


Procedure file

| Basic information | | |
|---|--------------------------------|---------------------|
| COS - Procedure on a strategy paper (historic) | 2000/2135(COS) | Procedure completed |
| Outermost regions: implementation of Article 299(2) of the EC Treaty. Report | | |
| Subject 4.70.06 Outlying and outermost regions, overseas countries and territories | | |
| Geographical area Portugal Spain France | | |

| Key players | | | |
|--|--|--|--|
| European Parliament | Committee responsible | | Rapporteur |
| | RETT Regional Policy, Transport and Tourism | | Appointed 19/04/2000 |
| | | | PPE-DE SUDRE Margie |
| | Committee for opinion | | Rapporteur for opinion |
| | JURI Legal Affairs and Internal Market | | Appointed 21/06/2000 |
| | | | PSE MEDINA ORTEGA Manuel |
| | PECH Fisheries | | 25/05/2000 |
| | | | ELDR ATTWOOLL Elspeth |
| Council of the European Union European Commission | Commission DG | | Commissioner |
| | Secretariat-General | | |

| Key events | | | |
|------------|--|---|---------|
| 14/03/2000 | Non-legislative basic document published | COM(2000)0147 | Summary |
| 13/06/2000 | Committee referral announced in Parliament | | |
| 11/10/2000 | Vote in committee | | Summary |
| 11/10/2000 | Committee report tabled for plenary | A5-0285/2000 | |
| 24/10/2000 | Debate in Parliament |  | |
| 25/10/2000 | Decision by Parliament | T5-0470/2000 | Summary |
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Technical information

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Documentation gateway

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| Non-legislative basic document | | COM(2000)0147 | 14/03/2000 | EC | Summary |
| Committee report tabled for plenary, single reading | | A5-0285/2000 OJ C 197 12.07.2001, p. 0008 | 11/10/2000 | EP | |
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| Committee of the Regions: opinion | | CDR0156/2000 OJ C 144 16.05.2001, p. 0011 | 13/12/2000 | CofR | |
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| Follow-up document | | SEC(2001)2004 | 11/12/2001 | EC | Summary |
| Follow-up document | | SEC(2002)0692 | 14/06/2002 | EC | Summary |
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Outermost regions: implementation of Article 299(2) of the EC Treaty. Report

PURPOSE: To report on the measures to implement Article 299(2) on the outermost regions of the EU. **CONTENT:** This report constitutes the Commission's reply to the Cologne European Council's request for a report on the measures to implement the new Article 299(2) of the EC Treaty concerning the outermost regions. The EU includes 7 regions classified as "outermost": - the autonomous Spanish community of the Canary Islands - the four French overseas departments: Guadeloupe, Martinique, French Guiana and Reunion - the Portuguese autonomous regions of the Azores and Madeira. The EU has recognised "remoteness" as a concept and taken account of the specific features of these regions so that they can play a full part in Europe and benefit from Community policies while co-operating with neighbouring countries and territories. The guidelines for this approach were set out in the "programmes of options specific to the remote and insular nature" of the French overseas departments (Poseidom, in 1989), the Canary Islands (Poseican, in 1991) and the Azores and Madeira (Poseima, in 1991). The three Posei programmes are the backbone of the policy for supporting the outermost regions. However, over time and as result of the changes which the EU has undergone, the need to provide a more solid legal basis for dealing with "remoteness" has emerged. This was introduced by the Amsterdam Treaty, whose new Article 299(2) updates and strengthens the earlier Article 227(2) (which applied only to the French overseas departments) and covers all the outermost regions. This new legal basis should make it easier to consolidate what has been achieved under the Posei programmes and provide a firmer basis for addressing the future prospects of European integration. The report reflects this approach. The first part (dealing with "achievements") describes action taken by the Community to date and its effects on the development of these regions: in brief, action has been effective, but needs to be continued because of the handicaps of remoteness are lasting ones. The second part (dealing with the future) deals with the measures planned under Article 299(2) to continue and strengthen earlier measures. In this part, actions are planned in the following areas: agriculture, fisheries, taxation, customs, SMEs, transport, energy, environment, the information society and research and development. The instruments used to achieve targets in these areas will be the Structural Funds, loans from the EIB, state aids, taxation, and customs. Finally, the Commission remains committed to encouraging regional cooperation between its outermost regions on the one hand and African, Caribbean, Pacific (ACP) and overseas countries and territories (OCTs) on the other hand. This commitment is already found in the Lome Convention and its successor, the ACP-EC Partnership Agreement, as well as in the OCT Association Decision. This dimension also constitutes a priority of the Interreg III initiative, strand "B", for the period 2000-2006.?

Outermost regions: implementation of Article 299(2) of the EC Treaty. Report

The committee adopted the report by Margie SUDRE (EPP-ED, F) on the Commission's report on measures to implement Article 299(2) on

the outermost regions of the EU. The rapporteur regretted the fact that the Commission report had not yet dealt satisfactorily with all the issues raised by the outermost regions and their national authorities with a view to transforming the new legal basis of Article 299(2) into a strategy for action. While welcoming the fact that the Commission had published its work programme for the next two years, the committee nevertheless wished to see more emphasis on the multiannual dimension, as well as a more detailed timetable and guarantees concerning the resources necessary for proper implementation. A comprehensive and lasting policy to assist the outermost regions should be based on both support for the production sector and the development of firms and services (in particular SMUs, the craft sector, tourism, etc.) and on measures to bring those regions up to speed in strategic areas (the information society, the environment, transport, energy, etc.). Concern was also expressed at the delay in the submission of the Commission's proposals for the revision of the agricultural provisions of the POSEI programmes and the restrictive concept which might be incorporated into them. The report urged that the budget estimates for those provisions be increased so that traditional forms of production in the outermost regions could continue to receive support. The committee also regretted that the Community instruments (horizontal programmes, Community initiative programmes, etc.) were tailored solely to the needs of regions belonging to the EU continent, disregarding the specific situation of the outermost regions, which formed an interface with economic and political areas whose influence was set to grow during the 21st century. Lastly, the EU was urged to take account of the problem of illegal immigration in the outermost regions, all of which constituted external borders of the Community and hence points of entry into its territory.

Outermost regions: implementation of Article 299(2) of the EC Treaty. Report

Based on the report drafted by Mrs Margie SUDRE (EPP-ED, F) European Parliament adopted a resolution on the measures to implement Article 299(2): the outermost regions of the European Union. In adopting the resolution, the European Parliament underlined that enlargement is liable to lead to a reduction of the Community's GDP with an impact on the regions currently eligible for Objective 1 funding; moreover, an enlarged Union will bring in its wake a representativeness deficit for the outermost regions in the Community institutions. With regard to the granting of state aids or tax concessions to the outermost regions, competition must not be distorted between the Member States. The European Parliament regrets however, that the Commission report for 2000-2006 has not yet dealt satisfactorily with all the issues raised by the outermost regions and their national authorities with a view to transforming the new legal basis for a strategy for action. Therefore, the resolution calls on the Commission to provide the replies which are being sought as quickly as possible. The European Parliament also takes the view that Article 299(2), as the legal basis for the adoption of measures designed to assist the outermost regions, proposes that the derogations granted to those regions should not be subject to time-limits where the handicaps concerned are clearly multiple and permanent. With regard to the implementation of the said Article, the resolution regards it as essential that the staff complement of the Interdepartmental Group within the Commission's General Secretariat be strengthened without delay and that the presence of this Group in each of the directorates-general, should be consolidated. In addition and against the background of restricted financial resources, all proposals for acts which are general in scope should be accompanied, when they are considered by the College of Commissioners, and on the basis of Article 299(2), by a simplified sheet, drawn up by the Interdepartmental Group, outlining their possible impact on the outermost regions and the remedial measures required should that impact prove adverse. Finally, with regard to fiscal and customs regimes in outermost regions, the European Parliament urges that the differentiated tax regimes (both direct and indirect) of these regions should be considered as necessary instruments of economic development; duty-free arrangements in respect of imports of certain products of particular sensitivity for the economies of these regions should also be maintained. ?

Outermost regions: implementation of Article 299(2) of the EC Treaty. Report

The new version of the programme aims to enable the Göteborg European Council to make an assessment of the progress of work in accordance with the conclusions of the Nice European Council. It shows that significant progress has been made by the institutions since the 14 March 2000 report and that the implementation of the strategy described in this document is being vigorously pursued concerning the following three aspects: - firstly, measures to support traditional lines of production such as fishing and agriculture; - secondly, stimulating economic activity by diversification and modernisation and; - lastly, the situation in the outermost regions in view of the international environment and strengthening regional cooperation in their geographical zones.?

Outermost regions: implementation of Article 299(2) of the EC Treaty. Report

This new version of the Commission programme relating to Article 299(2) aims to enable the Laeken European Council - like the European Councils at Santa Maria da Feira, Nice and Gothenburg - to assess the progress of work. During the six months since the previous programme was presented at Gothenburg, significant progress has been made with regard to the three strands of the sustainable development strategy for the outermost regions as defined in the report of March 2000: - supporting traditional lines of production: adoption by the Council of the revision of agricultural measures; proposal by the Commission to extend the compensation scheme for fisheries surcharges for one year until a new scheme is introduced; proposals by the Commission relating to the tax arrangements applicable to traditional rum from the French overseas departments and rums, liqueurs and spirits from Madeira and the Azores; - stimulating economic activity by diversification and modernisation: the Council's decision on the removal of the intervention ceiling for assistance from the Structural Funds; the proposals by the Commission on the tax and customs arrangements in the Canaries; the Commission's initiatives concerning the information society and research; - international environment and regional cooperation: the work planned is under way, although complete results will not be available until next year. The programme set out below shows that the strategy defined in March 2000 is being systematically pursued through efforts to consolidate the body of EU law and introduce new measures. It also shows that the institutions will be required to pursue this strategy vigorously and imaginatively in 2002.?

Outermost regions: implementation of Article 299(2) of the EC Treaty. Report

In the perspective of the Seville European Council, the European Commission presents this document on the implementation of the sustainable development strategy for the outermost regions (Art.299 (2) of the EC Treaty). It should be stated that the sustainable development strategy for the outermost regions, presented in the Commission report of 14 March 2000 (COM(2000)147 final), is gradually

taking shape, as this new version of the report on the Commission programme relating to implementation of Article 299(2) shows. It will enable the Seville European Council - as the previous versions of this document have done for the European Councils at Santa Maria da Feira, Nice, Gothenburg and Laeken - to examine the current status of the measures already launched and of those planned for the near future. These measures include some innovative features. One example is the use of the INTERREG programmes to relaunch cooperation of the outermost regions with their respective geographical areas. Another in the field of international environment, is the preparation of an impact study for the outermost regions. A further example is the initiatives taken in the fields of the information society and research and development, as well as transport and energy, with a view to the diversification and modernisation of the economy of the outermost regions. In many cases, these initiatives will receive support from the Structural Funds, now more effective and better targeted, thanks to the derogations adopted. More generally, the tax and customs arrangements for the Canaries (AIEM) and those being examined for the French overseas departments (dock dues) should boost economic activity in these regions. This does not prevent the continuation of Community support for the traditional products of the outermost region, which remain an essential element of their economy. The revision of the agricultural regulations has now been implemented, and for the fisheries sector, preparations are being made to renew the arrangements for offsetting the extra costs incurred in selling produce. In addition, some tax support has been maintained for traditional rum from the French overseas departments and certain rums, liqueurs and spirits from Madeira and the Azores. Action in this field has been marked by a dynamic partnership between the regions, the Member States and the Community. The Commission will strive to ensure that this continues.?

Outermost regions: implementation of Article 299(2) of the EC Treaty. Report

The European Commission has presented its report on the implementation of Article 299(2) of the EC Treaty: measures to assist the outermost regions. It should be made clear that this report is not the general report updating the one adopted in March 2000 as suggested by the Seville European Council but the six-monthly report reviewing the measures adopted under the various Community policies during the second half of 2002. Reporting on these measures remains essential because the development of the outermost regions is still lagging behind, even though these measures have undoubtedly helped reduce the gap. Moreover, at the end of 2003, this report will be supplemented by a general report as proposed at the Seville European Council. More specifically, the report deals with issues such as the recent developments in agriculture and in particular the impact of the reform process on the outermost regions, the fisheries sector, instruments to support economic development, regional policy which according to the report makes a very substantial contribution to the socio-economic development of the outermost regions. To conclude the main feature of 2002-2003 has been the particularly major and sensitive challenges facing the outermost regions. Furthermore, the general promotion of sustainable development in these regions requires a variety of responses with contributions from several Community policies. The common aim of these measures must be to assess the specific needs of these regions adequately and provide corresponding responses in line with Community law and resources. The Commission is aware of what is at stake and has already developed a panoply of initiatives to this end; it will continue the general strategy to be implemented with regard to these regions.?