

Options for securing fair support for island regions from Cohesion Policy for post-2020

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Scenarios from CPMR Islands Commission

SEARICA Conference
'Islands in Cohesion Policy'
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An unfavourable context

'Swimming against the tide' ...

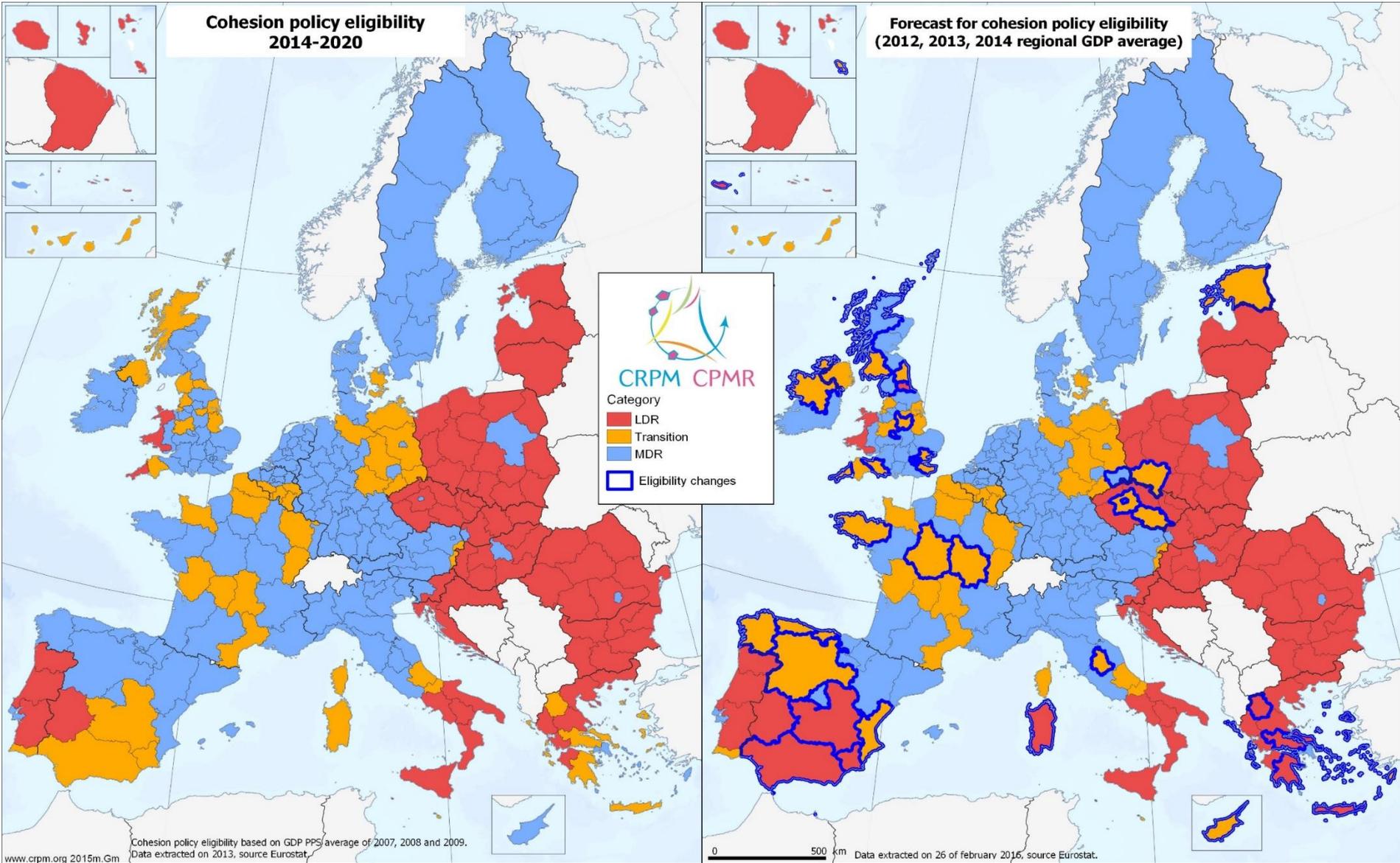
- EU Cohesion Policy not a priority
- Bad reputation of the policy
- What happened to reinforcing social, economic and territorial cohesion?
- Will Cohesion Policy survive after 2020?

... despite

- Some clear success stories from the policy
 - Regional disparities increasing in Europe
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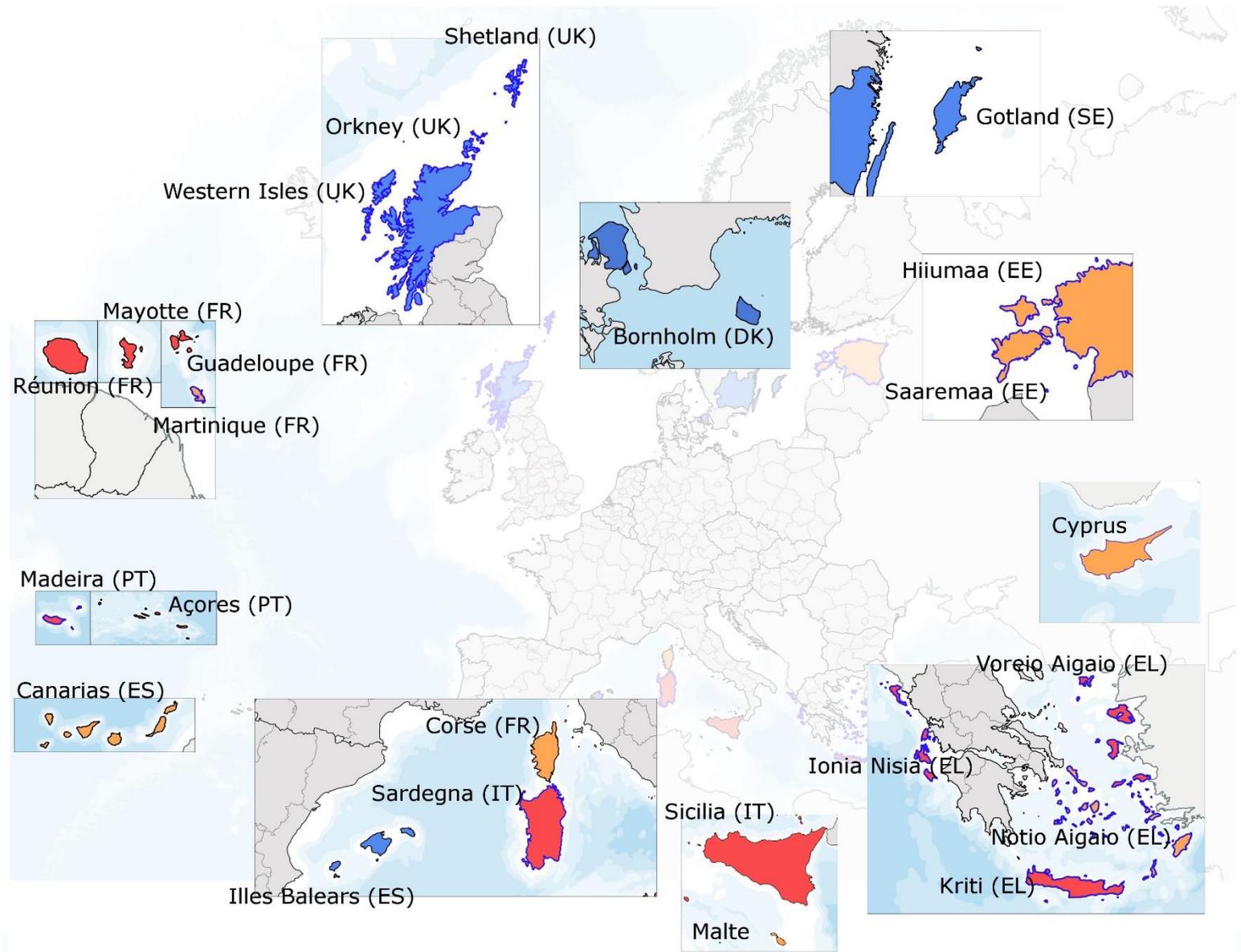
**Cohesion policy eligibility
2014-2020**

**Forecast for cohesion policy eligibility
(2012, 2013, 2014 regional GDP average)**



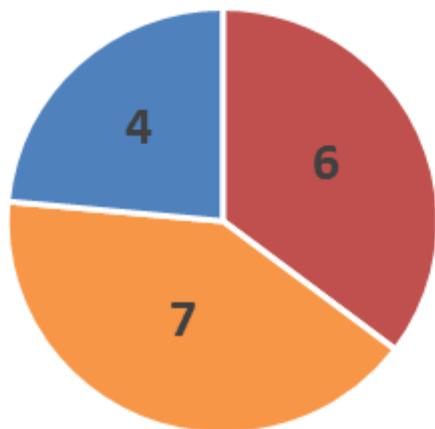
Cohesion policy eligibility based on GDP PPS average of 2007, 2008 and 2009.
Data extracted on 2013, source Eurostat.

Forecast for cohesion policy eligibility (2012, 2013, 2014 regional GDP average)



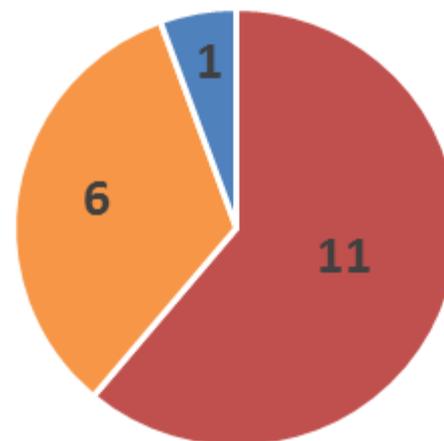
Island regions in Cohesion Policy

Structural Funds eligibility
2014-2020



■ LDR ■ Transition ■ MDR

Eligibility simulation based on GDP
average of 2012, 2013 and 2014*



■ LDR ■ Transition ■ MDR

Scenario 1 – ‘islands as less developed regions’

- All island regions and Member States could be considered as less developed regions
- Strict interpretation of Article 174 TFEU

But...

- Such a proposal would increase the EU budget
- It would be rejected by net contributors
- It would exclude NUTS III island regions



	Structural Funds eligibility 2014-2020	Eligibility simulation - All NUTS2 islands in LDR category	% difference
EL - Grèce			
EL22 - Ionia Nisia	Transition	Convergence	↑ 40
EL41 - Voreio Aigaio	Transition	Convergence	↑ 100
EL42 - Notio Aigaio	Compétitivité	Convergence	↑ 47
EL43 - Kriti	Transition	Convergence	↑ 45
ES - Espagne			
ES53 - Illes Balears	Compétitivité	Convergence	↑ 157
ES70 - Canarias (ES)	Transition	Convergence	↑ 12
FR - France			
FR83 - Corse	Transition	Convergence	↑ 74
FR91 - Guadeloupe (FR)	Convergence	Convergence	→ 0
FR92 - Martinique (FR)	Convergence	Convergence	→ 0
FR93 - Guyane (FR)	Convergence	Convergence	→ 0
FR94 - Réunion (FR)	Convergence	Convergence	→ 0
IT - Italie			
ITG1 - Sicilia	Convergence	Convergence	→ 0
ITG2 - Sardegna	Transition	Convergence	↑ 84
CY - Chypre			
CY00 - Kypros	Compétitivité	Convergence	-
MT - Malte			
MT00 - Malta	Transition	Convergence	↑ 152
PT - Portugal			
PT20 - Região Autónoma dos Açores (PT)	Convergence	Convergence	→ 0
PT30 - Região Autónoma da Madeira (PT)	Compétitivité	Convergence	↑ 345



Scenario 2 – ‘NUTS III islands as NUTS II’

- All NUTS III island regions could be classed at NUTS II level
- Regulation 1059/2003 on territorial units classification:
‘The Commission shall take the necessary measures to ensure the consistent management of the NUTS classification [such as examining] problems arising from the implementation of NUTS in the Member States’ classifications of territorial units’

But...

- No guarantee that this proposal would actually result in more funding for island regions at NUTS III level

Scenario 3 – ‘Additional indicators’

- Additional indicators could be sought to complement regional GDP
- Island regions are usually disadvantaged by regional GDP

But...

- No guarantee that this proposal would actually result in more funding for island regions
- Member States have considerable say in allocating funds
- No serious reflection within DG REGIO on alternative indicators

Regional Competitiveness Index vs GDP

	RCI Ranking	GDP Ranking
CY00:Kypros	163	118
ES53:Illes Balears	188	103
ES70:Canarias (ES)	199	167
FR83:Corse	195	127
FR91:Guadeloupe (FR)	221	185
FR92:Martinique (FR)	203	184
FR94:Réunion (FR)	239	205
EL22:Ionia Nisia	249	187
EL41:Voreio Aigaio	243	219
EL42:Notio Aigaio	257	136
EL43:Kriti	240	204
ITG1:Sicilia	235	213
ITG2:Sardegna	222	182
MT00:Malta	193	148
PT20:Região Autónoma dos Açores (PT)	228	193
PT30:Região Autónoma da Madeira (PT)	210	107

Comparison ranking of island regions: Regional Competitiveness Index (2013) vs Regional GDP (2011)

Scenario 4 – ‘Earmarked funding for islands at national level’

- ESI funding could be earmarked at national level for the purpose of island territories
- Already exists for urban: 5% of ERDF earmarked for 2014-2020
- Such a scenario would circumvent issues with allocation methodology by guaranteeing funding for islands
- Would not increase the overall size of the budget

But...

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- This scenario would need to be supported by all Member States with islands



Share of funding for islands

	Population 2015	National population = 100%		ERDF + ESF	
Denmark	5.659.715			100%	
Bornholm	39.919	0,7%		0,4%	
France	66.415.161			100%	
Corse	326.898	0,5%	3,3%	0,9%	24,1%
Réunion	843.529	1,3%		11,6%	
Mayotte	226.915	0,3%		1,5%	
Martinique CR	378.243	0,6%		4,5%	
Guadeloupe CR	434.691	0,7%		4,2%	
Guadeloupe St Martin				1,5%	
Spain	46.449.565			100%	
Baleares	1.124.972	2,4%	7,0%	0,7%	4,9%
Canarias	2.126.144	4,6%		4,3%	
Portugal	10.374.822			100%	
Azores	246.353	2,4%	4,9%	6%	8,4%
Madeira	258.686	2,5%		2%	
Greece	10.858.018			100%	
Ionian Islands	207.059	1,9%	12,6%	2%	7,2%
North Aegean	197.695	1,8%		2%	
South Aegean	334.865	3,1%		1%	
Kriti	631.513	5,8%		3%	
Italy	60.795.612			100%	
Sicilia	5.092.080	8,4%	11,1%	13%	16,7%
Sardinia	1.663.286	2,7%		4%	



Scenario 5 – ‘Islands innovative actions’

- A programme for ‘Islands Innovative Actions’ could be proposed
- 371 million euros for Urban Innovative Actions for 2014-2020
- Special islands unit at DG REGIO (‘islands desk’) could be created to deal with islands issues (including state aids)

But...

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- This scenario would increase the size of the Cohesion Policy budget, might not be popular with all EU Member States

Scenario 6 – ‘Strengthen partnership provisions’

- Partnership provisions (Art. 5 / Code of Conduct) could be reinforced for post-2020
- CPMR study on Cohesion Policy governance (Nov 2015):
 - recognition of island challenges vary enormously from one Member State to the other
 - confirmation that Article 174 is a ‘dead letter’: no consistent recognition of island challenges in Cohesion policy programmes
- This scenario could also be supported by could be supported by a wide range of EU decision makers as part of a wider ‘package’ to reinforce the territorial dimension of Cohesion Policy

Thank you for your attention!

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