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REPORT

on optimising the potential of outermost regions by creating synergies between the Structural Funds and other European Union programmes (2013/2178(INI))

Committee on Regional Development

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MOTION FOR A EUROPEAN PARLIAMENT RESOLUTION

on optimising the potential of outermost regions by creating synergies between the Structural Funds and other European Union programmes (2013/2178(INI))

The European Parliament,

- having regard to Articles 349 and 355(1) of the Treaty on the Functioning of the European Union (TFEU), which confer a special status on the outermost regions (ORs) and provide for the adoption of 'specific measures' that enable the Treaties and common policies to be fully implemented,
- having regard to Article 107(3)(a) of the TFEU on rules governing state aid to such regions,
- having regard to Articles 174 et seq. of the TFEU, which establish the objective of
 economic, social and territorial cohesion and specify the structural financial instruments to
 achieve this,
- having regard to the Commission communications on outermost regions, in particular that of 17 October 2008 entitled 'The outermost regions: an asset for Europe' (COM(2008)0642),
- having regard to its resolutions on the ORs, in particular that of 20 May 2008 on the strategy for the outermost regions: achievements and future prospects¹,
- having regard to the Commission staff working document entitled 'Regions 2020 an assessment of future challenges for EU regions' (SEC(2008)2868),
- having regard to the Message from Reunion Island adopted by the participants in the Conference on 'The European Union and its Overseas Entities: Strategies to Counter Climate Change and Biodiversity Loss' and to the EU Council conclusions of 25 June 2009 on 'A mid-term assessment of implementing the EU Biodiversity Action Plan and Towards an EU Strategy on Invasive Alien Species',
- having regard to the joint memorandum of the outermost regions of 14 October 2009 on 'The Outermost Regions in 2020',
- having regard to the common platform of 6 July 2010, presented to the President of the Commission, José Manuel Durão Barroso, by the Conference of Members of the European Parliament from the outermost regions,
- having regard to the Memorandum of Spain, France, Portugal and the Outermost Regions of 7 May 2010 entitled 'A Renewed Vision of the European Strategy for the Outermost Regions',
- having regard to the joint contribution of the outermost regions of 28 January 2011 on the

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¹ OJ C 279 E, 19.11.2009, p. 12.

- Fifth Report on Economic, Social and Territorial Cohesion,
- having regard to the report of 12 October 2011 entitled 'Europe's outermost regions and the Single Market: The EU's influence in the world', submitted to Commissioner Michel Barnier by Pedro Solbes Mira,
- having regard to its resolution of 18 April 2012 on the role of cohesion policy in the outermost regions of the European Union in the context of EU 2020¹,
- having regard to the Commission communication of 20 June 2012 entitled 'The outermost regions of the European Union: towards a partnership for smart, sustainable and inclusive growth' (COM(2012)0287),
- having regard to the report produced by Serge Letchimy, Member of the French National Assembly, for the French Prime Minister on Article 349 of the Treaty on the Functioning of the European Union: a contribution to bringing the derogation provisions to bear in support of a global development project for the outermost regions,
- having regard to the joint contributions and technical and political documents of the Conference of Presidents of the Outermost Regions of the European Union, in particular the final declaration of the 19th conference of 17 and 18 October 2013,
- having regard to Rule 48 of its Rules of Procedure,
- having regard to the report of the Committee on Regional Development (A7-0121/2014),
- A. whereas the assets, resources and potential of the ORs highlighted by the Commission in its 2008 strategy and 2012 communication, which lie in areas of key importance to EU research, innovation and growth, attract too little support and financing under EU funds and programmes;
- B. whereas the ORs consist of a number of archipelagos and islands and a region bordering on the Amazon forest and share specific constraints that set them apart from other EU geographical areas with special profiles (island, upland and sparsely populated regions);
- C. whereas the ORs are regions of excellence making a significant contribution towards meeting the objectives the EU has set as part of the Europe 2020 growth strategy, the Horizon 2020 strategy, the Energy 2020 strategy, the LIFE+ and Natura 2000 programmes and the trans-European telecommunications, transport and energy networks;
- D. whereas, in this connection, long-term investment needs to be encouraged and innovation promoted in the ORs, in order to provide a firm and sustainable basis for their economic and social development and give the various EU strategies a better chance of success:
- E. whereas, in pursuit of these strategies, the volume of structural and investment funding

¹ OJ C 258 E, 7.9.2013, p. 1.

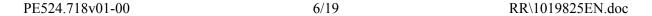
- being provided to the ORs must be adjusted or supplemented in order to enable them to play a role commensurate with their potential and consistent with their aspirations in addressing the major challenges facing the EU;
- F. whereas the current economic and social crisis is having a particularly serious impact on the outermost regions of the European Union, particularly in terms of competitiveness and employment, and both the need for economic growth and the unemployment situation require urgent and appropriate responses in the next financial programming period;
- G. whereas Article 349 of the TFEU should be used as the legal basis enabling the ORs, by means of specific measures, to take their rightful place in the EU programmes that can properly harness the potential they are recognised as having;
- H. whereas the ORs can become pilot regions and regions of excellence, to the benefit of the EU as a whole, in areas such as biodiversity, environment, adapting to climate change, dealing with and observing extreme weather events, research, innovation, space, the aerospace industry, oceans, blue growth, maritime spatial planning and maritime governance, seismology, volcanology, emerging diseases, renewable energy, transport, telecommunications, emergency humanitarian assistance outside the EU and culture:
- I. whereas the ORs are located in the Caribbean, Indian Ocean and Atlantic Ocean maritime basins and make the EU a world maritime power; whereas their geo-strategic location helps the EU to exert influence worldwide; and whereas their exceptional natural, marine and fisheries resources account for 50% of the world's biodiversity;
- J. whereas the ORs are a special case, forming a common entity which is both inside and outside the EU at the same time and which the Commission should promote and support, including through the implementation of common policies;
- K. whereas in order to maximise the potential of the ORs, the closest possible synergies need to be created between all EU instruments, funds and programmes;

Fresh prospects for the ORs

- 1. Views the ORs' potential, assets and resources, together with the experience they have accumulated, as additional tools for the EU and the Member States to use in addressing the challenges facing it in connection with globalisation, innovation capacity, growth, social cohesion, demographic pressures, climate change, major natural disaster risk prevention, energy and sustainable management of natural resources and biodiversity conservation;
- 2. Believes that improving the ORs' access to the various EU programmes and sources of funding will be of both short-term and long-term benefit to the EU as a whole; deplores the approach advocated at European level whereby the cohesion policy alone should be used to finance virtually all OR development projects;
- 3. Endorses the Commission approach of implementing policies seeking to make the ORs

more self-reliant, economically robust and better able to create sustainable jobs by capitalising on their assets and taking practical, imaginative action on the basis of Article 349 of the TFEU and of ad hoc instruments, notably in the fields of energy, transport and ICT, introduced for each EU fund and programme that can help turn the ORs' assets into sustainable development;

- 4. Stresses, furthermore, that it is important and necessary for European policies to contribute, including by means of specific tax and customs instruments, to promoting and diversifying the economic base in the outermost regions and creating jobs;
- 5. Takes the view that Article 349 TFEU provides an appropriate legal basis for the adoption of specific measures for the ORs but regrets the limited and scant use made of this article, which establishes the possibility of special arrangements being introduced on the basis of outermost region status;
- 6. Calls on the Commission to set up a contact group made up of the relevant Commissioners, the inter-service working party that coordinates policies involving the ORs and the Members of the European Parliament representing the ORs to review the progress of programmes planned and/or introduced for the ORs;
- 7. Stresses that, by virtue of the fact that they lie far away from mainland Europe, the ORs help to spread the influence of an EU that is becoming increasingly aware of its global dimension and the role it has to play in a rapidly changing world;
- 8. Stresses that special attention must be paid to the ORs in the event of natural disasters, in the light of their specific characteristics and of Article 349 of the TFEU, which provides for the possibility of adopting specific measures, while also pointing out that it is important to coordinate the Structural Funds with the European Union Solidarity Fund;
- 9. Calls for investment in ICT, transport, water and energy through services of general economic interest to be given priority in these regions and recommends a more consistent framework for state aid in the ORs in order to implement the Europe 2020 Strategy;
- 10. Believes there to be a close correlation between the EU's awareness of the global role it can play and the attention it pays to the ORs; believes the fact that the Union and the Member States have failed to take sufficient account of the importance and implications of its strategic investment decisions regarding the ORs and sees this situation as indicative of a more general failure to accord suitable importance to the Union's global dimension; considers improved synergies between instruments and programmes to be essential for the ORs, in order to promote international cooperation on the part of these regions;
- 11. Considers it essential, with a view to encouraging synergies between the Structural Funds and the Union's other programmes, to adopt a macroregion approach and draw up strategies for macroregions that include the ORs, taking advantage of those regions' characteristics and resources;



- 12. Calls on the national and regional authorities to draw on a multi-fund approach and establish links between the Structural Funds and the financial instruments provided under the European Union's other programmes, wherever this is possible and more efficient;
- 13. Calls on the Commission to flesh out the EU's strategy in respect of the ORs in such a way as to enable those region's assets to be developed while taking into account their permanent structural constraints; calls on the Commission, in this connection, to act on the proposals made by the ORs, including those contained in their action plans;

Synergies with the Horizon 2020 programme

- 14. Believes that the ORs have the potential to be at the forefront of research and technology in the areas covered by the Horizon 2020 objectives, such as space, the aerospace industry, biotechnology, observation of natural hazards, marine research, biodiversity, renewable energy, health, adaptation to climate change and smart transport solutions;
- 15. Points out that one of the aims of cohesion policy over the period 2014-2020 is to step up research, technological development and innovation efforts;
- 16. Criticises the fact that, owing to the serious difficulties which their projects face in meeting some of the requirements for securing EU funding as a result of their specific characteristics, the ORs have not received sufficient support under the 2007-2013 programme for research and development, which has resulted in low levels of participation and success and a weak OR presence in European research networks; calls therefore on the Commission to take steps to support research in the ORs and help achieve a critical mass;
- 17. Believes that ERDF funding alone will not be enough to allow the ORs to meet the Europe 2020 and Horizon 2020 targets; considers, in this connection, that the Commission should make the necessary adjustments and guarantee OR access to the Horizon 2020 programme by setting up dedicated programmes that can help to foster greater OR inclusion in European and international research and innovation networks; points out in this connection that the Horizon 2020 strategy itself, in its 'Spreading Excellence and Widening Participation' section, draws attention to significant disparities, as identified in the Innovation Union Scoreboard, between research and innovation performance and the specific measures for spreading excellence and widening participation in Member States and regions that are low-performing in terms of research and innovation;
- 18. Calls for OR universities to be expanded and promoted in order to help, in synergy with Horizon 2020, to raise the European and international profile of those universities, their research centres, their researchers and their students; points out that all the programmes promoting inter-university mobility for students, teachers and administrative staff are seriously compromised in the ORs owing to the extra costs arising from distance and isolation;
- 19. Points out that research and innovation programmes should be sufficiently flexible to

- adapt to new frontiers and new challenges for knowledge, such as the sea-bed, which has significant potential;
- 20. Highlights the growing economic interest in the immense riches of the ocean depths and the enormous biogenetic, mineral and biotechnology potential of the outermost regions, which must be included in the 'Renewed Strategy for the ORs' with the aim of developing a knowledge economy based on the sea and creating economic activities with a high added value in areas such as medicine, pharmaceuticals and energy, among others:

Synergies with the internal market

- 21. Calls on the Commission to draw on the various conclusions set out in the Solbes report with a view to enhancing the ORs' inclusion and development in the internal market;
- 22. Points out in this connection that, in terms of competition, the circumstances are not the same as in the rest of the European area, since in the ORs a free market is not possible in most sectors of activity, the bulk of which cannot attract private investment; notes that the supply of high-quality products at competitive prices in the ORs can only be ensured if the state provides appropriate financial support, and takes the view that the Commission should accordingly conduct an urgent assessment with a view to making the EU legislative framework more flexible and better suited to these specific circumstances;
- 23. Calls on the Commission to enforce the competition rules more strictly in order to guard against monopolies and cartels in the ORs;
- 24. Calls on the Commission to publish a guide for small and medium-sized enterprises in the ORs and on their contribution to the internal market, taking account of the various European programmes and funds in force in the ORs;
- 25. Calls on the Commission to look into the issue of the additional costs and high cost of living in the ORs and to take this issue into account when shaping European policies;

Synergies with the LIFE+ programme and the Energy 2020 strategy

- 26. Believes that the ORs' potential in the areas of biodiversity management, conservation and rehabilitation, adaptation to climate change and renewable energy development can be maximised through the establishment of synergies and cross-funding arrangements between cohesion policy, the LIFE+ programme and the Energy 2020 strategy, and that this will at the same time enable the Union to achieve its own objectives;
- 27. Notes that cofinancing is to be provided for innovative environmental conservation and climate change projects under the LIFE+ programme for 2014-2020; considers it vital to create synergies with thematic objectives 5 and 6 of the cohesion policy for 2014-2020, given the need to step up OR participation in the LIFE+ programme;
- 28. Deplores the failure to make the BEST preparatory action a fully-fledged programme for the ORs and OCTs, in spite of the views expressed by Parliament and the Council





- conclusions of 25 June 2009;
- 29. Deplores the failure to include the animal and plant species requiring protection in the French ORs in Annex I to Directive 92/43/EEC (habitats, wild flora and fauna), which has, in practice, made it impossible for the directive to be implemented in the French ORs and for those ORs to take part in Natura 2000 networks and programmes;
- 30. Calls on the Commission to draw up a specific Natura 2000 programme for the ORs on the basis of Article 349 of the TFEU;
- 31. Calls on the Commission, drawing on the positive examples and results achieved by some outermost regions in the field of renewable energy, to encourage measures geared to achieving energy self-sufficiency and meeting the Energy 2020 targets, and reminds the Commission of its proposal that a specific programme be established in the field of energy to reduce supply, infrastructure and service costs in the ORs in order to promote renewable energy policies, based on the POSEI programmes and with the best possible synergies with other EU strands of action;
- 32. Draws attention to the need to promote action to harness the renewable energy potential of islands, where fossil fuel dependency is aggravated by distance and geographical isolation; considers, accordingly, that account should be taken of the need to include instruments in European energy policy that will make it possible adequately to address the challenges posed by isolated energy systems;

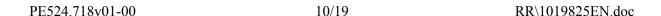
Synergies with European youth programmes

- 33. Points out that thematic objectives 8, 9 and 10 of the new cohesion policy cover employment, social inclusion, action against poverty, education, skills and lifelong learning;
- 34. Stresses that the ORs have some of the highest unemployment rates in the EU and that youth unemployment rates are particularly high; draws attention nonetheless to the difficulties experienced in implementing Youth Guarantee funding through cofinancing; regrets, furthermore, the lack of any special provisions for the ORs in the Programme for Employment and Social Innovation and draws attention to the difficulties experienced by the ORs in taking advantage of the opportunities offered by the Progress programme; calls for further action on the employment front in the form of an urgent pilot plan to combat unemployment in the ORs; calls for special youth employment action teams to be set up in the Commission, with a view to implementing the Youth Guarantee scheme and mobilising the ESF and the YEI;
- 35. Calls on the EIB to include the ORs in its Jobs for Youth initiative and its Investment in Skills programme;
- 36. Voices concern at the severe skills drain from the ORs brought about by high unemployment rates and a lack of suitable training opportunities, given that a properly trained and qualified workforce is an essential prerequisite for sustainable growth, especially in fields specific or traditional to those regions, and for spurring the development of new types of activity to address global challenges;

- 37. Notes that the new Erasmus programme is intended to foster the development of a knowledge society; stresses that it is essential for this goal to be met if the Europe 2020 strategy, under which knowledge is viewed as the primary driving force in Europe's economy, is to be a success; points, accordingly, to the need for greater synergies to be achieved between the Erasmus programme and the ESF in the ORs, in order to maximise local human capital and expertise, which are powerful driving forces for growth;
- 38. Supports the further development of universities in the ORs and the establishment of new centres of excellence, with a view to giving OR universities a higher profile and enhancing their drawing power in Europe; supports the development of partnerships between universities, not least as a result of the opening up of such arrangements to universities in non-EU countries with which ORs have a special relationship; calls for the additional travel costs arising as a result of the ORs' remoteness to be under the Erasmus+ and Eures programmes, so that OR students may take advantage of European exchange and training programmes and that OR universities could seek to derive greater benefit from the Erasmus Mundus programme between the Member States and the rest of the world:

Synergies with trans-European networks (transport, telecommunications, energy)

- 39. Draws attention to the Teixeira report on the role of cohesion policy in the outermost regions of the European Union in the context of EU 2020 (2011/2195(INI)), which called on the Commission to establish a specific programme in the field of energy, transport, and information and communication technologies, based on the POSEI schemes, and in particular to lay down a specific framework providing for transport subsidies in the ORs, particularly for public transport and to develop shipping services between islands;
- 40. Stresses the need for synergies to be created in the ORs between the trans-European networks, the Connecting Europe Facility, the Civitas and Horizon 2020 programmes and ERDF and Cohesion Fund funding for transport, telecommunications and energy projects;
- 41. Points out that accessibility plays a key role where the development of the ORs is concerned, frequently requiring a complex internal and external network of sea and air transport services and creating difficulties as regards mobility and accessibility, bearing in mind that the ORs have no alternative to air or sea transport and also have to cope with increased transport costs, a fact which in itself entails adverse economic and social effects;
- 42. Welcomes the Commission's intention to include the ORs in the trans-European networks, but deplores the fact that most of the ORs have been excluded from the priority corridors and hence also from CEF funding; calls on the Commission to look again at the exclusion of the ORs when considering its strategy for the outermost regions and to guarantee investment in transport in the ORs, so as to help them to cope with their remoteness and their island status; calls on the Commission to establish a specific sectoral framework for ORs in order to make them more accessible and improve links to mainland Europe;



- 43. Deplores the fact that progress with the sea highways has been hampered by the priority given to short sea links, given that this approach discriminates against the ORs; calls on the Commission to look again at the exclusion of the ORs when considering its strategy for the outermost regions;
- 44. Points to the need to review the state aid framework for sea transport in order to enable public support to be provided for links between ORs and countries outside the EU;
- 45. Stresses the need to adjust the classification system for regional airports, given that, as far as the ORs are concerned, passenger flows and profitability cannot be the sole criteria;
- 46. Believes that, in view of the digital economy's importance, the digital divide between the ORs and mainland Europe is hampering the ORs' development and competitiveness; points out that this digital divide, which is a result of delays in the roll-out and modernisation of ICT infrastructure in the ORs, is adding to the problems already faced by the ORs because of their geographical remoteness; suggests that the development of ICTs in the ORs should be stepped up by extending and modernising networks, exploiting synergies with the ERDF and granting easier access to EIB funding for projects in this area, and also points to the need to grant the ORs priority access to the GMES and Galileo programmes;

Synergies with EU maritime policy (CFP, EMFF)

- 47. Points out that the ORs contribute towards the EU's status as a world maritime power;
- 48. Calls on the Commission to take greater account of Europe's global maritime dimension, the importance of the sea, the oceans and blue growth to the EU as a whole, the strategic location of the ORs, and the role they can play in ensuring that seas, oceans and coastal areas are used in a sustainable way, as well as in global maritime governance and the development of a knowledge economy based on the sea;
- 49. Draws attention to the lack of synergies between cohesion policy and the CFP, which still takes too little account of conditions in the ORs; stresses the importance of maintaining a POSEI scheme for fisheries, and proposes that research and innovation should be stepped up in the maritime economy, as they are a potential source of growth;
- 50. Stresses that the ORs are dependent on the fish stocks in their EEZs, which are biologically and ecologically highly vulnerable, and believes, therefore, that biogeographically sensitive OR zones need to be properly and effectively protected, including by allowing only local fleets using environment-friendly fishing gear to enter such zones; emphasises the need to ensure that fishery resources are used in a balanced and sustainable manner while maintaining the same level of fishing activity; calls for proper account to be taken of the long-term interests of local people when EU fisheries agreements are negotiated, with OR stakeholders playing a part in those negotiations, and for a section on the ORs to be included in all impact studies;
- 51. Deplores the fact that the POSEI Fisheries programme, which established a scheme to compensate for the additional costs incurred in the marketing of OR fishery products,

has recently been absorbed into the European Maritime and Fisheries Fund (EMFF) and thus ceased to be governed by a self-contained regulation aimed specifically and exclusively at the ORs, a fact which reduces the importance of the positive discrimination that the ORs are entitled to enjoy under Article 349 of the TFEU;

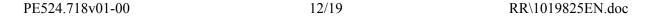
52. Criticises the fact that, given the situation in some ORs, that those regions will not be granted fleet renewal aid under the new CFP;

Synergies with the common agricultural policy

- 53. Points out that farming is a thriving industry which provides jobs and plays a role in the development of activities with a high added value; also points out, however, that a number of specific factors such as the small size of farm holdings and the limited market have a major impact on farming in the ORs; draws attention to the fact that objective 3 of the new cohesion policy covers the development of SMEs in the farming sector:
- 54. Points out that farming in the ORs is grappling with the challenges of diversification and competitiveness, as well as with new challenges which include globalisation, market liberalisation, food safety and sustainable development;
- 55. Stresses that the POSEI programme, which has proved its worth but is hampered by chronic underfunding that needs to be dealt with as a matter of urgency, should remain in place; points to the need to ensure that POSEI has the necessary resources to help OR producers to cope with the impact of the liberalisation of a number of sectors resulting from EU policies and international agreements concluded in the milk, sugar, rum, meat and banana sectors in particular; stresses, in this connection, the economic, social and environmental importance of all OR agricultural products; maintains that the POSEI system should continue within its own self-contained framework;
- 56. Believes that synergies should be created between cohesion policy and the EAFRD, with a view to modernising and extending irrigation networks and for the purposes of spatial planning, training and capitalising on the tourism potential of sustainable agriculture and rural communities;
- 57. Calls on the Commission to bolster local production and marketing of agricultural products, so that high-quality local products may take the place of imports;
- 58. Supports the introduction of protected designations of origin and local labels in the ORs, and hopes that the promotional policy used will be tailored to the needs of the ORs and that GIs will be safeguarded;

Synergies with EU external policy

59. Deplores the continued lack of a proper linkage between the European funds EDF, ERDF and ETC, in particular in cross-border cooperation projects, despite the fact that this is essential if the funds' objectives are to be met; points to the need, in this respect, to ensure that the programming methods used for the EDF and for the ERDF are compatible;



- 60. Calls on the Commission to initiate discussions between the Member States, the ORs, the OCTs and the ACP countries, with a view to fostering closer dialogue and better integration of the ORs into their geographical areas; emphasises that, to this end, the EU delegations should play an even more pivotal role in facilitating dialogue between the various stakeholders involved in programming in the ORs, the OCTs and the ACP countries;
- 61. Calls on the Commission to take greater account of the geo-strategic importance of the ORs, which stems from their proximity to other continents;
- 62. Calls on the Commission to complete the wider neighbourhood action plan, on which it has been working since 1999, and to identify the factors that will help ORs to become more closely integrated into the geographical regions in which they are located, as well as the barriers to such integration; draws attention in this context to the particularly close historical and cultural relations that each OR has with non-EU countries and to the potential for developing economic, trade and cooperation relations with various regions of the world;
- 63. Calls on the Commission to take greater account of the impact that trade agreements concluded with non-EU countries have on OR economies, with impact studies being conducted in advance of each agreement in order to ensure that any 'sensitive' products are protected and fair compensation is provided for any losses incurred in specific sectors; calls also for a procedure for consulting OR regional authorities to be introduced; recommends that the Commission should arrange for periodic studies to be carried out in respect of the international agreements currently in force, in order to assess and take proper account of the vulnerability of OR markets;
- 64. Criticises the failure to take account of OR interests in the agreements concluded with Latin American and ACP countries, as well as the fact that no impact assessments were conducted prior to the negotiation of those agreements;
- 65. Calls on the Commission to negotiate the inclusion in all trade agreements with ACP countries that lie close to ORs a specific section on the creation of an OR-ACP market, with a view to integrating ORs more closely into their geographical neighbourhood;
- 66. Draws attention to the fact that the ORs can be a real asset for the EU in connection with building humanitarian response capacity and deploying it when natural disasters occur; recommends, in this connection, that a European civil protection force should be set up;

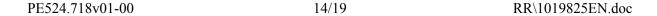
Synergies with programmes to combat poverty and social exclusion

- 67. Draws attention to the fact that a number of fundamental problems exist in the ORs, one of them being social exclusion; points out that thematic objective 9 of the new cohesion policy covers social inclusion and action against poverty and all forms of discrimination and that support for the most deprived sections of society is an ERDF investment priority;
- 68. Welcomes the adoption of the FEAD Regulation and calls for it to be fully and properly

- implemented in the ORs;
- 69. Points out that some ORs are faced with major housing shortages stemming from, among other things, strong population growth; advocates the establishment of a social housing investment scheme and the introduction of special measures under which aid in support of investment in social housing is not considered to be State aid; points out that other ORs are facing growing desertification, which is also leading to deterioration of their characteristic built environment, and that this latter problem has to be tackled by supporting urban regeneration and stimulating economic activities suited to the areas affected, so as to encourage the population to remain there;

Synergies with the COSME programme and the Progress Microfinance Facility

- 70. Points out that some ORs are located in areas in which industrial competition is fierce, in particular owing to low labour costs and an abundant supply of raw materials in neighbouring countries; draws attention to the fact that thematic objectives 3 and 8 of the 2014-2020 cohesion policy cover action to enhance SME competitiveness and promote high-quality sustainable employment;
- 71. Points out that, although they show a healthy start-up rate despite the crisis, very small and small and medium-sized businesses in the ORs are finding it increasingly difficult to gain access to financing, and that this is jeopardising their development and future survival;
- 72. Welcomes in this connection the objectives set for the future COSME programme, under which support will be provided to European SMEs, in particular as regards access to finance and to new markets; welcomes the development of the Progress Microfinance Facility; calls on the Commission to ensure that these programmes are implemented efficiently in the ORs as well and welcomes the possibility of dialogue with the EIB and the European Investment Fund in order to explore avenues for improving access to financing for OR SMEs with a view to setting up local investment funds in each OR and developing regional investment capital markets;
- 73. Stresses that the economic development model for each OR needs to be geared to harnessing its potential; points out, for example, that the shortage of waste processing facilities provides an opportunity to make substantial headway in terms of both job creation and environmental protection;
- 74. Welcomes the recent opening of the public consultation on a Green Action Plan for SMEs; calls on the Commission to take proper account of the problems and expertise of outermost-region SMEs in this area when it draws up its conclusions on that consultation;
- 75. Stresses that tourism is a key economic driver in the ORs; considers it essential therefore for joint ERDF-COSME support to be provided for efforts to expand and modernise the ORs' hotel network, in order to help diversify and develop the sustainable tourism services on offer in the ORs;
- 76. Considers that thought should be given to simplifying visa policies in respect of both





EU Member States and some non-EU countries, in order to streamline formalities for tourists and foster the development of multi-destination tourism in the ORs and neighbouring countries;

Synergies with the Creative Europe programme

- 77. Notes that some ORs are highly multicultural societies and points to the need for cultural interchange between the ORs and mainland Europe; calls on the Commission to allow projects from ORs to be funded under the Creative Europe programme;
- 78. Calls on the Commission to draw up a strategy for the development and dissemination of the ORs' cultural heritage, using the Euromed Heritage IV programme as a model;
- 79. Instructs its President to forward this resolution to the Council and the Commission.

EXPLANATORY STATEMENT

To date, EU policy towards the outermost regions (ORs) has centred around the provision of basic support through the various cohesion policy and agricultural and fisheries support instruments.

This report proposes that we should now move away from the current policy options, some of which have hit a brick wall, and adopt a new approach that will take EU investment in the ORs into new areas and foster sustainable development in those regions. This means taking the ORs out of the narrow confines of regional and agricultural policy alone and bringing them into the mainstream of EU policy action.

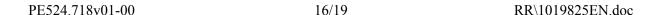
EU support for the outermost regions is not just about showing solidarity, as that support has a knock-on effect, helping the Union as a whole to achieve its objectives in relation to growth, exerting influence around the world and helping to address global challenges. With its outermost regions, the EU is in a stronger position to achieve its goals in areas ranging from dialogue with the ACP countries to combating climate change, protecting biodiversity and coral reefs, health, and protecting regional languages and cultural diversity. The Spanish, Portuguese and French outermost regions stand as symbols of a Union open to the world, the oceans, research, the environment and excellence, with all the attendant challenges and ambitions.

Investing in the ORs and taking proper account of their importance and the contribution they make means investing in a European Union that stands at the forefront of efforts to address the challenges facing our planet. At a time when the EU is in the grip of a crisis, when there is a temptation to look inwards and turn our backs on the outside world, we must not get caught in a cost-cutting mind-set if we are to be able to make the most of the essential contribution the ORs can make to realising the EU's global ambitions. A resolutely optimistic approach is therefore now required from the Commission and the EU as a whole.

At present, the ORs are all too often overlooked by those working for the EU and by the people appointed to represent it. For instance, the web sites of the Commission and the various agencies contain maps that fail to show the ORs and documentation on regions containing non-EU countries, such as the Caribbean, Latin America, the Indian Ocean and north-west Africa, which fail to even mention the fact that the EU is represented in those regions by ORs. What is more, the ORs are all too often – at times it would appear almost deliberately – left out of major projects to build structural and physical links between the various component parts of the Union. So, in addition to having to cope with problems caused by their geographical remoteness, the ORs often find that they are also remote from the thoughts of EU decision makers.

If the EU really is all about bringing people together, the ORs cannot be left on the sidelines and viewed as a burden by the people who are engaged in shaping the EU of tomorrow.

Although their remoteness from mainland Europe is a problem for the ORs, it is quite the opposite for the EU as a whole, which must see it as an opportunity.





Article 349 of the TFEU rightly acknowledges the specific difficulties and conditions obtaining in the ORs, because those difficulties and conditions are very real and tangible. Despite the fact that specific, tailored measures apply to the ORs, those measures cannot be seen as giving the ORs an unfair advantage, as they are the only means of ensuring their full and balanced integration into the Union. To attempt to integrate the ORs into the Union without making the necessary adjustments to allow for their specificities would merely serve to perpetuate the difficulties arising from their remoteness from mainland Europe. It would, in short, prevent them from ever becoming a proper part of the Union. We must not forget that geographical remoteness works both ways: mainland Europe is just as remote from the outermost regions as the outermost regions are from mainland Europe.

So a real and profound change needs to take place in 2014. We must go beyond merely acknowledging and welcoming the assets and opportunities the ORs can offer the Union and take full advantage of those assets and opportunities, which provide the Union with a basis for building a common future in which the overseas entities are central to the Union's development plans and prospects. This also calls for the introduction of a concept of 'European overseas entities' which takes in both the ORs and the OCTs.

The overseas entities can no longer be overlooked in the priorities and objectives of the Horizon 2020, Energy 2020, LIFE+ and Erasmus programmes and the trans-European energy, transport and telecommunications networks. All such strategies and instruments must be brought to bear in securing the closer integration of the ORs into the Union and must take account of the fact that the ORs can play a significant role in helping the EU to achieve the objectives it has set. This is something that both the Commission and the EU as a whole have failed to address in recent years, meaning that we now have a large amount of ground to make up, and we will need to show imagination if we are to change this situation.

In future, the common agricultural policy, the common fisheries policy and the internal market rules will need to take ever greater account of the specific geographical, geo-economic and climate features of the ORs. If this does not happen, neither the CAP nor the CFP, nor indeed the internal market, will be able to secure the smooth and sustainable integration of the ORs into the Union.

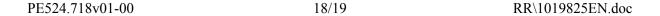
What is more, the overseas entities must not be treated as being of lesser importance to the Union in the trade, external and development policy spheres. Those entities represent the Union in the wider world, and their economic interests cannot continue to be overridden by mainland interests which are not only selfish but – worse still – are not backed up by any form of geo-strategic and geo-economic vision, and which take no account of, and leave no space for, the ORs. There is a close correlation between the EU's awareness of the role it can play in the world and the attention it pays to the ORs and OCTs. The lack of regard that the Union shows for the ORs and the OCTs in most external policy areas (trade, maritime policy, diplomacy and development) is a clear indication that the Union is failing to accord appropriate importance to its global dimension.

Synergies therefore need to be created and promoted between structural funding for the ORs and all the other Union funds, strategies and policies if the prospects open to both the Union and the ORs are to be realised. Dedicated programmes and tools will also need to be introduced in order to give the ORs their rightful place and role in a Union that is open to the

world and aware of its geography, of its history and of what drives its growth and what gives it influence in the world, so that the common challenges now facing us can be taken up.

While there is general agreement on a strategic vision for the ORs, our first priority must be to take the practical steps required in order to remove all obstacles, barriers and impediments to the ORs taking part in all EU policies.

The EU can no longer confine itself to merely defending the interests of the ORs; it must now actively promote those regions and ensure their success.



RESULT OF FINAL VOTE IN COMMITTEE

Date adopted	11.2.2014
Result of final vote	+: 31 -: 2 0: 4
Members present for the final vote	François Alfonsi, Luís Paulo Alves, Francesca Barracciu, Catherine Bearder, Victor Boştinaru, Nikos Chrysogelos, Ryszard Czarnecki, Francesco De Angelis, Tamás Deutsch, Rosa Estaràs Ferragut, Danuta Maria Hübner, Iñaki Irazabalbeitia Fernández, Seán Kelly, Constanze Angela Krehl, Jacek Olgierd Kurski, Petru Constantin Luhan, Iosif Matula, Erminia Mazzoni, Miroslav Mikolášik, Jens Nilsson, Jan Olbrycht, Younous Omarjee, Markus Pieper, Ovidiu Ioan Silaghi, Monika Smolková, Georgios Stavrakakis, Nuno Teixeira, Lambert van Nistelrooij, Justina Vitkauskaite Bernard, Kerstin Westphal, Joachim Zeller, Elżbieta Katarzyna Łukacijewska
Substitute(s) present for the final vote	Martina Anderson, Karin Kadenbach, Evgeni Kirilov, Marie-Thérèse Sanchez-Schmid
Substitute(s) under Rule 187(2) present for the final vote	Ivana Maletić