



ACTIVITY REPORT OF THE CANARY ISLANDS PRESIDENCY OF THE CONFERENCE OF PRESIDENTS OF THE OUTERMOST REGIONS 2022-2023

November 2022 - November 2023

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In November 2022, the Canary Islands took over the rotating presidency of the Conference of Outermost Regions (OR) for the sixth time, from the French region of Martinique, at a particularly complex time when, in addition to the structural problems faced by OR citizens, there are those arising from a context of slow post-pandemic economic recovery and new global threats, marked by the proliferation of armed conflicts, tinging prospects for growth and socio-economic development with uncertainty.

The Canary Islands Presidency of the OR has concurred in its final stage with the Spanish Presidency of the Council of the EU, during the second half of 2023, in order to make the most of the synergies arising from the concomitance of both presidencies to offer solutions regarding European dossiers that most directly affect our regions.

During this year, intensive work has been done to maintain and consolidate the common political momentum to ensure that the story of the outermost regions remains an unprecedented success story of political action for the five million Europeans living in these remote and isolated territories.

Activities carried out throughout the year have been developed under the following thematic axes of the Presidency programme:

★ Defending OR interests_

Promoting the implementation of the new OR Strategy_

• Monitoring the commitments made by the European Commission in its 2022 Communication.

The European Commission (EC) renewed and reinforced its Strategy for the OR by adopting, on 3 May 2022, the Communication entitled "putting people first, securing sustainable and inclusive growth, unlocking the potential of the



EU's outermost regions", in which priorities for EU action with and for the OR are presented in order to promote their development, as well as action recommendations for these regions and their Member States: France, Portugal and Spain.

As part of the regular monitoring of the European Commission's activity, Conference technical support bodies have worked together with other European institutions to give impetus to the current strategy, as follows:



- → Committee of the Regions (CoR): Work has been coordinated with the rapporteur's technical team and other key CoR members in the process of adopting the Opinion on "putting people first, securing sustainable and inclusive growth, unlocking the potential of the EU's outermost regions".
- → European Parliament: Similarly, work has been carried out jointly with the relevant rapporteurs in the EP REGI Committee and, in parallel, with contributions from AGRI, BUDG, TRAN and EMPL Committees, which have

been involved in the process of adopting the European Parliament resolution of 13 June 2023 on the assessment of the new Commission communication on outermost regions.



Promoting an Action Plan for the monitoring of the renewed OR strategy.

In order to strengthen the partnership, dialogue and support between the Commission and the outermost regions, the OR Monitoring Committee has promoted the Commission's commitment to hold regular high-level meetings with each outermost region, in an enhanced dialogue to better understand their concerns, their strategic priorities, their medium-term objectives and their main concerns. These dialogues culminate in bilateral meetings, which the Commissioner will hold with the Presidents of each outermost region at the Conference of Presidents, as the closing event of the Canary Islands' presidency of the OR.

Monitoring of the European legislative process_

- Monitoring of legislative proposals of common interest, in particular:
 - Fit for 55 Package.

Legislative measures have been monitored throughout the negotiation process, working with co-legislators, in particular on the regulation of CO₂ emissions from aviation and maritime transport, sustainability of fuels, infrastructures needed to accommodate such sustainable fuels and supply electricity, tax measures on tax-exempt fossil fuels, the Carbon Border Adjustment Mechanism and the Directive on energy from renewable sources. Exemptions for the OR in this area have been achieved, which include the following:



- EU Emissions Trading Scheme: exemption from the obligation to deliver emission allowances for domestic and inter-island flights and maritime routes until 31.12.2030.
- *FuelEU Maritime* Regulation and *RefuelEU aviation* Regulation: applicability of the obligation to use alternative fuels only to 50% of the energy used on domestic maritime routes and in OR ports, and possibility of 100% exemption for inter-island routes until 31.12.2029. Exclusion of OR airports from the obligation to provide alternative fuels unless otherwise requested.
- Regulation on alternative fuel infrastructures: exclusion of OR ports from the obligation to provide electricity in the port as long as the region does not have sufficient energy produced from alternative energy sources to fossil fuels.
- Carbon Border Adjustment Mechanism: the operation of this mechanism will have to be reviewed taking into account the situation of the OR before its definitive entry into force on 1 January 2026.
- Revision of the Directive on energy from renewable sources: the possibility of adapting financial support systems to projects located in the OR is maintained and both an OR derogation for bioliquids and the possibility of aid for the production of electricity from forest biomass are included.
- Extension/renewal of the General Block Exemption Regulation.

Work has been carried out with the European Commission in this area. As a result of this joint work and the European Commission's commitment, the adoption of the amendment to the GBER, published on 30 June 2023, maintains all the OR specific features in terms of aid and extends its validity until 31 December 2026.

• Tax and customs harmonisation initiatives.

As many EU regulatory initiatives in this area could have an impact on the tax and customs particularities of the OR, with the risk that they may not be properly taken into account, Council Directive on ensuring a global minimum level of taxation for multinational enterprise groups and large-scale domestic groups in the Union, to be transposed into national legislation by 31 December 2023 and applied to tax years from that date onwards, has been monitored.

In addition, the customs reform and digital VAT, as well as the framework for income taxation (BEFIT), have been monitored.



Promoting and drafting ORPC joint contributions:

Between November 2022 and November 2023, the OR Conference has submitted a total of ten joint contributions to the European institutions (mainly the European Commission, but also the European Committee of the Regions), all linked to the need to call for the OR specific characteristics to be properly taken into account in the formulation of EU policies, in particular:

- Draft Commission Regulation on the application of Articles 107 and 108 of the TFEU to *de minimis* aid.
- New EU instrument to ensure the functioning of the single market in emergency situations.
- Definition of relevant market for the purposes of EU competition law.
- Reform of the European electricity market.
- EU4Health work programme for 2024.
- Cohesion Alliance consultation on the future of Cohesion Policy.
- Commission proposal on Gigabit Infrastructure.
- CoR COTER consultation on the Future of Cohesion Policy post 2027.
- Mid-term review of the EU Youth Strategy 2019-2027.
- Review of EU support schemes for agriculture in the OR (POSEI).

Monitoring the development of COFOE conclusions and next steps.

The Conference on the Future of Europe concluded in May 2022 with a final report full of recommendations for the future, many of which were related to the OR, even though they were rarely mentioned as such in the text. The monitoring of the European Institutions' proposals implementing COFOE conclusions has been carried out on a case-by-case basis according to the specific subject matter and impact on the OR.

Monitoring of the consultative activity of the European Committee of the Regions.

Between November 2022 and November 2023, the Canary Islands, in coordination with other outermost regions represented in this Institution, submitted a significant number of amendments to the draft opinions of the European Committee of the Regions. These initiatives have dealt with the importance of cohesion policy and the maintenance of its funding (multiannual financial framework), regionalisation and the access of the OR to instruments for cross-border cooperation, external action and neighbourhood, migration and asylum, security and internal affairs, borders and visas, preventive diplomacy and the fight against disinformation. Likewise, and among other priorities, amendments have been drafted to ensure that the OR are taken into account in the Fit for 55 Package, in relation to, among



others, the priorities on energy efficiency, EU Green Deal, climate change, blue economy, waste water, plant protection products, biodiversity recovery and, in general, fair and inclusive adaptation to the ecological and digital transitions.

Strengthening the partnership_

• Boosting OR participation in OR Working Groups under the promotion of the European Commission.

The European Commission, through the OR Unit, has held four meetings this year with the Monitoring Committee, representatives of the three Member States concerned and experts from the Commission's Directorates-General working on the dossiers that most



directly affect the OR. The regions have encouraged the participation of their experts in these meetings, in order to promote direct exchange with those who are familiar with the difficulties in implementing European policies in the territory.

• Fostering regular contacts with the OR Attachés in the relevant Permanent Representations.

Two meetings have been held at the Canary Islands Government Delegation in Brussels with the Attachés of the Permanent Representations of Spain, France



and Portugal to the EU, which has made it possible to strengthen the collaboration channels already in place, informing them of the OR joint contributions and establishing strategies for mutual collaboration, in order to ensure the defence of OR interests in the negotiation of legislative proposals within the Council.

• Deepening cooperation with MEPs, especially those from the OR.

From the beginning of the Canary Islands' presidency of the ORPC, taking advantage of the coincidence of the Spanish presidency of the Council of the EU, efforts have been made to maintain and consolidate the political



momentum within the European Parliament; promoting consensus and cooperation with the ORPC, i.e. taking advantage of synergies with MEPs from the OR and strengthening the visibility of our structural problems in the search for solutions; also in the monitoring of the European legislative process, particularly the legislative packages, including Fit for 55 (Regulations and Directives on the environment, climate change and energy), Pact on Migration and Asylum (Regulation and Directives particularly important for the Canary Islands, French Guiana and Mayotte, such as regulations on Screening, Eurodac, Migration and Asylum Management and Crisis Management), the mid-term review of the Multiannual Financial Framework for the period 2021-2027 and its many challenges for the financing of outermost regions; and, particularly during the period of both the Spanish EU presidency and ORPC presidency of the Canary Islands, the European Parliament resolution on the new Commission communication on outermost regions has been monitored. This report, after months of work in the REGI, AGRI, BUDG, TRAN and EMPL Committees, was adopted in plenary session by the European Parliament on 13.06.2023. The result of the vote was 589 votes in favour, 22 votes against and 16 abstentions, which represents a massive support (94%) of the European Parliament. This report promotes going beyond the Commission's proposals in its strategy for the OR and the European Parliament has reaffirmed its commitment to the development and respect for the specificities of the OR.

★ Making progress in areas of common interest_

European Pillar of Social Rights_

• Promotion of the Outermost Region Forum focused on the development of the Social Pillar in the OR and joint actions in the framework of the European Year of Skills.

The Presidency of the Conference, in collaboration with the other outermost regions, has pursued its work on joint positions and statements with the aim of promoting the need to include the OR in EU social objectives for 2030. These joint positions will enable the OR, despite their constraints, to take ownership of the European strategy to achieve an increasingly social and inclusive Union.

In this respect, the Conference has worked, in collaboration with the European Commission, in areas such as youth, public health, living conditions in the OR and others within the broader framework of the social pillar.



Territorial cooperation_

• Promote the pooling of funds (ERDF-NDICI) and encourage the exchange of best practices between programmes.

Managing authorities of the European Territorial Cooperation (ETC) programmes of the OR, together with representatives of the European Commission's DG REGIO, met in October 2023 in Gran Canaria, in order to make progress in the process of linking the structural funds (ERDF) with the funds



for cooperation with third countries (NDICI), to improve project cooperation and joint financing between the OR and third countries in their relevant geographical areas.

The meeting also provided examples of good practice in improving the governance of the various programmes and arrangements for coordination with third country partners. Moreover, there was an exchange of views on mechanisms for improving coordination with the EU delegations in third countries.

• Promoting the approach of European strategies for territorial cooperation in the relevant OR basins.



As part of the events organised by the Spanish Presidency of the EU, a conference was held in Las Palmas de Gran Canaria, in October 2023, on "the regional insertion of the outermost regions", with the participation of the outermost regions, representatives of the European Commission, the European Parliament and the

three Member States to which the OR belong. This event provided an opportunity for reflection on the future of issues such as the concept of "regional insertion" of the OR, the suitability of current European and national support instruments, in particular the European territorial cooperation programmes (INTERREG), and the need to make the implementation of certain common policies of particular interest to these regions more flexible.



• Encourage the exchange of good practices between programmes

In June 2023, the workshop closing meeting for the exchange of good practices on adaptation to climate change in the OR took place in Las Palmas de Gran Canaria,

a DG REGIO initiative in response to a commitment of the EU Strategy on Adaptation "Forging a climate-resilient Europe - the new EU Strategy on Adaptation to Climate Change", which highlights the vulnerability of the outermost regions. The overall objective of the programme is to promote the



exchange of best practices and solutions to common adaptation challenges between the OR and their neighbouring countries. This has been achieved through a series of workshops, 3 virtual meetings in each of the three basins in which the OR are present: Southwest Indian Ocean, Macaronesia, and Caribbean-Amazon, in which experiences ranging from the capacity to respond to natural disasters and extreme weather events to the prediction of future energy needs through climate projections or the protection of biodiversity and improvement of the bio-economic transition have been shared. The meeting ended with a visit to the Canary Islands Technology Institute (ITC), where participants had the opportunity to observe models related to the Institute's activity areas, such as water, renewable energies and biotechnology.

Tourism_

• Monitoring the progress of a European tourism policy, ensuring specific action for the OR and exploring proposals to enhance the potential of tourism in the OR.

The EU industrial strategy, the development of the tourism roadmap and the Pact for skills in this sector, as well as the progress towards the creation of a European tourism policy have been monitored, bearing in mind that this sector is one of the main drivers of the OR economy, generating direct and indirect employment and an opportunity to develop and invest in sustainable activities and jobs.

Furthermore, the first Convention of European Tourist Islands was organised. It took place in Gran Canaria on 1 and 2 December 2022 and culminated in a

declaration of tourist islands requesting the consideration of tourism as a transversal economic activity, the creation of a European Tourism Policy and a European Tourism Agency to develop this policy.





Migration_

- Promotion of dedicated working groups (European Commission, Member States, OR) on irregular migration.
- As external borders of the EU in their respective geographical areas, some OR face constant migratory flows in addition to their structural constraints already recognised in Article 349 of the TFEU. This is particularly the case of the Canary Islands, French Guiana, Mayotte and Saint-Martin. In this regard, in response to one of the requests made at the 26th Conference of the OR held in the Azores in 2021, the European Commission was asked to set up an ad hoc Task Force/Working Group on immigration, with the aim of creating a multi-level discussion platform to facilitate the exchange of information between the various administrations involved and the monitoring of the real needs of the regions that were most affected by this phenomenon. This request has so far resulted in the organisation of a first technical working meeting between the EC, Spain and the Canary Islands to address the challenges faced in the current migration situation in the Canary Islands.

★ Boosting the visibility of the outermost regions and ORPC_

Participating in key European events_

• Organisation of a seminar on the implementation of the new strategy for the OR as part of the work of the Commission for Regional Policy of the European Committee of the Regions.

The Seminar aimed to focus on the adaptation of cohesion policy, and other policies, to the reality and particular needs of territories, using the example of the outermost regions.

Thus, the effective application of the territorial cohesion principle, within cohesion policy and other policies with a territorial impact, was discussed, as well as the need for European policies to be designed and implemented, from their conception, taking into account the territorial reality, especially that of



territories with unique geographical characteristics having an impact on the development of their economies and on the way in which their citizens fully participate in the internal market.



• Identifying opportunities to present the reality of the outermost regions and highlight their potential.



In order to give visibility to the OR reality, the Government of the Canary Islands Canarias took part in the European Maritime Day in May 2023, held in Brest, France, together with other European entities, in the workshop "Fostering Atlantic renewable energy", which

addressed the opportunities and challenges that the development of offshore/oceanic renewable energy represents for the EU, as well as the need for national and European supports to put it into practice.

Likewise, in October 2023, the meeting of the Working Party on Structural Measures and Outermost Regions (SMOR) was held in Santa Cruz de Tenerife, as part of the events organised under the Spanish Presidency of the Council of

the EU. This was an opportunity to raise awareness, once again, of the reality of the outermost regions, among the Attachés of the Permanent Representations of the 27 EU Member States, who are part of this group.



They visited a number of ERDF and ESF+ funded projects to learn first-hand about the use of these funds and their ability to transform the lives of their citizens, creating opportunities to address the many challenges they face every day.

Improving ORPC communication_

• Updating and maintaining the ORPC website, and promoting joint dissemination actions.

A boost has been given to the ORPC website (https://cp-rup.com/en/home-en/), as a platform for disseminating the Conference activities, and around thirty news items have been published during this period on various topics ranging from the adoption of reports by the European institutions that increase the EU outermost heritage, to the dissemination of calls for proposals of interest and the holding of workshops that have addressed the specificities of our regions in specific thematic areas. You can find the news published in the following link.

Moreover, the Library section of the website has been updated with the publication of the initiatives published in recent years in relation to the outermost *acquis*.



★Ensuring the functioning of the ORPC_

• Coordinating and promoting the work of the OR Monitoring Committee, ensuring communication and external representation of the ORPC.

The coordinated work of the OR Monitoring Committee has been permanently promoted and nine meetings have been held, both on site, in Brussels and in the Canary Islands, as well as online, facilitating the exchange of information of interest to the regions and a mutual collaboration. This committee has followed the mandate of OR Presidents to monitor in detail legislative



initiatives under negotiation, so that OR specific characteristics are taken into account. Its work has taken the form of a fluid and constant exchange of information and the search for common proposals and solutions to influence the initial phase of the legislative adoption process.

• Ensuring the performance of the ORPC partnership.

The Association of the Conference of Presidents of the Outermost Regions held its



ordinary and extraordinary general assemblies on 6 March 2023, under the Presidency of the Canary Islands, which adopted, among other decisions, the designation of the new members of the Governing Board, the action plan for 2023 and the budget of this entity for the same period. As an

associative entity constituted under French law, this instrumental body of the Conference aims to serve as a tool of common interest to implement joint actions in areas in which the outermost regions share the same objective.