



Dear Members of the European Parliament

Ladies and gentlemen

It is a great honour for me to speak on behalf of the European islands with my capacity as Vice-Governor of the South Aegean region in Greece, and to represent the Islands Commission of the Conference of Peripheral Maritime Regions in this opening conference of the Intergroup for Seas, Rivers, Islands and Coastal Areas in the European Parliament.

The Islands Commission is one of the six Geographical Commissions of the CPMR, and was founded in 1980 to urge the European Institutions and Member States to pay special attention to the islands and to acknowledge the permanent handicaps resulting from their insularity. It has a membership covering twenty four European regional island authorities, from Guadeloupe in France to the Shetland Islands at the most northern tip of the UK, from the island of Bornholm in Denmark to the region I come from, the region of South Aegean.

This Intergroup is a great tool for us to bring to your attention issues of island interest, issues that highlight the structural handicaps of island regions, and that reveal what for us islanders is an everyday reality: that due to the **permanent territorial handicaps**, in order to be **equally treated**, islands require **special attention**.

Just to mention a few of the main challenges islands face:

- distance from markets
- poor connectivity and high transport and shipping costs for people, goods and services
- capacity to attract investments
- usually low access to energy grids (natural gas and electricity), high reliance on hydrocarbons, high potential for emissions reduction but obstacles to do so due to technical restrictions in the grids
- high energy production and energy transmission costs
- need for improved communications infrastructure
- threats to our traditional industries

Islands so far have received **recognition of their insularity** by European Treaties (Article 174 of the Lisbon Treaty), and also political support from the European Parliament during the previous terms, through the Musotto Declaration (2007) and the Written Declaration 37 (2011) on the Pact of islands. This support of the European Parliament has been valuable and gave us strength to continue pursuing what we feel



is fair for our island regions. And this is what we will continue to do, with your support.

Dear Members of the European Parliament

In the limited time we have today, I would like to highlight some of the challenges that are a priority for us:

- Let me start with a reference to the recently announced by the European Commission **Investment Plan**, also known as Juncker Plan. The latter is meant to target projects with a '**higher risk** return profile than existing EIB or EU instruments'. We are concerned though that islands, often representing higher investment risks, might fail to attract the anticipated private funding and therefore might eventually not benefit from the Investment Plan.
- One of the potential investments that would address a structural handicap of islands would be in **energy connectivity**. In interconnected islands power deficit is difficult to occur; in non-interconnected islands, energy production locally can be insufficient, and also stability constraints of the grids do not allow penetration of renewables above 25%. So on the one hand, without energy interconnections energy sufficiency remains depended on oil and expensive, while renewable energy cannot be fully exploited. On the other hand, high transmission charges in remote areas can prevent investments in renewable energy and grids, if adequate incentives are not ensured.
- Islands would appreciate a Cohesion Policy, which recognises their situation through the implementation of the provisions of Articles 170 (energy, transport and communications) and 174 (**permanent and geographic handicaps**) of the EU Treaty. The EU Treaty is very clear about the fact that island regions deserve particular attention. The Islands Commission of the CPMR has worked very closely with the European Parliament in the last three years to make sure this is the case, and despite some notable success, much still needs to be done. One of the biggest issues for islands regions is the prominence of regional Gross Domestic Product within the Cohesion Policy architecture. Regional GDP is not a territorial indicator and therefore does not capture the challenges shared by all island regions linked to their insularity. Given the variety of statistical data available, islands would welcome an increase of the number and range of indicators used. Islands for instance are lagging behind in competitiveness and their virtual distance from central hubs, if specific indicators are used, becomes even greater. In another theoretical exercise, if the allocation methodology of structural funds were entirely based on the Regional Competitiveness Index, all



island members of the CPMR would rank lower and therefore would receive more funding.

- In parallel to the Covenant of Mayors voluntary scheme to which cities assign and commit to reduce their CO₂ emissions, European islands through a Preparatory Action launched by the European Commission created in 2011 the **Pact of Islands**, a similar voluntary scheme that was recognized as an official European initiative by the European Parliament in 2012 and so far counts 64 island signatories. Islands urge the European Parliament and the European Commission to continue recognizing the islands specificities, maintain their support to the Pact of Islands and beyond, by backing a **Smart Islands** programme that would support islands to show their excellence and increase their competitiveness through innovation.

Thank you for your attention!