## 31th CPMR Islands Commission Conference

- Saaremaa, Estonia -

19/20 May 2011

### FINAL DECLARATION AND APPENDED RESOLUTION

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31th CPMR Islands Commission Conference
- Saaremaa (EE) - 19/20 May 2011

FINAL DECLARATION

1. The island regional authorities, members of the CPMR Islands Commission, gathered in Saaremaa on 19 and 20 May 2011, whose name follows:

Bornholm (DK), Hiiumaa (EE), Saaremaa (EE), Gozo (Malta), Açores (PT), Madeira (PT), Gotland (SE), Isle of Man (UK), Orkney (UK), Shetland (UK), Outer Hebrides (UK),

- First of all wish to thank the Island of Saaremaa and the authorities in charge for hosting their annual conference;
- Adopt the following Final Declaration:

2. The island regions recall that the debates currently under way on issues including the evolution of the EU budget, the future CAP, structural policy instruments after 2013 and the framework for State Aid Rules, will shape the way that the concept of Territorial Cohesion, as defined in Article 174 of the Treaty, is delivered in practice.

3. They are aware that these discussions are taking place in a particularly difficult context, with the EU in economic recession since 2008, worsening budget deficits in a number of States, or indeed pressures to limit the EU budget.

4. They nevertheless feel that despite this, there is a need to firmly recall the importance of building a Europe based on the principle of solidarity, where this solidarity is expressed on the basis of objectively recorded needs including the overriding geographic and demographic disparities that exist within the EU.

5. In this respect, the island Regions first of all consider that we need to put into perspective the importance of structural policies, by comparing their related financial figures with the funds mobilised under other solidarity-based policies. In 2009, the EU authorised Member States to introduce measures to support banks and financial institutions up to a total of €300 billion, i.e. 24% of the EU’s GDP. Similarly, funds allocated more recently as part of the recovery plan targeted at several States have so far totalled over 300 billion euro.

6. In light of these figures, they view as totally unacceptable to consider any cuts to funding earmarked for structural policies (for which the annual budget is around €43 billion), and more especially to reduce the resources allocated to regions, which, like the islands, are hardly responsible for the economic and budgetary setbacks currently experienced by the EU.
7. The island Regions draw the attention of national and EU authorities:

- To the risk which would arise from setting the EU budgetary resources for the coming years on the basis of a fixed percentage of the EU GNI, since the decrease of this GNI due to the recession will reduce accordingly the means of EU intervention.

- To the fact that the current crisis is likely to have medium or long-term effects on those territories which, like the islands, have a GDP that relies heavily on public expenditure, since the knock-on effects of the crisis and budget restrictions are likely to result in a sharp fall in investments and public-sector jobs over the coming years. However this foreseeable knock-on effect will not be reflected in the GDP per capita figures for 2007/2008 and 2009, though it is on this basis that the distribution of Structural Funds or indeed the map of regional State aid will nevertheless be drawn up.

8. This point once again confirms the remark that the island Regions have already expressed on many occasions, and for various reasons: that the indicator of GDP calculated every seven years on the basis of a three-year average fails to provide an adequate reflection of their actual circumstances.

Consequently, they consider that:

- either this indicator should be completed with other statistical instruments providing a more objective way of reflecting their specific circumstances,
- or that complementary policies or specific measures need to be drawn up that are not necessarily linked to the level of GDP.

9. It is in this perspective that the CPMR’s Islands Commission took the opportunity of the European Commission’s consultation on the 5th Report on Economic, Social and Territorial Cohesion to put forward a certain number of concrete proposals, including:

- the setting of a minimum level of intervention in island territories, equivalent to the one proposed for the so-called “intermediate” Regions, so that the overcosts which beset islands in many areas (building of infrastructure, provision of services, etc.) may be taken into account;

- the possibility of increasing co-funding levels in priority fields for the islands (such as improving accessibility, lowering energy dependency, or developing endogenous resources), in line with similar provisions in the rules on regional State aid;

- the introduction of a support instrument that would strengthen actions aimed at territorial cooperation and improving access in territories characterised by permanent geographic or demographic handicaps (islands, mountains, sparsely-populated territories). The aim of such an instrument would be to:
  a) fund the creation of permanent networks for cooperation between these territories, based on a bottom-up approach that addresses their priorities;
  b) fund cross-border cooperation, including with neighbouring countries or within a single sea basin without distance restrictions;
  c) fund start-up aid for setting up regular overland, maritime or air links with other destinations within the EU or with third countries with a view to improving their accessibility.

[For a more detailed list, please refer to the Islands Commission’s submission to the consultation]

10. In conclusion, the island Regions want the future cohesion policy to:

- help enhance their territories’ assets while taking into consideration the overcosts that this would imply;

- result from a holistic approach that covers all policies with a high territorial impact (CAP, SF and State aid);

- make it compulsory to consider in advance the territorial impact of EU policies by conducting impact studies;
acknowledge the islands as functional areas, so as to foster the emergence of a place-based policy designed to address their specific circumstances;

to adapt the State Aid Rules to give Island Authorities the necessary flexibility to apply their resources in order to foster and develop their commerce and industry to maintain its competitiveness.

11. **Finally, the CPMR’s Islands Commission:**

- Welcomes positively the conclusions of the Euroisland study carried out under ESPON and underlines that the concept of attractiveness of island territories mentioned therein is a useful one. It thanks the Greek national authorities for instigating this initiative.

- Asks the future Cypriot Presidency of the EU to draw the attention of the European Council to the issue of the islands and other territories beset by severe and permanent geographic and demographic handicaps.

- Asks the European Parliament, and especially member MEPs of the Intergroup 174, to support its proposals.

    *Adopted unanimously*

**APPENDED RESOLUTION**

**RESOLUTION ON ISLENET & THE PACT OF ISLANDS**

**WHEREAS** we recognise that local and regional island authorities share the responsibility with national governments of fighting global warming and must be committed thereto independently of the commitments of other parties;

**WHEREAS** islands are usually highly dependent on imported fossil fuels, having constraints in accessing continental energy networks and faced with higher fuel costs, which is a constraint for socio-economic development, but also an important opportunity for research and demonstration on renewable energies and energy efficiency actions;

**WHEREAS** insular territories are more vulnerable to climate change because of the high value of the biodiversity and because of their more fragile ecosystems;

**WHEREAS** local and regional island authorities, representing the closest administration to the citizen, need to lead action and to set an example;

**WHEREAS** many of the actions, on energy demand and renewable energy sources, necessary to tackle climate disruption fall within the scope of competence of island authorities, or would not be attainable without their political support;

**WHEREAS** renewable are in abundance in European islands and their development can have a significant impact on alleviating islands’ permanent structural handicaps and can provide significant socio-economic benefits to islands;

**WHEREAS** ISLENET, the European Islands Network for Energy and the Environment has played an important role in promoting, preparing and implementing the ISLE-PACT project.
The European Island Regional Authorities:

- 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 climatic 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 Consolidated Version of the Treaty on the Functioning of the European Union (2010/C 83/01).

- Appreciate the efforts of ISlenet in securing the funding, preparing and implementing the ISLE-PACT project.

- Recognise that the purpose of the Pact of Islands is to strive to go beyond the objective set up by the EU for 2020, reducing the CO2 emissions in their respective territories by at least 20%.

In order to achieve this purpose there is a need:

- To obtain the political commitment of participating island authorities to achieve the objectives of the “Pact of Islands”, a voluntary agreement similar to the Covenant of Mayors, promoting sustainability in island communities;

- To plan for
  - the preparation and implementation of Island Sustainable Energy Action Plans and
  - the preparation, financing and implementation of bankable projects.

- To mobilise the civil society and other key stakeholders in our islands to participate in the development of the Action Plans and related bankable projects;

- To undertake various actions to promote these Action Plans and their implementation.

- Congratulate the 48 Insular Authorities that have made the political commitment to pursue the objectives of the Pact of Islands by signing it in Brussels on 12 April 2011 and actively supporting it.

- Declare that to fulfil such a commitment they expect the EU and National authorities:

  - To continue providing the political and financial support bearing in mind, especially in the Cohesion Policy, the extra costs associated with the building of infrastructure and the implementation of policies in isolated and remote territories such as islands

  - To implement actively the provisions of article 170 of the Treaty of the European Union regarding Trans-European Networks, and the need to link islands and peripheral regions to the more central regions of the Community.

  - To consider a balanced approach where the reduction of CO2 emissions is a priority.

    - Appreciate the efforts of the European Parliament which through the March 2007 Declaration (The Musotto Declaration) secured the necessary resources for the ISLE-PACT project and the Pact of Islands initiative. We recognise, however, that these resources will only be able to provide financial support for the Pact of Islands objectives until July 2012 whereas there is a need to continue the initiative and see it through to its implementation and monitoring phases from 2012 to 2020.

Implementation

The 2011 Annual Conference of the CPMR Islands Commission:

- Supports the ISLE-PACT initiative and strongly encourages its members to sign and actively support the Pact of Islands.
Asks the European Parliament to continue providing its support to European island communities by initiating a new Declaration in favour of the continuation of the Pact of Islands process with the view to achieving the 2020 sustainability objectives of the EU.

Asks the European Parliament and the European Commission:
- To continue to actively support the Pact of Island process beyond the end of the ISLE-PACT project at the end of July 2012.
- To provide the financial means in order to enable the continuation of the Pact of Islands process beyond July 2012.
- Proposes the use of ISLENET as the platform which will provide further development of the Pact of Islands process beyond July 2012.

Adopted unanimously

ADMINISTRATIVE DECISIONS

RETI (Network of Excellence of Island Territories)
The Islands Commission welcomes the initiative for a “Network of Excellence of Island Territories” (RETI) launched by a number of Island Universities at the initiative of the University of Corsica. The Islands Commission will develop contacts with this network, consider the means to support its action politically, and review the possible fields of cooperation between the European Island Regional authorities and the Island Universities.

Forthcoming meeting
GENERAL ASSEMBLY OF THE ISLANDS COMMISSION
In view of the forthcoming 2012 Cyprus Presidency of the EU, the Islands Commission will discuss with the Cyprus authorities the possibility of holding its 2012 annual conference as part of an Island event in Cyprus in the course of this presidency. Should this event take place in the second half of 2012, the Islands Commission will consider holding an Island event in Brussels by the end of 2011 or early 2012, so as to discuss in good time the EU Commission’s proposals regarding the future Cohesion Policy.

Islands Commission Bureau
Election of the Islands Commission President.
The Executive Secretary recalled President Cesar message indicating its willingness to continue in his post as Islands Commission President if no other candidature was expressed, and noted that no other application had been received.

Governor Toomas Kasemaa of Saaremaa therefore proposed that President Cesar be re-elected as President of CPMR Islands Commission. This was unanimously approved.

The list of the following Islands Commission Bureau members was adopted. This list of Bureau Members will be completed in the course of the Islands Commission meeting due to be held in parallel to the 2011 CPMR General Assembly.
List of the Political Bureau
(Elected in Saaremaa, May 2011)

- President
  **AZORES**
  Carlos CESAR, Presidente do Governo Autónomo dos Açores (PT)

- Vice Presidents
  **ITALY**
  Raffaele LOMBARDO, Presidente Regione Siciliana (IT)
  *(Substitute for the President at CPMR Political Bureau)*
  **GREECE** – To be nominated
  **FINLAND** – To be nominated

  **SPAIN**
  Francesc ANTICH I OLIVER, Presidente Govern de les Illes Balears (ES)

  **DENMARK**
  Willi GROSBOLL, Mayor, Bornholms Regionskommune (DK)

  **ESTONIA**
  Hannes MAASEL, County Governor (EE)

  **FRANCE**
  Serge LETCHIMY, Président du Conseil Régional de la Martinique (FR)

  **SWEDEN**
  Åke SVENSSON, County Mayor, Gotlands Kommun (SE)

  **MALTA**
  Giovanna DEBONO, Minister of State, Ministry for Gozo (MT)

  **UK**
  Alex MAC DONALD, Convener, Western Isles (UK)

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