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# **DRAFT REPORT**

on the assessment of the new communication of the European Commission on  
Outermost Regions  
(2022/2147(INI))

Committee on Regional Development

Rapporteur: Álvaro Amaro

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## MOTION FOR A EUROPEAN PARLIAMENT RESOLUTION

### on the assessment of the new communication of the European Commission on Outermost Regions (2022/2147(INI))

*The European Parliament,*

- having regard to Article 349 of the Treaty on the Functioning of the European Union (TFEU), which grants the outermost regions (ORs) of the EU their status,
- having regard to the Commission communication of 3 May 2022 entitled ‘Putting people first, securing sustainable and inclusive growth, unlocking the potential of the EU’s outermost regions’ (COM(2022)0198),
- having regard to its resolution of 14 September 2021 entitled ‘Towards a stronger partnership with the EU outermost regions’<sup>1</sup>,
- having regard to final declaration of the 26th Conference of Presidents of the Outermost Regions of the European Union, which took place in Ponta Delgada from 17 to 20 November 2021,
- having regard to the European Committee of the Regions opinion of 10 December 2020 on the European Commission report on the implementation of the renewed strategic partnership with the EU’s outermost regions (2021/C 37/10),
- having regard to the Commission report of 9 February 2022 entitled ‘Cohesion in Europe towards 2050 – Eighth report on economic, social and territorial cohesion’,
- having regard to the EU’s annual report on the state of regions and municipalities, published in October 2022 by the European Committee of the Regions,
- having regard to the study on the impact of the COVID-19 pandemic on the outermost regions published by the Commission on 31 October 2021,
- having regard to the Commission communication of 20 May 2020 entitled ‘EU Biodiversity Strategy for 2030 – Bringing nature back into our lives’ (COM(2020)0380),
- having regard to the Commission communication of 24 October 2017 entitled ‘A stronger and renewed strategic partnership with the EU’s outermost regions’ (COM(2017)0623),
- having regard to the Commission report of 23 March 2020 on the implementation of the Commission Communication on a stronger and renewed strategic partnership with the EU’s outermost regions (COM(2020)0104),

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<sup>1</sup> [OJ C 117, 11.3.2022, p. 18.](#)

- 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 Commission communication of 17 October 2008 entitled ‘The outermost regions: an asset for Europe’ (COM(2008)0642),
- having regard to the Commission communication of 12 September 2007 entitled ‘Strategy for the Outermost Regions: Achievements and Future Prospects’ (COM(2007)0507),
- having regard to the Commission communication of 26 May 2004, entitled ‘A stronger partnership for the outermost regions’ (COM(2004)0343),
- having regard to the declaration adopted at the 25th Conference of Presidents of the Outermost Regions of the European Union held in Mayotte on 26 and 27 November 2020,
- having regard to the joint declaration by the Presidents of the Outermost Regions of the European Union, resulting from the mid-term meeting of 3 May 2021,
- having regard to the study entitled ‘Cohesion Policy and Climate Change’, published by its Directorate-General for Internal Policies on 15 April 2021<sup>2</sup>,
- having regard to its resolution of 6 July 2017 on promoting cohesion and development in the outermost regions of the EU: implementation of Article 349 of the TFEU<sup>3</sup>,
- having regard to its resolution of 27 April 2017 on the management of the fishing fleets in the Outermost Regions<sup>4</sup>,
- having regard to its resolution of 26 February 2014, on optimising the potential of outermost regions by creating synergies between the Structural Funds and other European Union programmes<sup>5</sup>,
- 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 2020<sup>6</sup>,
- having regard to Rule 54 of its Rules of Procedure,
- having regard to the opinions of the Committee on Budgets, the Committee on Transport and Tourism and the Committee on Agriculture and Rural Development,
- having regard to the report of the Committee on Regional Development (A9-0000/2022),

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<sup>2</sup> Study – ‘Cohesion Policy and Climate Change’, European Parliament, Directorate-General for Internal Policies, Policy Department B – Structural and Cohesion Policies, 15 April 2021.

<sup>3</sup> [OJ C 334, 19.9.2018, p. 168.](#)

<sup>4</sup> [OJ C 298, 23.8.2018, p. 92.](#)

<sup>5</sup> [OJ C 285, 29.8.2017, p. 58.](#)

<sup>6</sup> [OJ C 258 E, 7.9.2013, p. 1.](#)

- A. whereas the ORs represent major assets, but also face permanent difficulties as a result of their insularity (except for French Guiana), geographical dispersion, remoteness, small size, rough terrain and harsh climate, and economic dependence on a few products;
- B. whereas GDP per capita in the ORs is below the EU average, including below their own countries' averages;
- C. whereas these regions have high levels of young people who are not in employment, education or training (NEETs) and early school leavers, higher than the EU and national averages<sup>7</sup>;
- D. whereas the COVID-19 pandemic has exposed the fragilities of the ORs' economies; whereas the Russian invasion of Ukraine has exacerbated the economic impact of the pandemic;
- E. whereas it has been predicted that economic recovery from COVID-19 will be slower in the ORs when compared to national macroeconomic averages<sup>8</sup>;
- F. whereas air and maritime transport are essential for connecting the ORs to the European mainland;
- G. whereas the primary sector is very important for the ORs; whereas the programme of options specifically relating to remoteness and insularity (POSEI) agriculture scheme is therefore essential for the ORs, as was the former POSEI fisheries scheme;

### ***Better application of Article 349 TFEU***

1. Welcomes the visible progress achieved by the EU strategies for the ORs, which is a sign of the fruitful cooperation between the Commission, Parliament and the Council, the ORs' regional and local authorities, and civil society; regrets, nevertheless, the lack of commitment shown by the Commission in this new strategy in essential areas for the ORs, ignoring successive demands from both regional authorities and Parliament;
2. Reaffirms the need to maintain and strengthen coordinated action at EU, national, regional and local level; supports the greater involvement of regional and local authorities in the design of EU policies;
3. Regrets the fact that Article 349 is still not being automatically applied in every legislative initiative from the Commission, while recognising that some progress has been made;
4. Calls on the Commission to expand the POSEI model to other sectors;
5. Welcomes the Commission's commitment to stepping up dialogue with the ORs and providing them with individualised support; calls on the Commission to adopt a tailor-made approach, defining an individual action plan for each OR in the context of a multi-

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<sup>7</sup> [https://ec.europa.eu/regional\\_policy/sources/policy/themes/outermost-regions/pdf/rup-2022/comm-rup-2022-glance\\_en.pdf](https://ec.europa.eu/regional_policy/sources/policy/themes/outermost-regions/pdf/rup-2022/comm-rup-2022-glance_en.pdf)

<sup>8</sup> [https://ec.europa.eu/regional\\_policy/sources/policy/themes/outermost-regions/pdf/covid19\\_or\\_study\\_en.pdf](https://ec.europa.eu/regional_policy/sources/policy/themes/outermost-regions/pdf/covid19_or_study_en.pdf)

level governance framework, with a timetable and common and specific measures and targets;

6. Reiterates the need for greater flexibility in the rules on State aid for companies in the ORs;
7. Underlines the importance of ensuring the continuity of all tax regimes in the ORs, given their impact on the local economies;

### ***Investing in people***

8. Welcomes the Commission's focus on 'putting people first'; underlines the importance of implementing the European Pillar of Social Rights in the ORs, in order to ensure greater solidarity between the generations, promote social protection and inclusion, and create new job opportunities;
9. Underlines the importance of young people for the revitalisation of traditional sectors in the ORs; calls for measures to attract young people into the primary sector;
10. Defends the creation of Blue Erasmus to enable young people to take advantage of the opportunities of the blue economy;
11. Calls on the Commission to launch a pilot project, as soon as possible, aimed at combating early school leaving in the ORs;
12. Calls on the Commission to effectively promote the participation of the ORs' citizens, especially young people, in European programmes and to reinforce its information campaigns in remote places;
13. Points out that the call for proposals 'Empowering youth in the EU Outermost Regions' did not have the expected participation levels; defends an enlargement of the initiative to people up to the age of 30 and asks for the involvement of regional authorities in its promotion;
14. Calls on the Commission to develop specific actions aimed at the ORs as part of the European Year of Skills in 2023;
15. Underlines the need to define strategies to retain young people in the ORs and to combat the brain drain;
16. Emphasises the importance of having a well-coordinated, humanitarian, effective and safe EU Migration Policy, which takes into account the specific realities of the ORs, particularly those dealing with high migration flows;

### ***Ocean governance and the potential of the blue economy in the ORs***

17. Recalls that the ORs' fishing fleet is old and obsolete; regrets the fact that the European Maritime, Fisheries and Aquaculture Fund (EMFAF) still does not support the renovation of fleets by covering the purchase of new vessels;

18. Recalls that the Commission has pledged to write an interim report on the EMFAF chapter on the ORs and to analyse the ORs' need for an autonomous regulation for fisheries; reiterates its appeal for the re-establishment of the POSEI fisheries scheme in 2027;
19. Defends the importance of effectively compensating the ORs' fishermen for their efforts to meet the Commission's goal of protecting 30 % of the EU's marine areas;
20. Stresses the role that the ORs could play in combating illegal fishing and ocean pollution;

### ***Agriculture as one of the ORs' pillars of development***

21. Recalls that the budget allocation for the POSEI agriculture scheme has neither been increased since 2009, nor has it been updated for inflation, which has resulted in chronic underfunding; advocates a fair increase in the current allocations for the POSEI agriculture scheme;
22. Reiterates the need to restore co-financing rates for the ORs to 85 % in the European Agricultural Fund for Rural Development (EAFRD);
23. Advocates an increase in the financial envelope for promoting products from the ORs and a 90 % co-financing rate for such promotional campaigns;
24. Recalls the importance of animal maritime transport for the ORs' economies, with small and distant islands very dependent on agriculture;

### ***Mobility, transport and tourism***

25. Supports the creation of a POSEI transport scheme in order to tackle the rising costs resulting from insularity and remoteness;
26. Recalls that stability in the transport sector and infrastructure in the ORs is fundamental for their key sectors such as tourism, agriculture and fisheries;
27. Stresses the crucial role of tourism for the development of the ORs, which are highly exposed to externalities; urges the Commission to develop a truly European tourism policy and to launch further measures to promote the recovery of the sector;

### ***Climate action and renewable energies***

28. Regrets the fact that the specificities of the ORs have not been systematically taken into account in the 'Fit for 55' package;
29. Insists that the opportunities for carbon retention offered by the ORs be considered;
30. Underlines the ORs' vulnerability to climate change effects, in particular to extreme weather events; defends the position, therefore, that the EU Solidarity Fund should be revised to enable it to respond to smaller-scale disasters and to include the costs

associated with prevention, evacuation and the disruption of local economies in the event of extended seismic activity;

31. Reiterates the potential of the ORs for the development of innovative pilot projects on renewable energies;

### ***The digital transition***

32. Calls on the Commission to guarantee its support to Member States in order to ensure the swift use of all opportunities to fund digital infrastructure and connectivity; underlines that some of the submarine cables connecting the ORs are in need of urgent replacement;
33. Calls on the Commission to promote the expansion of the fibre optic network and the modernisation of the entire mobile network across all of the ORs, even in the most remote zones;
34. Calls on the Commission to create a regular in-person European forum on digital and inclusive education, involving the participation of the ORs' authorities;

### ***The ORs in EU4Health***

35. Points out the fragility of the ORs' health systems, which are characterised by a lack of infrastructure and health professionals;
36. Calls on the Commission to support regional authorities in designing and funding plans to attract and retain health professionals;
37. Reiterates the importance of the EU4Health programme in reducing inequalities in healthcare services; stresses that national focal points should proactively organise information sessions in all of the ORs to increase awareness of the programme;
38. Regrets the fact that the Commission has not yet involved the ORs' authorities in the definition of the annual EU4Health work programmes and expects the Commission to do so without further delay;

### ***The importance of the ORs in the space race and European scientific development***

39. Underlines the privileged location and available infrastructures in some of the ORs for space activities; regrets the lack of specific commitments by the Commission in this area;
40. Calls for a new European fund exclusively dedicated to EU Space policy, with the capacity to improve the space ecosystems that are being developed around the infrastructures in French Guiana and the Azores;
41. Underlines the importance of having updated and tailored smart specialisation strategies to boost research and innovation in the ORs;

### ***Better use of European funds and partnerships***



42. Recognises the relevance of the Recovery and Resilience Facility for effective recovery in the ORs; points out, however, the importance of reconsidering the execution deadlines, taking into account the current context of war, inflation and labour and raw material shortages;
43. Welcomes the Commission's announcement of the creation of a portal on all available EU funds, programmes and policy initiatives for the ORs; urges the Commission to create this portal without delay;
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44. Instructs its President to forward this resolution to the Council and the Commission.

## EXPLANATORY STATEMENT

A European strategy for the outermost regions is one of the best examples of the scope of application of the article 349 of TFEU and the recognition of the specific situation of the outermost regions. The renewed Strategy for the EU's outermost regions under analysis aims to strengthen the partnership between the European Union, the outermost regions and their Member States, with a view, on one hand, to mitigating the impact of the permanent constraints that these regions face and, on the other hand, to realising their potential.

This strategy should, therefore, contain an action plan with concrete measures, goals and a timetable, to be achieved in the short and medium term, but it should also be a guiding document for European bodies and policy makers. For the rapporteur, this document should also address specific issues of the ORs in order to be able to influence the next multiannual financial framework and the revisions of the main European policies.

The rapporteur congratulates the Commission for stating clearly that this strategy should give “priority to the people” of the outermost regions, which, in a global context of great instability, are dealing with the effects of several crises, such as the pandemic, the Russian invasion in Ukraine, the energy crisis and now the inflationary crisis. This underlines the need to accelerate the triple transition, digital, energy and environment, which also demands huge efforts from these regions. The pressing challenge is to prepare these regions for a fair transition, through concrete measures, involving all the stakeholders, civil society and giving a special attention to the SMEs, which are the backbone of their economies.

The rapporteur advocates that this report should fight against the attempt of the “one-size-fits-all” approach. Different regions need different treatments and tailored approaches, developed within a multi-level governance framework. In strict compliance with Article 349, this strategy must therefore ensure these differentiated measures and targets.

The rapporteur welcomes the Commission's intention to explore and invest in the potential of the ORs instead of just compensating them for their constraints. Given the maritime dimension that these regions confer upon the European Union, providing it with the largest EEZ in the world, and the fact that around 80 % of the EU's biodiversity can be found in these regions, it is only fair that the benefits of these assets should accrue to the ORs for their development. In addition, it is important to take advantage of the full potential of their quality agricultural products, their privileged location and their relation with other regions and third countries, as well as of the natural conditions and the available capabilities in these regions for the development of space activities and contribution to scientific progress.

However, it is important not to forget to empower the human resources of the ORs so that they can help to make the best use of their full potential.

The rapporteur underlines the importance of education and training in the ORs, as it is an investment that will guarantee a promising future for these regions. He looks with concern at the current rates of early school leavers, youth unemployment and the number of young NEETs in these regions. Qualifications are, in some cases, out of step with the current needs of the labour market, whereas in others there is no qualified labour force to meet the demand of companies. The rapporteur insists that ICT and STEM education should be truly

encouraged and supported in the ORs, as these are important sectors for the future, which should take advantage of the environmental and digital transition, putting them at the service of their populations.

Moreover, the rapporteur believes that this strategy should foresee and prevent future crises, taking stock of the lessons learned from recent experiences. The COVID-19 pandemic exposed the vulnerabilities of the health systems of the ORs. In many of these regions, due to their insular condition, the response to emergencies was dependent of the weather conditions and of the availability of air transport. In addition, their fragile economies were not prepared to remain “suspended” for nearly two years. The pandemic crisis had also an immediate effect in the tourism sector, cutting expectations and jeopardising the investments made by the companies.

The primary sector, such as agriculture and fisheries, on which many families in these regions still depends on, also saw its activity limited, while its mission was to guarantee the population’s food supply and food security. Unprecedented damage has been caused to the economy, which, unfortunately, is now exacerbated by the concerning war in Ukraine. The ORs are experiencing a general increase of prices, with special concerns about the energy and raw materials prices. Consequently, these regions are expected to have a slower recovery than the rest of the EU.

The insular condition of the ORs, in some cases their “double insularity”, combined with remoteness with other ORs specificities, result in an enormous dependence on air and maritime transport, which needs to be safe, regular and at affordable prices, in order to guarantee the free and fair movement of people, services and goods, fulfilling the principle of territorial cohesion. In fact, connectivity is the biggest challenge for these regions, with increased impacts and costs in all other sectors of activity, aggravated in times of crisis, which makes EU support even more essential.

The rapporteur defends the view that ORs development could benefit a lot from the creation of more specific European programmes, similar to the POSEI Agriculture, a model that could be extended to other essential areas for these regions, such as transport, energy, among others and recovering the POSEI fisheries, as it was until 2014. These programmes should, in his view, be based on specific regulations, adapted to the reality of the ORs and endowed with robust budgets, providing them more stability, as supported by the article 349.

A European Strategy that truly responds to the needs of the ORs is only possible with a permanent dialogue with regional and local bodies, as well as with the availability of reliable, up-to-date data, based on harmonised criteria, detached by ORs, on all sectors, allowing a comparative impact assessment of the European policies that we are designing. There is also a need to strengthen all communication and information mechanisms with the European programmes and funds beneficiaries in the ORs, including those in the most remote territories, ensuring equal of opportunities.

This report intends to be a complement to the work done by the Commission on its strategy, congratulating and urging the Commission to translate the words into practice. It also aims to amend some aspects and add others that are missing, in order to achieve a strategy framework truly capable of protecting the ORs and promoting the full use of their potential.