

iii) Third and final level: discussions with the EU, the Parliament and the Commission. What holds for the Cohesion Policy also holds for the other three policy areas which I will talk about briefly so as to keep within the time allocated to me.

**Transport.** I would like to focus on this point in particular. An island cannot have economic growth, and I would go as far as to say that it cannot survive, if it does not have the broadest possible control over its maritime and air transport. This is a crucial issue for us. Is it sufficiently taken into account by the European Union? I think not. We need to reflect on this. Let me take an example, that of the Connecting Europe Facility (CEF). This facility includes a certain number of islands and excludes others. (Corsica, for example, is not in the corridors selected by the interconnection project in Europe and this is not acceptable). Our position is a reasonable one. We are not asking Europe to finance structural infrastructure and infrastructure that will have a structuring impact and which, thanks to a trickle-down effect, will impact all the island regions. That is not economically viable. However, what we do need, if we are not included in the comprehensive mechanism, is that we are allowed to link into it and that, for example, projects that we can carry out together – such as projects for air services – can be adjusted so that we can link in to the major transport corridors. This means that work needs to be started on changes or adjustments to be made, in particular with regard to State aid. State aid for infrastructure, such as ports or airports for which the islands do not have the funding, cannot be considered from a private initiative perspective. There are structural needs which come under the heading of public interest. In the same way, we must be able to put in place air services which link us and connect us with the major European air hubs. Here again, proposals will be made. I would remind you that in Bastia we decided to set up a Transport Task Force (TF) within the Islands Commissions. The idea is that those islands that are particularly interested would participate in the task force by making available human resources to work specifically with us. I would like to ask any islands that are interested to make themselves known.

What we need, together and individually, is a fighting Islands Commission, an Islands Commission which thinks about the issues, which innovates and proposes. That can only happen if the political decision is taken – in each of our islands, in each of our regions – to make available to the Islands Commissions the resources that will enable it to play its role. Are you prepared to do this? This is a key question. Corsica is prepared to do this. I am launching an appeal to the islands to make available the resources required for the Islands Commission to fully function.

**Third focus: energy.** As with transport, in the current context of energy transition, we cannot ensure the development of our regions if we do not work towards energy autonomy. The challenges we are all facing are broadly similar. How do we move away from fossil fuels as quickly as possible – without a break in the energy model – and move as quickly and as far as possible towards an energy autonomy based, if possible, completely on renewable energies? This is the question facing all the

islands and we need to play a leading role here. We will be talking about the projects in which we are involved and the important dates and meetings that lie ahead.

And finally a word about **tourism**. Whether we like it or not, for many islanders tourism remains a driver and a pillar of economic growth. Here again it is a question, as in the case of energy, of bringing about a change in the model. How do we move from a more or less imposed model based on mass tourism, to a model of tourism that is sustainable, part of a global vision which enables us to strengthen and optimise this resource while still integrating it in a vision that leads us to conserve our most important capital: our environmental and human capital. On this topic, there is the CIVITAS DESTINATIONS project, which we will be talking about later.

It's up to us to act; no one else will do that for us.

I began my speech by saying that I was concerned, and perhaps also, I admit, I am at times, like you, angry because of what I consider to be a failure on the part of the EU to acknowledge our expectations, our needs and our rights! Because I want to stress the fact that we are not asking for charity here. Insularity generates constraints, which give rise to rights, and this is in line with the spirit and the principles of the European Union. We are only asking for what is our right. I am worried, sometimes angry, but I am also profoundly optimistic. I believe that at this time when the EU is seeing its very principle challenged, it needs us as European citizens and island citizens. Once again, the only battles lost are those that are not fought. If we do what we have to do, I am confident and I believe that we will reverse – or at least counter – the trends, and succeed in the coming months in obtaining the measures required to guarantee the harmonious development of our island regions.

Thank you.

**Gilles SIMEONI**

President of the Islands Commission

President of the Assembly of Corsica