

### CONFÉRENCE DES RÉGIONS PÉRIPHÉRIQUES MARITIMES D'EUROPE CONFERENCE OF PERIPHERAL MARITIME REGIONS OF EUROPE

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### 42nd CPMR GENERAL ASSEMBLY

25-26 September 2014 - Umeå (Västerbotten, Sweden)

The Peripheral Maritime Regions listed below met for the 42nd CPMR Annual General Assembly in Umeå (Västerbotten, Sweden) on 25/26 September 2014

ABERDEEN CITY (UK), ABERDEENSHIRE (UK), AÇORES (PT), ALENTEJO (PT), ANATOLIKI MAKEDONIA THRAKI (GR), AQUITAINE (FR), ANDALUCÍA (ES), ARAGÓN (ES), ARGYLL & BUTE (UK), ASTURIAS (ES), AUST AGDER (NO), BALEARES (ES), BASSE-NORMANDIE (FR), BLEKINGE (SE), BORDER, MIDLAND AND WESTERN REGIONAL ASSEMBLY (IE), BORNHOLM (DK), BRETAGNE (FR), CATALUNYA (ES), COMUNITAT VALENCIANA (ES), CORNWALL-KERNOW (UK), DYTIKI ELLADA (GR), EMILIA-ROMAGNA (IT), GALATI (RO), GÄVLEBORG (SE), GOTLAND (SE), HALLAND (SE), GUADELOUPE (FR), HELSINKI-UUSIMAA (FI), HIGHLAND (UK), HIIUMAA & SAAREMAA (EE), HORDALAND (NO), IDA-VIRUMAA & PARNUMAA (EE), IONIA NISIA (GR), KRITI (GR), KYMENLAAKSO (FI), LAAYOUNE-BOUJDOUR SAKIA EL HAMRA (MA), MADEIRA (PT), MARTINIQUE (FR), MAYOTTE (FR), MELILLA (ES), MIDTJYLLAND (DK), MOLISE (IT), MØRE OG ROMSDAL (NO), MURCIA (ES), NAVARRA\* (ES), NOORD-HOLLAND (NL), NORRBOTTEN (SE), NORD-PAS-DE-CALAIS (FR), NORTE (PT), NOTIO AIGAIO (GR), ÖREBRO (SE), ORKNEY (UK), OSTROBOTHNIA (FI), PÄIJÄT-HÄME (FI), PAÍS VASCO (ES), PAYS DE LA LOIRE (FR), PELOPONNISOS (GR), PODLASKIE (PL), POITOU-CHARENTES (FR), PROVENCE-ALPES-CÔTE D'AZUR (FR), RABAT-SALE-ZEMMOUR-ZAER (MA), ROGALAND (NO), SHETLAND (UK), SHKODËR (AL), SINOP (TR), SKÅNE (SE), SØR-TRØNDELAG (NO), SOUTH-WEST FINLAND (FI), SOUTHERN & EASTERN REGIONAL ASSEMBLY\* (IE), STOCKHOLM (SE), SYDDANMARK (DK), TELEMARK (NO), TOSCANA (IT), TULCEA (RO), VÄSTERBOTTEN (SE), VÄSTERNORRLAND (SE), VÄSTRA GÖTALAND (SE), VENETO (IT), VEST-AGDER (NO), VESTFOLD (NO), WALES (UK), ZUID-HOLLAND (NL).

(\*) Observer

On behalf of the Regions attending the General Assembly, the President of the CPMR wishes to warmly thank the Region of Västerbotten and its President, Erik Bergkvist, for kindly organising and hosting the event.

He also extends his thanks to the regional authorities and EU institutions who took part in the proceedings of the Conference, and in particular to Members of the European Parliament, Gesine Meissner and Jens Nilsson.

# FINAL DECLARATION "Statement"

### **CPMR Statement**

# Declaration to the European Parliament, the European Commission and the Council

At the start of the new term for the European Commission and the newly elected European Parliament, the Conference of Peripheral Maritime Regions (CPMR) wishes to address a series of key political messages.

These messages are closely related to the CPMR's three work priorities: Cohesion policy and territorial cohesion, Europe of the sea and coastal areas, and Accessibility for all of Europe's territories.

The purpose of the document is twofold:

- it conveys strong messages backed up by a thorough analysis, which have been drafted for the attention of the Members of the European Parliament and the new College of Commissioners in particular;
- **it defines** and sets in motion a long-term work programme for the Conference of Peripheral Maritime Regions around its three core activities.

### PART 1 - Territorial Cohesion and a strong regional policy at the core of the EU

INTRODUCTION AND BACKGROUND

**CHALLENGES** 

CPMR MESSAGES ON TERRITORIAL COHESION

**MESSAGE 1:** Cohesion Policy is a policy to reinforce economic, social and territorial cohesion. It is not an urban policy, nor a policy to deliver Europe 2020 strategy objectives on its own

**MESSAGE 2:** the distribution of Cohesion Policy funding should be realised according to the objectives of the policy. The allocation methodology for the structural funds distribution should therefore be revised

**MESSAGE 3:** Cohesion Policy is a territorial investment policy, not a conditionality instrument at the disposal of the stability and growth pact and EU economic governance

MESSAGE 4: make Cohesion Policy simple for beneficiaries and managing authorities

**MESSAGE 5:** Cohesion Policy can play a key role in addressing market failure in some sectors and attracting private investors for infrastructure projects. Investing ERDF in infrastructure should remain a core mission of Cohesion Policy

**MESSAGE 6:** Cohesion Policy relies on strong multi-level governance arrangements in partnership with regions and their citizens at its core. Cohesion policy should ensure a coherent strategic framework for macro-regions and sea basins.

### PART 2 - The maritime Regions, partners in a blue growth that benefits the whole of Europe

INTRODUCTION AND BACKGROUND

**CHALLENGES** 

CPMR MESSAGES ON MARITIME POLICIES

MESSAGE 1: environmentally healthy coastal and maritime spaces need to remain open to human activities

MESSAGE 2: governance of the IMP should be strengthened

MESSAGE 3: maximise available funding for blue growth

**MESSAGE 4:** the implementation of Maritime Spatial Planning (MSP) should involve Regions and link with Integrated Coastal Zone Management (ICZM)

MESSAGE 5: ensure training and protection for workers in the maritime sector

MESSAGE 6: special consideration should be given to the social and economic impact of the new CFP

MESSAGE 7: a unified European maritime industrial strategy should be developed

MESSAGE 8: a maritime safety Erika IV package should be developed

## <u>PART 3 - Improve the accessibility of the maritime Regions and harness their potential in global transport flows</u>

INTRODUCTION AND BACKGROUND

**CHALLENGES** 

CPMR MESSAGES ON ACCESSIBILITY AND EU TRANSPORT POLICY

**MESSAGE 1:** EU transport policy must contribute to territorial cohesion. Accessibility must once again become a priority

**MESSAGE 2:** the CPMR welcomes the opening-up to the Regions of the governance of the CEF TEN-T core network corridors. The CPMR is concerned about the fact that some peripheral Regions are neither located along any core network corridor nor represented in any corridor forum

MESSAGE 3: the Regions are invited to respond to the calls for projects under the CEF

**MESSAGE 4:** enhanced monitoring and proactive intervention are necessary to deliver sustainable maritime transport

**MESSAGE 5:** the CPMR wishes to be involved in defining the future Motorways of the Sea and the provisions for implementing Article 32 of the TEN-T (sustainable freight transport services)

**MESSAGE 6:** in the context of the macro-regional and sea basin strategies, the CEF and other relevant instruments must also harness and develop the potential of ports not located on the core network

p.12

**p.4** 

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### PART 1 - Territorial Cohesion and a strong regional policy at the core of the EU

### INTRODUCTION AND BACKGROUND

- 1. Following two and a half years of arduous negotiations, an agreement was reached to reduce the European Budget for 2014–2020 for the first time in the history of the European Union. The lack of ambition of this agreement, reached in July 2014, is mainly due to the impact of the financial crisis and the resulting pressures on public budgets at national level, but also to the crisis of confidence towards the European project and the rising disconnect with European citizens vis-à-vis the national public authorities and the European Union.
- 2. Yet territorial cohesion is needed more than ever. Economic growth is starting to pick up in Europe, and for the first time since the beginning of the crisis in 2008, unemployment rates are starting to fall¹. However, recent evidence suggests that growth and job creation is not uniform across the territories. Studies² suggest that the centre of Europe is growing whereas the periphery is stagnating. Isolated, peripheral, socioeconomically weak regions are much harder hit by the crisis than central, export-oriented regions. There is, therefore, an urgent need to reorient European policy objectives to ensure that some of Europe's territories are not left behind. Theories supporting the assumption that growth will come by supporting the strongest should be revisited.
- **3.** Since 2010, territorial cohesion features as a fully-fledged objective in the EU Treaty. The objective of ensuring that the development of territories is done in a harmonious fashion is meant to be an integral part of European policies with a high territorial impact. The joint priorities of increasing territorial cohesion and reducing disparities are a central objective of Cohesion Policy, as expressed in the treaty.
- **4.** Cohesion Policy reform for the 2014–2020 period has resulted in a series of innovations. There are additional strings attached to structural funding. Funding needs to be concentrated on fewer priorities (thematic concentration) and be linked to European policy implementation (ex ante conditionalities). For the first time, structural funding is also connected to European economic governance the Stability and Growth Pact and the European Semester for policy coordination. There is also a results imperative, which implies setting up additional indicators to measure the performance of the policy.

### **CHALLENGES**

**5.** The CPMR foresees several challenges in the five years ahead in terms of the future of Regional Policy and with regards to enforcing the principle of territorial cohesion in European policies.

### RECONCILING THE TERRITORIAL COHESION OBJECTIVE WITH THE EUROPE 2020 STRATEGY

- **6.** First of all, the scope of policy has widened over the years to an unsustainable level. In order to justify the place of Cohesion Policy as the second largest budget item in the European budget, Cohesion Policy has become a multi-faceted policy dealing with conflicting objectives, such as reinforcing territorial cohesion whilst delivering the Europe 2020 strategy in all European regions on a shoestring budget<sup>3</sup>.
- 7. The policy was originally conceived to focus on less developed regions, territories with demographic or geographic handicaps, but also mainly on rural regions and regions undergoing an industrial transition (article 174 of the Treaty). It is now focusing more prominently on the Europe 2020 strategy and addresses all European regions. However, the policy has very limited resources at its disposal. One needs to be realistic about what the policy can actually deliver with relatively limited financial means and where it can most add value. The challenge of the policy is that of definition: how can the objectives of enforcing territorial cohesion and increasing competitiveness be mutually reinforced and reconciled?

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 $<sup>^{1}</sup>$  See Eurostat report published 31 July 2014

<sup>&</sup>lt;sup>2</sup> See ESPON '<u>Territorial Vision 2050 project'</u> (2014) and 2014 LSE study '<u>Impact of the Economic Crisis on the Economic, Social and Territorial Cohesion of the European Union'</u> (2014) for the European Parliament

<sup>&</sup>lt;sup>3</sup> Cohesion Policy budget for 2014–2020 amounts to €351.8bn. It is a seven-year budget line and all 28 EU Member States receive a share of the budget.

#### MARRYING SIMPLIFICATION AND RESULTS ORIENTATION

8. Secondly, Regional Policy suffers from a relatively poor reputation and a low absorption rate in many of the regions targeted by the policy in particular. There is a risk that some of the innovations in terms of the Cohesion Policy package for 2014-2020 – particularly the results orientation, the performance indicators and the stronger ex ante conditionalities – will result in the policy being more complex with an increase of the bureaucratic burden for both managing authorities and beneficiaries of structural funds. How can the policy keep its results orientation focus whilst being simpler to manage?

### REGIONS AT THE CENTRE OF COHESION POLICY

9. Thirdly, Cohesion Policy needs to be solidly anchored at regional level for structural funds to have a meaningful impact on the local economy. Multilevel governance, partnership and shared management are core features of Cohesion Policy and its structural and investment funds. These provisions are reinforced within the Cohesion Policy package for 2014–2020, thanks to the Code of Conduct on Partnership and other measures recognizing the value of partnership working. As the operational programmes for ESI funds for 2014–2020 are about to be launched, the Commission needs to monitor closely how these provisions are implemented. The CPMR has always pushed for a stronger recognition and role of local and regional authorities in terms of the management of the funds. Regions know best how the funds can support regional development and job creation and how structural funds can complement regional investment efforts. A key challenge ahead for Cohesion Policy regards the quality of partnership and delegation of the management of the funds at regional level.

### EUROPEAN POLICIES AT THE SERVICE OF TERRITORIAL COHESION

10. Fourthly, if the consensus is that growth will not be uniform throughout European regions, and bearing in mind the limits of Regional Policy in terms of resources, there needs to be stronger coordination of European policies with a high territorial impact. For instance, funding under the EU Research Policy (the Seventh Framework Research Programme, now known as Horizon 2020) is attributed according to the principle of excellence, whereas structural funds are distributed according to the level of development of regions (regional Gross Domestic Product). Support for innovation features highly on the European agenda, Horizon 2020 offers great opportunities for maritime actors to collaborate on research and innovation projects. It is important that CPMR and its member regions encourage participation in Horizon 2020, and work to ensure the continuance of maritime research and innovation topics in future Horizon 2020 work programmes.

This Cohesion policy programming period focuses on using the structural funds for innovation actions, and particularly encourages synergies with Horizon 2020. It is important to use this instrument to prepare those regions and actors that are not yet ready for excellence programmes, to climb the stairway of excellence.

#### **CPMR MESSAGES ON TERRITORIAL COHESION**

MESSAGE 1: COHESION POLICY IS A POLICY TO REINFORCE ECONOMIC, SOCIAL AND TERRITORIAL COHESION. IT IS NOT AN URBAN POLICY, NOR A POLICY TO DELIVER EUROPE 2020 STRATEGY OBJECTIVES ON ITS OWN.

- **11.** There is a need to refocus the goals and objectives of Cohesion Policy for the 2020–2026 period. This might seem a long way away. But the discussion has already begun: the 6th Cohesion report or the ESPON Territorial Vision 2050 project are two notorious examples of why it is important to bear in mind the long term perspective.
- 12. Let's be clear about the role and definition of Cohesion Policy, which are very clearly stated in the Treaty for the European Union (the Treaty of Lisbon). If territorial cohesion is mentioned throughout the Treaty of Lisbon as a core objective of the European Union, there are two articles (Article 174 and Article 176) which mention very specifically how it should be integrated within the EU policy framework and in particular within Cohesion Policy.
- 13. Article 174 states that 'the Union shall aim at reducing disparities between the levels of development of the various regions and the backwardness of the least favoured regions.' It adds that 'particular attention shall be paid to rural areas, areas affected by industrial transition, and regions which suffer from severe and permanent natural or demographic handicaps such as the northernmost regions with very low population

- density and island, cross-border and mountain regions'. Article 176 goes further and defines very specifically what the role of the European Regional Development Fund (ERDF) is: 'The European Regional Development Fund is intended to help to redress the main regional imbalances in the Union through participation in the development and structural adjustment of regions whose development is lagging behind and in the conversion of declining industrial regions'.
- 14. For 2014-2020, Cohesion Policy is expected to do too much. It aims to reduce the development gap between the poorest and the richest regions, whilst helping to finance the efforts of Member States and regions to meet Europe 2020 targets. With a reduced budget, Cohesion Policy has become a blend of these two objectives and is stretched to its limit, causing it to somehow lose its sense of purpose. The CPMR foresees two risks. The first risk is that by continuing to align Cohesion Policy with Europe 2020 objectives, it will be difficult to avoid spreading the funds too thinly, which would damage the 'added value' of the policy over the long term. The second risk is that Cohesion Policy's original aim and ambition to reduce the development gap between regions becomes a secondary consideration. Today's trend of a widening gap between the 'centre' and the 'periphery' (as illustrated in LSE study) could carry on. These considerations, along with a budget reduction, make it impossible for Cohesion Policy to deliver on its objectives.
- **15.** What are the options for Cohesion Policy in a post–2020 perspective? Let's explore a couple of extreme scenarios with regards to post–2020 Cohesion Policy objectives.
- **16.** The first option would be to continue the current trend of aligning the EU policy agenda with Cohesion Policy objectives. This trend of aligning Cohesion Policy with Europe 2020 strategy objectives is not a new one. The 2007–2013 period suggested a 'lisbonisation' of objectives within Cohesion Policy. Pushing that trend to the extreme could mean an ever closer integration of Europe 2020 strategy objectives within the Cohesion Policy framework. This would imply an evolution of the principle of thematic concentration of priorities for the Structural and Investment Funds (including the EAFRD and the EMFF) to match objectives and targets set out in the Europe 2020 strategy. One could imagine that ERDF funding could be targeted specifically in regions so that investments can be made to meet the Europe 2020 target of a 20% increase in terms of energy efficiency.
- 17. In terms of structural funding distribution, the alignment of Cohesion policy with the Europe 2020 strategy already exists. Since the 2007–2013 period, funding under the Competitiveness and Employment category of regions (now known as more developed regions) was allocated precisely to take into account Europe 2020 strategy targets and the relative position of regions at NUTS II level with regards to meeting such targets. For instance, 20% of the structural funds 'theoretical' allocation for a given NUTS II region is based on employment to be added to reach the Europe 2020 target for regional employment rate of 75%. In short, regions which are most distant from Europe 2020 targets receive more funding than regions which are closer to them (or are exceeding them). In the future, one could conceive a generalisation of the above methodology to the transition and less developed regions category.
- 18. The second option, preferred by the CPMR, is to stay true to original objectives of Cohesion Policy and its core objective of reinforcing economic, social and territorial cohesion and reducing disparities between the least and the most developed regions in the EU. CPMR believes that Cohesion Policy should cover all European regions and that it adds value even in more developed regions. In the future, Cohesion Policy should primarily be about providing support to regions that are at a disadvantage in terms of providing access to services and in terms of competitiveness. It would be based on the assumption that realizing the objectives of the Europe 2020 strategy and meeting its targets cost more in some regions than others, due to demographic and geographical characteristics (amongst others). It would mean recognizing that some regions already benefit from substantial levels of private and public investment, whereas others do not, and that Cohesion Policy should primarily focus on promising sectors of growth where there is a case of 'market failure'. It would mean recognizing that the crisis has accelerated the scale of economic development disparities between regions within EU Member States.
- 19. Of course, although the general remit of Cohesion Policy (and the ERDF in particular) is defined in the EU Treaty, it does not mean that its objectives should be stuck in time. For example, issues linked to the integration of migrants is an important part of economic and social cohesion. The situation regarding illegal immigration in some border countries is close to critical, and when it comes to asylum seekers, some of the countries take a much larger responsibility than others. CPMR regions need to work together with the European institutions and share their experience and knowledge in this field. There is also specifically a need, to redefine terms mentioned in Article 174 such as 'disparities between the levels of development of the various regions' and 'backwardness' or 'least favoured regions'.

- **20.** The Sixth report on economic, social and territorial cohesion already alludes to this. It correctly mentions the need to define and identify the causes for 'lagging development' in European regions. **But the report already jumps to alarming conclusions:** the report already disregards the idea that Cohesion Policy funding should be primarily focused on areas and regions mentioned in the Treaty (rural areas, areas affected by industrial transition, and regions which suffer from severe or permanent geographical handicaps), stating that the idea of setting up 'permanent funds' for these areas would be the wrong way forward (page 203). **This is and will be strongly contested by the CPMR.**
- 21. The above mentioned issues need careful consideration before proposals are made on Cohesion Policy reform in 2016/2017 and in the context of the revision of the Multiannual Financial Framework for 2014-2020. The CPMR asks the new European Commission for an in-depth reflection, on the role and purpose of Cohesion Policy for the post-2020 period, bearing in mind in particular the differentiated impact of the crisis on regional development and the rising centre vs. periphery paradigm. The CPMR is already working on these issues and looks forward to being involved in any such reflection process.

MESSAGE 2: THE DISTRIBUTION OF COHESION POLICY FUNDING SHOULD BE REALISED ACCORDING TO THE OBJECTIVES OF THE POLICY. THE ALLOCATION METHODOLOGY FOR THE STRUCTURAL FUNDS DISTRIBUTION SHOULD THEREFORE BE REVISED.

- **22.** Gross Domestic Product is an indicator to measure final production of goods and services. It has been used for decades as a crucial economic indicator to measure the expansion of output of goods and services in countries. It is also used as a criterion to determine the eligibility of European regions in the Cohesion Policy architecture, or in other terms, to classify regions as either a less developed, transition, or more developed region.
- **23.** The CPMR has long debated and criticised the use of regional GDP<sup>4</sup> as the key indicator to determine Cohesion Policy eligibility and its role in determining the share of Cohesion Policy funding in the less developed and transition regions. For a policy that aims to achieve territorial cohesion, the predominant use of an economic output indicator such as GDP is more than inadequate. The necessity to use a wider set of territorial criteria in the Structural Funds allocation methodology, the need to use recent statistics, and to recognise territorial diversity are some of the proposals put forward by the CPMR in its recent policy position 'Refocusing Cohesion Policy on addressing territorial cohesion' adopted in June 2014 in Inverness.
- 24. The architecture of Cohesion Policy and the three categories of regions (less developed, transition, more developed regions) rest on a single economic criterion, which is Gross Domestic Product PPS as a percentage of the EU average at NUTS II level. As an indicator to measure territorial cohesion or competitiveness, it is highly flawed indeed. For a policy that defines itself as one that strives to 'reduce regional disparities', it is not acceptable, for instance, that Greece and Spain two of the Member States which suffered most from the impact of the financial crisis suffered reductions of 25% and 20% in terms of their structural funds allocations for 2014-2020 compared to 2007-2013.
- 25. Structural funds allocation does have the merit of being based on a publicly available methodology, which largely rests on the addition of so-called 'theoretical' funding pots calculated at regional (NUTS II) level. It does, however, remain a national process which means that there is no guarantee that the territories that are precisely targeted by the policy regions mentioned in Article 174 of the Treaty will benefit from more funding than other regions. This needs to be addressed at European level.
- 26. In line with Message 1, the CPMR, therefore, asks for a rethink of the allocation methodology for structural funds for the post-2020 period beyond GDP. The CPMR will hold its own reflection in order to propose a reformed allocation method which is balanced and in line with the objectives and 'raison d'être' of Cohesion Policy.

MESSAGE 3: COHESION POLICY IS A TERRITORIAL INVESTMENT POLICY, NOT A CONDITIONALITY INSTRUMENT AT THE DISPOSAL OF THE STABILITY AND GROWTH PACT AND EU ECONOMIC GOVERNANCE.

**27.** Cohesion Policy has never been a standalone policy. Its overarching objectives to reduce development disparities between regions have always gone hand in hand with the wider EU policy framework. Greece's

<sup>&</sup>lt;sup>4</sup> Regional Gross Domestic Product per Purchasing Power Standard compared to the EU average at NUTS II level is used for Cohesion Policy. Purchasing Power Standard is an artificial currency unit to compare GDP data across countries whilst eliminating the effect of price level differences

accession to the EU in 1981, followed by Spain's and Portugal's in 1986 triggered an important policy change for Cohesion Policy. Key features of the policy such as focusing funding on the poorest parts of the EU, multiannual programming and involvement of local and regional authorities were integrated in the first regulation governing structural funds in 1988. The rationale was, therefore, to have a development policy which would complement the actions taken by the EU in order to realise the liberalisation of the internal market.

28. The recent reforms of the Stability and Growth Pact confirm the overriding priority of the European Union since the beginning of the financial and economic crisis: bringing public finances in the Member States back to a sustainable level so that they can meet the debt and deficit criteria established within the Stability and Growth Pact. As a result of this political drive, the European Commission now has more competences to reinforce economic policy coordination in the Member States (the so-called European Semester process) and budgetary surveillance, which allows the Commission to review draft national budgets for Member States in the Eurozone for the following year.

### Cohesion Policy in the EU economic policy mix

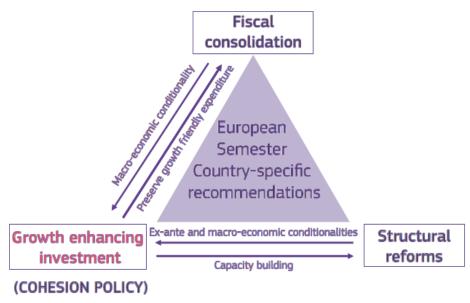


Fig. 1. Cohesion Policy in the EU economic policy mix, 6th Cohesion Report, European Commission, p235

- **29.** As pointed out in a recently adopted CPMR Policy Position<sup>5</sup>, the integration of Cohesion Policy within the new EU economic policy mix is not without its problems.
- **30.** First of all, **there is an obvious inconsistency between EU Cohesion Policy** (and funds at the disposal of regions to support investment) **and the rules of EU economic governance**, which are about restoring stability. Today's EU economic policy mix forgets that in 10 EU Member States, Cohesion Policy (including co-financing) represents more than 50% of public investment. **It ignores the role of structural funds in crisis-affected regions and that 'cohesion policy funds in the slowdown period turned out to be effective, as they helped maintain the level of investments in the private and public sectors and to implement some non-investment projects'** as stated by a very recent study commissioned by the European Parliament<sup>6</sup>. In July 2013, an investment clause was introduced to allow certain types of public investments to be 'prioritised' and therefore considered as 'temporary deviations' from a Member State meeting its debt and deficit reduction targets under the Stability and Growth Pact, but in practice this is far from enough.
- **31.** Secondly, the new EU economic policy mix and 'macroeconomic conditionality' assume that Cohesion Policy funding should support reforms at Member State level relating to structural changes, as per the annual Country Specific recommendations issued by the Council. This poses a number of issues. For instance, **it ignores the fact that within an EU Member State, there are regions with defining economic, social and territorial challenges**. There is also a rather large issue of governance and the top-down nature of the exercise. The CPMR has made a number of proposals in that regard which can be accessed in the paper 'Reconciling EU Economic Governance with Cohesion Policy and the Regions'.

<sup>&</sup>lt;sup>5</sup> 'Reconciling EU Economic Governance with Cohesion Policy and the Regions' adopted by the CPMR Political Bureau in Leiden on February 2014

<sup>&</sup>lt;sup>6</sup> Impact of the economic crisis on social, economic and territorial cohesion of the EU, European Parliament, 2014

32. The CPMR asks for a revised investment clause so that investments co-financed by the European structural and investment funds are excluded from the Stability and Growth Pact. Key aspects of the EU economic policy mix – the Annual Growth Survey and the Country Specific Recommendations – need to take into account a much into account regional characteristics and challenges.

### MESSAGE 4: MAKE COHESION POLICY SIMPLE FOR BENEFICIARIES AND MANAGING AUTHORITIES.

- **33.** At times of increasing pressures on public spending, and being the European Union's second most significant policy in terms of budget after the Common Agricultural, it is no surprise that Cohesion Policy has always been and continues to be under intense public scrutiny.
- 34. In order to address the challenges of both fraud and low absorption rates in some countries, Cohesion Policy has a common delivery and control system based on two levels of controls (carried out by the managing authorities and the audit authorities) which applies to all EU Member States. Concerns have been raised by managing authorities in high performing Member States and regions about the 'one size fits all' nature of the management and control system and the resulting high level of bureaucratic burden.
- 35. For the 2014-2020 period, one of the major innovations for the policy is the focus on results the so-called 'results orientation' of the policy. This has resulted in an additional requirement to set up objectives within the operational programmes as well as selecting indicators to measure how these objectives will be met. It is difficult to disagree with this approach which, in the short term, should lead to higher quality and better focused operational programmes, and help justify the added value of Cohesion Policy in the longer term. However, these additional requirements come on top of existing requirements such as ex ante conditionalities, audit or management and control systems. It also remains to be seen whether the new range of policy instruments to simplify the access to funding to beneficiaries will translate positively. In the meantime, the higher proportion of technical assistance funds as an overall share of the Cohesion Policy budget over time bears testimony to the level of resources required to manage ESI funds.

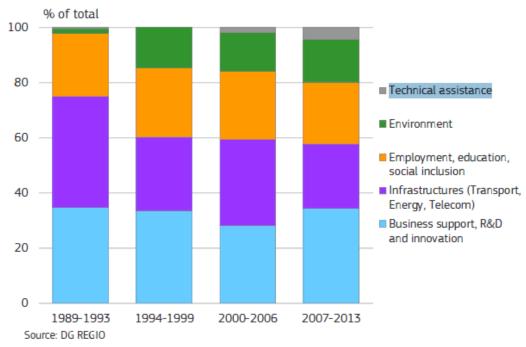


Fig. 2. Share of Technical Assistance as part of overall Cohesion Policy budget

**36.** Another key element of the 2014-2020 Cohesion Policy package is the emphasis on 'synergies' between European funds and the need for an integrated and coordinated approach. Structural funds became European Union Structural and Investment Funds and comprise five funds<sup>7</sup> under shared management. As for the results-oriented approach, efforts to join up funding streams together at the European level can be applicated though it remains to be seen whether the Common Strategic Framework will deliver

<sup>&</sup>lt;sup>7</sup> The European Regional Development Fund (ERDF), the European Social Fund (ESF), the Cohesion Fund (CF), the European Agricultural Fund for Rural Development (EAFRD), the European Maritime and Fisheries Fund (EMFF)

simplification on the ground. It is regrettable for instance that crucial guidance on realizing these synergies was only published in July 2014, a full year after the preparations on the operational programmes for 2014-2020 had begun in earnest. Reconciling simplification (for both managing authorities and beneficiaries) with efficiency (high impact on regional development, low fraud) is one of the key challenges for Cohesion Policy.

- **37.** The CPMR asks for a move towards a proportional system of audits and controls based on past performance, which would lead to high 'performing' managing authorities being subject to lighter requirements in terms of audits and controls. This should entail an in-depth reflection and consultation process with a number of managing authorities.
- **38.** Building on the emergency measures implemented during the crisis (such as Youth Unemployment Action Teams), one could also **envisage a reform of the shared management principle which would entail a closer involvement and assistance of the European Commission services where the structural funds absorption rate is low.**

MESSAGE 5: COHESION POLICY CAN PLAY A KEY ROLE IN ADDRESSING MARKET FAILURE IN SOME SECTORS AND ATTRACTING PRIVATE INVESTORS FOR INFRASTRUCTURE PROJECTS. INVESTING ERDF IN INFRASTRUCTURE SHOULD REMAIN A CORE MISSION OF COHESION POLICY.

- **39.** Investment in infrastructure (particularly network infrastructure) has always been a core element of Cohesion Policy. Cohesion Policy reform for the 2014-2020 period resulted in a change of emphasis so that new forms of infrastructure ICT infrastructure in particular could be supported by the ESI funds. Despite this, **the contribution of the European Regional Development Fund (ERDF) to support basic infrastructure projects in regions considered as more developed is very much undervalued.** It seems contradictory that investing in high-speed broadband and ICT is considered as a European priority within the Europe 2020 strategy (and a pillar of the Digital Agenda for Europe flagship initiative), yet infrastructure financing for high-speed broadband in richer regions in France will only be considered on a case-by-case basis. Helping provide access to high-speed broadband in areas where there is a lack of private or public investment should be a core mission of the ESI funds, and more consistency can be expected from the European Commission so that it becomes the case. Early indications suggest that Member States and regions have chosen to allocate a fair share of their structural fund envelopes to Thematic Objective 7 on network infrastructure, which signals that Cohesion Policy funds will continue to make an important contribution in this regard.
- **40.** As the CPMR has argued throughout the negotiations process, the principle according to which 'richer' regions should receive more funding from the ESF (European Social Fund) and less from the ERDF is flawed. Norrbotten and Västerbotten Counties in North Sweden may be classed as more developed regions, but still suffer from accessibility-related challenges which would justify a higher share of ERDF funding to help resolve these issues. The problem stems from an over-reliance on GDP (see Message 1) within the Cohesion Policy architecture which offers a very incomplete picture of challenges at regional level and ignores territorial cohesion.
- **41.** The CPMR asks for recognition of the added value of Cohesion Policy in terms of its contribution to addressing areas of market failure, including in regions classed as more developed and transition regions. There should be more consistency within the European Commission so that investments in high-speed broadband in particular should be encouraged and promoted in all European regions from Cohesion Policy funds. **And it is foreseen in the regulations anyway.**

MESSAGE 6: COHESION POLICY RELIES ON STRONG MULTI-LEVEL GOVERNANCE ARRANGEMENTS AND PARTNERSHIP WITH REGIONS AND THEIR CITIZENS AT ITS CORE. COHESION POLICY SHOULD ENSURE A COHERENT STRATEGIC FRAMEWORK FOR MACROREGIONS AND SEA BASINS.

**42.** Multilevel governance, partnership and shared management have always been core features of Cohesion Policy. Some of these provisions have been reinforced in the Cohesion Policy package for 2014-2020, with the advent of a dedicated article (Article 5) on multilevel governance and partnership and the introduction of a Code of Conduct on Partnership. This is welcome and in line with the CPMR's concept of Territorial

<sup>&</sup>lt;sup>8</sup> 'Enabling synergies between European Structural application: and Investment Funds, Horizon 2020 and other research, innovation and competitiveness-related Union programmes'

- Pact based on a system of multi-level governance that gives substance to the principle of subsidiarity and allows for the principle of solidarity to be applied at all levels and in all EU policies.
- **43.** In practice, one needs to ensure that the new legal provisions reinforcing multilevel governance and partnership will be applied in practice. Evidence collected from CPMR Member Regions already suggests that in a number of cases, consultation with local and regional authorities on the Partnership Agreement and the Operational Programmes was marred by a relatively poor quality of dialogue between stakeholders, regions and central government and a short delay to respond to consultations (particularly in the United Kingdom and in Sweden).
- **44.** Some Member States decided to take a number of shortcuts during the financial crisis, such as centralising procedures for structural funds management and, in the case of the UK, a single multifund programme for the whole of England covering the five ESI funds. This process was realised without consideration of the high performance of some programmes managed at regional and local level.
- **45.** In 2011, changes to the management of EU Structural funds programmes including the abolition of Regional Development Agencies in England resulted in transfers of responsibility for management and delivery to central government. The nationalisation of the management and delivery of the programmes has affected performance and some of these have not delivered results on the same scale as when there was greater local involvement and participation. The evidence from the Cornwall and Isles of Scilly ESF Operational Programme for 2007-2013 is staggering: as the following table shows, delivery under the first part of the programme with greater local involvement achieved 56,275 participants for Priority 1 and 71,649 for Priority 2 compared to the subsequent national commissioning and procurement structure which resulted in 8,332 and 9,028 participants respectively, for instance.

Output/result	CIoS Target	2007-11 local delivery	2011-14 national commissioning
CIoS priority 1. Tackling barriers to employment			
Participant total	24,500	56,275	8,332
In work on leaving	5,900	9,199	738
14-19 NEET into EET	2,200	8,399	2,098
CIoS priority 2. Improving the skills of the local workforce			
Participant total	50,200	71,649	9,028
Gained basic skills	8,200	6,132	751
Gained level 2	7,300	9,134	527
Gained level 3	1,600	4,058	198
Gained level 4	760	858	106
Gained level 5	120	450	95

Fig. 3. Comparison of national vs. local delivery of ESF in Cornwall and Isles of Scilly 2007 - 2013

- **46.** Concerning the macro-regions and sea-basin strategies, the CPMR has made a number of proposals<sup>9</sup> to improve the governance of existing and future strategies. Their success is linked to the level of involvement of regions and their elected Members in the elaboration of the strategies. Furthermore, the European Commission still needs to play a leading role in terms of assessing how Member States support the strategies, and ensuring a coherent framework for existing macroregional strategies and the future emerging strategies (e.g. the Mediterranean and the North Sea). The Commission must support local and regional actors involved in these strategies and ensure synergies with relevant European funding programmes.
- 47. The CPMR will monitor the real level of involvement of regional governments in terms of the management of the programmes, as per the reinforced provisions on multilevel governance and partnership (article 5 CPR).

<sup>&</sup>lt;sup>9</sup> See <u>CPMR Policy Position</u> adopted in June 2013 and <u>CPMR reaction</u> to Commission Communication on governance of macro-regional strategies and sea-basin strategies

# PART 2 - The maritime regions, partners in a blue growth that benefits the whole of Europe

### INTRODUCTION AND BACKGROUND

- **48. Maritime-related economic activities are growing significantly.** The maritime economy accounts for 5 million jobs and a gross value added of 500 billion euros in Europe, and is expected to provide 7 million jobs and 590 billion euros in gross value added by 2020<sup>10</sup>. The activities concerned cover a large number of sectors.
- **49.** This is a historic opportunity for the maritime Regions and for Europe. Very badly hit by the economic crisis, these represent a potential for beneficial sustainable growth not only for their territories but more widely for the whole of the European territory. The challenge for Europe and for these Regions is to give themselves the means to benefit from this potential, and not allow it to be exploited by other continents in the global competition.
- **50.** In recent years, maritime Europe has made important progress. As reflected in the report on the Integrated Maritime Policy (IMP), numerous EU policies have a maritime dimension. In parallel, the role of the IMP as a coordinating factor has been strengthened through the **blue growth approach**, which brings together the economic, environmental and social dimensions; the adoption of **its own policy instruments** such as the Directive on Maritime Spatial Planning and its **own budget** within the European Maritime and Fisheries Fund (EMFF), and the improved overall visibility of the objectives of EU maritime policies at the level of the sea basins, through the **sea basin strategies and the maritime dimension of the macro-regions**.
- 51. The maritime Regions are at the crossroads of maritime issues. They therefore have been and remain major partners in maritime Europe, through their competencies and their involvement in the management of national and European maritime policies in the Member States, their action in relation to the social and economic fabric and the people living in their regions, and their role in the design and management of European regional policy and the European Structural and Investments Funds (ESI Funds).

#### **CHALLENGES**

**52.** CPMR has identified six main challenges for maritime Europe – these are not the only ones – on which it wishes to focus its action for an effective partnership between the Maritime Regions and Europe.

### REINFORCING AN INTEGRATED MARITIME APPROACH THROUGH THE IMP

- 53. The maritime issues on which the European Union and the Regions are active are numerous and crosscutting in nature. The IMP, whose aim is to consolidate consistency between these policies, is more necessary than ever.
- **54.** In this regard, the primary role of the IMP will be to ensure a sustainable integration between the economic, environmental and social dimensions of the blue growth approach. In the years to come this is likely to give rise to debates on, for example, the international negotiations on climate and the follow-up to Rio+20, and the implementation of the Marine Strategy Framework Directive (MSFD).
- 55. Following the creation of a European Commission Directorate General in charge of Fisheries and Maritime Affairs in 2007, the IMP should also benefit from the setting up of bodies with specific responsibility for the IMP within the EU institutions, having their own regulatory and budgetary instruments. In parallel, the sea basin strategies and the maritime dimension of the macro-regions should continue to be developed in order to contribute to the implementation of the European maritime objectives by sea basin.

### A PARTNERSHIP BETWEEN EUROPE, THE MEMBER STATES AND THE REGIONS TO MAKE THE BEST USE OF EUROPEAN MARITIME FUNDING

**56.** In the absence of a specific European fund for maritime affairs, apart from the EMFF which is devoted to the IMP and has a budget of 432 million euros for the 2014-2020 period, the strategy implemented for

<sup>&</sup>lt;sup>10</sup> Communication on blue growth from the European Commission and blue growth study: scenarios and drivers for sustainable growth from the Oceans, Seas and Coasts

funding a large part of Maritime Europe consists of making the best use of already-existing funding such as the ESI and other EU funds (e.g. Horizon 2020, Cosme, Life, EIB), and other public (Member States/Regions/Cities) and private funding instruments. This is the case in particular for certain European strategies in the priority areas of the blue growth approach (e.g. blue biotechnology, seabed mining and coastal tourism).

57. Achieving a critical mass of funding for Maritime Europe therefore supposes a strong partnership, in particular with the Regions, to make the best use of the ESI Funds, (including those for territorial cooperation) and of their own budgets. Smart specialisation strategies, which define the strategic investment priorities of the ESI Funds, are one of the elements guiding these synergies.

The European Marine Biological Resources Centre (EMBRC), a network of biological research stations specialised in blue biotechnologies, is a key component of the European Union's action in the area of blue biotechnology and marine research. Since 2012, CPMR has been actively encouraging exchanges between the scientific organisations involved and the Regions which support the member stations of EMBRC, via the ERDF, in parallel to the support they receive from elsewhere.

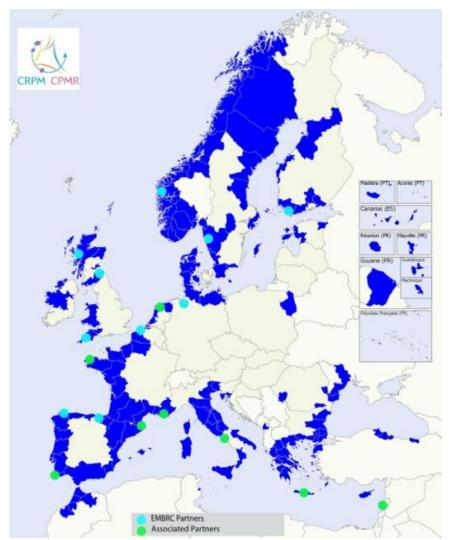


Fig. 4. EMBRC (European Marine Biological Resource Centre): example of synergies between the ESI Funds and Horizon 2020

### COASTAL AND MARITIME PLANNING

- **58.** Planning of the coastal and maritime areas is essential for the delivery of maritime policies. There are two main issues to be emphasised here.
- **59.** The first of these is maritime spatial planning (MSP) and integrated coastal zone management (ICZM). Human activities are making increasing demands on coastal and maritime areas, as can be seen from the map, below, of the Irish Sea.

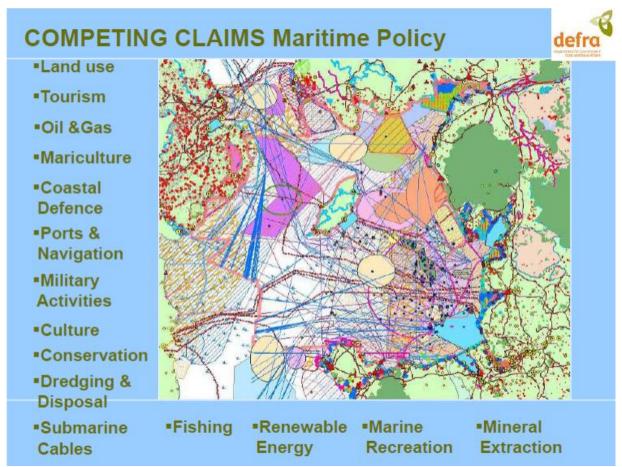


Fig. 5. Competing claims for the use of the Irish Sea

- **60.** Better MSP and better ICZM is therefore necessary. At EU level, the choice was made to adopt a <u>Maritime Spatial Planning Directive</u> in July 2014, the main aim of which was to help improve MSP and ICZM by making it compulsory for Member States to develop maritime spatial planning.
- 61. If this Directive is to be successfully implemented, the Regions need to be involved in developing the content of any plans drawn up by the Member States. In addition to the fact that in some Member States (Germany for example) MSP is one of the competences of the Regions, it is often the local or regional authorities which have competency for ICZM. However, there is no maritime activity that is not directly related to a land-based activity. For example, the development of marine energies implies R&D, construction and maintenance activities as well as land-based grid connections. Ensuring the link between MSP and ICZM is therefore a challenge in terms of the contribution the new Directive can make to the development of activities and of the territories.
- **62.** Moreover, ICZM as such is set to remain an area for action at European level. A balanced vision of spatial planning is essential to mobilise EU funds to enhance risk prevention and management. Regional management plans should then be eligible for EU funding support for the 2014-2020 period, which should favour investments for active and passive defence (buffer areas enhanced by human activities). Europe cannot just be content with a greenhouse gas emissions mitigation policy. This needs to be combined right now with an adaptation policy, especially in areas made vulnerable by rising sea levels.
- **63.** A second issue is that of marine data and geographic information systems (GIS). These are necessary in order to obtain a clear and accurate picture of the coastal and maritime areas (bathymetry, erosion, species mapping and mapping of ocean currents). This is needed by the public authorities and socio-economic stakeholders implementing actions in these areas, and is in particular indispensable for implementing EU policies which have a direct impact on coastal zone planning, such as MSP and ICZM, the MSFD, the European strategy for adaptation to climate change or the Floods Directive.
- **64.** The European Union helps to facilitate the pooling of existing data and GIS through the <u>Emodnet</u> portals, which will ultimately offer an integrated Europe-wide system for mapping the coastal areas. This service supposes the interoperability of the data gathered by various stakeholders across Europe, something that is in itself quite a challenge technically. Another challenge facing the Regions, which often have a direct role in commissioning work, is that of financing the acquisition and development of data and GIS. The EU

contributes to this, but its funding possibilities come under several different priorities and are not the subject of a specific strategy.

65. Pursuing the task of pooling marine data at a European level, facilitating their acquisition, guaranteeing their interoperability and ensuring they are made available via a portal such as EMODNET, therefore remains a challenge for Europe in order to help consolidate Maritime Europe.

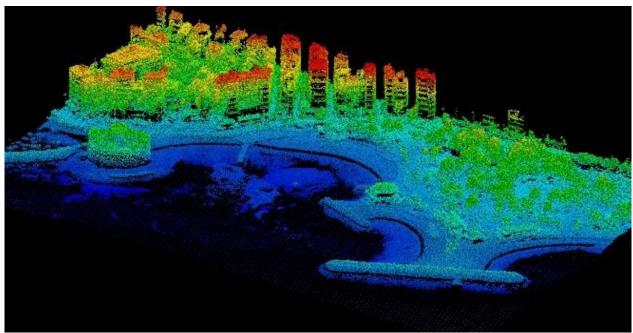


Fig. 6. Example of a 3-dimensional representation of the coast-sea-bed continuum - Toulon- (Source: Provence-Alpes-Côte d'Azur Region - SHOM-IGN)

### A COMMON FISHERIES POLICY (CFP) THAT IS MORE COMPETITIVE, MORE SUSTAINABLE AND ALSO INCLUSIVE

- **66.** With 6.9 million tons of fish produced each year, a fleet of nearly 90,000 vessels and the largest maritime territory in the world, the EU is the third largest producer of fish and aquaculture worldwide (4.4% of global production). About 400,000 people are employed in fishing, aquaculture and the processing of products. As the European Commission states, "the fishing sector plays a vital role in many European Union regions in terms of its contribution to local employment and economic activity"<sup>11</sup>. European fishing is facing strong international competition (imports, social dumping, etc.) and the challenge for this sector is to be able to continue to supply European consumers with fisheries products that comply with stringent and strictly monitored health, environmental and employment-related standards.
- **67.** In addition to international competition, another challenge facing the fisheries sector is the need to better protect fish stocks. In this regard, the CFP has already undergone major changes throughout its successive reforms. **The very important efforts made by fisheries professionals at the cost of significant job losses are showing results.** The European Commission now recognises that European fish stocks are increasing again, especially in the Atlantic, the North Sea and the Baltic Sea, and that the outlook is positive for the Mediterranean<sup>12</sup>, even though the health of certain stocks remains fragile.

<sup>12</sup> The European Commission considers for example that "Overfishing has reduced in the European Atlantic waters, the North Sea and the Baltic Sea" (source: European Commission, COM(2014) 388 final) and that, with regard to the state of stocks, "Good progress has been made in the north-east Atlantic, and progress in the Mediterranean Sea and Black Sea is expected soon", even though "too many fish stocks are still overfished" (European Commission – Facts and figures on the Common Fisheries Policy, 2014).

<sup>&</sup>lt;sup>11</sup> European Commission, Facts and figures on the common Fisheries policy, Basic statistical edition, 2014.

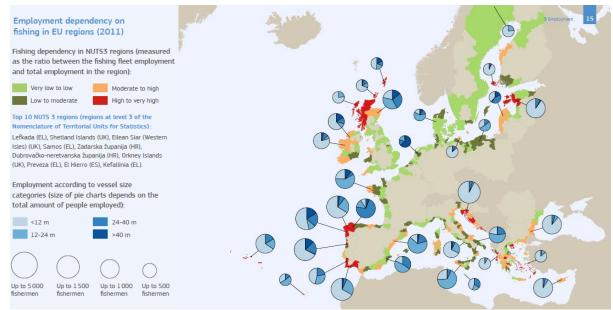


Fig. 7. Employment dependency on fishing in EU Regions (2011)

- **68.** The blue growth concept relies heavily on the promise of a **growing sustainable aquaculture sector** in the EU. In this context, the EMFF is expected to play a crucial role. The CPMR calls for EU institutions to pay particular attention to synergies and coordination with Integrated Coastal Zone Management (ICZM) and Maritime Spatial Planning (MSP).
- 69. The 2013 reform introduced new obligations such as the landing of all catches, which still raises questions of implementation for fishing firms and onshore processing. The fact that the European Commission has strengthened the Advisory Councils, with which the coastal Regions wish to be more closely associated, is likely to help provide an overview by sea-basin of the challenges faced in implementing the new CFP.
- **70.** In addition to this, the EMFF is intended to help the sector to adapt to the new objectives of the CFP. The drafting of operational programmes in which the Regions can be involved at varying levels of responsibility is therefore an essential step in terms of the guidance for funding in the years ahead.

### MARINE ENERGIES AND MARITIME TECHNOLOGIES, DRIVERS OF AN INDUSTRIAL AND ENERGY STRATEGY

- **71. Marine energies are a booming sector in Europe.** According to the European Commission<sup>13</sup>, the annual installation of offshore capacity for offshore wind the most tried and tested technology and a key component of the blue growth approach could exceed the annual installation of onshore capacity by 2030. Offshore wind could meet 4% of the EU electricity demand by 2020 and 14% by 2030. This would mean 170,000 jobs in 2020, increasing to 300,000 jobs in 2030. Ocean energy (waves and tides, salinity gradients and thermal gradients) could create between 10,500 and 26,500 permanent jobs and up to 14,000 temporary jobs by 2030<sup>14</sup>.
- 72. This industrial trend is of major importance in achieving three objectives: creating employment, providing a sustainable supply of energy for the territories, and specifically benefiting those regions suffering from permanent geographic or demographic handicaps.
- 73. The growth of employment in the maritime industry relies on the synergies between marine energies and maritime technologies<sup>15</sup>. The development of marine energies creates industrial jobs related to the deployment and exploitation of equipment, as well as in the construction and maintenance activities generated (wind farms, marine turbines, components for grid connection, etc.). The expertise and knowhow required for these activities exists in part in the European shipyards. It therefore represents a new

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<sup>&</sup>lt;sup>13</sup> Communication on Blue Growth

<sup>&</sup>lt;sup>14</sup> Communication on Blue Energy – Action needed to deliver on the potential of ocean energy in European seas and oceans by 2020 and beyond.

<sup>&</sup>lt;sup>15</sup> The definition of these technologies is that given in the LeaderShip 2020 Report: "all the enterprises involved in the design, construction, maintenance and repair of all types of ships and other relevant maritime structures, including the complete supply chain of systems, equipment, services and supported by research and educational institutions".

industrial opening for the shipbuilding and marine equipment industry – a sector that employs more than 500,000 people and has an annual average turnover of approximately 72 billion euros<sup>16</sup>. Indeed the European shipyards are at this very moment differentiating their activities by building greener, more innovative and safer ships and diversifying into marine energies.

- 74. We need therefore to encourage the complementarities which lies at the heart of the LeaderShip 2020 report on maritime industries, published by the European Commission between the development of marine energies and maritime technologies, because this provides a response to the challenge of locating maritime industrial employment in Europe.
- 75. A second objective linked to the industrial development of marine energies is to provide the territories with a sustainable supply of energy. The contribution marine renewable energies could make to the sustainable supply of energy for the territories and for the European economy is, ultimately, linked to the price of the energy produced. For the time being, it is still too expensive. In the long term, however, renewable energies, particularly marine energies, are the solution which responds to the challenges of energy independence for Europe, of combating global warming, and of developing sustainable and environment-friendly sources of energy.
- 76. In a context of economic crisis, it is vital that the European Union retains its ability to take a long-term view and steps up its support for the development of these energy sources. This requires a set of incentives and initiatives, which in a first stage keep renewable energies separate from the European energy mix. The unambitious and non-binding nature of the objective to see the share of renewable energies in the European energy mix rise to 27% by 2030 is in this sense a source of concern.
- 77. In parallel, the development of marine energies requires advances to be made on many fronts, including those of investment in R&D to develop the technologies, training, improving legal certainty (e.g. MSP, standards and authorisation, social acceptability), the funding of the networks, or the creation of Europewide networks of industrial stakeholders.
- 78. Lastly, a third goal is to help achieve the objectives of the economic, social and territorial cohesion of the Union as set out in Article 174 of the Treaty. Because they are based in the maritime regions, which are often very peripheral, industrial activities related to marine energies help to improve the cohesion of territories in Europe. In contrast, the difficulties (high additional costs in terms of infrastructure, restrictions due to market size) encountered by the territories suffering from serious and permanent geographic or demographic handicaps are heightened when these cannot be connected to the European grid and thus operate in a context of total or near-total isolation. It is indispensable that much greater and specific account is taken of these territories, especially in terms of taxation and the application of State aid, in the context of the EU's action on marine energies. This is an element that is related to the CPMR messages concerning territorial cohesion (see part 1 of this document).
- **79.** These three challenges are rooted in the industrial history of the territories and inform the smart specialisation strategies adopted by the Regions. With the help of the ESI Funds, the Regions are actively supporting the links between enterprises (included the shipyards) and the marine energies sectors in the areas of training, R&D, access to funding and industrialisation, as well as the consolidation of links between large groups and SMEs, and providing the territories with the necessary infrastructure to ensure the success of marine renewable energies.
- **80.** Today, the European Union supports the action of industry stakeholders and the regions, but in a fragmented manner and in the absence of any overall industrial and energy policy. Thus, in spite of the fact that these challenges are shared by the different types of marine energy (wind and ocean), which are linked by a technological and industrial continuum, these types of energy are dealt with under distinct European policy processes, such as the Ocean Energy Forum). To take another example, shipbuilding is not included in the priorities of the blue growth approach relating to marine energies, but the LeaderShip report does link them together. LeaderShip itself is also dealt with separately, and there is no suggestion of an action plan for implementation by the European institutions.
- 81. In this context, the challenge is therefore on the one hand to strengthen the EU's ambition in the area of maritime industries and, on the other hand, to make its initiatives in this area, as well as the actions of the different DGs of the European Commission, more coherent.

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<sup>&</sup>lt;sup>16</sup> Source: LeaderShip Report

**82.** Europe is the continent with the highest number of accidents at sea.



Fig. 8. Map of maritime disasters since 1940 (source: CEDRE)

- 83. In recent years, there have been major and effective developments in the action of the EU, the IMO and the IOPC Funds on maritime safety. Following the Erika oil spill, the EU adopted, in succession, three sets of legislative measures on maritime safety, known as the Erika I, II and III packages. Other initiatives undertaken by the EU include the adoption in 2013, following the Deepwater Horizon disaster, of a directive on the safety of offshore oil and gas operations, as well as initiatives on maritime surveillance, the coordination of coastguard functions, and the development of a European flag.
- **84.** All these need to be pursued, in particular to tackle new risks linked to the development of maritime transport (e.g. chemical pollution, ultra-large container ships), to respond to the need to improve training and working conditions for seafarers, to combat the continued practice of degassing in European waters, and to address the issue of compensation granted to socio-economic stakeholders and regions affected by maritime disasters, which is insufficient. On this point, the ruling in September 2012 by the French *Cour de cassation* concerning the Erika disaster sparked a debate on the need to amend international and/or European rules on compensation for environmental damage. This ruling was the first time that environmental damage was recognized in the case of an accident involving a ship and affecting European marine waters.

#### **CPMR MESSAGES ON MARITIME POLICIES**

### MESSAGE 1: ENVIRONMENTALLY HEALTHY COASTAL AND MARITIME SPACES NEED TO REMAIN OPEN TO HUMAN ACTIVITIES.

- **85.** The search for a balance between protection of the marine environment and economic development (see also messages 4 and 6) will hinge on the links between the implementation of the Marine Strategy Framework Directive (MSFD) and the maritime economic policies.
- **86.** After a first, very intensive, phase of reporting on the environmental status of European waters, the MSFD now requires Member States to define the policy measures needed to achieve or protect the good environmental status of European waters. These measures will concern all the regional, national and European policies that have an impact on the marine environment. They will also be a means of putting into practice the international commitments made (maritime dimension of Rio+20).

- 87. In this context, it is important to restate the commitments of the European Union to protecting the marine environment and its fundamental contribution to well-being and to economic development. In parallel, the explosion of the economic potential of the seas and the oceans means that the marine environment must be increasingly considered as a space in which wildlife and human activities interact. Therefore, as stated by the MSFD (article 1): "Marine strategies shall apply an ecosystem-based approach to the management of human activities, ensuring that the collective pressure of such activities is kept within levels compatible with the achievement of good environmental status and that the capacity of marine ecosystems to respond to human-induced changes is not compromised, while enabling the sustainable use of marine goods and services by present and future generations".
- 88. The debate on the conditions that will allow the marine environment to be exploited in a sustainable manner must be based on expert scientific knowledge of its status and of the impact of human activities. However, the reports on the implementation of the MSFD reflect a significant lack of data on the status of the marine environment. For the EC, because of the lack of data gathered at this stage, "it will be challenging not only to achieve GES by 2020, but even to know how far we are from meeting the objective." This lack of data is all the more regrettable in view of the fact that strong economic forces may mean that different marine activities compete for the use of maritime spaces. In this context, there is a risk that the marine data on which the protective measures are based could either be insufficient or could be biased by the economic interests involved in the competing claims. For example, fishing is often considered as having too strong an impact on fish stocks, but the impact of other human activities or of climate change on these stocks is still not fully known.
- 89. The CPMR therefore calls on the EU Member States and the European institutions to promote a management of the seas and the oceans that is open to economic activities, within the framework of implementation of the MSFD and in the definition of the European positions on the maritime dimension of Rio+20. Management of the seas and oceans needs to be based on reliable data permitting, as envisaged in the MSFD, a better understanding of all the factors that have an impact on the marine environment. The Regions are essential partners for the European Union in achieving these objectives.

### MESSAGE 2: GOVERNANCE OF THE IMP SHOULD BE STRENGTHENED

- 90. Institutional consolidation within the European institutions supposes in the first place that the movement launched by DG MARE within the European Commission is pursued. Secondly, it supposes that the Seas and Coastal Areas Intergroup in the European Parliament is renewed. Given the growing importance and increasingly cross-cutting nature of maritime issues addressed by the European Parliament, the question of a parliamentary committee specifically on maritime questions in the European Parliament could be on the agenda in the future. Lastly, in the continuity of the Limassol Declaration and the conclusions of the June 2014 General Affairs Council on the IMP, the dialogue with Member States on all maritime-related issues needs to be continued.
- **91.** In parallel, the sea basin strategies and the maritime dimension of the macro-regions must continue to be developed. Alongside its support, with that of its Geographical Commissions, for the implementation of the maritime strategy for the Atlantic, the sustainable blue growth agenda for the Baltic Sea Region, and the Adriatic-Ionian strategy, the CPMR calls on the European institutions and the member states to pursue efforts in the other sea basins, such as the North Sea and the Mediterranean.
- 92. In this regard, constructive cooperation and an ambitious implementation of the preparatory action for a North Sea Strategy, adopted by the European Parliament in support of the initiatives developed by the CPMR North Sea Commission is expected. In the Mediterranean, the Sea could constitute a first priority for a macro-regional approach beyond the scope of the Adriatic-Ionian region. Lastly, the CPMR will support initiatives arising from the conference on blue growth in the Black Sea, held in January 2014.

### MESSAGE 3: MAXIMISE AVAILABLE FUNDING FOR BLUE GROWTH.

**93.** The CPMR has launched an analysis of the maritime dimension of regional specialisation strategies and ESI Funds operational programmes, and the way in which this is linked to initiatives supported by other EU sources of funding (e.g. Horizon 2020, which will provide considerable support for marine and maritime research, Cosme, Life, EIB).

<sup>&</sup>lt;sup>17</sup> COM (2014) 97 final, page 8

- **94.** This initiative will be carried out in the first instance in connection with the thematic activities on the CPMR's maritime agenda, with the aim of facilitating operational exchanges on the actual uptake of ESI funds in the regions and sea basins. Alongside this, the CPMR will review the investments carried out in synergy with the Regions, with a view to the debates on the mid-term review of the Multiannual Financial Framework due to take place in 2016.
- 95. The CPMR calls on the European institutions to work together pragmatically on these issues.

### MESSAGE 4: THE IMPLEMENTATION OF MARITIME SPATIAL PLANNING (MSP) SHOULD INVOLVE REGIONS AND LINK WITH INTEGRATED COASTAL ZONE MANAGEMENT (ICZM).

- 96. The implementation of the MSP Directive should encourage consistency between planning activities carried out by Member States, ICZM, and the development strategies implemented by the Regions. This will mean giving full meaning to Article 9 of the MSP Directive, which stipulates that Member States shall consult with the "relevant authorities". It will also be necessary to involve Regions which are carrying out structuring ICZM actions at the level of the sea basins such as the Bologna Charter in the Mediterranean in MSP projects funded under the EMFF. The involvement of Regions is also fundamental as regards adaptation to climate change, from the point of view of mobilising EU funds and with regard to implementing the EU strategy in this area.
- 97. In addition, action will need to be pursued at European level with regard to the interoperability of data, the setting-up of dissemination platforms and appropriate training for users, including the Regions. The European Union could also develop a specific strategy concerning the funding on coastal data. This strategy would include elements relating to the uptake of ERDF funding, and would examine the possibility of a model based on making data available free of charge.

### MESSAGE 5: ENSURE TRAINING AND PROTECTION FOR WORKERS IN THE MARITIME SECTOR.

- **98.** Although maritime economic activities are on the increase, the attractiveness of maritime careers, especially in the transport sector, still needs to be improved.
- 99. This attractiveness is closely linked to living and working conditions on board. Improvements could be made to the rules established in this area by the International Maritime Organization and the European Union. The entry into force of the Maritime Labour Convention (MLC 2006) is a major step forward. EU Member States need to ensure that this convention is effectively implemented, as well as other conventions including STCW (Standards of Training, Certification and Watchkeeping for Seafarers) and STCW-F (Convention on Standards of Training, Certification and Watchkeeping for Fishing Vessel Personnel). Progress also needs to be made in other areas, especially through European initiatives linked to the proposals of the Task Force on maritime employment and competitiveness, even if the CPMR deplores the absence of regional representatives on this Task Force.
- 100. The CPMR asks the European institutions and the Member States to continue to work towards the ratification of international conventions on working and living conditions for seafarers, to ensure they are implemented effectively, and to follow up the proposals of the Task Force on maritime employment and competitiveness.
- 101. In parallel, Europe needs to develop education and training systems that are more attractive, accessible and "Europeanised". To do this, the CPMR has proposed the development of a maritime Erasmus programme and has designed a pilot project in the form of the Vasco da Gama programme. This initiative should be extended. The CPMR proposes strengthening the networks of maritime colleges and academies, at European level and in the framework of the sea basins, along the lines of the pilot action developed under the Vasco da Gama programme. This networking of training providers could be accompanied by networking of the programmes funded by public authorities, in particular the Regions, which are very active in this area. In this spirit, the CPMR asks DG MARE to implement other initiatives such as the launch of a call for proposals, planned in 2014 via the EMFF, aimed at creating a network of maritime training establishments in the Mediterranean, and to involve the Regions in these initiatives.

### MESSAGE 6: SPECIAL CONSIDERATION SHOULD BE GIVEN TO THE SOCIAL AND ECONOMIC IMPACT OF THE NEW CFP.

- 102. Alongside efforts to protect fish stocks, it will be more necessary than ever to place the human dimension and employment at the heart of the CFP when it is implemented. It must continue to provide support for fishermen throughout the whole of their career in the sector.
- 103. On the basis of available studies, and in a context in which the efforts made are starting to be reflected in an improvement in the status of stocks, it will be necessary to give full meaning to Article 2<sup>18</sup> of the basic CFP regulation, which talks about the balance between the economic and the environmental dimensions. This will mean being pragmatic, where necessary, in applying the new measures provided for by the CFP, including for example the obligation to land all catches. In this regard, it will be important that the European level works in full partnership with the Regions as far as the analysis of the socio-economic impact on the fishing communities and the economic development of the regions are concerned, particularly in mixed species demersal fisheries.
- **104.** In parallel, the CPMR invites the European Commission, the European Parliament and the Advisory Committees to set up a more direct dialogue with the maritime Regions, both with regard to the implementation of the CFP and to the use of the European Maritime and Fisheries Fund (EMFF) and the other ESI Funds in the field of fisheries and aquaculture.

### MESSAGE 7: A UNIFIED EUROPEAN MARITIME INDUSTRIAL STRATEGY SHOULD BE DEVELOPED.

- 105. A new phase for Maritime Europe needs to be opened up, with the launch of a European maritime industrial strategy. This strategy should have an overall policy objective that is at once maritime, industrial and energy-related, and be based on combating climate change and successfully achieving the transition to greener energy; the sustainable development of the seas and oceans; the reduction in the price of renewable energies thanks to their rapid deployment on a massive scale; innovation and improvement of industrial processes; strengthening the energy independence of the peripheral maritime regions (especially the islands), and the creation of sustainable and high-quality jobs located in the regions.
- 106. Within this objective, the Union can bring together and give a common and more motivating meaning to its initiatives for the development of marine energies and for the differentiation and diversification of the shipyards.
- 107. In this framework, the objectives of the European Union in terms of helping to combat climate change by developing marine energies would give a new direction to a European roadmap on marine energies. This roadmap would promote technological partnerships between stakeholders in these sectors in order to encourage the development of fixed-bottom wind parks, and boost the transition to the more mature technology of floating wind turbines and bring ocean energies to maturity. The roadmap would also promote technological partnerships between the industrial stakeholders in the marine energies sector and those in the shipbuilding sector, to develop structures (windmills, turbines and other technologies), ships and equipment for building and maintaining marine energy parks. The partnerships between these stakeholders could provide inspiration for the content of a Knowledge and Innovation Community at the European Institute of Innovation and Technology (EIT), as proposed in the Marine KIC initiative, which is supported by the CPMR.
- **108.** An overarching maritime industrial strategy would also help strengthen the consistency of **measures relating to marine energies and to shipbuilding**, from the point of view of access to funding and recourse to State aid, to the creation of industrial-European R&D partnerships and to international trade agreements to consolidate European champions located in the regional economic fabric in the face of competition and of fiscal, social and environmental dumping.
- **109.** Affirming a maritime industrial strategy would give a boost to the other efforts currently under way to stimulate the development of marine energies (investment in R&D for technological development, training, improving legal certainty (e.g. MSP, standards and authorisation, social acceptability), network funding or the setting up of European networks of industrial stakeholders).

<sup>&</sup>lt;sup>18</sup> Regulation (EU) n° 1380/2013, Article 2: "The CFP shall ensure that fishing and aquaculture activities are environmentally sustainable in the long term and are managed in a way that is consistent with the objectives of achieving economic, social and employment benefits and of contributing to the availability of food supplies."

- **110. Lastly, this strategy would have a strong territorial dimension,** centred on the development of synergies between complementary stakeholders within the sea basins, and on the specific situation of territories with a geographic handicap, including the islands.
- **111.** This strategy should be implemented with the full support of the Regions, which are already actively involved in their territories with industrialists and other regional partners working to develop both renewable energies and ship-building and maintenance activities.

### MESSAGE 8: A MARITIME SAFETY ERIKA IV PACKAGE SHOULD BE DEVELOPED.

- 112. The European Union and its Member States must continue to act in a spirit of continuous strengthening, at international and European level, of maritime safety, so as to anticipate and avoid any new major disaster, rather than reacting after the event. European action is necessary to stimulate the action of international bodies, such as the IMO in particular, and if necessary to act in the framework of the European Union, as with the Erika packages.
- 113. Beyond the full implementation of the existing measures, such as those of the Erika III package and the Directive of 12 June 2013 on the safety of offshore oil and gas operations, this raises the question of the preparation of an Erika IV package.
- 114. In addition to the initiatives under way at European level on maritime surveillance, a European flag, the coordination of European coastguard services, or passenger ships via the IMO, new areas of action could be explored through such an initiative. Employment-related questions (see also message 5) could be one of these areas. Another component of an Erika IV package could be the recognition, across the whole of the European Union, of environmental prejudice. As a European Commission study proposes, this recognition could be made possible by revising the European Directive on environmental liability. The European Union could also take new initiatives concerning container ships. Other actions could be developed to improve coordination between the fight against marine pollution (often led by the national authorities) and the fight against pollution on land.

# PART 3 – Improve the accessibility of the maritime Regions and harness their potential in global transport flows

### INTRODUCTION AND BACKGROUND

- **115.** The stage is set for the EU's support for transport infrastructure and services over the 2014-2020 programming period. Funding will come from a new instrument, the Connecting Europe Facility (CEF), and also as in the current period from the Cohesion Fund, for Member States whose GDP is below 90% of the EU average, and from the ERDF in convergence and transition regions.
- 116. The overall amount of funding available for transport infrastructure is expected to be around the same as for the 2007-2013 period. Although the CEF budget for 2014-2020 is 40% higher than its equivalent in the previous period, ERDF funding allocated to transport infrastructure is expected to be lower, especially since the Commission has not made this a priority in the Partnership Contracts. CEF funds are to be attributed on the basis of competitive calls for project proposals. This is a step backwards for the role of the Regions in the governance of EU transport policy (as the CPMR Political Bureau meeting in June 2011 in the Azores predicted.)
- 117. The new Trans-European Transport Network, adopted in 2013, is unsatisfactory as far as the CPMR Regions are concerned, because the 9 core network corridors are still more favourable to the centre of Europe (see figure 10). Before mobilising its efforts with a view to the next review, the CPMR will nonetheless help its Regions to make the best use of the available room for manoeuvre during the implementation of the TEN-T.
- **118.** The next three years are crucial in this priority area of activity for the CPMR:
  - in 2015, the Commission will publish a mid-term review of the 2011 Transport White Paper. Putting accessibility back at the heart of this policy will be an objective for the CPMR, with the dual aim of **defending the specific interests of our Regions** and **harnessing the potential** of their ports in the global transport and logistics geo-economy
  - in 2016/2017, the Commission will carry out a partial review of the TEN-T. This will be an opportunity to rectify the 2013 maps
  - maritime transport will be the focus of attention for the EU: the "greening" of this activity, which has already begun with the 2012 Sulphur Directive, and consultation on the Motorways of the Sea. The CPMR will help draft EU texts and inform and raise awareness of regional stakeholders.

#### **CHALLENGES**

### PUTTING ACCESSIBILITY BACK AT THE CENTRE OF THE EU'S TRANSPORT AGENDA

- **119.** The recent ESPON report, "Making Europe Open and Polycentric" (<u>draft version</u>) states that there are currently 209 "remote" NUTS3 regions in Europe. It suggests as a European objective there that should be no remote NUTS3 regions by 2050, reducing the number in successive stages (110 by 2020, 50 by 2030).
- **120.** Despite the spectacular development of IT networks, goods still do not travel by fibre optic broadband, and the degree of physical accessibility of a region remains an uncontested criterion of its attractiveness and a factor in its economic development. However, the issue of accessibility appears to have disappeared from the European Commission's radar screen. For example:
  - the 2011 Transport White Paper does not talk about it, despite the fact that Articles 90 and 91 of the Treaty state that the common transport policy should encourage territorial cohesion, and Article 174 stipulates that particular attention should be paid to regions which suffer from severe and permanent handicaps;
  - the 6th report on economic and social cohesion, although abundantly illustrated, includes only one map relating to accessibility, on access to passenger flights;
  - the latest complete ESPON publication on this subject dates from 2009 (although a map of territorial connectivity was published in 2013: see below);

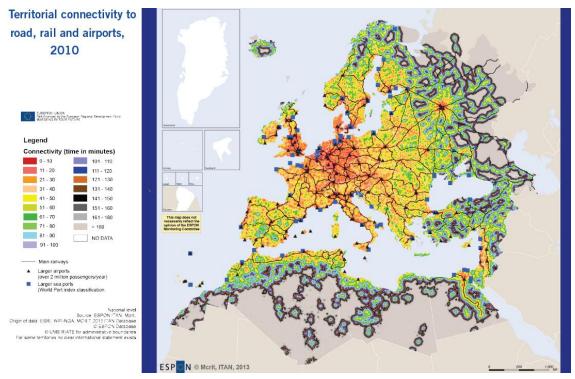


Fig. 9. Territorial connectivity to road, rail and airports, 2010

- and above all, as the CPMR has repeatedly regretted, the new TEN-T relegates the peripheral regions in a comprehensive network that is under-funded, to be achieved by ... 2050, and gives priority to 9 corridors which are land-based (although the end points of these are maritime ports (Fig. 10) and a core network to be completed by 2030 (Fig. 11)). The situation of the islands and the overseas territories is in this context particularly critical.

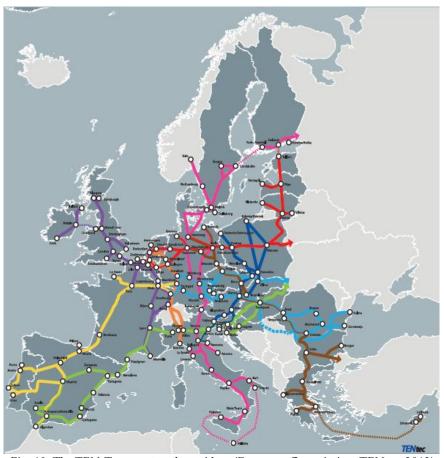


Fig. 10. The TEN-T core network corridors (European Commission, TENtec, 2013)

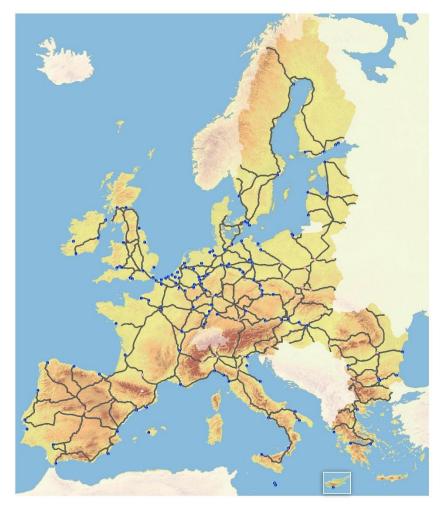


Fig. 11. The TEN-T Core Network: Ports, Railways Passengers and Railways Freight

121. This medium-term view should not overshadow the work to be done in the short term concerning the implementation of these corridors. The CPMR and its Geographical Commissions have been working on this since March 2014, in close partnership with the European Commission (DG Move). Consultation forums have been set up. These are gradually opening up to the Regions, which should ensure that the corridor work plans due to be finalised at the beginning of 2015 integrate their own investment priorities as far as possible.

### PROMOTING SUSTAINABLE MARITIME TRANSPORT

- 122. Whether we are talking about European Commission initiatives or the transposition of IMO requirements into European law, maritime transport in Europe is and will be affected by a series of legislative or regulatory provisions aiming to reduce its impact on the environment. The sulphur content of marine fuel is a topical issue, with a European Directive impacting the sea basins to varying degrees and on a phased basis: 1 January 2015 for the designated SECAs (English Channel, North Sea, Baltic Sea), 2020 for other sea basins. Further binding regulations aiming to improve air quality and reduce greenhouse gas emissions will follow: especially concerning CO2, NOx, and particles.
- **123.** The example of the Sulphur Directive has shown that the Member States despite having themselves negotiated the initial IMO decision were for the most part not ready to deal with the practical and financial consequences of the new provisions. Neither had they prepared the industry stakeholders concerned, essentially shipowners and port authorities. The maritime Regions and even the CPMR also delayed taking up this issue.

### TAKING PART IN DEFINING THE FUTURE MOTORWAYS OF THE SEA

**124.** On 1 July 2014, Luis Valente de Oliveira stood down as European Coordinator for the Motorways of the Sea (MOS), after two successive terms of office during which he maintained constant contact with the CPMR. He was succeeded by Brian Simpson, former Chair of the European Parliament Committee on

Transport and Tourism. His roadmap includes the organisation of a consultation (in particular at the request of the European Parliament) aiming to produce, for the start of 2016, recommendations on a concrete definition of the overall concept of the Motorways of the Sea. The peripheral regions, already sidelined as far as the corridors are concerned, must not be forgotten in the MOS.

### HARNESSING THE POTENTIAL OF THE STRATEGIC POSITION OF THE MARITIME REGIONS AS GATEWAYS TO GLOBAL TRAFFIC

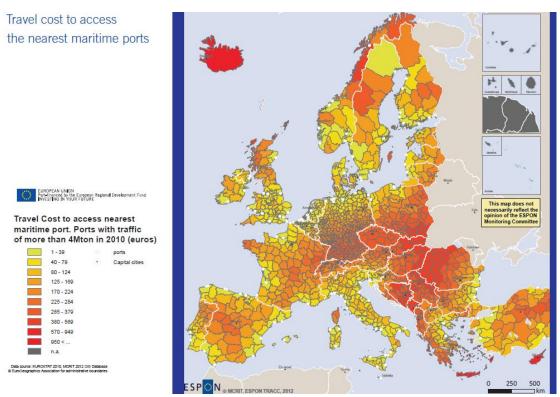


Fig. 12. Travel Cost to access nearest maritime port

- 125. This map, published by ESPON in 2013 ("Territorial dynamics in Europe regions integrating land and sea") clearly shows that many of the maritime Regions have a considerable advantage: their economic agents can benefit from their ports, which are "gateways for communication with the rest of the world". Let's not forget that 80% of global trade is carried by sea. ESPON deduces from this a little too quickly no doubt that the coastal regions have lower transport costs.
- **126.** Not all ports have the capacity to handle inter-continental traffic, unless they can invest heavily in the necessary infrastructure. However, a series of hubs could form a network in each sea basin and allow short sea shipping services on a hubs and spokes basis or by feeder services to serve the small and medium-sized ports nearby. These are not new ideas, but they have returned to the top of the agenda because of certain recent developments:
  - the prospect of a trans-Atlantic trade agreement, which could boost trans-Atlantic maritime transport and justify investment in the peripheral regions of North-West Europe. This would help reduce congestion in the over-stretched Northern Range ports (40% of port traffic in Europe is concentrated in four North Sea Ports: Rotterdam, Antwerp, Hamburg and Bremen);
  - Asian investment in "central" European port terminals (Piraeus port of Athens, Felixstowe, etc.) could spread to the peripheral ports, enabling them to expand as the Port of Singapore Authority has done for Sines;
  - certain current economic developments are resulting in a need to increase port capacity, such as the growth in exports of forest and mining products from northern Sweden;
  - the Sulphur Directive requires a reflection at the level of each sea basin on the question of port equipment for refuelling with Liquefied Natural Gas, and the necessary role of catalyst in cooperation between ports.
- **127.** The development of the European macro-regional and sea basin approaches offers an ideal framework for such reflections. The work carried out to prepare and implement the strategies and action plans has,

for example, enabled existing gaps in the port network of the new TEN-T to be identified. The CPMR has highlighted these in the context of the development of the EU Strategy for the Adriatic and Ionian Regions (EUSAIR).



Fig. 13. The TEN-T in the Adriatic-Ionian region (CPMR, 2013)

### 128. However, certain EU policies may hinder the harnessing of these potentials:

- EU funding for transport infrastructure in the neighbourhood Regions is very limited. The CEF for example hardly covers this at all, and the Commission's policy in this area remains hesitant and unclear. Yet the ports outside the EU could be integrated into the hub and spoke systems with the EU ports. In view, for example, of the prospects for considerable growth in North-South trade in the Mediterranean, thought needs to be given to this at European level.
- The 2011 Transport White Paper itself introduces a brake on the development of short sea shipping links, stating that "freight shipments over short and medium distances (below some 300 km) will to a considerable extent remain on trucks)"!
- **129.** All these points may require work to be done within the CPMR Geographical Commissions, possibly with funding from EU cooperation programmes. They will be developed further in the CPMR position on the mid-term review of the White Paper.

### CPMR MESSAGES ON ACCESSIBILITY AND EU TRANSPORT POLICY

MESSAGE 1: EU TRANSPORT POLICY MUST CONTRIBUTE TO TERRITORIAL COHESION. ACCESSIBILITY MUST ONCE AGAIN BECOME A PRIORITY.

**130.** On 26 January 2011, a CPMR delegation, led by its President, alerted the European Commissioner responsible for transport, Vice-President Siim Kallas, who recognised that specific action in favour of the peripheral regions was needed. The preparation of the mid-term review of the White Paper provides an opportunity for the CPMR network to become mobilised. We need to be in a position to draft proposals even before the review is published. An event could be organised in the first six months of 2015 to discuss with the stakeholders concerned: the European Commission, corridor coordinators, members of the European Parliament's TRAN committee, industry representatives from the transport sector.

- **131.** The preparation of the mid-term review of the Transport White Paper must include an accurate assessment of the effects of the European policy on improving accessibility in the different types of territory. This assessment must include a particular focus on the islands.
- **132.** The territorial effects of the concentration of CEF funding on the 9 core network corridors need to be anticipated and quantified. Corrective measures need to be proposed to rebalance funding in favour of the rest of the core network (aside from the corridors) and the comprehensive network. The CPMR will involve the European Parliament in this "campaign in favour of accessibility", which will include a major event organised during the first six months of 2015. It will invite ESPON to provide any necessary further evidence and arguments. This process will help to prepare the 2016/17 review of the TEN-T.

MESSAGE 2: THE CPMR WELCOMES THE OPENING-UP TO THE REGIONS OF THE GOVERNANCE OF THE CEF TEN-T CORE NETWORK CORRIDORS. THE CPMR IS CONCERNED ABOUT THE FACT THAT SOME PERIPHERAL REGIONS ARE NEITHER LOCATED ALONG ANY CORE NETWORK CORRIDOR NOR REPRESENTED IN ANY CORRIDOR FORUM.

**133.** The CPMR, its Geographical Commissions and those of its Regions which are invited to the corridor forums will play an active part in the work of the corridor forums and in drafting the multiannual work plans. There is however a need to include all regions in the process, and not only those located along the TEN-T core network corridors.

### MESSAGE 3: THE REGIONS ARE INVITED TO RESPOND TO THE CALLS FOR PROJECTS UNDER THE CEF.

134. CEF funding for transport infrastructure and service projects will be awarded on the basis of calls for project proposals. A call for projects will be published on 11 September 2014, under the annual 2014 programme and the multiannual 2014-2020 programme. Forty per cent of the 2014-2020 budget of the transport strand of the CEF will be committed on this occasion. The Regions are authorised to submit bids for regional and interregional projects.

### MESSAGE 4: ENHANCED MONITORING AND PROACTIVE INTERVENTION ARE NECESSARY TO DELIVER SUSTAINABLE MARITIME TRANSPORT.

- 135. The activities of the European Commission and Parliament will be monitored so as to enable the CPMR to make a timely contribution to the preparation of the future European texts in these policy areas. The CPMR will also continue to take part as the only representative of the Regions in the European Sustainable Shipping Forum. This composite consultative body currently focuses on the sulphur issue, but could see its remit extended in 2015.
- **136.** The CEF will permit financial support for actions in the area of sustainable freight transport services (defined in Article 32 of the TEN-T guidelines). On the basis of the results of a public consultation in which the CPMR took part, the European Commission will work out the detailed arrangements for applying these provisions to maritime transport. The CPMR will monitor this process and keep its Geographical Commissions and its member Regions informed.
- 137. Although no-one challenges the legitimacy of the increase in environmental constraints imposed on maritime transport, given that it benefits human health and safeguards ecosystems, it does mean additional operating costs for shipowners. These additional costs are already quite high for the Sulphur Directive alone (equipping ships with scrubbers, use of a more expensive fuel such as Liquefied Natural Gas, etc.), and have aroused fears that some, no longer profitable, services will be discontinued and the freight carried by trucks. This "reverse modal shift" clearly runs counter to the objectives of the Transport White Paper. It will therefore be important to ensure that the CEF envisages way of responding to these potentially perverse effects of the greening of maritime transport.
- **138.** The CPMR and its transport working group will keep a track of and anticipate the legislative and regulatory provisions to come with a view to making maritime transport more sustainable, and will take part in the negotiations on any texts where the interests of the Regions are concerned.

MESSAGE 5: THE CPMR WISHES TO BE INVOLVED IN DEFINING THE FUTURE MOTORWAYS OF THE SEA AND THE PROVISIONS FOR IMPLEMENTING ARTICLE 32 OF THE TEN-T (SUSTAINABLE FREIGHT TRANSPORT SERVICES).

- **139.** The MOS are an integral part of the TEN-T. The idea of concentrating and regrouping transport flows that underpins this concept is not always compatible with the often small volumes of freight generated by the peripheral regions, and to a greater extent the islands. The CPMR has already highlighted this difficulty, which should be resolved in the future provisions.
- 140. Links will be established with the new European coordinator for the Motorways of the Sea, Brian Simpson, in order to help him accomplish his mission. CPMR will adopt a work programme and schedule of meetings and seminars, aligned with those of the Commission. Mr Simpson has already scheduled a series of seminars in 2014 and 2015 in the different sea basins. The CPMR Geographical Commissions will seek to provide an input to these seminars and if appropriate organise workshops in connection with them.
- **141.** The CPMR will pursue its proactive monitoring of the implementation of Article 32 of the TEN-T.

MESSAGE 6: IN THE CONTEXT OF THE MACRO-REGIONAL AND SEA BASIN STRATEGIES, THE CEF AND OTHER RELEVANT INSTRUMENTS MUST ALSO HARNESS AND DEVELOP THE POTENTIAL OF PORTS NOT LOCATED ON THE CORE NETWORK

- **142.** The CPMR invites DG Move to step up its support for the preparation and implementation of these strategies. It invites the Member States concerned to ensure that the governance of the strategies includes the means which will permit strategic multi-stakeholder reflections on specific common issues and the lappropriate initiatives and projects in the area of maritime transport.
- **143.** It also invites the managing authorities for the cooperation programmes which accompany the strategies to encourage projects to be prepared which work towards these objectives.
- **144.** When the strategies include regions that are neighbours but not members of the EU, the Geographical Commissions concerned will ensure that these regions' priorities are taken into account.
- **145.** In its comments on the mid-term review of the White Paper, the CPMR will highlight the dual need to better define the European policy of extending the TEN-T to the EU's neighbouring countries (including in the overseas territories) and the synergies between the macro-regional approaches and the TEN-T.