DECLARATION OF THE INSULEUR NETWORK

XIth Forum on "Infrastructure and Transports: territorial cohesion and economic growth for the islands"

The members of INSULEUR convened in a General Assembly on 20th October 2011 in Cagliari (Sardinia), have adopted the following declaration:

On the management of port and airport infrastructures:

- 1. INSULEUR reiterates that tourism is a significant component of the GDP of island regions from which its members come from, and that accessibility of islands is only possible by air or by sea. It therefore emphasises the challenge posed by the port and airport infrastructure for the islands, not only for tourism, but for the islands' economy in general.
- 2. INSULEUR also believes that transport infrastructure must satisfy the needs for transportation and economic development of the island regions. The management of ports and airports should be for the benefit of the economic development of the islands and not for the exclusive benefit of private operators.
- 3. INSULEUR therefore considers as essential the participation of the civil society and public sector (regions, municipalities, Chambers of Commerce and Industry, etc.) in the definition of policies for ports and airports to ensure that they are involved in developing and maintaining the competitiveness of the island territories.
- 4. INSULEUR Network considers that the transfer of the management of ports and airports to private operators, thus eliminating any influence by business' representatives and local government on their airport, could put at risk the interests of the territories by sacrificing them for the benefit of the operators in search of immediate profits.
- 5. INSULEUR consequently declares that the privatisation processes of insular ports and airports should not be implemented without the approval of the socioeconomic representatives and insular public administrations. If services can be perfectly delivered by the private sector, the management strategy should guarantee the general interest through the participation of the public sector.
- 6. INSULEUR recognizes that the terms of the public sector involvement in the management of ports and airports may vary according to the different realities of the States and regions.
- 7. INSULEUR expresses its strong preoccupation on the European regulations limiting the transport of liquids by air in hand luggage to 100 ml. It underlines the harmful consequences that this rule has on the sale of local products and to the activities of the firms in islands that depend on tourism. While taking into consideration the necessary safety requirements, INSULEUR therefore requests the amendments of the regulation in this regard.

On the consideration of the specificity of the islands in the EU policies, including transport policy

8. INSULEUR recalls that Article 174 of the Treaty on the functioning of the EU, which establishes the principle of economic, social and territorial cohesion, recognizes that "particular attention" shall be paid to regions which suffer from severe and permanent natural or demographic handicaps, including the island regions. Article 175 of the Treaty provides

that "the formulation and implementation of the Union's policies and actions and the implementation of the internal market shall take into account the objectives set out in Article 174 and shall contribute to their achievement".

- 9. INSULEUR calls on the services of the European Commission to fully implement the principle of territorial cohesion as per Article 174 of the treaty and requests that the European policies should be differentiated for islands when it is necessary.
- 10. INSULEUR notes that it results from Articles 174 and 175 that the principle of territorial cohesion should be taken into account not only for the regional policy but also in the formulation of the policies related to the internal market, including the competition policy and transport policy.
- 11. INSULEUR therefore calls on European institutions, particularly the Commission, to define a policy for competition (state aid) and transport (Single European Sky, CO2 emission rates, etc.) that takes into account the particular situation of the islands in order to truly support the development of these territories.
- 12. INSULEUR reminds that access to the islands is limited to transport by sea and for some of them also by air. The additional transport costs have a real impact on island businesses that can hardly be competitive with companies from the mainland. INSULEUR also stresses that the implementation of European policies is more expensive in the island territories than on the mainland.
- 13. INSULEUR therefore requests that additional transport costs related to insularity should not be included in the calculation of *de minimis* aids or, as a last resort, calls for the raising of the *de minimis* threshold for businesses in islands. It also supports the proposal to extend to all the islands the provisions related to state aid for regional purpose that are currently applicable to the islands of less than 5000 inhabitants (Article 107.3.c Treaty), and the proposal aiming at creating for all the islands a scheme of direct operating aid to island businesses to offset additional transport costs.
- 14. INSULEUR welcomes the adoption by the European Commission of a roadmap for a single European transport. The network satisfactorily notes the willingness of the EU to establish a Single European sky. INSULEUR welcomes the observation made by the Commission that the future prosperity of Europe depends on the ability of each region to remain fully integrated into the global economy, competitively, and that the existence of efficient transport is crucial to achieve this target. INSULEUR regrets nonetheless that the Commission has not drawn conclusions from this for the islands and makes no mention of the specificity of island territories.
- 15. INSULEUR therefore calls on the Commission to take into account the limitations and special needs of the islands, especially the dependence of these territories to air and maritime transport, particularly with regard to the objective of reducing CO2 emissions and the difficulty for the islands to access intermodal integration. INSULEUR also calls on the Commission to help the islands to develop their strengths, including their strategic locations close to other neighbouring countries or regions or their characteristics that are favourable to the development of renewable energy.