



**European Committee  
of the Regions**

**COTER-VI/030**

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## **OPINION**

### **Towards full implementation of the renewed European Strategy for the Outermost Regions**

#### **THE EUROPEAN COMMITTEE OF THE REGIONS**

- acknowledges the exceptional richness of their ecosystems, their great potential for developing renewable energy, marine and maritime, environmental, aerospace, astronomical, vulcanological, oceanographic and agricultural research activities, and sustainable tourism, and their rich cultural heritage;
- points out that the new communication on the ORs is part of the EU's discussion on its future and the design of the next programming period, and that it comes in the light of the judgment of the Court of Justice of the EU of December 2015, which definitively clarified the scope of Article 349 TFEU as an autonomous and sufficient legal basis for the outermost regions;
- believes that the new communication should make it possible to tackle the challenge of applying Article 349 TFEU systematically, thereby reconciling three aims in a single approach: equal opportunities, competitiveness and external reach: three inseparable dimensions which have become indicators for any ambitious public policy for the ORs, with tools to guarantee equal rights for their citizens;
- welcomes the fact that the Commission has decided to strengthen its partnership with the ORs to enable them to develop their full potential and benefit fully from EU membership, taking into account their concerns and opinions through ongoing dialogue. A stronger partnership between the ORs, their Member States, the EU institutions, the EIB and private sector stakeholders, is an essential dimension;
- welcomes the fact that the Commission commits to assessing whether a specific allocation under the ESF for the ORs is justified; the uniqueness recognised in Article 349 TFEU broadly supports this allocation: therefore supports the call of the European Parliament and the ORs for it to be included in the next regulatory proposal on the ESF;
- points to the strategic importance of accessibility (transport, energy and telecommunications) for the ORs, essential for endogenous development in these regions which are remote and isolated from mainland Europe, and in ensuring equality of treatment of their citizens.

Rapporteur

Fernando Clavijo Batlle (ES/ALDE), President of the Autonomous Community of the Canary Islands

Reference document

Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee, the Committee of the Regions and the European Investment Bank –  
A stronger and renewed strategic partnership with the EU's outermost regions  
COM(2017) 623 final

## **Opinion of the European Committee of the Regions – Towards full implementation of the renewed European Strategy for the Outermost Regions**

### **I. POLICY RECOMMENDATIONS**

#### **THE EUROPEAN COMMITTEE OF THE REGIONS**

1. points out that the Outermost Regions (ORs), which consist of eight islands and archipelagos spread across the Caribbean, the Indian Ocean and the Atlantic Ocean, and an isolated region in the Amazon, include six French overseas communities (French Guiana, Guadeloupe, Martinique, Mayotte, Réunion and Saint Martin), two Portuguese autonomous regions (the Azores and Madeira) and one Spanish autonomous community (the Canary Islands), which share the specific constraints set out in Article 349 of the TFEU, the persistence and combination of which hamper their economic and social development;
2. acknowledges the exceptional richness of their ecosystems, their great potential for developing renewable energy, marine and maritime, environmental, aerospace, astronomical, vulcanological, oceanographic and agricultural research activities, and sustainable tourism, and their rich cultural heritage;
3. stresses that, despite the challenges faced by these regions, which form the outermost borders of Europe, they offer business development opportunities in areas such as the blue, green and white economies, the silver economy, and the transition towards a circular economy, all with high potential for growth and job creation;
4. welcomes the EU's renewed commitment to the ORs and recognises the Commission's effort to consider the ORs' proposals in its Joint Memorandum entitled "Towards increased vigour in implementing Article 349 TFEU"; this support, which is particularly important at a difficult time for the EU, reaffirms the EU institutions' commitment to creating a better fit for the ORs' circumstances;
5. points out that the new communication on the ORs is part of the EU's discussion on its future and the design of the next programming period, and that it comes in the light of the judgment of the Court of Justice of the EU of December 2015, which definitively clarified the scope of Article 349 TFEU as an autonomous and sufficient legal basis for the outermost regions;
6. believes that the new communication should make it possible to tackle the challenge of applying Article 349 TFEU systematically, thereby reconciling three aims in a single approach: equal opportunities, competitiveness and external reach: three inseparable dimensions which have become indicators for any ambitious public policy for the ORs, with tools to guarantee equal rights for their citizens;
7. regrets that the communication does not address the issues of key importance for the outermost regions, such as the impact of cohesion policy, specific adjustments in the areas of social and employment policy, transport policy, or regarding the future of special tax and customs regimes for the ORs, which are essential for their development;

8. welcomes the adoption of an approach based explicitly on the principle of subsidiarity, but regrets the confusion regarding the different levels of power involved and the lack of knowledge of the measures currently implemented by each level of power;
9. welcomes the fact that the Commission has decided to strengthen its partnership with the ORs to enable them to develop their full potential and benefit fully from EU membership, taking into account their concerns and opinions through ongoing dialogue. A stronger partnership between the ORs, their Member States, the EU institutions, the EIB and private sector stakeholders, is an essential dimension; in this respect, the biannual forums on the outermost regions have proved to be effective in giving all relevant stakeholders a voice, and it is essential that these are maintained;
10. draws attention to the stated need to carry out ex ante impact assessments of the legislative proposals for the ORs in order to devise tailored measures; hopes that, through this new boost, this recognition will become a reality in an effective way;
11. similarly, takes note of the European Parliament's Resolution of 6 July 2017 on promoting cohesion and development in the ORs of the EU: implementation of Article 349 of the TFEU, as well as the contributions of the three Member States in question;

#### The ORs at the forefront of Europe's challenges

12. reiterates its call for the social dimension of the EU to be strengthened and hopes that the European Pillar of Social Rights will tackle the issues experienced by regions such as the ORs, which are reflected in unemployment rates that are among the highest in the EU (especially among young people), rising inequality and high indicators of social exclusion, which attest to the difficulties they face in terms of employment, generating serious social discontent, as the protests in French Guiana demonstrated;
13. notes that the crisis has had significant negative effects on the ORs, placing them among the most affected regions in the EU, due to their structural characteristics: economic vulnerability, high levels of unemployment and a high proportion of low-qualified workers;
14. regrets the fact that, despite including a social axis in its 2012 strategy, the Commission has not fleshed it out with proposals for adaptation or tangible measures in line with the specific features of the ORs, to enable them to be given exceptional treatment in European programmes;
15. welcomes the fact that the Commission commits to assessing whether a specific allocation under the ESF for the ORs is justified; the uniqueness recognised in Article 349 TFEU broadly supports this allocation: therefore supports the call of the European Parliament and the ORs for it to be included in the next regulatory proposal on the ESF;
16. welcomes the proactivity of the ORs in setting up the OR Employment Network, whose aim is to develop proposals and projects aimed at alleviating the shortcomings of EU action in this area;

17. agrees that, despite progress over the years, the ORs continue to face serious challenges, exacerbated by climate change, globalisation and cyclical crises in the global economy, and supports the Commission in considering that there is a clear need to step up efforts to enable them to benefit fully from the advantages of EU membership;
18. calls for account to be taken of the impact of the UK's withdrawal from the EU at regional level in the area of the free movement of persons, goods and services, as it will significantly affect the regions, in particular the outermost regions, given that they have a high degree of interlinkages with the United Kingdom and cooperation with its associated regions, in areas such as tourism and traditional products;
19. notes that some ORs have experienced, and continue to experience, a high degree of irregular immigration, in particular of unaccompanied minors, who pose considerable problems in terms of management;
20. points out that the ORs form Europe's external borders in their respective areas, and notes that the differences in development between them and neighbouring countries encourage migratory flows;
21. points out that the ORs have a set of characteristics which make them particularly vulnerable to the effects of climate change. They are particularly exposed to natural phenomena, which have become more frequent and extreme, a clear example being the devastating consequences of Hurricane Irma when it passed over the ORs in the Caribbean, in particular Saint-Martin;
22. welcomes the Commission's proposals to strengthen the OR dimension under the LIFE programme and to draw up an assessment of the implementation of the European Solidarity Fund in these regions, and hopes that the difficulties in accessing it will be included;

#### The ORs, an opportunity for Europe. Test station for innovative projects

23. takes the view that the blue economy has great potential for growth and jobs in the EU, in particular for the ORs, as they strengthen the EU's maritime dimension and are key to international ocean governance;
24. welcomes the fact that the new communication recognises that renewable energies, in particular marine energy, remain insufficiently developed, and calls for the necessary support be provided in order to strengthen them, taking into account the fact that the ORs can legitimately assume a leading role;
25. welcomes the call for Member States to incorporate the specific features of the ORs into their national law, in order to promote the development of renewable energy and energy efficiency;
26. supports the EU initiative on clean energy for the islands, and calls on the ORs, whose electricity systems are completely isolated, to play an active role in this initiative via its OR Energy Network;

27. in this context, calls on the Commission to propose a new specific tool aimed at offsetting the additional costs associated with producing and storing clean energies;
28. points out that the ORs enjoy exceptional biodiversity, accounting for close to 80% of Europe's biodiversity, and are among the 34 sites identified as being essential to the ecological balance of the planet;
29. welcomes the ORs' commitment to the circular economy and points out that the transition towards this requires major investments, in particular with regard to infrastructure, research and innovation activities, and raising awareness among members of the public;
30. welcomes the announcement of the proposal for a chapter dedicated to waste management in the ORs in the LIFE Programme 2018-2020 and support to enable them to become test sites for circular economy pilot projects, as well as the plan to introduce provisions to facilitate the transfer of waste to neighbouring countries for treatment;
31. reminds the Commission of the need to adapt the current LIFE+ programme selection criteria to the situation in the ORs in the next programming period;
32. takes note of the Commission's intention to provide support for biodiversity conservation, the sustainable use of ecosystem services and climate change adaptation with a future specific programme applicable to all ORs; recommends that it allow projects to be funded in all ORs, as well as direct management by the Commission in partnership with the regions;

#### Promoting equal opportunities: European solidarity with tailored tools

33. considers that the economic and social adjustments undertaken by the ORs should be able to continue to rely on EU financial support, with provision for this being made in the design of the new European strategy for the period post 2020;
34. points out that the EGTC can be a suitable tool for boosting the cooperation opportunities and activities of the most remote regions such as the ORs;
35. supports the initiative to facilitate the ORs' access to the EFSI, through a single entry point within the EIB's European Investment Advisory Hub;
36. calls on the Commission to maintain consistency in its approach to state aid for the ORs and to consider their specificities in all guidelines, in close coordination with other EU policies;
37. believes that the ORs' diverse cultural heritage and their cultural and creative industries can have a greater economic impact in terms of employment, and that they possess great development potential, which is impacted by the additional costs associated with their remote location, limiting the circulation of works and artists; calls on the Commission to include a mobility axis at EU level with specific measures for the ORs in the next culture programme;

38. appreciates that the ORs benefit from the maximum amount of aid for mobility in the education and training programmes, and believes that it would be appropriate for this to be maintained in the future; also welcomes the possibility of extending this to third countries;
39. considers as a step forward the creation of a tool to track the progress of the ORs in their progressive integration into the single market and the announcement that the particular needs of businesses in the ORs will be taken into account in the new COSME strategies to support them in becoming more international;

Supporting better growth: competitiveness policies that serve regional projects

40. stresses that agriculture is a vital sector for the economy, the environment, spatial planning and employment in the ORs, as recognised by the EU when it made provision for special treatment through the POSEI scheme as well as specific derogations in the CAP, and calls for it to be maintained;
41. believes that the increasing liberalisation of the European and international agricultural market of products that match those of the ORs is gradually reducing their competitiveness; considers it necessary to provide for an increase in the financial allocation under POSEI in order to tackle these exceptional circumstances, among other structural reasons;
42. points out that the Commission should include a specific chapter for any matter of particular interest for the ORs in the trade agreements it negotiates with third countries or international organisations, as provided in Regulation No 228/2013, of 13 March 2013, and points out the need to include exclusion clauses for systemically sensitive products in these agreements;
43. considers it necessary, in the context of the bilateral agreements signed with Latin American countries in respect of banana imports, to extend the stabilisation mechanism beyond 2020, to make it function automatically and to evaluate its implementation of this response to other agreements and products;
44. welcomes the Commission's proposal to explore the possibility of granting state aid for the construction of new vessels in the ORs, respecting the sustainability of resources, and considers it essential to adopt support measures to allow for the financing of traditional and artisanal fishing vessels in the ORs, in line with EP's resolution of 27 April 2017;
45. notes that the fishing and aquaculture sector has high potential for growth and jobs in the ORs, and is not being given sufficient support. Moreover, local management in this sector has a direct positive impact on the sustainability of resources;
46. welcomes the Commission's decision to explore specific measures, notably a compensation scheme for the ORs, under the new programmes, and draws attention to the regions' request for the independent additional costs compensation programme to be restored, supported by a regulation, a budget and specific management, devoted to supporting fisheries and aquaculture in the ORs;

47. regrets the fact that the new communication does not address cohesion policy, which it nevertheless recognises as an important vehicle for economic growth and job creation; hopes that the Commission will take due account of the outermost regions when renewing its cohesion policy;
48. restates its support for a post-2020 cohesion policy that is strengthened, simplified and focused on its primary aim, namely ensuring balance and equal opportunities in all regions of the EU; the special treatment of the outermost regions in this policy should therefore be maintained;
49. regrets that the special additional allocation from the ERDF, which is essential for the ORs, has not been adequately developed by the communication, and is in favour of it being maintained and strengthened, since its purpose is to overcome the ORs' permanent structural disadvantages, which limit their competitiveness and development;
50. restates its position that financial tools cannot be a substitute for subsidies, which are vital for the convergence of the ORs within the EU; in any case, these tools should not be an obligation but merely an option;
51. regrets that the communication does not provide convincing, forward-looking solutions and proposals regarding the problems faced by the ORs in European territorial cooperation programmes, and therefore believes that an overall rethink is necessary;
52. reiterates the usefulness of the smart specialisation strategies and welcomes the recent networking momentum among the ORs;
53. welcomes the Commission's intention to make the ORs experimental areas, platforms for technology transfer and test sites for innovative solutions in their areas of excellence;
54. supports the Commission's initiative for the ORs under Horizon 2020 and notes that it will closely monitor the specific details relating to these regions stemming from it under the future EU research programme beyond 2020;
55. points to the strategic importance of accessibility (transport, energy and telecommunications) for the ORs, essential for endogenous development in these regions which are remote and isolated from mainland Europe, and in ensuring equality of treatment of their citizens;
56. welcomes the initiative to launch a study to identify and better quantify the connectivity needs of the ORs, which should take into account all the legal and financial tools used to this end;
57. underlines the importance of geographically and demographically challenged EU regions such as ORs, and their specific needs; calls on the European Commission to pay specific attention to the impact of EU mobility policies and programmes on such regions and to publish a Green Paper on this issue<sup>1</sup>;

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<sup>1</sup> CoR opinion on Mobility in geographically and demographically challenged regions (CDR 1691/2014).



58. points out that airports and ports are the ORs' only entry and exit points and that they play an important social role; welcomes the possibility of financing investment in them, in justified cases, and the possibility of granting operating aid;
59. calls on the Commission, in its review of the TEN-T priorities, to examine how the specific needs of the ORs can be identified and included, in particular in the motorways of the sea, facilitating projects that enhance connections between them and their Member States or between the ORs and neighbouring areas in their respective geographical basins;

#### Enhancing the attractiveness of the ORs and boosting their regional and international image

60. notes that, in order to make the ORs more attractive and strengthen their ability to influence their respective areas, it is essential to include the geographic reality of the basin in all EU policies, thereby providing coherence between their internal and external dimensions;
61. recognises that the ORs undoubtedly have untapped potential and can therefore become economic drivers for their respective neighbouring geographical areas and act as effective intermediaries for EU influence in the world, especially with regard to its development policy;
62. will closely monitor the idea put forward of examining the possibility of directing new EU investment towards larger-scale priority projects in the ORs' geographical basins, and of exploring the possibility of creating joint programmes between the ORs and their neighbouring countries;
63. regrets the lack of an ambitious and coherent strategic framework, launched by the Commission, to make the economies of these regions more international;
64. welcomes the recognition of the importance of carrying out territorial impact studies in order to draw up and debate new legislative proposals and international trade agreements; believes that the ORs' authorities and experts should be systematically involved in assessing the potential territorial impact of European initiatives;
65. warns of the difficulties in achieving synergies between the ERDF and the EDF, and agrees on the relevance of enabling cooperation projects that provide structure and have real added value to emerge;

#### Conclusions

66. considers that the aim of improving the consideration given to the ORs in European policies and initiatives remains a challenge that should be adapted to the challenges of European integration;
67. notes that it is crucial to implement Article 349 TFEU systematically and comprehensively, right from the initial stages of the decision-making process, in order to ensure that the implementation is tailored to the reality of the outermost regions;

68. will closely monitor the implementation of the new communication and the substance of the future proposals contained in it.

Brussels, 31 January 2018

The President  
of the European Committee of the Regions

Karl-Heinz Lambertz

The Secretary-General  
of the European Committee of the Regions

Jiří Buriánek

## II. PROCEDURE

<b>Title</b>	Towards full implementation of the renewed European Strategy for the Outermost Regions
<b>References</b>	COM (2017) 623 – final
<b>Legal basis</b>	Art. 307(4) TFEU
<b>Procedural basis</b>	Rule 41b) i) of the Rules of Procedure
<b>Date of Commission letter</b>	24 October 2017
<b>Date of Bureau's decision</b>	11 July 2017
<b>Commission responsible</b>	Commission for Territorial Cohesion Policy and EU Budget
<b>Rapporteur</b>	Fernando Clavijo Batlle, President of the Autonomous Community of the Canary Islands
<b>Analysis</b>	27 October 2017
<b>Discussed in commission</b>	27 September 2017
<b>Date adopted in commission</b>	13 December 2017
<b>Result of the vote in commission (majority, unanimity)</b>	Unanimous
<b>Date adopted in plenary</b>	31/01/2018
<b>Previous Committee opinions</b>	The outermost regions of the EU in the light of the Europe 2020 strategy, CdR 1685/2012 <sup>2</sup> A strategy for the outermost regions: achievements and future prospects, CdR 309/2007 fin <sup>3</sup>
<b>Date of subsidiarity monitoring consultation</b>	Not applicable

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<sup>2</sup> [CDR 1685/2012](#)

<sup>3</sup> [OJ C 172, 5.7.2008, p. 7.](#)