



CRPM CPMR

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

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# 41<sup>st</sup> GENERAL ASSEMBLY AND 40<sup>th</sup> ANNIVERSARY OF THE CPMR 26/27 September 2013 Saint-Malo (Brittany, FR)

The Peripheral Maritime Regions listed below met for the 41st CPMR Annual General Assembly in Saint-Malo (Brittany, FR) on 26/27 September 2013

ABERDEEN CITY (UK), ABERDEENSHIRE (UK), ALENTEJO (PT), ANATOLIKI MAKEDONIA THRAKI (GR), AQUITAINE (FR), ASTURIAS (ES), AUST AGDER (NO), BALEARES (ES), BASSE-NORMANDIE (FR), BORDER, MIDLAND AND WESTERN REGIONAL ASSEMBLY (IE), BORNHOLM (DK), BRETAGNE (FR), BUSKERUD (NO), CALARASI (RO), CANTABRIA (ES), CATALUNYA (ES), COMUNITAT VALENCIANA (ES), CORNWALL-KERNOW (UK), CYPRUS (DISTRICT OFFICES), DYTIKI ELLADA (GR), EDIRNE (TR), EMILIA-ROMAGNA (IT), FIFE (UK), GALICIA (ES), GÄVLEBORG (SE), GOTLAND (SE), GOZO (MT), HALLAND (SE), HAUTE-NORMANDIE (FR), HELSINKI-UUSIMAA (FI), HIGHLAND (UK), HIUMAA & SAAREMAA (EE), HORDALAND (NO), IDA-VIRUMAA & PARNUMAA (EE), IONIA NISIA (GR), KIRKLARELI (TR), KRITI (GR), KYMENLAAKSO (FI), LA REUNION (FR), LANGUEDOC-ROUSSILLON (FR), MADEIRA (PT), MARCHE (IT), MAYOTTE (FR), MECKLENBURG-VORPOMMERN (DE), MIDTJYLLAND (DK), MOLISE\*(IT), MONASTIR (TN), MØRE OG ROMSDAL (NO), MURCIA (ES), NOORD-HOLLAND (NL), NOORD NEDERLAND (NL), NORBOTTEN (SE), NORDJYLLAND (DK), NORDLAND (NO), NORD-PAS-DE-CALAIS (FR), NORTE (PT), ODESSA (UA), 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), SARDEGNA (IT), SHETLAND (UK), SHKODËR\* (AL), SINOP (TR), SKÅNE (SE), SOGN OG FJORDANE (NO), SØR-TRØNDELAG (NO), SOUTH-WEST FINLAND (FI), STOCKHOLM (SE), SYDDANMARK (DK), TELEMAR (NO), TOSCANA (IT), TULCEA (RO), VÄSTERBOTTEN (SE), VÄSTERNORRLAND (SE), VÄSTRA GÖTALAND (SE), VENETO (IT), VEST-AGDER (NO), VESTFOLD (NO), WALES (UK), WESTERN ISLES (UK), ZADAR\* (HR), 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 Brittany and its President, Pierrick Massiot, for kindly organising and hosting the event.

He also extends his thanks to the regional authorities and national authorities who took part, in particular Mr Thierry Repentin, French Minister for European Affairs.

The CPMR President is especially grateful to the representatives of the EU Institutions, Mr Johannes Hahn, European Commissioner for Regional Policy and Mr Michel Barnier, European Commissioner for the Internal Market and Services, Members of the European Parliament Mr Olbrycht, Mr Alfonsi, Mr Cadec and Mrs Thomas, in addition to the former CPMR Presidents, for kindly attending the event.

On behalf of its members, the Conference of Peripheral Maritime Regions, gathered for its 41<sup>st</sup> Annual General Assembly in Saint-Malo (FR), adopted the following Final Declaration and Resolutions:

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## FINAL DECLARATION

### A FORTIETH ANNIVERSARY BETWEEN CRISIS AND HOPE...

1. CPMR celebrates its fortieth anniversary in a context that remains marked by the ongoing economic crisis and its effects on the citizens of its regions. In the maritime regions, as elsewhere, unemployment, especially youth unemployment, is rife, and although the economic indicators are more positive in some Member States than in others, the public authorities – and therefore the EU and the Regions – cannot afford to wait for the recovery before taking the appropriate measures needed to address the challenges and the urgency of the situation.
2. The European Union and its Central Bank have, it is true, provided an effective response to the inflation of sovereign debts, but the price paid in terms of severe constraints on public expenditure has been high, especially for a number of States on the European periphery and their Regions, most of which are members of CPMR.
3. However, there is still hope. The European Institutions have taken on board the urgency of the need to act at EU level. This enabled them to reach agreement on the financial framework for 2014-2020 in July, thus avoiding a delay in the implementation of the new instruments. The Union demonstrated its capacity to act by reaching a rapid consensus agreement on the inclusion of a specific initiative on youth employment. **The Regions, the first to be solicited by the citizens, must remain the principal players in any sustainable economic recovery and must therefore provide support for this initiative.**

### THE AGREEMENT ON THE EU BUDGET OPENS UP PERSPECTIVES... THE REGIONS REMAIN VIGILANT AS TO ITS FUTURE IMPLEMENTATION

4. **The CPMR welcomes the agreement reached on the Multiannual Financial Framework (MFF), on 27 June 2013, but regrets the lack of ambition shown by this agreement, which for the first time in the EU's history will mean a reduction in the budget.**
5. The CPMR welcomes the flexibility introduced into the main budget headings, thanks to the intervention of the European Parliament, as this will avoid unspent EU funds being returned to national budgets.
6. The mid-term review clause, also introduced into the financial framework at the initiative of the European Parliament, adds an appropriate degree of flexibility and will give the MEPs elected in 2014 the possibility of influencing the construction of Europe towards the end of the decade, which represents an enhancement of democracy within the EU. **For the CPMR, this review means it too will need to be ready to put forward proposals concerning the budget reallocations when the time comes.**
7. By contrast, the CPMR regrets that no significant progress has been made concerning the structure of the revenue side of the budget: **the scheduled postponement of the increase in the share of own resources can be considered a lost opportunity in the construction of a more community-based and less inter-governmental Union.**
8. At the time of this General Assembly, the final decisions on the regulations governing the instruments that will be used to mobilise this multiannual budget have not yet been formally taken, although a political agreement was reached on a large section of this “package” in June and July at the trilogue meetings between the Parliament, the Council and the Commission. The CPMR will remain vigilant over the coming weeks until the final decisions are endorsed. **It will be particularly alert to the introduction – which it rejects – of macroeconomic conditionality for the Structural Funds.**

**BUT SUCCESS WILL DEPEND ON THE TRUST PLACED IN THE REGIONS AND THE LEVEL OF THEIR INVOLVEMENT**

9. As highlighted in the document “Regions at the core of a new deal for Europe”, there are two ways in which the economic crisis could thwart the progress of regionalisation in Europe. First, the regional level may be considered by its detractors as generating additional administrative expenditure and thus accentuating fiscal pressure, and secondly, certain political movements, by flirting with populism and xenophobia, discredit the “regional project”.
10. The CPMR Regions obviously do not acknowledge the validity of these supposed risks, all the more so since the CPMR played a leading role in the promotion of the Regions at European level, which gave rise to the creation of the Committee of the Regions.
11. Where the Regions have been given responsibility for the management of European funds, for example under cohesion or rural development policies, the results have nearly always been positive, both in terms of providing European added value and of responding to the real needs of the territories.
12. **The CPMR therefore calls on the European Institutions to strengthen their partnership with the Regions in the delivery of policies in the 2014-2020 period.** Over the last few years a close working relationship has been established with the European Parliament. The CPMR will do all it can to further develop this relationship, and can also help MEPs to set up intergroups on topics relating to the territories and maritime issues.
13. It also invites the Commission and the Council to do their utmost to ensure that the implementing provisions for the future regulations take account of specific regional characteristics. In observance of the institutions, and even if the regional authorities are not full members of the comitology bodies, mechanisms for consultation with the Regions need to be put in place so that exemplary instruments do not lose their added value because of a failure to respond to the need of the territories and their citizens.

**COHESION POLICY IS THE KEY COMPONENT**

14. **The CPMR has continued to defend the Cohesion Policy as the principal European policy serving to enhance growth and employment and support territorial cohesion.** During the negotiations, the CPMR and its member Regions lobbied against the budget reductions in Cohesion Policy demanded by the Council, especially with regard to the more developed regions, transition regions, and territorial cooperation.
15. Over and above the budgetary aspects, the CPMR lobbied strongly in favour of a Cohesion Policy that responds to the realities and needs of the territories, and it proposed a number of amendments on the issue of thematic concentration. One of its main demands is that the remit of the ERDF should be broadened so that it can be used to fund infrastructure investment in the more developed regions, including research and development. We welcome the European Parliament’s support for this flagship proposal and its inclusion in the final agreement.
16. **The CPMR has always defended the principle that the Regions should be fully-fledged players at the heart of the Cohesion Policy, and it therefore strongly supported the provisions to strengthen multi-level governance and partnership.** The agreement reached between the European Parliament and the Council in December 2012 on the “governance” component fully supports CPMR’s ambition and its “territorial pact”, although it is still too soon to judge the actual impact of these proposals on the governance of the Cohesion Policy.
17. The CPMR welcomes the inclusion of a mid-term review clause in the regulations on the Structural Funds, and is especially satisfied that this clause will not penalise Member States and Regions that benefit from additional provisions. **However, it deeply regrets the discrepancy between the reference period chosen for calculating allocations of Structural funding for the period 2014–2020 (average of the years 2007–2008–2009) and the start of the new programming period (2014).** As a result of this, the Cohesion Policy will fail to target the territories facing the most serious difficulties, not to mention the territories that would have received higher amounts if the calculations had been based on the period 2008–2009–2010.

18. The CPMR has also adopted a position on a number of points which are still under negotiation, such as the so-called “ex ante” conditionalities to be applied to the Structural Funds. It is important, in the CPMR’s view, that these do not generate a greater administrative burden. **We have criticisms of the concept of applying macroeconomic conditions to the Structural Funds, and the CPMR will further examine the relationship between Cohesion Policy and the ongoing reform of European economic governance, in particular the notion of a “double sanction” for the regions.**
19. The CPMR has also supported the European Parliament in calling for a **Cohesion Policy that genuinely strengthens territorial cohesion in Europe, especially by recognising the specific characteristics of outermost regions and other territories beset by permanent handicaps (island, mountainous and sparsely populated territories) in the regulations.** It is therefore regrettable that the territorial strand of the Cohesion Policy has been treated like a “poor relation” of the Cohesion Policy.
20. The disregard for the provisions of Article 174 of the Treaty concerning territories with permanent handicaps is particularly revealing. There is, for example, no special attention given to and no budget line earmarked for the islands, despite the fact that the islands question was raised at the informal meeting of Ministers in charge of Cohesion, held in Cyprus at the end of 2012, and explicitly mentioned in the conclusions of the Council meeting on the Multiannual Financial Framework in February 2013. **The CPMR intends to do all it can to ensure that the provisions of Article 174 of the Treaty are clearly respected.**
21. Practically speaking, the CPMR will focus its efforts on the key question of the mechanisms that will be used to allocate the Structural and Investments Funds to Member States in the post-2020 period, so as to ensure that the criteria for allocating such funding will take account of the importance (which varies from one country to another) of territories with permanent constraints within the different Member States.

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| <b>THE SEA, A KEY ASSET FOR THE GROWTH OF THE WHOLE OF EUROPE</b> |
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22. **The CPMR welcomes the boost given to Europe of the Sea through the blue growth approach, the Limassol Declaration and the Danellis report, and the practical translation of these guidelines in the post-2014 EU policies.** It is now time for these resources to be implemented, and CPMR will be involved in the mobilisation of the various funds available.
23. These resources should be used in a way that seeks to ensure a balance between the different components of blue growth and in the positioning of the EU as a relevant tier of governance.
  - **Maximising the potential of the blue growth concept by seeing it as a safeguard for the integrity of the marine environment while, at the same time, developing maritime innovations, enterprises, job opportunities and sustainable coastal communities is a first challenge**
24. The economic approach must link future growth sectors with already-existing sectors. The skills needed to develop activities that have high potential for future blue growth are partly to be found in existing activities. For example, the development of marine renewable energies (MRE) can build on the expertise to be found in the shipyards. At the same time we need to refocus on the industrial sector by developing certain policies (training, competition, foreign trade, R&D and innovation) and giving them a place-based approach.
25. **Blue growth must also be sustainable growth.** This implies, for example, while remaining realistic with regard to Europe’s global competitors, remaining vigilant with regard to the environmental impact of sectors such as aquaculture or the exploitation of marine mineral resources.
26. Blue growth requires a skilled work force and good working conditions. The CPMR welcomes the adoption of the Marine Labour Convention (MLC) which, for the first time, establishes minimum standards for employment and working conditions at international level. In parallel to this, the EU must continue to support such developments and pursue its own maritime social agenda. In addition, educational and training systems in Europe need to be made more attractive, accessible and Europeanised. **In this context, the CPMR’s Vasco da Gama initiative will be pursued, as an incubator for cooperation projects to develop the transnational mobility of young people and trainers in the maritime economy.**

- **Maintaining a long-term balance between the different uses of the Sea is another challenge for blue growth**

27. The CPMR is actively monitoring the negotiations on the draft European Directive on MSP (Maritime Spatial Planning) and ICZM (Integrated Coastal Zone Management) and it calls on the European Institutions to further improve this draft from the point of view of subsidiarity and proportionality. The EU should also play a role in achieving a balance between the competing uses of the Sea, which are changing, by setting up specific initiatives funded by its structural and sectoral funds, and take account of the socio-economic impact of the current changes.

- **Continuing to strengthen thematic maritime policies**

28. The CPMR welcomes the important place given to **marine and maritime research** in Horizon 2020, but regrets the absence of a specific Knowledge and Innovation Community within the European Institute of Innovation and Technologies. Efforts should therefore continue on this point.

29. The results of the CPMR Intermediterranean Commission's Maremed project demonstrate that **the development of marine data is indispensable**. This implies that further progress is needed to make national and European systems for producing and processing data interoperable with regional data and organised around networks of observatories in the sea basins.

30. With regard to **maritime safety**, the CPMR wishes to further develop its activities with the various international bodies (IOPC Funds, IMO) and the European Institutions to help ensure the continuous improvement of their intervention. It is particularly pleased to note the commitment of the European Parliament to take inspiration, at European level, from the judgement handed down in France in September 2012 concerning the Erika disaster, which recognises ecological damage, the liability of the shipping chain, and the competence of a State to judge the consequences of accidents which have affected its territory.

31. **The future of Europe's maritime industries** will entail strengthening the shipbuilding and maritime equipment sectors, through differentiation and diversification, in particular in the area of marine renewable energies. In this respect, the finalisation of the LeaderShip 2020 report is a success which needs to be followed up by further policy development and to be translated into operational projects.

32. The CPMR welcomes the place given to **marine renewable energies** in the European funding programmes, in particular Horizon 2020, which will provide valuable support for the implementation of European guidelines. The CPMR will pay particular attention to the forthcoming Communication on Ocean Energy.

33. A European strategy focusing on the specific characteristics of the territories is needed, to provide support for the development of the **maritime and coastal tourism sector** and encourage the emergence of pilot actions in the sea basins. These should be supported by European sectoral funds as well as regional policy instruments, in particular transnational and interregional cooperation programmes.

34. **Implementation of the new Common Fisheries Policy (CFP) needs to be accompanied by decisive efforts on the part of Europe and its Regions to minimise the socio-economic impacts on the sector**. In this context, the negotiations on the European Maritime and Fisheries Fund (EMFF) are strategic. The CPMR will continue to lobby to ensure that appropriate policy measures are adopted and adequate funding is allocated to tackle the challenges.

- **Strengthening the governance of European maritime policies**

35. **The necessary strengthening of the Integrated Maritime Policy (IMP) implies a specific budget within the European Maritime and Fisheries Fund (EMFF)**. The compromise that appears to be emerging on this point falls short of the European Commission's proposals and can only be considered a minimum. The development of the IMP also implies reinforcing the way maritime affairs are dealt with in the European Institutions: organisation of the relevant departments within the European Commission, "Sea" Committee within the European Parliament and "Sea" sectoral Council.

36. In parallel to this, the stronger partnership with the Regions, which is also necessary, will be constructed through more direct involvement generally on their part and through the sea basin strategies, linked to the existing inter-governmental structures. Ultimately, the aim should be to build a partnership along the lines of that established around the Cohesion Policy during the 1990s.

## MACRO-REGIONAL STRATEGIES: FROM EXPERIMENTATION TO EFFECTIVE IMPLEMENTATION

37. **The macro-regional strategies provide a structured framework fostering investment that targets priorities defined in common by the regional, national and European authorities. They therefore represent considerable opportunities for the territories concerned.**
38. By virtue of its internal organisation, the CPMR constitutes a successful form of experimentation of macro-regional strategies and sea basin approaches, within the European Union and including neighbouring areas. The CPMR's Geographical Commissions are in effect relevant "population catchment areas" around which these strategies can be organised. The CPMR is therefore an indispensable European player for these policies. **It intends to play an active role in the development of the strategies under way - for the Baltic, the Danube and the Atlantic - and in the introduction of the strategies in preparation, especially the strategy for the Adriatic and Ionian Seas. It also intends to actively support the efforts to develop other macroregional strategies (in the Mediterranean basin, around the North Sea and the Black Sea, etc.).**
39. **For the CPMR, multi-level governance is the cornerstone of the macro-regional structure.** It will ensure that the regional level is correctly identified and integrated into the governance mechanism. This is where the innovative nature of these strategies lies; in the fact that they bring together different political and decision-making levels working together for the harmonious development of a coherent transnational area. This is the message conveyed by the CPMR in its Policy Position "Macro-regional and sea basin strategies: preparing the future of European integration", adopted by the Political Bureau in Malmö (Sweden) in June 2013, in which it underlined that combined intervention by the different levels of governance can only be effective if it is based on a renewed territorial pact, reconciling bottom-up and top-down initiatives.
40. In a report published on 27 June 2013, the European Commission demonstrates the added value of the macro-regional strategies, but also points to the problems related to their implementation. The Commission highlights in particular the need for political commitment to be maintained over the long term, so as to ensure that the proposals made at the time of launching these strategies are followed up in practice "on the ground". It also underlines the driving role to be played by regional stakeholders, "delivering clear decision-making and greater visibility". **The CPMR believes that the ongoing review process started by the European Commission should be followed by a more forward-looking analysis regarding the future of Macro-Regions and Sea Basin strategies.** CPMR will continue to feed into the Commission's work with its concrete proposals. As underlined in the CPMR policy position adopted on 7 June 2013 in Malmö, **the CPMR recognises that the issue of leadership is central to a genuine multi-level governance within Macro-Regional and Sea Basin strategies. We welcome the fact that this is also acknowledged in the Conclusion in the European Commission report.**
41. The next programming period, 2014-2020, offers numerous possibilities for developing effective and innovative tools to support the implementation of projects which will actually create jobs and sustainable growth in the territories and population catchment areas concerned. The CPMR offers to provide support for the development of these tools by establishing a functional link between the EU regulation and its implementation in practice in the regions.
42. **It also calls on the European Institutions and Member States concerned to take account of the proposals made by its Geographical Commissions concerning start-up support for these new Strategies.**

## PROMOTING SUSTAINABLE ACCESSIBILITY, A PRIORITY FOR THE ATTRACTIVENESS OF THE TERRITORIES

43. In the digital era, the attractiveness of the territories remains dependent on the quality of transport infrastructure serving them. Improving accessibility is therefore a priority for the CPMR Regions. In a context in which the European Commission has always emphasised the efficiency of transport and logistics systems and the reduction of public aid for transport services, **the CPMR, for its part, argues that accessibility should, in the name of territorial cohesion, be given priority status.**
44. **Maritime transport should be encouraged because it remains the most "sustainable" mode of transport, especially with regard to greenhouse gas emissions.** The CPMR would therefore consider that a "timid" EU policy in support of maritime transport would be in contradiction with the reduction of these emissions, repeatedly cited as an objective in successive transport white papers published by the European Commission. In addition, it is the only transport mode that can ensure services to the islands and "periphery-to-periphery" accessibility for large freight volumes.

45. Thanks to the European Parliament, **the Motorways of the Sea** will benefit from increased support in the next programming period, having been designated a “horizontal priority” of the Connecting Europe Facility (CEF), with a higher co-funding rate. The CPMR welcomes this development and will pursue its long-standing and constructive relationship with the European coordinator.
46. More generally, the CPMR will continue to put forward proposals concerning maritime transport. In addition to the Motorways of the Sea, support mechanisms with CEF funding remain to be developed for the islands and peripheries. The recent critical assessments of the Marco Polo programme, made successively by the Commission itself and by the European Court of Auditors, should provide food for thought about an alternative mechanism.
47. **The CPMR will continue to drive forward its pioneering action in raising awareness among the sea basins concerning the challenges of the “Sulphur Directive”.** The CPMR welcomes the Commission’s decision to set up a stakeholder consultation body on these issues, the European Sustainable Shipping Forum (ESSF), and is a candidate to take part in the work of this Forum. The CPMR considers the ESSF an important step forward but is still awaiting further progress on the delivery of the toolbox proposed by the Commission in 2011. The CPMR stresses the importance of the need for a more direct action plan to mitigate the consequences of the sulphur directive. Time is short and it is of absolute necessity that the ambitions of the sulphur directive and the greening of maritime transport are not countered by a modal shift from sea transport to road transport.
48. A source of disappointment, **the core network of the Trans-European Transport Network (TEN-T), which will absorb the main part of the CEF funding, will once again exclude a series of interregional peripheral areas.** Although the Parliament and the Council have – with the support of the CPMR – taken greater account of the outermost Regions in this core network, the other proposals made by CPMR with the aim of making the core network more balanced have unfortunately not all been taken into consideration. The further development of the East-West multimodal transport corridors between the EU and the Eastern neighbouring countries especially Russia cannot be stressed enough. We do however welcome the inclusion in the core network of the Tours-Dijon (FR) and Thessaloniki-Kavala-Toxotes (EL) rail links; the Aarhus-Hirtshals-Frederikshavn (DK) road and rail links; the ports of Cagliari (IT) and Rijeka (HR) and the rail-road terminals of Murcia and Zaragoza (ES).
49. **The CPMR will closely monitor the governance of the multimodal transport corridors,** to ensure that the Regions are not excluded from the drafting of the action plans or from the coordination of infrastructure projects through which they will be implemented.
50. The CPMR will need to continue to raise the awareness of European decision-makers, with a view to the **next review of the TEN-T.** The methodology used for the recent review, including the diagram map representing the network – modelled on the plan of the Paris metro – was based on a centripetal vision of the European territory and leaves little scope for example for “periphery-to-periphery” links.

#### LEVERAGING COMPETITIVENESS

51. Although the CPMR has since 2010 focused as a priority on maritime policy, economic and social cohesion, and improving accessibility, it has also continued to analyse and put forward proposals concerning all the EU policies that have an impact on the territories. **These proposals are underpinned by the principles of sustainable development and the responsibility of the regions with regard to climate change.**
  - **Energy and climate change**
52. **The CPMR, which has always expressed its support for the European Union’s objectives in the area of energy and combatting the effects of climate change, regrets that the European Commission, in its draft Green Paper on a 2030 framework for climate and energy policies, almost completely ignores the role of the Regions in the policy area of mitigation of climate change and adaptation to the effects of climate change.**
53. It reiterates that the territories, by virtue of their responsibilities for spatial planning, infrastructure building, education, housing, etc., are at the forefront of any action to implement preventive policies.
54. The CPMR is also concerned about the evident failure of the system for auctioning carbon credits, which was intended to provide an important source of revenue for the implementation of these policies, and it questions whether this is in fact an appropriate mechanism.



55. With regard to adaptation to climate change, **the CPMR welcomes with interest the Commission's reflections concerning insurance systems to cover the risks related to natural disasters.** It is of prime importance that any future EU legislation on this issue takes account of the diversity of risks incurred by the territories; risks which vary depending on the geographical, topographical or climatic characteristics of the territories. **The CPMR warns against the risks of an approach based solely on the market, and considers that the EU legislation should, above all, highlight the principle of risk equalisation based on solidarity between the policyholders.**

- **Research and innovation**

56. **The CPMR welcomes the fact that regional policy will remain the principal source of EU investment in research and innovation, especially through the smart specialisation strategies, which the Regions are best placed to define.**

57. **In parallel to this, the territorial dimension needs to be more prominent in European policies supporting research and innovation.** A first element here is the analysis of EU programmes at regional level, using reliable statistics, maps and modelling. The results of the AMCER project (Advanced Monitoring and Coordination of EU R&D policies at Regional Level), conceived in the framework of the CPMR, are decisive for improving synergies between the smart specialisation strategies, Horizon 2020 and the COSME programme (Competitiveness of enterprises and SMEs). The CPMR welcomes the good collaboration with ESPON and the European Commission's RTD, Enterprises and Regio directorates, and calls on them to facilitate more of these analyses.

58. **A second element is the need to avoid a situation in which EU programmes are of disproportionate benefit to stakeholders in the economically more developed Member States.** The CPMR calls for the notion of excellence to be interpreted in an inclusive manner and for the budget allocation for the "spreading excellence and widening participation" initiative to be maintained at the level initially proposed the European Commission.

59. Lastly, in view of the fact that the Regions of Knowledge programme has regrettably not been included in Horizon 2020, if the regional authorities are to be directly involved in cooperation programmes for research and innovation then an important place will need to be given to research and innovation under territorial cooperation. Over and above this, **the Regions must be involved in any initiatives seeking to coordinate research programmes.**

- **State aid**

60. **The CPMR expresses its total disagreement with certain legislative proposals drawn up by the European Commission in the context of the reform of State aid.** It considers that the Commission's intention to maintain the ceiling of the so-called *de minimis* aid at current levels (set in 2006) will mean that this type of aid will effectively be reduced by nearly one-third by the end of the next programming period, which is tantamount to a denial of the effects of the crisis on the territories and in particular those that are most vulnerable.

61. **The CPMR also notes that in the area of regional aid, the Commission has demonstrated regrettable dogmatism in refusing to allow sufficient flexibility to territories such as islands and mountainous regions** - despite the fact that their industries clearly suffer from lower levels of competitiveness. Here again, the indifference with which the provisions of Article 174 are treated needs to be underlined.

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| <b>THE EU IS NOT AN ISLAND: OPENNESS AND SOLIDARITY, NEIGHBOURHOOD AND DEVELOPMENT</b> |
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62. To the South and the East of the Mediterranean, events in Syria and in Egypt, as well as the revival of negotiations between Israel and the Palestinian Authority after five years of stagnation, are a reminder to the EU of the urgent need to strengthen neighbourhood relationships between players on both shores. The regional and local authorities therefore need to step up the pace of their actions bringing societies, cultures and economies closer together with a view to ensuring shared peace, security, solidarity, stability, dialogue and prosperity.

63. The response to the challenges of illegal immigration and unfair competition will certainly entail a more effective EU migration and asylum policy. But above all, as advocated by the CPMR since 2010, **it will require a neighbourhood policy that is in effect a pan-European policy promoting cohesion at the borders of the Union, negotiated with the partners – the neighbouring States to the North, South and East.**
64. For the CPMR and its Regions, European intervention in this area must continue to be guided by the “more for more” principle. Democratic principles must not be “sacrificed” just so that we can better profit from the economic advantages of the proximity with neighbouring countries which are also the customers of EU enterprises. In return, **does the budget envisaged for the European Neighbourhood Instrument for 2014-2020, despite being higher than that of the current period, provide a sufficient incentive for encouraging the progress of democracy in the neighbouring countries?**
65. In this context, the CPMR draws the attention of the European Institutions to the urgent need to examine how, in the medium term, the concepts, tools and mechanisms of European Cohesion Policy could be applied to the Neighbourhood Policy. A link should also be made with the possible future macro-regional Strategies.
66. **The regional and local authorities already play a role, and could play a greater role, in fostering closer links between the EU and its neighbours.** ARLEM (Euro-Mediterranean Regional and Local Assembly), the recently established Political Council of the Mediterranean Commission of UCLG (United Cities and Local Governments), and the CORLEAP (Conference of the Regional and Local Authorities for the Eastern Partnership), Euro-region Baltic, Union of the Baltic Cities (UBC), Baltic Sea States Subregional Cooperation (BSSSC), Barents Euro Arctic Council as well as all Nordic cooperation forums with Norway are important forums which should be encouraged. However, **concrete cooperation on projects remain a key component**, one which has still not been sufficiently developed by the EU Regions and their neighbours. **The CPMR’s Geographical Commissions undertake to drive this component forward during the next programming period.**
67. Support for the transition to greater democracy and decentralisation in the Neighbouring countries entails the design and delivery of joint capacity-building programmes and projects enabling local and regional authorities to provide high quality services to citizens and to enterprises, and the promotion of the development of the *acquis communautaire*.
68. To achieve this, **the cross-border cooperation programmes, in particular the “sea basin programmes” funded by the European Neighbourhood Instrument and the ERDF, need to be strengthened.** This implies the full involvement of the Regions in defining the operational programmes as well as in the bilateral component of neighbourhood policy.
69. However, the modest financial scope of these programmes warrants the mobilisation of the CPMR and its Regions on the external component of structural and sectoral policies as well: these include transport and energy networks, maritime policies, support for SMEs and measures in favour of young people. Programmes aimed at individual citizens, such as Erasmus Plus, can also be usefully exploited for neighbourhood initiatives.
70. **The range of the initiatives aiming to achieve the millenium goals should not be limited to the external borders of the neighbouring countries to the South and East.** The European Union should uphold its commitment to combating poverty and encouraging sustainable development in the partner countries, for example by strengthening its development aid policy. In this context, the regional authorities could and should play a strategic role. As donors and as repositories of significant expertise in decentralised cooperation, **the Regions should be recognised by the EU as key political players in the design and delivery of European development aid, as well as in the negotiations on the agenda for sustainable development post-2015.**

**Adopted unanimously**

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## RESOLUTION

- II.1 -

### RESOLUTION ON "EU GUIDELINES ON STATE AID TO AIRPORTS AND AIRLINES"

*Presented by the CPMR Baltic Sea and Islands Commissions*

As part of the European Commission's State aid modernization efforts, it has published revised draft guidelines on State aid for airports and airlines<sup>1</sup>.

The draft guidelines specify conditions under which public financing for investment, operating and start-up of airlines may constitute State aid and the conditions under which State aid can be declared compatible with the internal market.

For the CPMR member regions, the issue of operating aid is of great importance. The premise of the Guidelines is that operating aid may be granted only for regional airports with less than 3 million passengers per year and that such aid should be phased out within a 10 year period. However, as an exemption to this general principle some airports of regional significance can continue to receive operating aid. This assumes that the airport is declared as an SGEI Airport (Services of General Economic Interest), i.e. that it produces a service of general economic interest. According to the revised draft, this is possible inter alia if part of the area potentially served by the airport would be, without the airport, isolated from the rest of the EU to an extent that would be detrimental to its social and economic development.

For most of the CPMR member regions, air connections are vital for the economic development and for the everyday life of their inhabitants and business. Most of the airports in the CPMR member regions contribute to the creation of improved regional connectivity and increase opportunities to reduce the distance to other parts of their respective nation and to the rest of Europe and the world. Transport comprises a survival factor for the industry in areas with large distance to markets and expertise and it is also important for citizens to have access to long-distance travel without undue sacrifice.

CPMR understands that the proposed guidelines are based on the Commission's experiences that there are examples of distortion of competition between airports in the EU, due to the fact that certain airports receive public funds. This may be a fact in those parts of Europe which have a great population density, are close to economic centres in Europe and have a much larger passenger base. In most of the CPMR member regions - often suffering from handicaps due to their insularity, remoteness (such as the outermost or Arctic regions), sparse population or mountainous character - the situation is quite different, which requires special consideration.

Many of the CPMR member regions are insufficiently connected to their national territories, and even more so to Europe as a whole, lacking high speed rail connections or adequate road infrastructure. The airports in these areas are therefore of great importance for the transport of people as well as the transport of goods. For the island regions, the distances are often too long for ferry connections to be a realistic alternative to air connections.

Furthermore, not only investments in the repair and upgrading of terminals, runways and equipment are needed for our often small regional airports, but also a running financial yearly injection by the owners. For the vast majority of these small regional airports there is no prospect of making a profit ever. Compared to roads and railways, the smaller regional airports have a very low overall cost. On the other hand, they generate substantial benefits for their respective local communities in terms of tax revenue from inhabitants that stay in the region and from the local business community itself. The risk that companies, which currently can use the airports for urgent in- as well as outbound deliveries, relocate to other areas would

<sup>1</sup> [http://ec.europa.eu/competition/consultations/2013\\_aviation\\_guidelines/index\\_en.html](http://ec.europa.eu/competition/consultations/2013_aviation_guidelines/index_en.html)

increase significantly without such regional air connections in place. The most important upside is of course the income from all remaining local citizens that do not have to move to larger cities. In fact, we see no real difference to investments in and maintenance of roads and railways – which normally are covered by public means.

### **Recommendations**

- CPMR urges Member States to consider the special conditions for our member regions when deciding which airports are to be declared to be listed as Services of General Economic Interests (SGEI).
- CPMR recommends the Commission to apply a reasonable flexibility to use SGEI in peripheral areas and especially in outermost regions and in areas with geographic and demographic challenges. The airports listed should not be subject to the proposed limitation of size or traffic.

**Adopted unanimously**