



**AUTONOMOUS REGION OF THE AZORES
REGIONAL GOVERNMENT**

CONTRIBUTION

WITHIN THE FRAMEWORK OF THE

EUROPEAN COMMISSION GREEN PAPER ON
**“TERRITORIAL COHESION: TURNING TERRITORIAL
DIVERSITY INTO STRENGTH”**

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The Government of the Autonomous Region of the Azores:

- Applauds the publication of the Green Paper on Territorial Cohesion by the European Commission, and takes note of the perspectives that the public debate process comprises for a better understanding of the role that insertion and geographical features plays in a balanced and harmonious development of all European territories;
- Reaffirms that the review of the EU cohesion policy and budget constitutes an opportunity to reinforce the promotion of the development of EU regions and a guarantee of solidarity between the different Community territories, something whose process has to continue to be deepened, namely, with the incorporation of new dimensions and its adequate financing;
- Within this framework, alerts that the Green Paper on Territorial Cohesion does not attribute the expected and required emphasis to the specific nature of the Outermost Regions' (ORs) territorial reality, and that the Green Paper, in a way, dilutes and confuses the OR concept (legally recognised by the Treaties) by, for instance, mentioning these regions under the insular regions;
- Defends, thus, the creation of concrete operational mechanisms to support territorial cohesion in Europe, which can answer the claims made towards a better adaptation of community policies to the geographical reality of its regions, namely the definition of eligibility criteria that takes into account specific territorial constraints and potentialities;
- In this context, the EU Territorial Policy should pay the necessary attention to the challenges that the ORs face in light of their necessity to:
 - Promote sustainable development and an efficient use of resources, namely in terms of energy consumption,
 - Protect biodiversity and guarantee a proper Integrated Management of coastal areas in a context of climate change,



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- Improve the mobility of their populations within the regions themselves and within the whole Community,
- Foster the development of the traditional sectors of the regional economies, particularly of agriculture and fisheries in a context of an increasing liberalise and global economy,
- Guarantee the application of measures to stimulate a dynamic demography that can rejuvenate all EU territories,
- Increase the availability and use of Communication and Information Technologies,
- Safeguard the environmental pillar and the protection of biodiversity and maritime resources as an essential and differentiating factor of EU policies in the world context.

The Regional Government of the Azores, thus, underlines the following as important aspects:

- This policy should not have as its only purpose the territorial organisation and management, but should constitute a transverse dimension of all community activity;
- It should include several territorial data, to gauge socioeconomic progress and development, as well as to recognise the difficulties and to enhance the particular characteristics of each and every region as tools for their development and better integration into the Community;
- Territorial cohesion should serve as an element that also allows populations the possibility to maintain their culture and traditions, even if they live in remote areas, and at the same time, it should guarantee full access to and benefit from the essential goods and services in all EU territories;
- Territorial cohesion should not imply a fragmentation of EU sectoral policies according to the characteristics of each territory, but it should rather become a new dimension to be taken into consideration when designing measures and



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analysing their impact, with an improved interconnection and greater harmony between them;

- The necessity of the diverse Community policies incorporating and correctly demonstrating the EU territorial dimension, and their consequences for the regions, using ex-ante assessments to do so, as well as the necessary monitoring of those impacts;
- The development of a communication and awareness strategy about territorial cohesion and sustainable spatial development, which highlights the wealth, values and the potential that the different territorial characteristics bring to the EU.

The Regional Government of the Azores would also like to draw the attention to the importance that territorial cohesion represents for the European Union Outermost Regions.

1 – Territorial characteristics and Outermost Regions statute

It is well known that the statute of a European Union Outermost Region is defined, in the first place, by a number of unique and unrepeatable characteristics that are structural and permanent and that are only found in seven regions of the European Union: Azores, Madeira, Canary Islands, Guadeloupe, Guyana and Reunion.

Indeed, it is expressly stated in Article 299 (2) of the EC Treaty that the ORs “structural social and economic situation” is aggravated by specific territorial conditions of geographical origin (remoteness, insularity, small size, difficult topography and climate), as well as of geo-economic nature (economic dependence on a few products and market exiguity and fragmentation), with provisions for the adoption of specific measures by the Council, “taking into account the special characteristics and constraints of the outermost regions.”



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The EC Treaty, thus, requires from the Union and its Institutions a special effort to adapt its policies and actions that impact the Outermost Regions, according to regions' unique territorial characteristics defined and recognised by the very same Treaty.

Therefore, in so far as the EC Treaty includes, since Amsterdam, the reference to the ORs specific territorial elements, we can say that the outermost statute and its inherent legal framework are precursors, in the Treaties, of the approach to the territorial dimension of cohesion, namely, to its capacity to function as a unifying link of the whole Community territory and a guarantor of European solidarity.

2 – The ORs and a new territorial dimension of cohesion

The fact that, for the last few years, the EU approach to the ORs has been based, in part, precisely in a status derived from their particular geographical and economic situation does not preclude the interest that these regions now have in the development of a new territorial dimension transverse to all EU policies, which should be added to the goal of social and economic cohesion.

It should be, nonetheless, underlined that, although they may feature characteristics similar to those of other specific EU regions – such as islands or areas that are isolated or have a low population density, the ORs sustain a unique structural conjugation and permanent constrains, as well as a legal status that imposes the maintenance of a specific treatment. Therefore, it is fundamental to reaffirm the necessity of specific and continuous mechanism to support the ORs, regardless of the development level – real or statistical – they may have attained, namely, in comparison to other regions of the enlarged EU which can much more easily compensate its territorial difficulties.

For all of this, the ORs have privileged conditions to contribute for the discussion on territorial cohesion, taking into account their experience in the application of EU specific measures, as well as the special conjugation of territorial factors which influence their process of social and economic development.



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3 – Commission’s communication about the ORs

In addition to the programmes and specific measures, the ORs have been the focus of a particular Community strategy described by the European Commission in documents of political reflection and of orientation, a strategy which has been successively reviewed, adapted and improved, namely in 2000, 2004, 2007 and 2008.

In this context, one should highlight the debate opened by the Commission’s communication on the “Strategy for the Outermost Regions: Achievements and Future Prospects” and its annex ⁽¹⁾, aiming to analyse the development and application of the two communications published in 2004 ⁽²⁾ about “a stronger partnership for the outermost regions.”

The 2004 definition of three fundamental axes for the application of this partnership – the reduction of the accessibility deficit, the improvement of the competitiveness and regional insertion – derives, in the first place, from the territorial constraints defined in the EC Treaty, and is also transverse to the four themes identified in 2007 – the challenge of climate change, demographic evolution and migration fluxes, the importance of agriculture and the ORs role in maritime policy, as well as to all the other areas of interest.

Therefore, the contribution sent for the 2008 public consultation is still updated – and relevant for the debate on territorial cohesion, since all the themes were examined through the ever present perspective of the ORs territorial characteristics and of the most efficient ways of compensating the respective constraints and taking advantage of the respective potentialities.

In this context, we point out some of the major conclusions of the internal consultation process in the Autonomous Region of the Azores, which are also important for the consideration of what territorial cohesion may signify, in reality, for the ORs and for the other EU regions. It should, thus, be considered:

¹ COM (2007) 507 Final; SEC (2007) 112 Final, 12.09.2007

² COM (2004) 343 Final; COM (2004) 543 Final, 26.05.2004



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- The transverse nature of accessibility – i.e. of air (people) and maritime (goods) transportation both between the islands and with the exterior, as a constrain of the economy's competitiveness, of the well-being and of some rights (free movement, access to fundamental goods and services), with a special emphasis on the difficulties generated by the double insularity (distance and isolation to the European continent, but also between the archipelago's islands themselves);
- The indispensability of an investment in professional training, innovation and information technologies, as a means to placate geographical isolation, foster entrepreneurship and enhance the competitiveness of the economy;
- The perception of Region's cultural and historic dimension as a factor of territorial affirmation and integration of the Azores in Europe and in the world, with a special emphasis on the Azorean communities in North America;
- The importance of traditional activities, such as, agriculture and fisheries, strategic sectors for the Azorean economy and way of living, with a reinforcement of our investment in professional training, in product quality and in their relation to the provision of services and diversification of products in the tourist sector, as well as in their relation to our ecological concerns, particularly those related to the preservation of natural resources;
- The awareness of the need to preserve and promote the Region's environmental assets, and the consequent importance of maintaining and deepening our investment in renewable energies, sustainable development and the preservation of biodiversity as a differentiating factor of the Azores in the European and global contexts;
- The attention given to need of promoting the settlement of young people in the smaller islands, fighting the ageing and decline of population of these territories, as a decisive factor for the harmonious development of the whole archipelago.

The importance of the territorial dimension in the design of a strategy for an Outermost Region and for the Azores, in particular, becomes then understandable. It should, by the way, be remembered that the archipelago of the Azores, located in the North



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Atlantic, some 1,500 km from the European coast, is formed by nine islands spread along 600 km, which feature, broadly speaking, diverse environmental realities, as well as an equally varied socioeconomic structure, despite clear common characteristics. The population is irregularly distributed, with municipalities where the population density surpasses 250 inhabitants per sq. km, in comparison with others where it does not reach 30, representing an equally different pressure over the territory and the environment. The total population is about 240,000 inhabitants, distributed between the 400 living on Corvo Island and the 126,000 of São Miguel Island – islands whose geographical dimension varies considerably between the 17 sq. km of the former and the 750 sq. km of the latter. With 953,633 sq. km, the Azores sub-area of Portugal's Exclusive Economic Zone is, in turn, the European Union's largest, expanding the Community's borders towards the American continent.

All of this just to demonstrate how the territorial characteristics distinguish the ORs from the other European regions, but also distinguish one OR from another, and even the islands inside the same archipelago in a accentuated manner. For this very reason, the Autonomous Region of the Azores has specific measures for its smaller islands, called “cohesion islands,” and it is clear that the territorial dimension is present at all levels of power – European, national and regional – in the transverse assumption that all citizens have the same right to enjoy and access the essential liberties and goods, as well as to the fulfilment of the Union's economic, social and territorial goals.

Nonetheless, the territorial dimension of the outermost reality goes well beyond its constrains, for instance, it decisively contributes for Europe's maritime dimension, for its cultural enrichment, for its biological diversity, for the wealth of its natural resources, for the environmental sustainability and for the development of cutting-edge technologies, as well as for the Union's geostrategic position in the world.

In this regard, we welcomed the announcement of a “new paradigm” for the European ORs by the Commission's 2008 Communication appropriately titled “The outermost regions: an asset for Europe,” which precisely focuses on the territorial dimension not only in terms of its constrains, but also of its potentiality for the regions, which are not regarded as “problematic regions,” but as “regions of opportunity.”



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4 – The ORs and the Green Paper on Territorial Cohesion

In this context, despite the specific treatment, granted by the territorial characteristics and inherent to the statute of outermost region, it is clear that these regions are especially interested in the development and application of the territorial dimension of the economic and social cohesion. For this very reason, the Regional Government of the Azores has contributed for the common document on the Green Paper on Territorial Cohesion presented by all ORs, and now submits this reflection.

Actually, until very recently, drawing the attention to the importance of a territorial approach in the application of EU policies was almost an exclusive task of the ORs. From now on, especially after the publication of this Green Book, we are faced with a new reality, with the debate over territorial cohesion being extended to the whole Union. This reflection will certainly allow a greater and better understanding about the territorial situation of all European regions and, in particular, of the specific and unique condition of the outermost regions.

On the other hand, it should be stressed that, due to the aforementioned characteristics, the ORs are potentially the first targets of the several cohesion policies. Nevertheless, it is crucial to draw the attention to the territorial constrains and potentialities of these regions, which are unique in the European and world context and which should, therefore, continue to benefit from a specific approach and policies, as a matter of fact, in accordance to what is defined by the EC Treaty.

For instance, if almost all ORs suffer from constraints that are similar to those of other European islands (in terms of coastal or water resources management, especially in a context of climate change), in the case of the Azores, these are aggravated by our Atlantic insertion, archipelagic dimension, distance from the European continent, as well as by our difficult climate and terrain, something which is not present in other insular territories outside the outermost sphere. The ORs should, therefore, benefit from eventual Community measures to counteract the constrains that the ORs have in common with other European islands, but should also be the target of specific policies geared towards the ORs territorial situation.



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Answers to the questions of the Green Paper on Territorial Cohesion

1. Definition: Territorial cohesion brings new issues to the fore and puts a new emphasis on existing ones

1.1. What is the most appropriate definition of territorial cohesion?

The fundamental aspects that this new dimension of economic and social cohesion should bring to EU policies are more important than a definitive definition. We can, however, state that we generally agree with the references made in the Green Book about the characterisation of the term, when it states that “territorial cohesion is about ensuring the harmonious development of all these places and about making sure that their citizens are able to make the most of inherent features of these territories,” and that “it is a means of transforming diversity into an asset that contributes to sustainable development of the entire EU.” Territorial cohesion is still intimately connected to a variety of themes, especially with “improving access to education, health care and energy” and with “the difficulties of some regions with specific geographic features,” particularly in terms of circulation.

Risking an attempt at a definition, we could say that territorial cohesion is a EU goal which should be transversely applied and materialised by its sectoral policies. It should allow all the citizens of the Union’s different territories to benefit from the fundamental liberties listed in the Treaty in a balanced and fair manner, particularly the movement and circulation in the common area, as well as the access to goods and services, capital, knowledge and sustainable economic development, through the modulation of policies in light of the constrains and potentialities of the respective territorial characteristics.

More importantly, we would underline the following elements which are fundamental to the materialisation of territorial cohesion in the European Union:



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- **Solidarity** – Cohesion has on its basis the conception of solidarity between more developed regions and territories with greater difficulties, promoting after all, a harmonious development along the whole Union, which aims to eliminate regional disparities. Cohesion also means a “linkage” or “connection” between the European Union’s citizens, fostering cooperation and proximity between territories.

- **Territoriality** – This harmonious development should not just take into account an economic and social approximation, but also the different characteristics of each of the Union’s territories (constraints and potentialities), not only in the preparation of the various sectoral policies, but also in the analysis of the impact of these very same policies.

- **Equality** – All EU citizens should have equal access to the fundamental liberties established by the Treaty, in particular, to the possibility of moving and circulating in the common area, of accessing goods and services in areas such as health, education, culture, capital and knowledge, thus promoting the equity of opportunities and services. Consequently, this dimension involves the necessity of differently approaching different realities, otherwise risking the discrimination of citizens who live in territories with different characteristics.

- **Development and sustainability** – Territorial cohesion ultimately aims to overcome the difficulties that are inherent to the geographical characteristics of a given territory, and to take advantage of the assets that these characteristics may represent in the development of the territory’s full potentialities. It targets the economic and social development and progress, but in articulation with the sustainability and conservation of the natural characteristics and environmental values.

- **Cooperation** – The recognition of the specific territorial features implies the identification of similar problems, characteristics and potentialities, promoting the establishment of relations with other territories through the exchange of good practices and the execution of common projects, not only within the Union, but also in third countries, thus also contributing for the affirmation of the Union’s interests and values throughout the world.



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Finally, territorial cohesion should not be connected to an exhaustive and prescriptive affirmation of EU policies and measures; rather it should be the pursuit of a deeper knowledge of the territorial realities in each domain or thematic area in which these policies and measures will be applied, in order to better adjust and modulate their action.

1.2. What additional elements would it bring to the current approach to economic and social cohesion as practiced by the European Union?

All the elements mentioned above represent a clear complement to the social and economic cohesion in order to achieve an effective equality of opportunities for all EU citizens, as well as an enjoyment of their fundamental rights, liberties and guarantees.

Territorial cohesion should precisely serve to improve the synergy and complementarity of the several EU policies, guaranteeing a greater connection between them and a better interaction between the different territorial levels during the development of policies that will affect them.

The territorial dimension, that is to say, the geographical but also the territories' socioeconomic constraints should be correctly taken into account in the reflection about the future cohesion policy, in order to enhance the capacities of each and every EU territory, as well as its convergence.

2. The scale and scope of territorial action: Territorial cohesion highlights the need for an integrated approach to addressing problems on an appropriate geographical scale which may require local, regional and even national authorities to cooperate

2.1. Is there a role for the EU in promoting territorial cohesion? How could such a role be defined against the background of the principle of subsidiarity?

An efficient territorial cohesion can only be conducted by someone, at a macro level, who not only possesses a broad vision of the Community territory and the different



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development patterns that permeate it, but also sets aside any connection to a territory, in order to promote a common solidarity and design the devices to gauge the measures' applicability and impact in the Union as a whole. Policy modulation and the preferential budget allocation and support to regions with greater difficulties will then be the Union's tasks.

But territorial cohesion is neither in contradiction with the principle of subsidiarity, nor implies, on the other hand, the assumption of new powers and competences by the EU. Quite the opposite, in conformity with the distribution of powers, it should rather imply new methodologies to analyse and systematise the data of each theme and problem, seeking to differentiate them in accordance with the territory that will be impacted.

Furthermore, it inherently involves a greater attention to the territorial characteristics and, hence, a stronger partnership with the regions even in matters in which the EU has exclusive competence, a partnership that should be established with the regions' representative and government authorities, which should be given a more proactive role.

2.2. How far should the territorial scale of policy intervention vary according to the nature of the problems addressed?

The solutions should be reached in partnership and taking into account the several territorial dimensions and issues. A greater emphasis in certain geographical characteristics will be associated to each theme; in transportation, for instance, the level of isolation; in maritime policy, the dimension of the maritime territory, the fragility of ecosystems, fishery stocks and marine biodiversity or the dependence upon traditional and environmentally sustained fishing activities; in energy policy, the level of development of endogenous resources and the market isolation and dispersion; in climate change, the impact on the territory but also on the productive sectors and services, etc.

The consultation of territories is, therefore, fundamental to design adequate answers. In this scenario, mechanisms for the preliminary study of territorial impacts and



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constraints caused by Community legislation will have to be implemented and reinforced, as well as the participation and consultation of the Regions' representative bodies.

It is fundamental for the EU to be able to create specific answers for different problems, equality assuring the possibilities of development, without losing the coherent and transverse nature of the Community's action.

2.3. Do areas with specific geographical features require special policy measures? If so, which measures?

This should be the logical consequence and the *sine qua non* condition of the territorial dimension of cohesion. The creation of concrete operational mechanisms to support territorial cohesion is, thus, necessary. These mechanisms have to respond to the specific geographical features, without forgetting, nonetheless, that the ORs must continue to benefit from a very special treatment within the transverse component of the EU's territorial dimension, as defined by the provisions of the EC Treaty.

In this context, the EU Territorial Policy should pay the necessary attention to the transverse challenges which the ORs face and which result from their territorial situation, namely bearing in mind the three fundamental axes identified in the EU strategy:

- a) Reduction of the accessibility deficit, both in the interior of the ORs (in the case of archipelagos) and in relation to the European continent;
- b) Increase of the competitiveness of their economy and the safeguard of the regional productive sector;
- c) Reinforcement of integration, both in the European territory and in relation to third countries, even if they are geographically close.

Considering these very territorial characteristics (isolation, great distance from the European mainland, insular and archipelagic reality, difficult climate and topography, wealth, diversity, but also environmental fragility and, resulting from all of this, an economy dependent upon a limited number of products and small, isolated and fragmented markets), we can also list the necessity of:



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- Promoting a sustainable development and an efficient usage of resources, namely the usage of renewable sources of energy;
- Protecting biodiversity and guaranteeing a good Integrated Coastal Zone Management in a context of climate change;
- Improving population mobility within the region and within the Community territory, not only through active promoting measures, but also with the necessary exception system in policies whose results may harm even greatly the accessibility deficit;
- Adequately fostering and defending the development of the traditional sectors of agriculture and fisheries in a context of increasing liberalisation and globalisation;
- Supporting in general the economic activity of small, isolated and fragmented markets;
- Guaranteeing the application of incentives to promote a rejuvenating and dynamic demography;
- Increasing the availability of Communication and Information Technologies in a scenario of reduced commercial attractiveness but where this sector is indispensable as a factor of global competitiveness;
- Safeguarding the protection of biodiversity and natural resources both on land and in sea, as well as the research associated to them, as a differentiating factor of these regions within the Community and world contexts.

3. Better cooperation: Increased cooperation across regional and national borders raises questions of governance

3.1. What role should the Commission play in encouraging and supporting territorial cooperation?

The recognition of specific territorial features also implies the identification of similar problems and characteristics, promoting the establishment of relations with other territories through the exchange of good practices and the execution of common



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projects, not only within the Union, but also in third countries, thus equally contributing for the affirmation of the Union's interests and values throughout the world.

The approach to common questions, brought about by the territorial dimension, and their identification can, in the first place, stimulate an increase of cooperation at different levels between Europe's regions, and can particularly favour their regional integration.

Nevertheless, talking about regional insertion and territorial cooperation also gains distinctive features in what concerns the outermost regions, as EU border regions, and most especially the Portuguese autonomous regions, not only in terms of their *de facto* situation (greater isolation), but also in what relates to the applicability of the EU legal instruments.

Of all of the ORs, the Azores are, indeed, the most isolated region, located in the North Atlantic, halfway between Europe and America, whose closest neighbour is precisely the outermost region of Madeira. But this does not mean that the Azores's geographical location impedes the promotion of its territorial cooperation, especially with non-European territories.

On the contrary, the integration and openness of a region to geographical spaces outside the EU is not – and cannot be – only gauged by its greater or lesser geographical proximity. The wealth of historical, linguistic and cultural ties that connect several territories throughout the world, however their geographical distance, is a dimension that cannot be neglected in the process of integration and insertion of an European outermost region as the Azores. The cultural dimension is, thus, an important component of the territorial features, which should be taken advantage of and promoted in the realm of territorial cooperation, most especially in what regards the place of the regions in the world.

Despite being located 1,500 km from the coast of mainland Europe and 3,900 km from the North-American coast, the Azores's space of territorial cooperation is extended beyond Macaronesia and Europe's other outermost regions towards the North and South of the American continent.



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Nonetheless, as it is known, the Portuguese ORs, despite being part of the EU external border, are excluded from cross-border cooperation, since they do not have a contiguous terrestrial border or a maritime border less than 150 km away. Such situation results in an unequal treatment which does not take into consideration, on the one hand, these regions' territorial characteristics and, on the other hand, their enormous potential for extra-Community territorial cooperation, to the detriment of the EU's global affirmation.

It is true that this impossibility to access EU funding for cross-border cooperation has not prevented the Azores from cooperating with third-country territories, mainly in the USA and Canada, but also in Uruguay and the south of Brazil; however, the possibility to access the EU's territorial cooperation programmes would obviously constitute a fundamental contribution to deepen these relations to the benefit of an EU world affirmation policy.

Indeed, the Portuguese regions' cultural relations should be faced, from the beginning, as an asset for the whole EU, promoting the transatlantic dialogue and the global projection of the European culture and influence, confirming, once again, the great contribution that these regions bring to Europe's relations with the world.

This is a situation which needs to be corrected without delay, namely in the materialisation of territorial cohesion, through the modification of eligibility criteria for cross-border cooperation. Above all, the EU has to assure equal opportunities for all of its regions, for the affirmation of the importance of its action at a global level.

3.2. Is there a need for new forms of territorial cooperation?

The answer to the previous question also answers this one; however, we would like to draw the attention to the necessity of not only creating new forms of territorial cooperation, but also of improving the applicability of the current dimensions to all regions (in the current case, the abolishment for the ORs of the 150 km rule for cross-border cooperation and its extension, as such, to historical and cultural ties).



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In this context, we should refer that the European cross-border cooperation groupings (EGCC) already constitute a basis for the launch of new ways of reinforced territorial cooperation, namely through their capacity to organise and manage cross-border, transnational or inter-regional cooperation actions commonly agreed upon by all of their members.

The EGCC represent a tool of great utility for the institutionalisation of cooperation between the different regions, but its relevance varies according to the characteristics of each region:

- geographical characteristics – for instance, for an insular and outermost region like the Azores, they will not be as relevant as for continental border regions, which represent a unit of interests and characteristics that, for example, belong to several States;
- institutional characteristics – the different levels of autonomy and power of each of Europe's regions can also influence the greater or lesser interest in getting associated through an instrument; for regions with less power, it can, for instance, represent an asset in the management of territorial interests, taking advantage of synergies and resources.

It should also not be forgotten that the non-existence of an EGCC does not equally invalidate a strong cooperation between territories. The ORs are an example of this, having created a permanent structure for their relations of cooperation – Conference of Presidents of the Outermost Regions. However, in some cases, a more flexible structure, even without legal personality, would be more convenient, maintaining, nonetheless, a strong relation of cooperation.

We can then say that:

- It should be left to the regions the possibility to opt or not for a permanent structure with legal personality;
- The access to funds or territorial cooperation programmes should not be dependent upon a structure with legal personality, specifically the EGCC;
- There should, however, be a clear reinforcement of funds for the different modalities of territorial cooperation;



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- The existing modalities should be adapted in order to include, for instance, the EU's most isolated regions with a maritime external border in cross-border cooperation;
- The relations of cooperation with third-country territories, also including those that are not less developed than the EU (namely, territories in North America), should be allowed and supported.

3.3. Is there a need to develop new legislative and management tools to facilitate cooperation, including along the external borders?

This question has been answered in the answers to the previous questions.

4. Better coordination: Improving territorial cohesion implies better coordination between sectoral and territorial policies and improved coherence between territorial interventions

4.1. How can coordination between territorial and sectoral policies be improved?

This coordination should start with a detailed analysis and with the study of the territorial characteristics and of the impact of a specific sectoral policy. A global vision of the final goals should, nonetheless, be kept, as well as the coherence with other sectoral measures.

4.2. Which sectoral policies should give more consideration to their territorial impact when being designed? What tools could be developed in this regard?

The dimension of territorial cohesion should be present in every EU sectoral policy, yet we would point out the following areas in connection to the ORs:

- Transportation and accessibility – take into account, for instance, the distance between the territories and mainland Europe, as well as between the islands themselves (a double level of isolation), the small dimension and fragmentation of their market, the specific necessities in the transportation of passengers and goods;
- Common Agricultural Policy – defend the traditional production (most especially in light of the phasing-out of the milk quota system), taking into consideration the



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increasing market liberalisation, the small size of markets and territories, the difficult accessibility and the natural conditions for the existence of products of great quality (opposed by the lack of alternative to the traditional products), among other aspects;

- Maritime Policy – in terms of the management of the maritime territory, defend and enhance the environmental pillar, promote the research of new technologies, as well as the protection of biological resources and of the populations that fish in an environmentally sustainable way, taking into account a maritime territory which is vast but features a great fragility in environmental and resource balances;

- Climate change – protect the rich environmental and natural resources, promote waste management, coast protection and management, as well as water management, support and take into consideration the regions' contribution in the usage of endogenous resources to produce energy, and relate this usage with other sectoral policies, in order to achieve a equitable balance between the regions' contribution, for instance, to lower CO2 emissions (renewable energy) and the sacrifices resulting from the imposition of rules for their reduction in other fundamental sectors (transportation);

- Services of general economic interest – promote the generalised access to them with equitable costs and quality, despite the isolation and the small dimension of markets, etc.

4.3. How can the coherence of territorial policies be strengthened?

The desired coherence of territorial policies could be achieved not only through a detailed analysis and studies of the territorial characteristics and impact of a specific sectoral policy, but above all through the maintenance of a global vision in relation to its ultimate goals, as well as through its interaction with measures and purposes of other sectoral policies.

For instance, as it has been mentioned, the issue of transportation takes on particular characteristics in a region like the Azores, where the fragmented territory and the necessity of transporting people by air between the nine islands are two unavoidable realities.

In terms of the fight against climate change, the inclusion of aviation in the Community's greenhouse gas emission allowance trading scheme was clearly a policy



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which did not take into account the territorial dimension of cohesion and which did not respect the necessary coherence of the diverse policies.

In this area, it should have been analysed that the ORs are an insignificant emitter of greenhouse gas and that, despite their constraints, some of these regions – like the Azores – have carried out a great effort in using, for instance, the endogenous territorial potentialities to produce renewable energy, being well ahead of the global goals established by the EU.

The principle of territorial cohesion and the coherence of the EU's action would, thus, impose a previous analysis of the various geographical constraints and the transverse coordination with other policies (energy policy in this case), something which would inevitably lead to the conclusion that, considering the ORs difficult conditions of mobility and accessibility and the absence of alternatives to air transportation, these regions should have benefited from special protection measures, for instance, the exclusion from this scheme of all flights originating or terminating in the ORs.

5. New territorial partnerships: The pursuit of territorial cohesion may also imply wider participation in the design and implementation of policies

5.1. Does the pursuit of territorial cohesion require the participation of new actors in policymaking, such as representatives of the social economy, local stakeholders, voluntary organisations and NGOs?

The goal of territorial cohesion does not necessarily require the participation of new agents in the selection of policies, yet it is fundamental to open the implementation of these policies to the participation of a variety of agents. Even though other partners can be consulted, the decision to select the policies should clearly be based on and structured around the partnership with the governmental authorities from the different territories and their contribution for the discussion.

5.2. How can the desired level of participation be achieved?



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To reinforce the level of participation and general interest in territorial cohesion, communication programmes and mechanisms should be used, such as public consultation processes, discussion platforms, exchange of information and transparency in the decisions, without losing sight of the need of having efficient actions and decisions which should be centred on the bodies of regional government.

6. Improving understanding of territorial cohesion

6.1. What quantitative/qualitative indicators should be developed at EU level to monitor characteristics and trends in territorial cohesion?

Territorial cohesion should not only take into consideration indicators that concern the territorial organisation and management, but it should also include other data to recognise and enhance the particular characteristics of each region, as well as to gauge socioeconomic progress and development as tools for their development and better integration into the Community.

Statistical indicators should be used very carefully; they should not only give a global picture of a certain situation, but also its applicability to a particular territory (for instance, distance/isolation) and its intensity in relation to other criteria. The regions should be partners in providing this data when the Union does not possess it.

There is, therefore, the necessity of covering all regions of Europe with accurate statistical data. Actually, it is clearly demonstrated in the annex to the Green Paper that the ORs are many times excluded from a global analysis, a situation which needs to be corrected without delay. At last, a possible difficulty in obtaining indicators should never constitute an obstacle in granting financial aid and in applying measures, which should be based on a spirit of partnership, with clear and objective proposals from the regional public authorities, based upon the constraints of each region.