

COMPROMISE AMENDMENTS (FINAL)-

COMP 1: Citations (AM 1, 2, 3, 4, 5, 6, 7, 8, 205)

The European Parliament,

- having regard to Articles 174, 175 and 349 of the Treaty on the Functioning of the European Union (TFEU),
- having regard to Regulation (EU) 2021/1058 of the European Parliament and of the Council of 24 June 2021 on the European Regional Development Fund and on the Cohesion Fund,
- having regard to Regulation (EU) 2021/1056 of the European Parliament and of the Council of 24 June 2021 establishing the Just Transition Fund,
- having regard to the Final Declaration of the 40th Annual General Assembly of the Islands Commission of the Conference of Peripheral Maritime Regions of Europe of 15 April 2021,
- having regard to its resolution of 18 May 2021 on the review of the European Union Solidarity Fund¹,
- ***having regard to the 7th Environment Action Programme (EAP) and the concepts set out therein***,
- having regard to the Council conclusions of 23 October 2020 on the EU Biodiversity Strategy for 2030,
- having regard to its resolution of 17 April 2018 on strengthening economic, social and territorial cohesion in the European Union: the 7th report of the European Commission²,
- having regard to its resolution of 17 April 2020 on EU coordinated action to combat the COVID-19 pandemic and its consequences³,
- having regard to its resolution of 15 January 2020 on the European Green Deal⁴,
- ***having regard to its resolution of 14 September 2021 entitled 'Towards a stronger partnership with the EU outermost regions'⁵***
 - having regard to its resolution of 28 November 2019 on the climate and environment emergency⁶,

¹ Texts adopted, P9_TA(2021)0220.

² OJ C 390, 18.11.2019, p. 53.

³ Texts adopted, P9_TA(2020)0054.

⁴ Texts adopted, P9_TA(2020)0005.

⁵ Text adopted, P9_TA(2021)0368

⁶ Texts adopted, P9_TA(2019)0078.

- *having regard to the Committee on Regional Development’s study “Islands of the European Union: State of play and future challenges” (March 2021)*
- *having regard to the Committee on Regional Development’s study “Cohesion Policy and Climate Change” (March 2021)),*
- having regard to the opinions of the Committee on Employment and Social Affairs and the Committee on Agriculture and Rural Development,
- having regard to the opinion of the European Committee of the Regions of 14 October 2020 on sustainable use of natural resources within the Mediterranean insular context,
- having regard to the Next Generation EU recovery instrument,
- having regard to Rule 54 of its Rules of Procedure,
- *having regard to the final declaration of the 26th Conference of Presidents of the Outermost Regions, signed in Ponta Delgada on 18 November 2021),*
- *having regard to the opinion of the European Committee of the Regions on the European Commission report on the implementation of the renewed strategic partnership with the EU’s outermost regions (2021/C 37/10) of 10 December 2020),*
- having regard to the report of the Committee on Regional Development (A9-0000/2021),
- *having regard to the Council agreement of 7 December 2021 to update EU rules on rates of value added tax (VAT),*

COMP 2: RECITALS (AM 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20, 21, 22, 24, 25, 26, 27, 28, 29, 30, 31, 32, 33, 34),

- A. whereas the island regions of the European Union (EU-27) have an estimated population of more than 20 000 000 (4.6% of the total EU population); whereas the EU’s island population is spread over approximately 2 400 islands belonging to 13 Member States;
- B. whereas EU islands with a significant number of structural problems are already largely classified as NUTS 2 or NUTS 3;
- C. whereas islands often suffer from a combination of multiple and permanent *natural* handicaps, such as small size, for most part *low population density, demographic challenges such as a seasonal demographic pressure* small market, double insularity (island and archipelago), difficult topography very similar to mountainous regions, a dependence on maritime and air transport or a dependence on a small number of products;
- D. whereas the specific characteristics of islands are recognised by Article 174 TFEU, *whereas the European Union still misses a concrete application of this article with specific regard to its insular territories* and whereas they should be taken into account

in EU policies, in particular by drawing up a dedicated strategy, a European action plan ***and an Island Policy Agenda with clearly defined priorities for action***

E. whereas island regions are all comparatively less developed than the mainland regions of their Member State and have a lower GDP per capita;

E a. whereas three Member States of the European Union are islands);

F. whereas the islands' physical disconnection ***and their remoteness*** from the mainland ***creates additional constraints, including for the labour market, sustainable transport links and mobility, the importing of raw materials and consumer products,*** access for island products to neighbouring external markets, education, health care, business, ***access to*** water and ***sanitation*** energy supply and waste management facilities; ***whereas this geographical disconnection adds important difficulties to the green transition towards a climate-neutral economy of such territories);***

Fa . whereas for outermost regions, being in their large majority islands, according to Article 349 of the Treaty, the EU shall adopt specific measures aimed, in particular, at laying down the conditions of application of EU common policies to those regions, in particular in areas such as customs and trade policies, fiscal policy, free zones, agriculture and fisheries policies, conditions for supply of raw materials and essential consumer goods, State aids and conditions of access to structural funds and to horizontal Union programmes; whereas specific measures in all those areas contribute to strengthening economic, social and territorial cohesion in the EU).

G. whereas the long-term social, economic, environmental and cultural consequences of the COVID-19 crisis on the island territories of the Union, are of particular concern, and whereas Europe's recovery must ***include the islands and must*** not create further regional disparities; ***whereas the COVID-19 crisis has demonstrated that island economies are highly vulnerable to such events ;***

Ga. whereas islands' often high unemployment rates, generally higher than in the mainland, have been severely exacerbated by the COVID-19 crisis, particularly affecting young people

H. whereas islands and outermost regions are on the front line of climate change, affected by rising sea levels and coastal erosion and the warming and acidification of seas and oceans ***and the increased frequency and violence of natural disasters such as cyclones, volcanic eruptions, forest fires and storms floods, drought and the problems of desertification which can have negative effects on agriculture and food supply and can cause multiple economic, social and environmental damages*** whereas they can be excellent testbeds for a range of ecological transition processes and seek to achieve energy autonomy based on renewables;

I. whereas islands have many assets whose potential should be better realised;

J. whereas islands have exceptionally rich biodiversity and ecosystems; ***whereas island ecosystems are particularly threatened by the impact of climate change and should be protected***

Ja. whereas, in many islands, inland areas lag behind coastal regions in terms of economic

development and service accessibility

- K. whereas islands' marine and terrestrial biodiversity is largely endemic, and therefore more fragile; whereas marine and coastal pollution, as well as overfishing *and illegal, unreported and unregulated fishing with an increased impact on the islands' environment, with very serious consequences for employment, the small-scale fisheries sector and local communities*, can be a source of concern for islands;
- L. *whereas the outermost regions and islands have the potential to help ensure a sustainable future for Europe in strategic sectors such as clean energy, biodiversity and ecotourism;*

COMP 3: Paragraphs 1- 9 (AM 35, 36, 37, 38, 39, 40, 41, 42, 43, 44, 45, 46, 47, 48, 49, , 52, 53, 54, 55, 56, 57, 58, 59, 60, 61, 62, 64, 65, 66, 67, 69, 72, 75, 127, 136, 157, 204, AGRI 8, AGRI 12, AGRI 14),

Characteristics and specific features of the European Union's islands

1. *Recognises insularity as a permanent structural handicap; this is why strategies for integration need to be developed to enable islands to confront the challenges and overcome the barriers their insularity causes ;*
 - 1a. *Recalls that Article 174 TFEU stipulates that the Union must pay particular attention to, among others, European islands;*
 - 1b. *Points out that Article 349 TFEU also recognises insularity among the conditions restraining the development of the nine outermost regions and quote insularity as one of the conditions which aggravate their fragile structural social and economic situation, recalls that Article 349 TFEU provides for specific measures for those outermost regions;*
 - 1c. *Underlines that European islands, while facing common challenges, have various geographical features and institutional setups, which make it crucial to adopt flexible solutions that take into account these specificities;*
2. *Stresses that the GDP and level of development of European islands lag behind the average of the EU and of the countries to which they belong;*
 - 2a. *Stresses the need to expand Council's agreement of 7 December 2021 to update EU rules on rates of value added tax (VAT) for all insular areas in the EU where applicable;*
3. *Stresses that one of the islands' major handicaps lies in their geomorphological and natural conditions; notes that islands generally have a double or triple natural handicap, i.e. insularity, mountainous terrain and being part of an archipelago;*
4. *Recalls that insularity creates structural problems of dependence on maritime and air transport, which is a public service on which the daily lives of European citizens living on an island depend, with additional costs for importing and exporting goods, raw materials, including energy commodities, and consumer products as well as for passenger transport;*

- 4a. *considers close monitoring to be important to ensure islands are fully integrated into the development of green maritime infrastructure; calls for islands to be made a priority in the development of infrastructure aimed at decarbonising air and maritime transport; highlights that these structural issues leave islands' citizens and businesses more exposed to rising prices;*
- 4b. stresses that, in the case of archipelagos, these difficulties are multiplied by a double *and sometimes triple* insularity;
5. Highlights the deficit in terms of population, raw materials and resources of all kinds, and notes that in many islands access to drinking water *and sanitation, in particular for all households*, is a central issue in people's lives, *the development of agriculture, energy production* the sustainability of the island and its tourism carrying capacity
- 5a. *Stresses the need to support remunerative and environmentally friendly short supply chains and the development of a farming sector that prioritises high value-added traditional products, local consumption and green solutions and contributes to achieve food autonomy;*
- 5b. *stresses the importance of spatial planning focusing on effective and efficient land utilisation;*
6. Stresses that isolation owing to insularity means a dependence on *the mainland's and continental areas'* markets and increases the cost of certain services, such as waste management *as well as of certain goods, especially with reference to small or remote islands highly dependent on imports;*
7. Stresses that island economies are oriented towards the primary and tertiary sectors and that hyper-specialisation weakens the economic fabric by making it more vulnerable to economic slowdowns *and crisis*; is concerned about long-term developments which in many EU islands can create an economy that is based solely on tourism *which lead to seasonal vulnerabilities such as differences in financial resources between high and low touristic seasons; therefore highlights the necessity of diversify the economy of islands by strengthening their secondary sector in order to achieve a good balance and a diversified labour market;*
- 7 a. *The development gap of island rural areas are further increased by the fact that most islands, not having vibrant cities, they cannot benefit from urban financial spill-over leading to decreased competitiveness, especially regarding the capacity of SMEs to explore economies of scale.*
8. Notes with concern the *ongoing and* long-term effects of the COVID-19 *pandemic*, which is exacerbating an already precarious situation for EU islands in many areas; *notes with concern that Mental Health is playing an important role, due to isolation and restricted choices of insular areas;*
- 8a. *Stresses that the consequences of the COVID-19 crisis are even starker in many islands and the outermost regions, as reflected in soaring maritime freight prices, and are exacerbating the structural social and economic difficulties that are characteristic of these regions and that current price increases will only reinforce them;*

8b Reminds the Member States that the Recovery and Resilience Facility should seek to reduce the economic, social and territorial development disparities between the islands and outermost regions and the most developed regions; calls on the Commission to state whether this provision has been met in the national recovery plans when submitting its review report to Parliament

9. Regrets the EU's lack of vision for European islands **and calls for a European island vision to be developed and for the islands' strengths to be exploited;**

COMP 4: Paragraphs 10-16 (AM 51, 73, 74, 75, 76, 77, 78, 80, 81, 82, 83, 84, 85, 86, 87, 88, 89, 90, 92, 93, 94, 98, 99, 100, 101, 102, 104, 105, 106, 107, 109, 110, 137, 146, AGRI9, AGRI 15, AGRI 16)

Issues and challenges for European islands

Climate change and biodiversity

10. Stresses that many islands have a fragile environment and endemic marine and terrestrial biodiversity, and that the development of tourism, in particular on certain Mediterranean islands, is further increasing the **anthropic pressure on biodiversity** ;

10a. calls for **targeted, sustainable and efficient regional policies and action for islands aiming** a strengthening of **the unique** biodiversity protection **and restoration** capacities, the promotion of **a blue economy focused on** sustainable tourism **and** fisheries and **support for** seabed research; calls on the Commission to assess the impact of climate change on islands;

11. Recalls that islands are on the front line of climate change, particularly with rising water levels and the warming **and acidification** of seas and oceans, **the growing impact of desertification and the proliferation of natural disasters;**

11a. notes with concern the risks associated with overfishing and marine and coastal pollution; calls, in the context of the Paris Agreement and the European Green Deal, **including the Climate Law** for specific support for islands, **this being essential to make them suitably adaptable, resilient and foresighted in the face of** to combat and adapt to climate change **calls for instruments to compensate for the social impact of the Green Deal to be deployed in European islands;**

11b. **Calls for an analysis of natural disaster risk prevention strategies, climate change adaptation measures and regional policies in order to avoid the proliferation of housing and infrastructure on coastal floodplains or in landslide-prone areas;**

11c. **Considers that islands can represent a formidable laboratory for sustainability practices in sectors such as clean energy, circular economy, smart mobility, waste management and blue economy ;in particular considers it necessary to shorten distribution chains in order to reduce emissions from the transport of raw materials and promote the circular economy, this being of great importance in making islands more competitive and self-sustaining;**

Access to water and water management

12. Stresses the increasingly precarious condition of almost all islands in terms of their environmental assets, particularly water resources; calls, in this context, on the Commission to ***mobilise additional funding to provide better support for island regions in access to and management of water and to adopt a common water management policy for islands*** ;
- 12a. ***stresses the need to promote the purification of water, and particularly waste water, and to guarantee a sustainable water cycle; recalls that desalinization is often costly and not effective to provide the entire water supply*** recalls also the challenges connected with waste management in island territories ***which have limited resources to store and process waste, particularly in high touristic seasons during which the waste production is increased and as well as the strategic role of the circular economy which must be extended to encompass the collection and economic recycling of marine waste*** ;

Energy transition

13. Calls for specific rules and financial support to help islands achieve climate neutrality goals, taking into account the additional costs ***linked to sectors such as energy and transport as well as*** the impact of mobile technologies on their energy systems; ***which require proportionally very high investments to manage intermittent renewable energies*** ; calls for these costs to be taken into account in the ‘Fit for 55’ legislative package;
- 13a ***Underlines the necessity and opportunities arising from the ‘Fit for 55’ legislative package; is however of the opinion that the concrete implementation of these legislative measures should go hand in hand with the promotion of the economic, social and territorial cohesion; since islands solely rely on the aviation and maritime transport;***
14. ***Points out that owing to their small size and isolated energy systems, islands face a major challenge when it comes to energy supply as they generally rely on fossil fuel imports for electricity generation, transport and heating*** ;
- 14a. considers ***that*** the use of renewable energy, ***including tidal energy*** ~~to~~ ***should*** be a priority ***which*** bring substantial benefits to islands, ***while taking into account the needs of local communities, including the preservation of islands’ traditional architecture and local habitat;***calls, therefore, for the development of a wide range of renewable energy ***sources*** to be supported ***according to their geographical features;*** welcomes the green hydrogen programmes which islands have launched;
15. Calls for renewables-based energy autonomy to be established as a target for all European islands ***and supported by the requisite financial resources through the phasing out of fossil fuels and measures to increase the potential of sustainable and renewable energies*** ***calls for additional research to make offshore renewables more affordable and fit for the geographical features of the different sea basins;***
- New 15a. Underlines that, in order to achieve an effective environmental transition, it is key to enhance the administrative capacity of the local institutions of European islands and to develop their potential both as enablers of economic, social and territorial competitiveness and as promoters of climate-friendly behaviour among***

citizens recalls that such a transition also depends on robust research and innovation policies and initiatives fostering the collaboration among local stakeholders, while promoting a wider uptake of research facilities in insular territories;

16. Reminds the Member States that their national transition plans, as provided for under the Just Transition Fund, must include a specific study and analysis for each of their islands;

COMP 5: Paragraphs 17-20 (AM 23, 111, 113, 114, 115, 117, 118, 119, 120, 122, 124, 125, 126, 127, 128, 129, 130, 131, 132, 133, 134, 135, 138, 139, 140, 141, 143, 144, 147, 148, 150, 175, 176, 177, 209, AGRI 1, AGRI 2, AGRI 5, EMPL 1)).

Economic and social development

17. Calls for urgent measures to **limit** the depopulation of islands *as well as brain and skill drain* and to improve quality of life, *such as accessibility for vulnerable groups*, support local businesses and protect jobs, *address ageing population* calls also for the development *of education*, professional training, *upskilling, innovative and sustainable entrepreneurship* and employment establishments for island inhabitants to be promoted, *particularly for women, who face a higher unemployment rate than men in almost all EU islands and young people;*
- 17a. *Points out that the COVID-19 crisis has exposed the health fault lines in many European islands, stresses therefore the importance of developing and improving health infrastructure, access to care and providing support to encourage the establishment of healthcare professionals, particularly in the most remote island territories;*
- 17b. *Stresses the need to encourage, at the local level, close cooperation, mobility and exchanges of knowledge between education, research and technological innovation institutions, businesses, individual citizens; therefore, calls on the Commission to ensure that the inhabitants of European islands , particularly those furthest from mainland Europe, can participate fully and equitably in European mobility programmes such as Erasmus+, the European Solidarity Corps, Discover EU and the future ALMA programme;*
- 17d . *Highlights the importance of supporting the local economic fabric of European islands, in particular micro and SMEs;*

Agriculture and fisheries

18. Stresses the need for increased support *for the sustainable development of islands, within ecological limits and with due regard for a healthy land and marine environment* for *agriculture, forest management and conservation animal husbandry*, aquaculture, sustainable fisheries, *local production*, and the blue economy, including through European cooperation programmes; *considers it necessary to strengthen EU support to the modernisation of the agricultural activity in the islands, including through the promotion of precision farming, to help those regions meet the Green Deal objectives;*

- 18a.** calls on the Commission to assess the necessity of a regulation laying down specific measures in the area of agriculture for all NUTS 2 and NUTS 3 level islands with a view to achieving food autonomy and increasing the competitiveness of their products, ***without prejudice to existing instruments such as POSEI scheme and the regulation laying down specific measures in the area of agriculture in favour of the smaller Aegean islands;***
- 18b.** ***Calls for actions aiming at bridging the economic gap between inland areas and coastal regions, that very often persists in insular territories;***
- 18c.** ***Highlights the lack of sustainable solutions for transporting agricultural products between most islands and the mainland and for exporting and importing agricultural products from and towards islands, and calls on the Commission and the Member States to support innovative projects for greener connections into their development plans for the islands;***

Tourism

19. Notes that the tourism sector is the main contributor to the economic growth of island regions in terms of income and employment; calls, therefore, on the Commission to provide specific additional financial support for sustainable tourism in islands, ***solving the problem of seasonal tourism, supporting innovatory pilot projects to promote more ecological and digital solutions in line with European Green Deal objectives,*** and to help islands that are heavily dependent on tourism to diversify their economies; ***; calls also on the Commission to establish a European sustainable tourism label that would champion the strengths and efforts of islands and the island regions in this area;***

Migration

- 19 a.** ***Notes that some islands facing large numbers of migrants and sometimes far outnumbering the local population, who are not in a position to supply the necessary means of accommodation and assistance;***
- 19b.** ***Recalls the specific and disproportionate pressure on asylum and reception systems in islands, peripheral islands and outermost regions; calls for the European Action Plan for Islands to recognise the aforementioned asylum and migration reality, which requires coordinated solutions at European level, which respect the well-being and dignity of the individual, whilst addressing the pressure;***

Culture

20. Believes that culture and development of the cultural sector in islands are fundamental; considers that islands' cultural and linguistic identities should be protected and promoted, ***including in educational settings*** as they contribute to their enhancement, ***and that of the entire EU*** on many levels;
- 20a.** ***Calls on the Commission to make 2024 the European Year of Islands***

COMP 6: Paragraphs 21-24 (AM 113, 121, 149, 153, 154, 155, 156, 157, 158, 159, 160, 161, 162, 164, 165, 166, 167, 169, 170, 171, 172, 173, 175, 178, EMPL 6, EMPL 7, EMPL 9)

Access to public services

21. Calls for the development **and improvement of islands' transport infrastructure in order to foster** sustainable transport and for support for the modernisation and greening of **road, airport and port infrastructure while ensuring a socially just transition calls, in particular, for support to be provided for environmentally friendly public and private transport**
- 21 a. ***Calls for priority to be given to greater investment into basic infrastructure to improve access of all households to drinking water and sanitary services;***
22. Stresses the need to ensure the territorial continuity of all islands through **sustainable maritime and air transport, taking strict care to avoid monopoly situations, except in cases of shortage of regular transport services in a situation of free competition, which imply to resort to public service agreements; underlines the importance of reducing the costs for , passengers and goods, including by offering reduced fares for residents,** transport and to ensure the safety and suitability of land bridges and road links;
- 22a. calls on the Commission to ensure that the 2021-2023 work programme of the Connecting Europe Facility **and European cooperation programmes,** contributes to the territorial accessibility of islands; **improving island accessibility and the development of sustainable transport are crucial to their development and for the provision of essential public services, such as education, health and social care, and, where applicable, should not be limited to mainland and the members states;**
23. Stresses, particularly in the context of the COVID-19 **pandemic,** the importance of improving the health infrastructure, **enforcing services of telemedicine, tele psychiatry and upgrading the primary health care** on European islands **and the access to medicines;**
24. **Underlines that digitalisation and efficient digital connectivity for islands is an utmost priority** in particular **to contribute to overcoming the geographical disadvantages** and to enhance the provision of **digital technologies and infrastructures** education and training services **as well as e-health, including telemedicine and tele psychiatry, and other essential government services for citizens and SMEs with positive effects on their business strategy as well as on their operations;**
- 24 a. ***stresses the importance of maintaining the digital infrastructures that connect the islands to the rest of the world, namely by earmarking sufficient European funding for the replacement of obsolete submarine cables;***
- 24 b. ***Believes that, especially in small islands, it is difficult for SMEs to easily access all the information referring to the promotion of entrepreneurship, to skills development and EU-funded opportunities; calls for stronger financial support in this regard as well as the provision of enhanced information sessions, advisory services and tailor-made training;***

COMP 7: Paragraphs 25-27 (AM 179, 180, 181, 182, 183, 184, 185, 186, 187, 188, 189, 190, 191.

A specific EU policy tailored for islands

25. Stresses that the lack of statistical data on islands is hindering the development of targeted policies; calls on the Commission to set up a European Institute for Disadvantaged Territories related to article 174 TFUE, to collect ***reliable and aggregated statistical including gender-disaggregated data that is regularly updated using harmonised criteria*** at all administrative levels; calls on the Commission ***improve the collection of statistical data on European islands and to introduce territorial proofing in impact assessments of its proposals, with the aim of developing targeted policies and assessing how proposed legislation would affect citizens and businesses based in the different regions;***
- 25a. ***Points out that the islands are not all currently covered by the EU legislation on territorial classification; calls on the Commission to start discussions on this, with a view to including islands in the common classification of territorial units for statistics and to consider setting up a programme like the European urban initiative that would support partnerships between European islands in order to establish innovative approaches to island-specific problems and to share best practices and implement solutions that are beneficial for citizens and businesses;***
26. Calls on the Commission to take note of the studies already produced by European islands concerning the ***challenges and*** additional costs associated with insularity, and to establish interdisciplinary analyses covering the demographic, geographical, economic, ***social and environmental*** characteristics of island territories ***so as to ensure that these regions will not suffer from any competitive disadvantage linked to their geographical condition;***
27. Calls for an additional budget allocation, ***geared towards helping the European islands overcome the challenges and disparities they face and covering*** the extra costs connected with European islands under the future cohesion policy; ***suggests expanding the island contact point by setting up an island task force within Directorate-General for Regional and Urban Policy of the European Commission***
- 27a. ***Calls on the Commission to take into consideration the allocation of the budget based on GDP per capita in order to cover all the disparities between islands;***

COMP 8: Paragraphs 28-30 (AM 192, 193, 194, 195, 196, 197, 198, 199)

Re-assessment of State aid schemes and measures to reduce the development deficit

28. Calls on the Commission to produce an analysis of the volume of state aid granted to undertakings based in European islands ; considers it imperative, despite the efforts made by the EU and the Member States, to determine whether and to what extent undertakings located in island territories have benefited from such measures ***and to re-assess state rules accordingly; underlines in this connection the importance of more flexible State aid for air and maritime transport companies in these island territories, given their total dependence on these means of transport;***

29. Calls for any future revision of the legislative framework on state aid to be subject to impact assessments based on specific indicators to assess the lagging competitiveness of island region economies, ***also vis-à-vis the consequences of the Fit for 55 Package on these territories***, and to design a specific degressive scheme for island territories when the extraordinary measures provided for under the State Aid Temporary Framework end after 31 December 2021;
30. Calls for the creation of an ‘islands’ sub-category, ***given their distinct characteristics***, in connection with the application of the rules on regional state aid for the period 2021-2027, and ***the abolition*** of the ‘de minimis’ ***ceilings for European islands and outermost regions***, above which the Commission’s authorisation is required, to be revised upwards;
- 30a. Stresses the need for a more flexible approach to ensure the more effective deployment of European funding in island territories and outermost regions, without compromising the relevant quality standards and monitoring procedures;***
- 30b. The current de minimis rule restricts competitiveness and raises difficulties in European Islands and outermost regions. In this regards, the European Union's islands should all be exempted of the applicable ceilings of the de minimis rule, so that they are at less of a disadvantage. Calls also on the Commission to adapt state aides rules to ensure that subsidies to remedy insularity ought not be considered as state aid but as compensation to put European islands and outermost regions on an equal footing with their continental counterparts;***
- 30c. Calls for reassessment of the distance criterion (150 km) used to classify islands as border regions eligible for financing under cross-border cooperation programmes coming under the cohesion policy's territorial cooperation objective or the European Neighbourhood Policy taking into account the situation of islands. If some kind of limit has to be established, it would be more appropriate, in the case of island regions, for the cross-border territory condition to be applied at maritime basin level;***

COMP 9: Paragraphs 31-33 (AM 201, 202, 203, 206, 207)

Islands Pact and European Action Plan for Islands

31. Calls on the Commission to undertake a dynamic assessment of Article 174 TFEU and to build ***a genuine European Island Agenda and*** a European strategy for islands, ***based on this report, that is in line with local needs and realities on the ground and*** takes into account the specific features of each of the EU’s sea basins; calls on the Commission to carry out a study on the ***diverse situations*** of island territories and to consider a strategy for islands with tangible proposals;
32. Calls for an Islands Pact to be drawn up ***as soon as possible*** and implemented, ***with the participation of the principal stakeholders, namely national, regional and local authorities, economic and social operators, civil society, academia and non-governmental organisations***, along the lines of the Urban Pact and the future Rural Pact;
33. ***Instructs its President to forward this resolution to the Council, the Commission, the European Economic and Social Committee, the Committee of the Regions and the***

national and regional parliaments of the Member States;