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COH 44
ENV 502
COMPET 402
SAN 314
EDUC 188
EMPL 205
RECH 302
TRANS 325
AGRI 213
POLCOM 39
RELEX 694
POSEIDOM 2
POSEICAN 2
POSEIMA 2

'I/A' ITEM NOTE

From: General Secretariat of the Council

To: Permanent Representatives Committee/Council

No. Cion doc.: 8781/22 (COM (2022) 198 final)

Subject: Commission communication on Putting people first, securing sustainable and inclusive growth, unlocking the potential of the EU's outermost regions: Council conclusions

– *Approval*

1. On 5 May 2022, the General Secretariat of the Council received the Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions on Putting people first, securing sustainable and inclusive growth, unlocking the potential of the EU's outermost regions¹.

¹ Doc. 8781/22+ ADD 1 + ADD 2.

2. Draft Presidency conclusions were examined at the meetings of the Working Party on Structural Measures and Outermost Regions of 12 May² and 24 May 2022³. Delegations agreed to the draft Council conclusions as set out in the Annex to this note.
 3. The Permanent Representatives Committee is asked to advise the Council to adopt these Council conclusions as set out in Annex to this note.
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² WK 6663/22.

³ WK 6663/22 REV 1.

Draft

Council Conclusions on the Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions

Putting people first, securing sustainable and inclusive growth, unlocking the potential of the EU's outermost regions

The Council of the European Union,

RECALLING:

- the Article 349 of the Treaty on the Functioning of the European Union;
 - the Communication ‘Putting people first, securing sustainable and inclusive growth, unlocking the potential of the EU’s outermost regions’ of 3 May 2022;
 - the Communication ‘A stronger and renewed strategic partnership with the EU's outermost regions’ of 24 October 2017;
 - the European Parliament resolution ‘Towards a stronger partnership with the EU outermost regions’ of 14 September 2021;
 - 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 of 10 December 2020;
 - the Opinion from the European Economic and Social Committee ‘The benefits of the outermost regions for the EU’ of 20 January 2022;
 - the Study on the impact of the COVID-19 pandemic on the outermost regions of October 2021;
1. ACKNOWLEDGES the specificities of Guadeloupe, French Guiana, Martinique, Réunion, Mayotte, Saint-Martin, the Azores, Madeira and the Canary Islands, i.e their structural social and economic situation, which is compounded by their remoteness, insularity, small size, difficult topography and climate, natural risks and economic dependence;

2. RECALLS that the Article 349 TFEU allows the Council to adopt, on the basis of a proposal from the Commission, specific measures for the application of the Treaties in order to take into account the specific characteristics and constraints of the outermost regions;
3. ACKNOWLEDGES that these regions may need support from the European Union, namely EU legislation adapted to their specificities, assistance for territorial engineering and financial support; UNDERLINES that such a support is crucial to enhance cohesion across the EU, bridging the gaps between these regions and the rest of the EU, and to favor sustainable structural and economic recovery;
4. POINTS OUT, in particular, that outermost regions are exposed and vulnerable to natural risks, climate change and extreme weather events;
5. UNDERLINES that the outermost regions face a number of common constraints as referred to in Article 349 TFEU, and that each outermost region brings different benefits to the EU;
6. ACKNOWLEDGES the specific provisions for the outermost regions enshrined in more than twenty EU regulations establishing EU funds and programmes of the Multiannual Financial Framework for 2021-2027;
7. WELCOMES the renewal of the Commission's Communication on the EU's outermost regions; WELCOMES the focus on putting people first – European citizens being the cement of the European project – and on making sure that economic recovery and a sustainable growth meet the needs of the people;
8. WELCOMES the Commission's commitment to supporting the outermost regions and to mainstreaming these regions' specificities across EU legislation and policies expressed therein to boost their development through tailored and place-based approaches;

9. ACKNOWLEDGES that the development strategies for the outermost regions are driven and regularly updated where needed by the regions and their Member States; TAKES NOTE of the recommendations of the Commission and will work closely with the Commission in taking forward these recommendations;

I. ON THE COVID-19 PANDEMIC, CRISIS RESPONSE AND ECONOMIC RECOVERY

10. ACKNOWLEDGES that security and resilience issues must be better considered in these regions; INSISTS on the importance of crisis preparedness and management;
11. UNDERLINES the need to address high poverty levels in the outermost regions, in particular in the aftermath of the COVID-19 pandemic; WELCOMES the priorities expressed in the Commission’s Communication such as poverty reduction, integration and equality;
12. ACKNOWLEDGES the priority given by the Commission to a sustainable and inclusive economic recovery and growth in the outermost regions in the aftermath of the Covid-19 pandemic and ENCOURAGES the Commission to support fast-growing and jobs creating sectors which further a sustainable development;
13. STRESSES the importance of promoting investments in the tourism sector to support recovery and a sustainable development of this strategic sector;
14. STRESSES the need to further support innovation, research and development in the outermost regions in order to reach the ambitions of the Commission’s Communication in the economic field and beyond;
15. AFFIRMS that sustainable blue economy is identified by the Council as one of the major sectors to foster outermost regions’ economic growth;

16. HIGHLIGHTS the opportunities of the green and digital transition in the outermost regions as an enabler of economic growth, job creation and transition towards an economic model built on sustainability and innovation;

State aids

17. CALLS on the Commission to continue the work on the revision of State aids regulations based on the existing provisions for the outermost regions in EU state aid legislation;
18. WELCOMES the flexibility at the heart of the Temporary Framework for State aid during the pandemic and RECALLS that it has allowed to limit the negative consequences of the COVID-19 pandemic;
19. UNDERLINES that aid in outermost regions may not affect competition in the internal market, as long as it targets purely local activities;

II. ON SUSTAINABLE AND INCLUSIVE RECOVERY AND GROWTH

20. WELCOMES the central place given in the Commission's Communication to addressing the needs of the people living in the outermost regions by putting their needs and concerns first in the process of recovery and growth; WELCOMES in particular the aim of achieving convergence between the outermost regions and other EU regions;
21. UNDERLINES, following the Porto Summit, the need to pay particular attention to the outermost regions in the framework of the European Pillar of Social Rights;

Addressing citizens' needs: infrastructure and services

22. ACKNOWLEDGES the importance of infrastructure development in some outermost regions, in order for such regions to benefit from economic development, sustainable tourism development, exchanges within their geographic areas and to ensure resilience;
23. CALLS UPON the concerned Member states to engage further, taking into account the respective competences of their outermost regions, especially to support development of basic infrastructure - for public drinking water, housing, sanitation services, waste management, clean energy, high speed, resilient information networks, resilience to various risks -, and access to public services and social care services, such as education, childcare, health or transport;
24. RECALLS the total dependence of the outermost regions on affordable and reliable air and maritime transport, for the mobility of their populations and the supply of essential goods;

Youth, education and employment

25. RECALLS the need for outermost regions to empower young people especially through formal and non-formal education, training and volunteering, and to develop employability thanks to skills development, lifelong learning and vocational training, including up-skilling and re-skilling;
26. UNDERLINES that the EU's funds and programmes can support the development of trainings focused on job-providing activities within regions; that they should support mobility, including mobility within their geographical basin, and development of trainings focused on helping to enhance employability within regions, in order to meet the challenges of outermost regions affected by aging, the gender employment gap or a high proportion of young people;

27. WELCOMES the Commission’s initiative of creating a grant scheme empowering young people to act, shape and implement projects in line with EU priorities at local level for the next two years; ENCOURAGES the Commission, the concerned Member States and the outermost regions to communicate widely about this initiative;
28. CALLS ON the Commission to implement the Communication by ensuring that outermost regions’ specificities are taken into account in EU policies related to employment, including the ALMA initiative, the Youth Guarantee and the Child Guarantee;

Green transition and biodiversity

29. POINTS OUT the vulnerabilities of outermost regions related to climate change and the need to support outermost regions in implementing the green transition; STRESSES that policies aiming at tackling climate change must be adapted to outermost regions strengths, for example their important potential to develop renewable energies;
30. POINTS OUT the lack of economies of scale for waste management and recycling in the outermost regions, and the need for less expensive local recovery and recycling solutions, without weakening the protection the environment;
31. EMPHASISES the outermost regions’ need for support to reach the objectives set in the “Fit for 55” package to take into account the particular context of these regions;
32. AFFIRMS that the exceptional landscapes and biodiversity of the outermost regions must be protected, restored and valued; CALLS UPON the concerned Member states to continue to engage in this perspective; CALLS ON the Commission to continue promoting this asset;

Blue economy and fisheries, agriculture and rural development

33. HIGHLIGHTS that a sustainable blue economy as part of the EU's Integrated Maritime Policy and a sustainable use of oceans and seas play an important role in the European Green Deal agenda and WELCOMES the key role of the EU Mission 'Restore our Ocean and Waters by 2030' for reaching the Green Deal targets across the ocean and seas including in the outermost regions;
34. ACKNOWLEDGES that food diversification and autonomy is important for outermost regions' resilience and should be supported through appropriate agricultural and marine policies;
35. RECALLS the specificities of outermost regions' food production systems compared to both continental Europe and their neighbouring countries and the importance of sustainable agriculture and fisheries in terms of employment and land use planning; STRESSES that local productions should be supported; WELCOMES the ambition of the Commission to implement the "Farm to Fork" strategy in the outermost regions; CALLS ON the Commission to assist these regions to fully benefit from the opportunities offered by this strategy, as well as to implement the principles of the One Health approach;
36. WELCOMES that the Commission's Communication reflects the key issues that outermost regions are facing in the fisheries and blue economy field, and CALLS ON the Commission to fully adapt, as appropriate, its rules, especially those related to State aids, to the situation of the outermost regions without prejudice to the EU fisheries and environmental related legislation; UNDERLINES the need to support the renewal of the outermost regions artisanal fishing fleet;

III. ON COOPERATION WITH OTHER EUROPEAN REGIONS, NEIGHBOURING COUNTRIES AND BEYOND

37. **INSISTS** on the need to provide people from outermost regions training opportunities in their own geographic area, especially through mobility within their basin;
38. **CALLS ON** the outermost regions to better promote what they bring to the EU, to engage together in cooperation projects, to undertake studies and foster exchanges in their geographical basin;
39. **WELCOMES** the Commission's support to manage the specific migration challenges faced by outermost regions, especially regarding the unaccompanied minors; **ENCOURAGES** the concerned Member States to intensify the use of European funds in shared management, especially AMIF, ISF and BMVI;
40. **WELCOMES** the Commission's initiative to identify key areas for cooperation per basin; **CALLS UPON** the concerned Member States to promote cooperation in these areas between the outermost regions and the overseas countries and territories, as well as with third countries;
41. **STRESSES** that the outermost regions should be perceived as an asset for the EU and be involved more often in European research projects; **CALLS UPON** the Member States to facilitate the integration of the outermost regions into research consortiums on specific topics such as biodiversity, vector and tropical diseases as appropriate;
42. **ENCOURAGES** Member States to foster cooperation, exchanges and synergies between their regions and the EU outermost regions;

43. UNDERLINES the importance of the outermost regions for EU's external relations, enabling the projection of EU interests and values in their geographical areas; UNDERLINES the importance of better integrate the outermost regions in multilateral cooperation projects, especially when they carry out pilot actions;
44. CALLS ON the Commission to preserve the outermost regions' interests, especially when it comes to trade negotiations with third countries;

IV. ON STRENGTHENED PARTNERSHIP, DIALOGUE AND SUPPORT

45. INVITES the Commission to:
- continue exploring ways to boost the potential of the outermost regions;
 - improve the coordination of EU policies for these regions to get more efficient cross-cutting policies;
 - encourage participation of concerned Member States and their outermost regions in policy-making, reflect outermost regions' specificities in annual or multiannual work programmes of EU programmes and in calls for projects as appropriate;
 - strengthen the raising of awareness about outermost regions' specificities across services; in this respect, continue convening regular meetings of the working group bringing together the Commission, the outermost regions and their Member States; convene specific thematic working group meetings with its relevant services to analyse the proposals made by the outermost regions;
 - ensure, where appropriate, a systematic inclusion of outermost regions' specificities in impact assessments through territorial impact assessments;
46. WELCOMES the Commission's intention to provide advisory tools to help individual outermost regions, on demand, shape regional development plans, reforms and investment agendas and seize opportunities and synergies under EU funds and programmes that can complement national advisory tools and schemes;

47. INVITES the concerned Member States to support their outermost regions in building administrative capacity and boost skills development to fully benefit from the EU programmes;
 48. INSISTS on the need to build monitoring tools to regularly monitor the implementation of the Commission's Communication.
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