

The integration of Islands in the Internal Market: green light of the EESC



On July 10th 2008, EESC has recently passed Ms Gaucci's opinion entitled "A better integration in the internal market as key factor for cohesion and growth for islands". INSULEUR congratulates Ms Gaucci and Mr. Alexandre Czmal, Representative of INSULEUR in Brussels, and Ms Gaucci's expert. In this sense, the EESC plenary session voting result was 117 in favour, 1 abstention and 1 against.

Because the EU institutions are considering the future evolution of Internal Market and Regional policies, the EESC felt it was an opportune moment to study the situation of islands against the background of these reflections.

A new methodology of governance, characterised by the integrated approach, has been launched in Brussels. The issues related to the Internal Market must not be dealt with regardless of regional ones. The Internal Market is not a purpose in itself: it is a tool for the benefit of territories and the citizens. The integration of islands in the Internal Market remains a topical issue.

Taking into account the current situation of island territories (as regards their difficulties and their assets), the opinion tries to find solutions for enhancing their development, in such way as promoting the integrated approach to solve island problems, on the basis of their good practices (for instance: through the development of efficient tools like territorial continuity); allowing an implementation of public policies adapted to the reality of islands; or improving governance in the elaboration of policies in order to take precisely into account the situation of European islands. Such an initiative would indeed help in obtaining the best information possible on these territories and might eventually lead to the creation of an inter-service group for islands within the Commission.



European Economic and Social Committee

As a conclusion, the EESC opinion on "cohesion and growth for islands" opens the discussion by exploring two institutional tracks for a better integration of islands in the Internal Market the first being the use of enhanced cooperation between Member States having islands and the second being a reflection on the implementation of the Lisbon Treaty which introduces the notion of territorial Cohesion and changes Article 158 of the EC Treaty.

Alexandre Czmal, INSULEUR Delegate to the EU

Conference for the Territorial Cohesion and Insularity

(Kos 27 - 29 June 2008, Greece)

The Greek Ministry of Economy and Finance, the Greek Ministry of Foreign Affairs and the Greek Ministry of Mercantile Marine, the Aegean and Island Policy organized an International Conference entitled: "European Union: Territorial Cohesion and Insularity", on the 27th - 29th of June 2008, in the island of Kos. The conference was held in cooperation with EU's Committee of the Regions and European Economic and Social Committee. The European Commission also participated. INSULEUR was represented by Mr. Alexandre Czmal, representative to the EU, speaker in a workshop on "Overcoming isolation: Transport - Tourism - Energy - Networks - Entrepreneurship".

During the conference, the main aspects of key national and European policies affecting the insular areas were shown, as well as the necessity to take into consideration the specificities of the islands when developing policies at the national and European level in order to achieve a balanced development for insular areas. Commissioners and Directors General from the most important relevant European Policies participated. Debates were held, in thematic workshops, on specific issues that constitute essential factors for the islands' development. Last but not least, the "Aegean Declaration" was agreed. Please, see below.



Aegean Declaration

In the light of the presentations, discussions and findings of the Conference on Territorial Cohesion and Insularity in the European Union, held in the island of Kos, Greece, on 28th of June 2008, the following were agreed:

1. The representatives of the Island regions present at the Conference:

- Perceive insularity as a horizontal theme that requires special attention in many EU policies.
- Commend the initiative of the European Parliament for action to support Island Regions through increased funding or the creation of a specific fund tailored to the specificities of Island Regions.
- Welcome the contribution of the Committee of the Regions for presenting the Territorial Agenda for adoption by the competent institutions.
- Welcome the own-initiative opinion of the European Economic and Social Committee on "A better integration in the internal market as a key factor for cohesion and growth for islands".
- Welcome the specific Action for the European Islands in the "First Action Programme for the Implementation of the Territorial Agenda of the EU", agreed at the Informal Ministerial Meeting on the Territorial Cohesion and Regional Policy (Azores, November 2007).

2. Highlight the importance of including:

- a. a specific reference to the vulnerability of island regions and their specificities in the Green Paper on Territorial Cohesion (under preparation);
- b. specific measures to address the problem of vulnerability of island regions to the effects of climate change;
- c. in the context of the implementation of the Integrated Maritime Policy for the EU, the need of special attention to the sustainable development of island regions, as to granting means and creating incentives towards this goal;
- d. a specific reference within the ongoing work on Integrated Coastal Zone Management, possibly leading to a revision of the EU ICZM Recommendation, and a new approach for marine spatial planning;
- e. Specific measures to gather and share data and information on islands for the purposes of policy development and implementation in the framework of the European Spatial Planning Observatory Network (ESPON).

3. Put forward considerations which warrant further reflection in relation to issues, such as:

- a. The development of financial tools, in the framework of the new EU financial perspectives, granting, *inter alia*, fiscal and social incentives, tailored to meet each individual island specificities, and the need for islands to develop coherent strategies for their sustainable development within their geographical context; the establishment of an inter-service group for island regions within the Commission, in order to ensure an integrated approach when dealing with their difficulties, would contribute towards this aim;

- b. *The inclusion of an 'island category' in the impact assessment procedure as a policy-proofing mechanism that takes into consideration effects on island regions and their specificities in EU policies, especially when considering new initiatives on Internal Market;*
- c. *Granting State aids to island regions which de facto qualify for aid that is fully compatible with the Internal Market, according to the terms and categories specified in the Lisbon Treaty;*
- d. *Promoting adequate accessibility to social and other services of general interest, in order to ensure non-discrimination and equality for all citizens;*
- e. *The connection of the islands with the Trans-European Networks (TENs), in order to improve their accessibility, whilst safeguarding the fragile islands' environment. The air and maritime connections to the mainland need to be subsidized for them to ensure equality of treatment and fair competition.*
- f. *The development of a new Fund covering the specific needs of island regions, because of climate change, with earmarking especially directed towards research, cooperation and best-practice sharing, capacity-building, mitigation and adaptation strategies, and support for the conversion to low carbon economy and efficient resource use in the most important and climate-dependent economic sectors of these regions. Alternatively, the adaptation of existing Funds, in particular the Structural Funds, should be considered to address these needs.*



A look into an Insular Chamber: Gozo Business Chamber, Malta

The Gozo Business Chamber (Malta) was founded by a public deed on 20th December 1999, to promote the common interests of business operators in Gozo.

The aims of the Chamber are seven. First, to safeguard and promote the common interests of the members of the Chamber; second, to address issues particularly those associated with the regionalism and insularity of Gozo, which can hinder the smooth running of business concerns in Gozo; third, to promote and, whenever possible, assist in the process of improving the commercial opportunities in Gozo; fourth, to foster and enhance cooperation amongst members of the Chamber; fifth, to act as a mediator, whenever the need arises, both amongst members and also between members and third parties; sixth, to represent its members during discussions with regional, national and international organizations and authorities; and seventh, to educate its members and to provide guidelines for a code of conduct to be observed by its members during the course of their business. The membership of the Gozo Business Chamber is open to anyone who operates a business in Gozo or from Gozo. As well, members are organized under seven sections, each of which is represented on the Chamber's Council.

The various trade sections are Importing, Wholesaling and Retailing, Manufacturing and Exporting, Crafts, Financial, Insurance, Legal, Health and Transport and other Professional Services, Agriculture and Fishing, Construction, and Tourism.

The Gozo Business Chamber is a member of INSULEUR and the Malta Chamber of Commerce and Enterprise and is also represented on the Gozo Regional Projects Committee within the Ministry for Gozo, as well as other national and regional committees. In 2007, the Chamber hosted the annual INSULEUR Forum and became one of the Founder Members of the Observatory on Tourism in the European Islands (OTIE). At present, the Chamber's President, Mr. Joe Grech is the Secretary of the INSULEUR Board of Directors.

Next "Look into an Insular Chamber": Reunion Chamber of Commerce and Industry (France)

Interview to Mr. Joe Grech, President of the Gozo Business Chamber



INSULEURVOICE: According to Gozitan enterprises, what are the main potentialities and strengths of Gozitan Business?

Pres. Joe Grech: Due to Gozo's double insularity, Gozitan enterprises have always had to work harder in order to overcome the disadvantages of competing on less favorable levels. This has resulted in making the Gozitan entrepreneur (and worker) more hard working and industrious and at the same time ready to adapt. Highly skilled artisans, coupled with the high level of education and especially the knowledge of the English language, give a leading edge and have always produced entrepreneurs with initiative and determination.

I: Malta joined the European Union on 2004. Do you think that it is a benefit or a disadvantage for enterprises in Gozo?

PJG: Joining the European Union is considered as a benefit. Most of the business is carried out with EU countries and joining EU has helped increase tourist arrivals from Europe. Our industry can now benefit from the European single common market; Foreign Direct Investment is easier to come by; Training/Scholarships in EU Universities is cheaper; Monopolies have been waived; Protected industries have had to restructure and innovate to compete with imported goods.

I: EURO was adopted by Malta as single currency on 1st January 2008. In which way EURO is going to affect business environment?

PJG: The adoption of the EURO has done away with "foreign" exchange transactions when dealing with countries of the Euro zone thus eliminating the bank charges on exchange commissions. Besides, once there are no rates of exchange, goods are delivered as per quotes on confirmation day. Furthermore, a quick reference can be made to prices of similar goods offered in European markets.

I: If existing, which are the main problems for the enterprises in Gozo, due to insularity?

PJG: Industry faces a comparative disadvantage when compared to either mainland or to its counterparts in Europe. Such specificities include: Small size and vulnerability; double insularity; higher operational costs; underemployment in the labor market; lack of benefits from economics of scale; a limited local market in an open economy and a limited support in infrastructure.

For more information on Gozo Business Chamber, please visit:

www.gozobusinesschamber.org/

or contact Mr. Joseph Grech, Director General

info@gozobusinesschamber.org

Next Interview: Mr. Eric Magamootoo, President of Reunion Chamber of Commerce and Industry

INSULEUR Executive Training Programme, 12-13 June 2008
Gozo, Malta

The 1st INSULEUR Executive Training Programme designated for Executives of insular Chambers members of INSULEUR and other organizations and experts of competent Ministries of Member States and Insular Regions, aiming to promote the sustainable development of the islands, took place last 12th and 13th June, on the premises of the Islands and Small States Institute, at the Gozo Centre of the University of Malta.

In collaboration with the Gozo Business and the Islands and Small States Institute, a panel of specialists in insular development, transfer their knowledge on topics such as sustainable development, vulnerability and resilience of islands, sustainable tourism, environment and climate change, alternative energy sources, competitiveness, composite indices and EU programmes.



Professor Lino Briguglio, Director of Islands and Small States Institute exposed extensively the meaning of sustainable development for islands from a multifaceted and long-term approach and also stated that environment and social state of the islands must be priorities.

Likewise, Honorable Minister Giovanna Debono, Minister for Gozo, addresses some words to the participants; communicate her pleasure on hosting this innovative and original initiative for the islands. Ms Debono also pointed out that the dialogue and discussion is beneficial for the successful social and economic of islands.

Dr Cordina taught the participants on economic vulnerability and resilience of islands, stating that GDP per capita must not be enough to measure the development of islands. Cordina completed his lecture assuming that European policies must not be identical for a great region in continental Europe and islands. Regarding sustainability, Dr Cordina named the islands of El Hierro in Spain and Samsø in Denmark as examples of Green islands. Later on Dr Cordina showed how the Small European islands can maximize their competitiveness potential.

Other interesting lectures like "Sustainable tourism and islands", presented by Julian Zarb, "Environment and Climate Change", introduced by Professor Lino Briguglio, "Alternative Energy Sources in Islands" by Dr Joe Cilia, "Statistics and Islands" by Ms Nadia Farrugia, and "EU Funding Programmes" by Mr. Evangelos Douloufakis, showed the potential for sustainable development for European islands.



One of the objectives of this initiative is the creation of a Subnetwork of Contact Points within INSULEUR members, for the exchange of information on EU Affairs, common projects, etc. In this sense, this event will have continuity

in time, since already several Universities in the islands are interested to host following editions of the Executive Training Programme. Potential subjects would be sustainable tourism and sustainable energy. INSULEUR is already working on the preparation on the next Executive Training Programme.



Forum INSULEUR 2008

29th October - 1st November, Reunion (France)

As you know it, the next Forum 2008 of INSULEUR will be held in Reunion Island from October 29 to November 1st, and will have as a principal theme the "innovation and the competitiveness of the insular enterprises".

Registrations are now open.

Milletours receptive agency manages all the hotel reservations and transfers and proposes for all participants negotiated fares for flights. Due to a period of high touristic season, we recommend at all the participants an early booking.

Organization of the Forum - Registrations

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BIOMASS ENERGY

by E.O.A.E.N. – Chambers Group for the Development of Greek Isles



The biomass, generally, includes any material that comes from living organisms. Specifically, biomass for energy purposes includes every material that can be used in the production of solid, liquid and/or gas fuels. Biomass can be divided into two categories: Traditional biomass that is generally addressed to the developing countries and to small-scale applications. It includes fuel, wood and coal for domestic usage, ryegrass, other plant residues and animal manure. Modern biomass usually concerns large scale applications and aims to the substitution of the contemporary energy resources of fossil fuels. It includes dry branches from the forest, agricultural residues, biogas and biofuels from energy crops (such as oil from plants or/and plants that encompass starch and sugar). The modern biomass is used for the production of energy and heat in large scale facilities.

Biomass main applications:

Glasshouse heating: Biomass is used as fuel in special boilers for the heating of glasshouses in country regions where there are large quantities of available biomass



Heating buildings by biomass combustion in single/central boilers: Single/central boilers are used for heating buildings in some regions of Greece.

Energy production in agricultural industries: Biomass for energy production is used by agricultural industries in which biomass remains in large quantities as a residue or a by-product of the productive procedure and which have large demands for heating. Cotton ginneries, olive-residue oil industries, rice industries, as well as canning handicrafts burn their residues to cover up their heating needs or/and part of their needs in electricity.

Energy production in wood industries: The residues of the wood processing industries (sawdust, powder, trimmings etc.) are used to cover up the heating needs of the process, as well as the heating of buildings.

Teleheating: is the commission for heating places as well as hot water in a group of buildings, an agglomeration, a village or a city, by a central production heating station. The heat is being transferred by a pre-cotes network of pipes from the station to the heated buildings.

Energy production in biological treatment units and in places for landfill of waste: The biogas that is produced by the anaerobic fermentation of the liquid wastes in biological treatment units and in places for landfill of waste is burned in internal burning machines in order to produce electricity. At the same time, the heating energy of the exhaust gases and the cooling agent of the machines can be exploited in order to cover up the needs of the process or/and other heating needs (e.g. heating buildings).

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European Maritime Day - 19-20 May

From this year on, the European Maritime Day will be celebrated on 20 May each year. It will be an occasion to highlight the crucial role played by the Oceans and Seas and will contribute to a better visibility of the maritime sectors and more recognition of the importance they play in everyday life.

This year's events included a stakeholder conference in Brussels 19-20 May, which focused on the regional approach to the implementation of Maritime Policy, and dialogue with stakeholders. The European Maritime Day was officially launched on 20 May in Strasbourg where the President of the European Parliament Hans-Gert Pöttering, Council President Janez Janša, and Commission President José Manuel Barroso signed a Joint Tripartite Declaration establishing a "European Maritime Day". INSULEUR attended as participant with an important representation.

European Programmes: ERASMUS for young entrepreneurs

The European Commission (DG Enterprise and Industry) has published a Call for Proposals for the Programme "Erasmus for young entrepreneurs". The overall objective of this call is to allow nascent EU entrepreneurs to learn in an experienced entrepreneur's company in another EU Member State with the purpose of facilitating exchange of experiences and networking.

Final date for submission: **20th August 2008**

For more information please visit the following website:

http://ec.europa.eu/enterprise/funding/files/themes_2008/calls_prop.htm

New Gateway Programme: developing European business in Japan and Korea

From 2 June 2008 the EU Gateway Programme provides professional mentoring and coaching to EU companies that want to do business in Japan and Korea and offers them the possibility to participate in one-week business events in these target markets. The new phase of this business cooperation programme builds upon the experience of the Gateway to Japan Campaign which has helped about 2.500 European companies to find business partners in Japan over the last 14 years.

Welcome Menorca Chamber of Commerce, Industry and Navigation

Balearic Islands, Spain



INSULEUR is proud to welcome a new member to our institution. From the Balearic Islands, in Spain, the Menorca Chamber of Commerce, Industry and Navigation joins INSULEUR. With more than 100 years of history, since 2006 the centenary was celebrated, the Menorca Chamber drives as main activities, support of internationalization of Menorca enterprises and local commerce, professional training and start-up of companies. As well, actions are undertaken on the domains of economics and statistics, and new technologies.

For more information on Menorca Chamber, please visit:

www.camaramenorca.com

Welcome Observatory of European Island Tourism (OTIE)

Sicily, Italy



INSULEUR is also proud to welcome another member, OTIE, the Observatory of European Island Tourism. Established at Palermo on the 2nd February 2007, the Observatory of European Island Tourism (OTIE) aims at knowing better, and making known better, the situation of the tourism in the European Islands. It constitutes an active help for the monitoring of the evolution and of the opportunities of development for the tourism in the area, in order to make the offer more in concordance with the market trend.

For more information on OTIE, please visit:

www.otie.org

Coming back in October with issue 3 and more interesting information!

INSULEUR team wishes you a happy summer break!

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Please, do not hesitate to contact us if you would like to collaborate with INSULEUR

INSULEUR thanks all collaborators for their contributions to INSULEURVOICE

