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REPORT

on a stronger partnership for the outermost regions
(2004/2253(INI))

Committee on Regional Development

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MOTION FOR A EUROPEAN PARLIAMENT RESOLUTION

on a stronger partnership for the outermost regions (2004/2253(INI))

The European Parliament,

- having regard to the Commission communications of 26 May 2004, entitled ‘A stronger partnership for the outermost regions’ (COM(2004)0343), and 23 August 2004 on a stronger partnership strengthened for the outermost regions: assessment and prospects (COM(2004)0543) and to the annex to the latter (SEC(2004)1030),
- having regard to the process which has served to establish the special status of the outermost regions in Union primary law (Article 299(2) of the EC Treaty) and to the substance and legal scope of that status,
- having regard to Community action as a whole to aid the outermost regions,
- having regard to point 58 of the conclusions issued following the Seville European Council of 21 and 22 June 2002, which formed the basis for the 2004 Commission communications on a stronger partnership for the outermost regions,
- having regard to the memorandum by Spain, France, Portugal and the outermost regions on measures to build on Article 299(2) of the EC Treaty and to the contribution of the outermost regions to that memorandum, both sent to the Commission on 2 June 2003,
- having regard to the report by the Presidents of the outermost regions on the Commission communication entitled ‘A stronger partnership for the outermost regions’, sent to the Commission on 17 June 2004,
- having regard to point 47, final indent, of the conclusions issued following the Brussels European Council of 17 and 18 June 2004,
- having regard to the Final Declaration of the Tenth Conference of Presidents of the Outermost Regions, held in Ponta Delgada on 2 September 2004,
- having regard to the opinions delivered by the Committee of the Regions on 18 November 2004 on the Commission communication entitled ‘A stronger partnership for the outermost regions’ (CR/2004/61) and 13 December 2000 on the outermost regions of the EU and implementation of Article 299 (CR/2000/156),
- having regard to the opinion of the European Economic and Social Committee on the Commission communication entitled ‘A stronger partnership for the outermost regions’ (CES/2005... of ...) and the opinion of 29 May 2002 on the future strategy for the outermost regions of the European Union (CES/2002/682),
- having regard to its previous resolutions and opinions concerning the position of the outermost regions, in particular the resolution based on the Commission report on the

measures to implement Article 299(2): the outermost regions of the European Union¹,

- having regard to the Commission communication of 10 February 2004 to the Council and the European Parliament entitled ‘Building our common Future – Policy challenges and Budgetary means of the Enlarged Union 2007-2013’ (COM(2004)0101),
- having regard to the Commission’s third progress report on economic and social cohesion, issued on 18 February 2004 (COM(2004)0107; its resolution on the Commission’s third report on economic and social cohesion²; and the opinion delivered by the Committee of the Regions on 16 July 2004 on the third report on economic and social cohesion (CR/2004/120) and the opinion delivered by the European Economic and Social Committee on 30 June 2004 on the Commission’s third report on economic and social cohesion (CES/2004/962); having regard also to the first contribution from the outermost regions on the future of economic and social cohesion, delivered to the Commission in February 2002,
- having regard to the Commission communication of 14 July 2004 to the Council and the European Parliament entitled ‘Financial Perspectives 2007-2013’ (COM(2004)0487) and other related documents, and to the fact that a temporary committee has been set up within Parliament to probe into the Union’s budget resources in the period from 2007 to 2013 and will state a position on the matter,
- having regard to the proposal for a Council regulation laying down general provisions on the European Regional Development Fund, the European Social Fund and the Cohesion Fund (COM(2004)0492); the proposal for a regulation of the European Parliament and of the Council on the European Regional Development Fund (COM(2004)0495); the proposal for a regulation of the European Parliament and of the Council on the European Social Fund (COM(2004)0493); and the proposal for a Council regulation establishing a Cohesion Fund (COM(2004)0494),
- having regard to the proposal for a Council regulation on support for rural development by the European Agricultural Fund for Rural Development (EAFRD) (COM(2004)0490/SEC(2004)0931); and the proposal for a Council regulation on the European Fisheries Fund (COM(2004)0497/SEC(2004)0965),
- having regard to the decision taken by the Union Heads of State or Government on 18 June 2004 to adopt the Treaty establishing a Constitution for Europe,
- having regard to the fact that under that Treaty a new pillar has been added to cohesion policy, the territorial cohesion pillar,
- having regard to the fact that the status of the outermost regions has been incorporated and strengthened in Article III-424 and Article IV-440(2) of the Treaty,
- having regard to Rule 45 of its Rules of Procedure,

¹ OJ C 197, 12.7.2001, p. 197.

² Texts Adopted, P5_TA(2004)0368.

- having regard to the report of the Committee on Regional Development and the opinions of the Committee on Agriculture and Rural Development and the Committee on Fisheries (A6-0246/2005),
- A. whereas EU primary law and, recently, the Treaty establishing a Constitution for Europe have recognised the nature of the constraints affecting the outermost regions (great distance, island status, small land area, difficult relief and climate, and economic dependency on a small number of products), which, by reason of their permanent and pervasive character and joint presence, differentiate those regions from the Union's other regions with geographical disadvantages or population problems,
- B. having regard to the importance of the various Community measures adopted in favour of the outermost regions, while nonetheless pointing out their insufficiency, especially in areas that are of strategic importance for development,
- C. whereas it remains essential that the Union support these regions given their unequal position vis-à-vis the Community as a whole, with a view to their development and to bringing them up to a level of sustained convergence; whereas this support must also enable the outermost regions to be integrated into such highly competitive processes as the internal market, economic and monetary union, the Lisbon strategy, enlargement and globalisation,
- D. having regard to the need to guarantee the economically, socially and environmentally sustainable exploitation of living aquatic resources, particularly the need to preserve fish stocks in the outermost regions,
- E. whereas the outermost regions have fragile economies with few possibilities for diversification, where in some cases fishing and ancestral fishing communities play a key social and economic role and strengthen other economic activities upstream and downstream,
- F. welcoming the potential of the future development strategy as recently defined by the Commission for the outermost regions (based on the priorities for action 'competitiveness', 'accessibility and compensation for other constraints' and 'integration into the respective regional geographic area'), whose implementation calls for input both from the revised economic and social cohesion policy and from the other Community policies,
- G. noting that, in the context of the revised cohesion policy, input remains insufficient, confined as it is to the establishment of the specific programme to compensate for additional costs and the action plan for a wider neighbourhood,
- H. whereas there have been repeated calls for a specific strategy and programme for the outermost regions,
- I. welcoming, nonetheless, the objectives whose attainment is envisaged via the specific programme to compensate for additional costs and the action plan for a wider neighbourhood,
- J. whereas the situation of the outermost regions needs to be referred to in the cohesion

policy objective 'European territorial cooperation', thus linking up with the action plan for a wider neighbourhood; whereas the Commission should, in this context, allocate funds on a case-by-case basis, on similar lines to those followed for the specific programme, and should establish criteria which do not limit participation of the outermost regions; whereas the Commission must ensure that those regions are eligible in practice for crossborder cooperation,

- K. whereas, in the context of the action plan for a wider neighbourhood (and, therefore, of the cohesion policy objective 'European territorial cooperation'), and, additionally, of the Union's New Neighbourhood Policy, it is necessary to promote not only the integration of the outermost regions within their respective geographic areas, but also their socio-economic and cultural links with countries with emigrant communities from those regions or with which they have traditional ties (e.g. Venezuela, Brazil, the US, South Africa, Canada and Australia),
- L. whereas the Commission needs, in the context of the action plan for a wider neighbourhood, to propose responses to the difficulties now faced by certain outermost regions regarding illegal immigration and other related problems,
- M. whereas the Commission's timely integrated development strategy remains limited in impact since it is not suitably supported by Community policies and actions or by the financial means needed for its proper implementation, and the Commission therefore needs to go beyond its present proposals,
- N. whereas, in addition, with regard to the general framework for access to the Structural Funds, the present moment of negotiation of the financial perspective and the reform of cohesion policy is a crucial one for the future of the outermost regions, and it is therefore essential to defend and safeguard, in this connection, the situation of those regions by continuing to provide prioritised financial support,
- O. having regard to the right to differential treatment in this area laid down in Article 299(2) of the Treaty establishing the European Community, which allows the possibility of adopting relevant measures for the outermost regions with regard, especially, to the conditions of access to the Structural Funds; recalling the EU's position thus far towards the outermost regions with regard to the Structural Funds and that they have even been granted, in view of their special circumstances, higher cofinancing rates than those granted to the other cohesion regions,

General considerations

- 1. Calls on the Commission to bring its efforts to bear, exercising the right of initiative accorded to it under Article 299(2) of the EC Treaty, to launch procedures to enable the aspirations of the outermost regions to be met in full, be it under cohesion policy or in connection with the other policies, Community measures, and areas important for their development, namely agriculture, fisheries, competition and state aids, enterprise policy, services of general interest and services of general economic interest, taxation, customs measures, environment, energy, research and technological development, vocational training, transport, trans-European networks, new information and communication technologies, regional cooperation, and so forth;

2. Calls on the Commission to carry out an assessment of the impact of the Community legislation liable to have implications for the outermost regions; calls for the special situation of the outermost regions to be properly taken into account at all levels of implementation of Community policies and actions;
3. Recalls that most of the positive discrimination measures adopted for these regions are not such as to affect the fundamental principles of the functioning of the EU;
4. Calls on the Commission to include the outermost regions in the Union's efforts to achieve the objectives of the Lisbon strategy and the Gothenburg goals;

Financial perspective and cohesion policy

5. Calls on the Council to ensure that the adoption of the financial perspective for 2007-2013 results in guaranteed status for the measures aimed at achieving the objectives of the Union, including the economic, social and territorial development of the outermost regions;
6. Calls on the Commission to ensure, whether under the specific programme to compensate for additional costs or under the wider neighbourhood action plan, or where access in general to the Structural Funds is concerned, that equal treatment continues along the lines which the Union has been following in its measures for its outermost regions;
7. Strongly supports the special action of EUR 1 100 million for the outermost regions proposed by the Commission, as well as the possibility of financing operating aid, as provided in Article 11 of the proposal for a regulation of the European Parliament and of the Council on the European Regional Development Fund (COM(2004)0495); calls for full practical expression to be given to the requirement laid down in Article 299(2) of the EC Treaty for the outermost regions to be treated as a special case as regards their access to the Structural Funds, including those regions whose GDP has already risen above 75% of the Community average;
8. Calls for the amounts allocated to the specific programme to be devoted exclusively to the outermost regions without penalising any one such region;
9. Calls for the wider neighbourhood action plan to be based on a concept of closeness in the broad sense so as to enable support to be provided for projects involving bodies in countries which have large communities of emigrants from outermost regions, to whom those regions consequently feel very close;
10. Insists that the action plan for a wider neighbourhood should be granted a specific financial allocation for transnational and crossborder cooperation, and that the long-expected coordination between the ERDF-funded actions for the outermost regions and their EDF-funded counterparts for neighbouring ACP countries or overseas possessions and territories should at last become a reality, whether or not budgetisation of the EDF takes place;
11. Calls for the action plan to be used to tackle the problems of illegal immigration with which some outermost regions are having to contend;

Human capital

12. Calls on the Commission to boost this important component of development in the outermost regions, by encouraging training and specific consolidation in areas devoted exclusively to the promotion of competition and growth;

Agriculture and fisheries

13. Reminds the Commission that the economies of the outermost regions are based on small-scale sectors, including agriculture and fisheries, which tend to require support on various levels and, especially, professional incentives to attract young people;
14. Calls on the Commission, in the context of the revision under way of the agricultural POSEIs, to ensure the stability of the resources allocated, allowing for possible adjustments in line with exceptional needs and simplifying the administrative arrangements;
15. Calls on the Commission, in the context of the future rules of the European Agricultural Fund for Rural Development, to take account of the specific circumstances of the outermost regions, allocating them sufficient financial resources to attain the rural development policy objectives and preserving uniform treatment for those regions when setting the Fund's contribution rates, on lines similar to those of the European Fisheries Fund;
16. Calls on the Commission, in the context of the external dimension of the COM in bananas, to introduce a single tariff at a level high enough to preserve the Community's banana production, and, if necessary, to propose compensatory measures for Community producers;
17. Deplores, the abolition of sales aid for the sugar sector; calls for the restoration of this instrument and full compensation for loss of income in order genuinely to take account of the specific handicaps suffered by the outermost regions; considers, moreover, that it is essential to ensure that sugar production and refining in the Azores are given access to the national market under conditions equivalent to those prevailing before their incorporation into the European Union, in the same way as the Canary islands, since otherwise it will no longer be viable for the industry to continue in the region;
18. Suggests that identical concerns regarding guaranteeing differentiated treatment and the continued viability of the industry in the outermost regions should apply to the milk and fruit and vegetable sectors, subject to their respective specific conditions;
19. Calls on the Commission to adopt measures to boost the competitiveness of the agricultural products of the outermost regions so that they can compete on the markets with similar products originating in countries which have association agreements with the EU or which benefit from preferential regimes;
20. Calls on the Commission, in the context of the future provisions of the European Fisheries Fund, to take account of the specific needs of the outermost regions in the sector;

21. Reiterates the need for a permanent protection zone, with a view to enabling positive discrimination in access to maritime resources for the fishing fleets of the outermost regions, with a view to preserving the local economies;
22. Draws attention to the simultaneous great richness and great fragility of the marine ecosystems of the outermost regions, and the consequent need to pay particular attention to the fishing gear and practices permitted, as well as to access to the surrounding and adjacent waters;
23. Urges the Commission, in view of the particular circumstances of the exclusive economic zones of the outermost regions (absence of a continental shelf in certain cases) and the limitations of their fisheries zones (often confined to submarine hills), to apply, without hesitation, the precautionary principle and the principle of relative stability, thereby helping ensure not only biological and ecological balance for the species concerned, but also the protection of the socio-economic fabric related to the fisheries sector in those regions; urges the Commission also to take account in its legislative proposals of the fact that fishing activity in some of the outermost regions, for example in the Indian Ocean, is very recent and that fish stocks in these areas are still rich;
24. Reiterates the need for future support for the renewal and modernisation of the fishing fleet, in the interests of the sector's profitability and competitiveness;
25. Urges the Commission, in the light of the vulnerabilities stemming from outermost-region status, to continue its support in those regions for the fisheries-products processing industry, at a level equivalent to or higher than that of the Financial Instrument for Fisheries Guidance;
26. Calls for fish-processing in the outermost regions to be taken into account in the review of state aid for the fisheries sector;
27. Urges the Commission to accept the principle that POSEI-Fisheries aid should be permanent, and considers that the compensation levels in respect of the additional costs arising from outermost status in the marketing of certain fisheries products should be increased;
28. Urges the Commission to take all possible steps towards the rapid establishment of the Regional Advisory Councils; considers that, in the case of the Regional Advisory Council for South Western Waters, an island subdivision should be created to deal with the specific fisheries in the outermost regions;

Competition and state aids

29. Hopes, as regards state aid for regional purposes, that the outermost regions can continue to receive non-degressive operating aid, not limited in time, and that the aid can be extended to cover the transport sector provided that the public procurement rules guarantee fair price-setting by the companies concerned; hopes that the outermost regions can continue to benefit from a higher rate over and above the amount of initial investment aid ; hopes that movable transport assets will be included among the eligible

costs as regards the initial investment; and hopes that it will be permitted to compensate outermost regions for the additional costs incurred in transporting goods within the Union market;

30. Calls, in the context of the revision of the guidelines on regionally-oriented state aids to be applied from 2007, for compensation to be authorised for the outermost regions for the additional costs arising from the transport of goods, within the EU market rather than only within the national borders of the country concerned;
31. Calls, in addition, in the context of the revision of the guidelines on regionally-oriented state aids, for all due value to be laid on existing practice as regards the outermost regions, and for the relevant circumstances to be taken into account;
32. Calls for aid provisions for the outermost regions under Article III-167(3)(a) of the Treaty establishing a Constitution for Europe to be implemented without delay;
33. Calls for the rules governing very small-scale aid to be extended to cover the transport sector;

Enterprise policy

34. Calls on the Commission to adapt the existing measures to the particular situation of the outermost regions, facilitating their access to them; calls for action to promote the competitiveness of businesses in those regions, whether via specific measures to offset the additional costs inherent to their activities and further their integration into a neighbouring geographic area or via definition of and support for new models of competitiveness; also advocates support for entrepreneurship and the enterprise spirit;

Services of general economic interest

35. Calls on the Commission to act on its promise for a working party to study the operation of services of general economic interest in the outermost regions and draw up proposals geared to their special features and needs where the market in public services is concerned;
36. Calls on the Commission, in relation to the EU's approach to services of general interest in the wake of the White Paper, in both sectoral and general contexts and by means of framework legislation, to pay due attention to the specific constraints of the outermost regions, especially when classifying certain service activities in those regions as services of general interest and when determining the application to those activities of competition and internal market rules adapted to their specific circumstances;

Taxation and customs measures

37. Calls on the Commission to continue to apply specific tax measures for the benefit of the outermost regions and show willingness to propose other arrangements to promote their self-contained development;
38. Calls on the Commission to show willingness to consider requests from outermost

regions for temporary suspension of Common Customs Tariff duties levied on supplies of non-agricultural commodities for production uses and of fishery products, and on imported capital goods for business and industrial use;

Environment

39. Calls on the Commission not to neglect this area in future measures in support of the outermost regions, since resources are insufficient to meet continuing needs regarding the environment, specifically as regards protection of biodiversity, implementation of the Natura 2000 network, and waste management, a fact which makes it more difficult to pursue an environmental policy in the outermost regions consistent with the fundamental principles of Community environmental policy; calls on the Commission to implement measures along the lines of the environment component of the POSEIMA programme;

Trans-European networks

40. Calls on the Commission to pay particular attention to the special characteristics of the outermost regions in the context of the trans-European networks;
41. Calls on the Commission, as regards trans-European energy networks, to treat projects in outermost regions as a priority and make them subject to the co-financing rate laid down for projects deemed to have priority;
42. Calls on the Commission, as regards trans-European transport infrastructure networks, to enable ports and airports in outermost regions to be co-financed by the Cohesion Fund if eligible;

Research and technological development

43. Calls on the Commission to give operational effect to recital 14 of the sixth framework programme for research and technological development, under both the current framework programme and its successor; calls for ways to be found under the next framework programme to open up funding to projects in outermost regions, especially in their centres of excellence;
44. Calls for the action plan for research, technological development, demonstration, and innovation, submitted by the outermost regions to the Commission in 2003, to be taken into account;
45. Calls for projects in outermost regions to be financed under the fifth RTD framework programme and co-financed in addition by the Structural Funds;

New information and communications technologies

46. Calls on the Commission to ensure that special attention is paid the outermost regions' projects in the field of the information society and technological innovation, given those sectors' key role in promoting development; recalls those regions' demands in this area as set out in the Memorandum of Spain, France, Portugal and the outermost regions

on the development of Article 299(2) of the Treaty establishing the European Community and the contribution of the outermost regions to that memorandum, as submitted to the Commission on 2 June 2003;

Transport

47. Calls for the outermost regions to be incorporated into every aspect of Community transport policy;
48. Calls on the Commission to ensure that transport projects financed by the Community in the outermost regions bring about improvements first and foremost to the quality of life of the inhabitants and the self-contained development of the region; projects developed in breach of Community environmental law should be halted; furthermore, all transport projects developed for the outermost regions must have a precise and clearly-defined analysis of benefits for the diversification of the local economy, social cohesion and the sustainability of the regional job market.
49. Calls for co-financing to meet additional transport costs and for transport to be developed in the neighbourhood of the outermost regions, not least by involving non-member countries to that end;

Final considerations

50. Welcomes the fact, lastly, that the bodies working to defend the special status of the outermost regions have established and cemented an important partnership and points to the Commission's key role in that process, as reflected in the 2004 communications;
51. Instructs its President to forward this resolution to the Council, the Commission, the Committee of the Regions, the European Economic and Social Committee, the national, regional, and local authorities of the outermost regions, and the Chairman-in-Office of the Conference of Presidents of the Outermost Regions.

EXPLANATORY STATEMENT

Introduction

The long struggle of the outermost regions and the countries of which they form part to gain recognition of those regions' unique position compared to the Union's other regions reaped an invaluable reward when outermost status was legally recognised in primary Union law in 1997. That fact does not mean, however, that the process has been completed: the potential of the status accorded to the outermost regions has not yet been truly exploited for development purposes.

The expectation was that an ambitious, comprehensive, and integrated operation would be laid down and implemented to promote sustainable development in the outermost regions, but this has still to be translated into practice. Rather than taking isolated specific measures, in some cases on a one-off basis and limited in time, it is necessary to devise and implement a sustainable development model that could eventually encompass most Community policies and measures.

What is needed is joint action to be determined by the outermost regions, the Member States concerned, and the Commission.

The present legal basis for outermost status allows the Commission to move forward in that direction, as will the Treaty establishing a Constitution for Europe once it has entered into force.

The aim is to mitigate the geographical limitation imposed by the natural environment and the resulting forms of dependence. If it is to be achieved, political will needs to be brought to bear to encompass citizens and industry in the outermost regions within a continent-wide approach, in that way providing the territorial continuity that physically does not exist. One means to employ is the new pillar of cohesion policy introduced by the Treaty establishing a Constitution for Europe, the territorial cohesion pillar.

The outermost regions are not yet capable of progressing on their own, but that is what they are seeking to do in the future.

The outermost regions as a case apart and the Union response to date

The fact of being an outermost region is a unique situation that should not be confused with other situations. It is a combination of specific features stemming from geographical location, the size of the areas concerned, and natural conditions. An outermost position spells remoteness and isolation – the possibilities of access to the main European centres will always be impeded; the outermost regions are small islands affected by difficult topography and climatic conditions, and economically are highly dependent on a small number of products and correspondingly vulnerable. Another fact to take into account is that they lie, more often than not, in the developing world with its developing markets.

The permanence, severity, and combined effects of these constraints hamper the development and competitiveness of the outermost regions. As a result, additional costs are incurred in

production, obtaining supplies, and marketing; goods- and service-producing sectors are diversified only to a very limited extent; local markets are modest in scope, fragmented, and distant; there are no economies of scale or external economies; economies are hardly able to create jobs; infrastructure is more costly; there are fewer access opportunities for persons, goods, and services; and the dependence on civil aviation and shipping is aggravated by their higher cost .

The Community financial support channelled to the outermost regions, specifically under the Structural Funds and the Cohesion Fund, in the form of European Investment Bank loans, or via Community initiatives and certain Community budget headings, has been vital in the arduous process of stimulating and modernising the regional economy and improving standards of living.

There is still a great deal to do, however, to attain the level of sustainable development so eagerly desired.

The 2004 Commission communications: a first step towards a sustainable development model for the outermost regions?

The measures that will define the future development strategy for the outermost regions will make themselves felt in three fields: competitiveness; accessibility and measures to offset other constraints; and integration into the surrounding geographical areas. They will be implemented under the revamped economic and social cohesion policy and other Community policies.

When it issued its two communications, the Commission slightly anticipated the position regarding the general framework for eligibility under the Structural Funds, since the decision on the eligible regions was not due to be taken until 2005.

Under the new-style economic and social cohesion policy, a specific programme to compensate for additional costs, to be encompassed within the ‘Convergence’ objective and financed by the ERDF for the period from 2007 to 2013, aims to tackle accessibility – the problems are more severe for the outermost regions than for the mainland – both between the outermost regions and within the territory of each region, and support industrial competitiveness. Under the programme it will be possible to finance operating aid to offset additional costs in given sectors.

In addition, a wider neighbourhood action plan (for cooperation with other outermost regions and integration into the surrounding geographical areas) will be adopted with a view to strengthening economic, social, and cultural ties between the outermost regions and neighbouring territories and widening the natural sphere of socio-economic and cultural influence of the outermost regions, reducing the barriers that limit the opportunities for trade with the surrounding geographical areas (Caribbean markets, America and Africa, and ACP countries). The plan will revolve around two focal points, namely transnational and cross-border cooperation on the one hand and trade and customs measures on the other.

The development strategy for the outermost regions under other Community policies covers measures to promote competitiveness and growth (by developing human capital, services of general economic interest, innovation, the information society, research and technological

development, and the environment) and related to the handicaps from which outermost regions suffer (encompassing accessibility, state aid, and traditional agricultural and fishery production).

Parliament's view

Parliament welcomes the strategy drawn up by the Commission for the outermost regions, demonstrating as it does that careful thought has been given to the factors which, de facto, are preventing convergence and integration with the Union's other regions. The Commission makes it clear how much the revamped economic and social cohesion policy and other Community policies can do to achieve the above aim.

As far as the new-style cohesion policy is concerned, the means to be employed are the specific programme to compensate for additional costs, along with the wider neighbourhood action plan.

As regards the specific programme, Parliament believes that the Commission should look again both at the amounts earmarked, which are manifestly insufficient, and at the way in which programme funding is to be allocated to the seven outermost regions.

Regarding the wider neighbourhood action plan, it believes that the plan should be expressly mentioned in connection with the 'European Territorial Cooperation' objective of cohesion policy, funding should be earmarked on an individualised basis, as has been done under the specific programme, and none of the criteria imposed should serve in any way to exclude outermost regions from the action plan. The outermost regions must be genuinely eligible for cross-border cooperation.

Parliament likewise takes the view that the wider neighbourhood action plan (and hence the 'European Territorial Cooperation' objective of cohesion policy) and indeed the Union's New Neighbourhood policy should be used not only to foster integration of the outermost regions into the surrounding geographical areas, but also to forge socio-economic and cultural ties with countries where there are emigrant communities from outermost regions or to which outermost regions are linked by traditional bonds (Venezuela, Brazil, the United States, South Africa, Canada, and Australia are among the countries in this category), as this would be in the interest of both sides.

Furthermore, it believes that, under the action plan, the Commission must deal with illegal immigration and other related problems facing some of the outermost regions.

As far as other Community policies are concerned, their contribution to the future development strategy for the outermost regions regrettably falls far short of expectations and the action required by the development strategy which the Commission has now drawn up.

The hope was that the Commission would submit innovative specific proposals under the other policies, especially in areas vitally important for competitiveness and growth, including for example innovation, the information society, and research and technological development (as regards this last area, the outermost regions have already submitted a document to the Commission setting out their aspirations).

The conclusion which Parliament draws from all the above points is that the Commission's well-judged development strategy is not being supported in the necessary manner by Community policies and measures or by the financial resources needed for its proper implementation, and the Commission therefore needs to go beyond what it is now proposing.

Secondly, as regards the general framework for eligibility under the Structural Funds, the current negotiations on the financial perspective and cohesion policy reform constitute a defining moment for the future of the outermost regions, and their special status consequently needs to be defended and safeguarded.

The possibility of using the Cohesion Fund in future to finance ports and airports in outermost regions under the heading of trans-European transport infrastructure networks must also be expressly provided for in the relevant legislative proposals now under discussion.

Parliament accordingly calls on the Commission to satisfy the aspirations of the outermost regions, both as regards cohesion policy and as regards other policies, Community measures, and areas important for their development.

24.5.2005

OPINION OF THE COMMITTEE ON AGRICULTURE AND RURAL DEVELOPMENT

for the Committee on Regional Development

on a stronger partnership for the outermost regions
(2004/2253(INI))

Draftsman: Luis Manuel Capoulas Santos

SUGGESTIONS

The Committee on Agriculture and Rural Development calls on the Committee on Regional Development, as the committee responsible, to incorporate the following suggestions in its motion for a resolution:

- A. having regard to the constraints to which the outermost regions are subject – remoteness, insularity, small size, difficult climate and economic dependence on a small range of products – the combination of which seriously prejudices their development,
- B. having regard to Article 299(2) of the Treaty,
- C. whereas the Seville European Council called on the Commission and the Council to press ahead with implementation of this provision of the Treaty and to adopt suitable measures to take account of the special needs of the outermost regions,
- D. whereas the European Parliament, the Economic and Social Committee and the Committee of the Regions have repeatedly urged that a strategy be drawn up for the outermost regions,
- E. having regard to the conclusions of the Third Report on Economic and Social Cohesion, which refer, in particular, to the Commission's intention to draw up a special programme to compensate for the specific constraints of the outermost regions,

General features of the proposal

1. Welcomes the Commission's Communication, considers it a good working basis for developing the strategy for the outermost regions and for devising appropriate measures to

respond to the concerns of convergence and integration in relation to the rest of the European Union;

2. Considers as positive the recognition that all the outermost regions should be eligible for the future cohesion policy under any of the following objectives: ‘convergence’, ‘competitiveness and employment’ and ‘European territorial cooperation’;
3. Also notes with approval the recommendation to create a specific programme to compensate for the constraints of the outermost regions, adapted to the specific nature of each of them;
4. Also considers as positive the approach to the measures that will need to be taken, especially as regards development of human resources, innovation, the information society and research and technological development, clearly including the outermost regions as an integral part of the European Union in the Lisbon Strategy;
5. Notes with satisfaction the priority given to the issue of accessibility;

Issues directly linked to the agricultural sector

6. Notes with satisfaction, as regards the future Rural Development Fund, the Commission's commitment to ensuring that the level and intensity of aid will make allowance for the specific constraints of the outermost regions;
7. Considers, as regards the external aspect of the CMO in the banana sector, that a tariff of less than EUR 252 per tonne will be unacceptable. As regards the internal aspect, it is important to ensure that, irrespective of the support measures, the financial resources in future are no less than at present;
8. As regards the sugar sector, notes the Commission's declared intention to ensure differentiated treatment for the outermost regions based on their specific characteristics; deplores, nevertheless, the abolition of sales aid; calls for the restoration of this instrument and full compensation for loss of income in order genuinely to take account of the specific handicaps suffered by the outermost regions; considers, moreover, that it is essential to ensure that sugar production and refining in the Azores are given access to the national market under conditions equivalent to those prevailing before their incorporation into the European Union, in the same way as the Canary islands, since otherwise it will no longer be viable for the industry to continue in the region;
9. Suggests that identical concerns regarding guaranteeing differentiated treatment and the continued viability of the industry in the outermost regions should apply to the milk and fruit and vegetable sectors, subject to their respective specific conditions;
10. Backs, finally, as regards the POSEI, the declared intention to ensure the stability of the resources allocated to maintaining support for the outermost regions and to decentralise and simplify the management mechanisms.

PROCEDURE

Title	A stronger partnership for the outermost regions
Procedure number	2004/2253(INI)
Committee responsible	REGI
Committee asked for its opinion Date announced in plenary	AGRI 13.1.2005
Enhanced cooperation	no
Draftsman Date appointed	Luis Manuel Capoulas Santos 20.1.2005
Discussed in committee	18.4.2005 24.5.2005
Date suggestions adopted	24.5.2005
Result of final vote	for: 21 against: abstentions: 0
Members present for the final vote	Peter Baco, Katerina Batzeli, Niels Busk, Luis Manuel Capoulas Santos, Joseph Daul, Albert Deß, Gintaras Didžiokas, Jean-Claude Fruteau, Lutz Goepel, Bogdan Golik, Friedrich-Wilhelm Graefe zu Baringdorf, Diamanto Manolakou, Agnes Schierhuber, Willem Schuth, Czesław Adam Siekierski, Jeffrey Titford, Terence Wynn
Substitutes present for the final vote	Ilda Figueiredo, Béla Glattfelder, Karin Resetarits
Substitutes under Rule 178(2) present for the final vote	Manuel Medina Ortega

11.7.2005

OPINION OF THE COMMITTEE ON FISHERIES

for the Committee on Regional Development

on a stronger partnership for the outermost regions
(2004/2253(INI))

Draftsman: Duarte Freitas

SUGGESTIONS

The Committee on Fisheries asks the Committee on Regional Development, as the committee responsible, to include the following suggestions in its motion for a resolution:

- A. having regard to the status of the outermost regions under Article 299(2) of the EC Treaty,
- B. having regard to the characteristics of the exclusive economic zones (EEZs) of the outermost regions, notably the absence of any continental shelf from most of their area,
- C. having regard to the need to guarantee the economically, socially and environmentally sustainable exploitation of living aquatic resources, particularly the need to preserve fish stocks in the outermost regions,
- D. whereas the outermost regions have fragile economies with few possibilities for diversification, where in some cases fishing and ancestral fishing communities play a key social and economic role and strengthen other economic activities upstream and downstream,
- E. having regard to the proposal for a Council regulation on the European Fisheries Fund (COM(2004)0497),
- F. whereas there have been repeated calls for a specific strategy and programme for the outermost regions,

General considerations:

1. Welcomes and endorses the work of the Commission as embodied in part in its communication aiming to establish 'a stronger partnership for the outermost regions';

2. Welcomes the work carried out in the meantime by the various EP committees concerned in defence of the particular circumstances of the outermost regions;
3. Notes with particular satisfaction the Commission's position regarding the need for the CFP to take account of the characteristics of the outermost regions;
4. Believes that, in order to lend substance to and guarantee the status of the outermost regions in practice, it is necessary not only to guarantee the specific character of remoteness as a horizontal aspect across all Community policies, including the common fisheries policy (CFP), but also to set up a specific Community support programme for the outermost regions as part of the next financial framework 2007-2013, with sufficient financial resources to respond to the structural problems of these regions;

Fisheries-related aspects

5. Believes the Commission should take account in its legislative proposals of the specific character of the outermost regions, notably their vulnerability as regards their fisheries zones and the social and economic importance of the fisheries sector in some of them;
6. Believes the Commission should, in view of the particular circumstances of the EEZs of the outermost regions (absence of a continental shelf in certain cases) and the limitations of their fisheries zones (often confined to submarine hills), apply, without hesitation, the precautionary principle and the principle of relative stability; this would help ensure not only biological and ecological balance for the species concerned, but also the protection of the socio-economic fabric related to the fisheries sector in those regions; the Commission should also take account in its legislative proposals of the fact that fishing activity in some of the outermost regions, for example in the Indian Ocean, is very recent and that fish stocks in these areas are still rich;
7. Believes the Commission should take account in its legislative proposals of the need to offer the fishing fleets of the outermost regions positive discrimination as regards access to the maritime resources of their zones, in accordance with the Treaties and the CFP; believes that the Commission should thus safeguard the sustainability of small-scale fishing and small-scale coastal fishing; Parliament thus reaffirms its legislative resolution of 4 June 2003 on a proposal for a Council regulation on the management of the fishing effort relating to certain Community fishing areas and resources and modifying Regulation (EEC) No 2847/93;
8. Believes the Commission should, in view of the fragility of the ecosystems of the zones concerned, and provided that such measures are scientifically justified in each case, restrict the use of certain types of fishing gear having potential adverse effects; Parliament thus reaffirms its legislative resolution of 16 December 2004 on a proposal for a Council regulation amending Regulation (EC) No 850/98 as regards the protection of deep-water coral reefs from the effects of trawling in certain areas of the Atlantic Ocean, restricting the use of bottom trawl nets and bottom-set gillnets;
9. Believes the Commission should maintain in the European Fisheries Fund (EFF) the level of aid currently granted under the Financial Instrument for Fisheries Guidance (FIFG), with a view to meeting the needs arising from the specific handicaps of the outermost

regions and their socio-economic fabric;

10. Believes the Commission should, in the light of the vulnerabilities stemming from outermost-region status, continue its support in those regions for the fisheries-products processing industry, at a level equivalent to or higher than that of the FIG;
11. Believes the Commission should maintain the derogations which have so far enabled the outermost regions to modernise and renovate their local fishing fleets on the basis of national and Community aid;
12. Believes the Commission should, in its proposal for a regulation on the EFF, extend the scope of support to the fisheries-products processing industry and the aquaculture sector, so as to ensure that at least medium-sized undertakings are also included;
13. Believes the Commission should accept the principle that POSEI-Fisheries aid should be permanent, and favours increasing the compensation levels in respect of the additional costs arising from outermost status in the marketing of certain fisheries products;
14. Believes the Commission should take all possible steps towards the rapid establishment of the Regional Advisory Councils; in the case of the Regional Advisory Council for South Western Waters, an island subdivision should be created to deal with the specific fisheries in the outermost regions.

PROCEDURE

Title	A stronger partnership for the outermost regions
References	(2004/2253(INI))
Committee responsible	REGI
Committee asked for an opinion Date announced in plenary	PECH 13.1.2005
Reinforced cooperation	
Draftsman Date appointed	Duarte Freitas 13.4.2005
Discussed in committee	25.4.2005 16.6.2005
Date adopted	11.7.2005
Result of final vote	For: 14 Against: 0 Abstentions: 2
Members present for the final vote	Stavros Arnaoutakis, Elspeth Attwooll, Paulo Casaca, Zdzisław Kazimierz Chmielewski, Carmen Fraga Estévez, Ioannis Gklavakis, Alfred Gomolka, Ian Hudghton, Heinz Kindermann, Rosa Miguélez Ramos, Philippe Morillon, Willi Piecyk, Dirk Sterckx, Catherine Stihler, Margie Sudre
Substitute(s) present for the final vote	Duarte Freitas, Josu Ortuondo Larrea
Substitute(s) under Rule 178(2) present for the final vote	

PROCEDURE

Title	A stronger partnership for the outermost regions		
Procedure number	2004/2253(INI)		
Basis in Rules of Procedure	Rule 45		
Committee responsible Date authorisation announced in plenary	REGI 13.1.2005		
Committee(s) asked for opinion(s) Date announced in plenary	ECON 13.1.2005	AGRI 13.1.2005	PECH 13.1.2005
Not delivering opinion(s) Date of decision	ECON 7.9.2004		
Enhanced cooperation Date announced in plenary			
Motion(s) for resolution(s) included in report			
Rapporteur(s) Date appointed	Sérgio Marques 19.1.2005		
Previous rapporteur(s)			
Discussed in committee	30.3.2005	24.5.2005	
Date adopted	12.7.2005		
Result of final vote	for:	28	
	against:	9	
	abstentions:	6	
Members present for the final vote	Alfonso Andria, Stavros Arnautakis, Jean Marie Beaupuy, Rolf Berend, Graham Booth, Giovanni Claudio Fava, Gerardo Galeote Quecedo, Iratxe García Pérez, Eugenijus Gentvilas, Lidia Joanna Geringer de Oedenberg, Ambroise Guellec, Zita Gurmai, Gábor Harangozó, Marian Harkin, Konstantinos Hatzidakis, Alain Hutchinson, Mieczysław Edmund Janowski, Tunne Kelam, Constanze Angela Krehl, Jamila Madeira, Sérgio Marques, Miroslav Mikolášik, Francesco Musotto, Lambert van Nistelrooij, Jan Olbrycht, István Pálfi, Markus Pieper, Francisca Pleguezuelos Aguilar, Alyn Smith, Grażyna Staniszevska, Margie Sudre, Kyriacos Triantaphyllides, Oldřich Vlasák, Vladimír Železný		
Substitutes present for the final vote	Inés Ayala Sender, Thijs Berman, Brigitte Douay, Den Dover, Mojca Drčar Murko, Emanuel Jardim Fernandes, Mirosław Mariusz Piotrowski, Thomas Ulmer, Manfred Weber		
Substitutes under Rule 178(2) present for the final vote			
Date tabled – A6	19.7.2005	A6-0246/2005	