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REPORT

drawn up on behalf of the Committee on Regional Policy
and Regional Planning

on the peripheral maritime regions and islands of the
Community

Rapporteur: Mr S. BARRETT

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PE 112.346/fin.
Or. It.

At its sitting of 11 February 1985, the European Parliament, pursuant to Rule 47 of the Rules of Procedure, referred to the Committee on Regional Policy and Regional Planning as the committee responsible:

- the motion for a resolution by Mr O'DONNELL and others on measures to assist the islands and maritime peripheral regions of the Community (Doc. 2-1295/84), which was also referred to the Committee on Economic and Monetary Affairs and Industrial Policy, the Committee on Transport and the Committee on Budgets for their opinions,
- the motion for a resolution by Mr MUSSO and others on islands and peripheral maritime regions (Doc. 2-1514/84), which was also referred to the Committee on Transport and the Committee on budgets for their opinions.

At its meeting of 22 February 1985, the Committee on Regional Policy and Regional Planning decided to draw up a report on the two motions for resolutions.

At its meeting of 22 March 1985, the Committee on Regional Policy and Regional Planning appointed Mr Sylvester BARRETT rapporteur.

It considered the draft report at its meetings of 23 April and 25 June 1987. At the latter meeting it adopted the motion for a resolution unanimously.

The following took part in the vote: Mr MAHER, acting chairman; Mr AVGERINOS, third vice-chairman; Mr BARRETT, rapporteur; Mr ALAVANOS; Mr AMBERG, Mrs ANDRE, Mr Christopher BEAZLEY, Mr BENCOMO (deputizing for Miss BROOKES), Mr COLUMBU (deputizing for Mr VANDEMEULEBROUCKE), Mr A. DE EULATE, Mr FILINIS, Mr GIUMMARRA, Mr HUTTON, Mr LAMBRIAS, MUSSO (deputizing for Mr TOURRAIN), Mr O'DONNELL, Mr OLIVA GARCIA; Mr RAFTERY (deputizing for Mr LIGIOS), Mr RAGGIO (deputizing for Mr VALENZI), Mr SANCHEZ-CUENCA MARTINEZ, Mr SCHREIBER (deputizing for Mr SAKELLARIOU), Mr SPATH (deputizing for Mr POETSCHKI) and Mrs VIEHOFF (deputizing for Mr NEWMAN).

The opinion of the Committee on Transport is attached.

The Committee on Budgets and the Committee on Economic and Monetary Affairs and Industrial Policy decided not to draw up opinions.

The explanatory statement will be presented orally.

The report was tabled on 3 July 1987.

The deadline for tabling amendments to this report will be indicated in the draft agenda for the part-session at which it will be debated.

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The Committee on Regional Policy and Regional Planning hereby submits to the European Parliament the following motion for resolution:

MOTION FOR A RESOLUTION

on the peripheral maritime regions and islands of the Community

The European Parliament,

- having regard to the motion for a resolution by Mr O'DONNELL and others on measures to assist the islands and maritime peripheral regions of the Community (Doc. 2-1295/84),
 - having regard to the motion for a resolution by Mr MUSSO and others on islands and peripheral maritime regions (Doc. 2-1514/84),
 - having regard to the Single European Act and in particular the provisions concerning the internal market¹ and economic and social cohesion²,
 - having regard to the report of the Committee on Regional Policy and Regional Planning and the opinion of the Committee on Transport (Doc. A2-113/87),
 - having regard to the communication from the Commission to the Council on integrated planning of coastal areas - its role in Community environment policy (COM(86) 571 final of 30 October 1986),
- A. whereas the peripheral maritime regions, both mainland and island regions, are in most cases among the poorest, least-favoured and least-developed regions in the Community and whereas the welfare transfers and subsidies from central government, which are often essential to these regions, do not represent a satisfactory solution,
- B. having regard to the importance of these regions in a wide range of fields such as the preservation of ecological balance, access to organic and inorganic resources and the fishery resources of seas and oceans and the conservation of Europe's cultural heritage;
- C. whereas the enlargement of the Community to include Spain and Portugal has substantially increased the number, area and population of these regions and considerably widened the disparities in development between them and the prosperous central regions;

¹ See in particular Article 8C

² See Articles 130A to 130E

1. Calls on the European Community to draw up and implement as a matter of urgency integrated multisectoral measures on an extensive scale to assist the peripheral maritime regions and islands (PMRI) with the aim of helping them overcome natural handicaps and enhance their development potential;
2. Firmly believes that this initiative is required as a direct response to the new provisions of the Single European Act concerning economic and social cohesion, whose success will be evaluated mainly in terms of the progress the PMRI are helped to achieve, which is also of vital importance for the pursuit and stability of the internal market;
3. Calls for DG XXII to be given the powers to achieve full coordination of all European Community structural measures;
4. Points to the vital importance of carrying out the controlled economic recovery already proposed by the Commission¹ and approved by the other Community institutions, which should offer the best way of spreading the effects and stimulus provided by the Community action called for;
5. Considers it vital for these measures to take account of the specific situation of the PMRI and that, for this purpose, in the context of the reform of the structural funds, provision should be made not only for greater geographical and financial concentration of aid under these instruments and an appropriate increase in their resources, but also for the greatest possible simplification of procedures to enable support to be given to microregional programmes, which are often more appropriate to the situation of the regions in question;
6. points in particular to the need to look into the possibility of introducing in these regions, which are generally lagging behind in development, Community measures of the kind so far undertaken only in ECSC industrial redevelopment regions, to promote centres of enterprise and innovation² and allow direct Community funding of business-creation schemes;
7. With reference to the conclusions of the Court of Auditor's special report No. 2/86 on specific Community regional development measures under the European Regional Development Fund (ERDF) - non-quota section¹, stresses the need to keep local and regional authorities more informed and aware of the planning, aims, methods and procedures behind Community financial assistance and again points out how urgent it is for the Community to provide active technical assistance for these authorities;
8. Points, in general terms, to the importance for development of an adequate level of basic infrastructures, and, particularly on islands where depopulation needs to be prevented, of the maintenance of an acceptable level of public services in the sectors of education and vocational training, health, telecommunications, water and energy supplies, and so on;

¹ COM(85) 570 final 2 - COM(86) 530 final

² See Article 543 of the EEC budget and COM(86) 785 final

9. Calls for action, coordinated where possible, by the aid and loan instruments, thereby ensuring that the Community's multisectoral programme to contribute to the achievement of the priorities set out above;

TRANSPORT

10. Believes that action in the transport sector should be concentrated on the establishment of infrastructures which encourage the targeting of industrial investment, the strengthening of export potential, the promotion of tourism and the development of services;
11. with regard to islands, calls on the Community to:
- (a) investigate the possibility of pursuing, where appropriate, a policy of territorial continuity which, through the use of adjustable tariffs, will encourage activities and manufacturing which contribute to increasing both the self-sufficiency and the export potential of the regions concerned,
 - (b) continue to contribute to financing mobile maritime infrastructures and also extend this to mobile air infrastructure
 - (c) assess the overall profitability of the island transport system with reference to the life of the island community, on which it is totally dependent;

AGRICULTURE

12. Stresses the need for the Community to contribute to the maintenance and promotion of profitable agricultural activities, particularly in the island regions, so as to avoid depopulation and desertification and preserve the ecological balance;
13. Calls for areas to be designated, particularly in island regions, where the coresponsibility levies and production quotas would be scaled down as far as possible, and for measures to be implemented and strengthened to promote forestry and socio-structural measures such as aids to young farmers setting up in business and an aid to bolster investment, compensatory allowances to induce farmers to move to less-favoured regions and premiums for farmers who use farm production techniques compatible with the requirements of protecting the natural environment;

FISHERIES AND AGRICULTURE

14. Stresses the important economic role of the fisheries and agriculture sectors for all the PMRI, particularly following the accession of Spain and Portugal, and must therefore deplore the paucity of the resources (800 m ECU) which the Council has allocated for the next five-year period for the implementation of the recent regulation concerning new Community measures to improve and adapt structures in those sectors¹;
15. Calls on the PMRI and the Commission to take initiatives to encourage, where appropriate, the adoption of the further specific measures provided for in the new regulation², particularly those designed to:

¹ Regulation (EEC) No. 4028/86 - OM No. L 376, 31.12.1986

² See Article 34 of Regulation (EEC) No. 4028/86, op. cit.

- (a) help eliminate the structural disadvantages affecting fisheries in certain Community areas, or
- (b) promote the introduction of structural projects covering all the problems connected with fisheries in a specific region of the Community;

SMALL AND MEDIUM-SIZED UNDERTAKINGS (SMU) AND COOPERATIVES

- 16. While welcoming the submission by the Commission of the action programme for SMU¹, the guidelines for which have been approved in principle by the Council², must deplore the fact no provision has been made for appropriations to finance its implementation;
- 17. Calls specifically therefore, for priority to be given to the implementation in the PMRI of the projects relating to the second objective of the programme, i.e. flexibility and the provision of capital, and for sufficient resources to be made available in a budget line created for this purpose, from which cooperatives should also be able to benefit;
- 18. Considers it necessary, particularly in the case of islands, to give priority to measures under the European Social Fund (ESF) to assist SMU and cooperatives, in order to facilitate their adaptation to technological change and provide them with the training which will enable them to take full advantage of local development potential;

FISCAL MEASURES

- 19. Awaits the findings of the study requested for the Commission in its resolution of 13 september 1985 on a regional incentive scheme for the development of less-favoured regions in the European Community³, in order to give its views on the advisability of introducing at Community level a system of employment-related fiscal incentives designed to attract productive investment, particularly in the PMRI;

NEW TECHNOLOGIES AND RESEARCH

- 20. Firmly believes that integrated action by the Community must also seek actively to involve the PMRI in the development and dissemination of new technologies and research, since balanced scientific and technical development is a vital part of economic and social cohesion,
- 21. Calls therefore on the Commission to take specific measures to encourage the participation of the PMRI in EEC research and technology programmes, to promote the local development of technology and research and to help finance links between laboratories, undertakings and regional and local authorities with the European telematic networks;

¹ COM(86) 445 final, 6.10.1986

² Council Resolution of 3 November 1986 - OJ No. C 287, 14.11.1986

³ OJ No. C 262, 14.10.1985

22. Calls for the promotion of intensive use of integrated satellite telecommunications techniques in order to place these regions on an equal footing with the central regions, allowing them direct access to information; development of these infrastructures with the help of Community financial instruments would seem to be a fundamental step towards reversing their increasing isolation;
23. Considers that Community activities in this field should give greater support to educational projects, in particular training and advanced vocational training centres, the creation of a correspondence teaching system and easier access to mainland universities;

PROTECTION OF THE ENVIRONMENT, THE EUROPEAN COASTAL CHARTER AND INTEGRATED PLANNING IN COASTAL AREAS

24. Welcomes the fact that the Commission has finally taken action¹ on the wishes expressed by Parliament in its resolution of 18 June 1982², and has recognized the validity of the principles and the strategy set out in the European Coastal Charter, which was adopted by the plenary assembly of the Conference of the Peripheral Maritime Regions of the European Community³, held from 6 to 8 October 1981 in Khania (Crete), and aimed at the protection and improvement of the European coastline, and of its environment and resources;
25. Endorses the environmental measures announced by the Commission but deplores the fact that in both practical and financial terms they fail completely to match the scale of the problems which must be tackled;
26. Calls therefore, as requested by the charter and by Parliament, for these measures to be incorporated in a Community development programme grouping together the various national and Community policies and underpinned by coordinated support from the EEC financial instruments;
27. Points out that a programme of this kind is all the more necessary not only because of the close links there should be between economic development and environmental protection, but also because of the serious dangers to coastal areas which undergo the cumulative effects of land pollution and pollution of the marine environment;

¹ Communication from the Commission to the Council on integrated planning of coastal areas: its role in Community environment policy - COM(86) 571 final of 30 October 1986

² Resolution on the European Coastal Charter - OJ No. C 182, 19.7.1982, page 124

³ The conference of the peripheral maritime regions of the European Community (CPMR) comprises 70 regions, which have a population of 100 million and account for more than 80% of the Community's coastline. Its headquarters are at: 35, Bd. de la Liberté - 35000 Rennes (France)

28. Draws attention also to the need, in relation to Community environmental protection of coastal and island regions, to take into account projects being undertaken on a broader scale, for example the Mediterranean Action Plan developed under the United Nations Environment Programme (UNEP);

ENERGY RESOURCES AND RAW MATERIALS

29. Calls on the Commission to undertake, in cooperation with the national and regional authorities concerned, an assessment of the finance required for the profitable and rational exploitation of energy resources, raw materials and marine resources, including both minerals and food, in the PMRI, and to investigate what measures the Community could undertake to this end, using its aid and lending instrument;

TOURISM

30. Notes that tourism is a fundamental sector of the economy for many PMRI but that, at the same time, the phenomenon of mass tourism leads to an over-exploitation of natural resources, sometimes with adverse effects which may undermine the attraction of certain areas and jeopardize the maintenance and/or development of activities connected with other economic sectors;
31. While reaffirming the support already expressed in its resolution of 12 December 1986¹ for the Community measures in the tourism sector proposed by the Commission of the European Communities², calls on the latter, on the basis of the planned study of the effects of tourism on regional development, not only to lay down specific objectives which could be included under the ERTF's regional policy options and given the necessary finance, but also to devise an ad hoc Community programme for the PMRI; this programme should in particular seek to avert the social and economic risks to which these regions would be exposed in the face of the tendency towards tourism being established as the sole industry;
32. Requests that among other things this programme promote alternative forms of tourism, such as cultural tourism, which offer greater scope for exploiting the artistic and cultural heritage of the peripheral and island regions through the planning and introduction of special itineraries, and which encourage a more balanced and seasonal geographical distribution of tourism;

¹ OJ No. C 7, 12. 1.1987, page 327

² COM(86) 32 final - OJ No. C 114, 14.5.1986

33. Urges the Commission of the European Communities and the authorities of the island regions to contribute to the setting up of a European Foundation of Islands, in accordance with the wishes of the Subcommittee on Islands of the Council of Europe's Standing Conference of Local and regional authorities¹, whose tasks should include:

(a) facilitating exchanges of information between islands on the problems affecting their development and the strategies to be adopted for this purpose;

(b) encouraging the promotion of their artistic, cultural and craft products and assets in order to stimulate and maintain new forms of tourism;

STUDIES

34. Takes note of the important work carried out by the Commission in preparing the periodic reports on the socio-economic situations of the regions, which have already made it possible to identify more closely various aspects of the problems they encounter, but stresses the vital need to make more detailed and specific studies into the physical and socio-economic characteristics, handicaps and potential of the outermost maritime and island regions; such studies should consider in particular the various aspects and consequences of the demographic situation in these regions, in order to determine the most appropriate measures to be taken, in particular to assist young people and women;

35. Points out, as evidence of the urgent need for such studies, that it is not known exactly how many islands there are in the Community, nor how many of them are inhabited,

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36. Instructs its President to forward this resolution to the Council and Commission of the European Communities and the Conference of the Peripheral Maritime Regions of the European Community.

¹ See report on the projects to create a European Foundation of Islands and set up an inter-island telematics network - CPL/AM/ILES(20) 6 of 8 October 1986

MOTION FOR A RESOLUTION (Document 2-1295/84) tabled by Mr O'DONNELL, Mr CIANCAGLINI, Mr CLINTON, Mrs BOOT, Mr SELVA, Mr RYAN, Mr ANASTASSOPOULOS, Mr MIZZAU, Mr RAFTERY, Mr CHIABRANDO, Mr LAMBRIAS, Mr McCARTIN, Mr CHRISTODOULOU, Mrs BANOTTI and Mr van AERSSSEN, on behalf of the Group of the European People's Party (Chr. Dem. Group), pursuant to Rule 47 of the Rules of Procedure on measures to assist the islands and maritime peripheral regions of the Community

The European Parliament,

- A. having regard to the Preamble of the Treaty of Rome and the European Regional Development Regulations;
- B. having regard to the regional problems encountered in remote islands with relatively small populations and poor transport connections;
- C. whereas the Community has an obligation to strive for the harmonious development of economic activities in all its regions;
- D. whereas many island communities have been forced to abandon their islands and many other island populations are under similar threat if immediate steps are not taken firstly to establish regular transport links with the mainland and secondly to improve the infrastructure and social services on the islands themselves;
 1. Calls on the Commission to carry out a detailed study on the social, economic and cultural situation in the Community's islands and to come forward with appropriate proposals on the basis of this study for the revitalisation of island economies;
 2. Suggests in this connection that the Commission should bring forward proposals for an EEC Islands' Charter which sets down minimum Community requirements on the provision of public transport links and essential infrastructures and services;
 3. Repeats its request for Community participation in Road Equivalent Tariff Pilot projects and suggests that priority be given to ferry services to those islands under greater threat of abandonment;
 4. Requests its Parliament to forward this resolution to the Council, the Commission and the Member States.

MOTION FOR A RESOLUTION (Document 2-1514/84) tabled by Mr MUSSO, Mr O'DONNELL, Mr FLANAGAN, Mr RAGGIO, Mr ROSSETTI, Mr GUERMEUR, Mr BARRETT and Mrs EWING, pursuant to Rule 47 of the Rules of Procedure on islands and peripheral maritime regions

The European Parliament,

- A. whereas the Community's islands and peripheral maritime regions are disadvantaged by their remoteness, their insufficiency of communications and poor conditions for air, sea and overland transport,
 - B. considering the weakness of their infrastructures, which too often deprives these communities of services which all peoples of Europe may rightfully claim,
 - C. whereas this situation gives rise to disparities in the Community which are becoming increasingly unacceptable,
1. Calls on the Commission to report as a matter of urgency to the European Parliament on the collective and individual problems of these regions;
 2. Calls on the Commission to submit proposals with a view to eliminating these disparities and to ensuring, if need be, that the outmoded policies implemented by certain Member States in violation of the Treaties are discontinued;
 3. Calls on the Council, after consultation of the European Parliament, to take all measures incumbent upon it;
 4. Instructs its President to forward this resolution to the Commission, the Court and the Governments of the Member States.

OPINION

of the Committee on Transport

Draftsman: Mr BENCOMO MENDOZA

On 23 January 1986 the Committee on Transport appointed Mr BENCOMO MENDOZA draftsman of the opinion.

The committee considered the draft opinion at its meetings of 18 March, 17-20 June, 15-18 July, 28-31 October and 28 November 1986. It adopted the draft opinion at its meeting of 28 November 1986.

The following took part in the vote: Mr ANASTASSOPOULOS, chairman; Mr KLINKENBORG, vice-chairman; Mr BENCOMO MENDOZA, draftsman; Mr CABEZON ALONSO, Mr COIMBRA MARTINS, Mr CORNELISSEN (deputizing for Mr Baudis), Mr EBEL, Mr REMACLE, Mr ROSSETTI, Mr SAPENA GRANELL, Mr VISSER, Mr van der WAAL and Mr WIJSENBEK.

I. INTRODUCTION

1. This opinion is concerned with two related questions:
 - (a) What is the role of transport systems in the development of peripheral regions and islands in the Community?
 - (b) How could the syndrome of peripherality that characterizes these regions and inhibits the development of these regions be dealt with effectively?

The above two questions have been directly or indirectly dealt with in previous reports of the Parliament¹. The Committee on Transport even undertook to draw up a report on the subject. The CARDIA report on transport problems in the peripheral regions of the EC² analysed in depth and proposed specific policies for the Community of the Ten. However today the Community comprises Twelve States since the accession of Spain and Portugal to the Communities on 1st January 1986 and as a result the peripheral situation of the Community has changed substantially.

II. CLASSIFICATION OF REGIONS AND THEIR SYNDROME OF PERIPHERALITY

2. Classifying regions by terms like: urban, rural, peripheral, central, isolated, etc., raises methodological questions and includes an element of subjective judgement. The Keeble et al. study³ employed the index of "regional economic potential" for the classifications of the Community regions. The "regional economic potential" index is a surrogate proxy to measure the relative accessibility of a region with respect to a given economic activity.
3. The CARDIA report employed the degree of remoteness, taking central areas as a basis, in order to measure the transport impact on the relative competitiveness of a region within a trading Community. Both indexes resulted in the same conclusion: "accessibility of a region to a well developed market confers a comparative advantage to firms or regions by reducing the distance costs on products, inputs and information".
4. The KAZAZIS report as well as the HARRIS report concentrated on the physical, economic, cultural, infrastructure and development characteristics of regions of the Community and found that peripheral maritime regions and islands are characterised by structural weaknesses and features of underdevelopment that make up a syndrome of peripherality. The social and economic indicators are grounded in the fact that these regions:
 - (i) are dependent on the primary sector, which is highly labour-intensive and therefore employs a substantial proportion of the workforce (one quarter of the working population of these regions is employed in the primary sector as compared with the Community average of 8%);
 - (ii) have an alternative source of employment in the low-efficiency secondary sector, which tends to be structured along traditional labour-intensive lines and employs approximately 28% of the active population;
 - (iii) also have an overgrown tertiary sector characterized by administrative weaknesses and low productivity;
 - (iv) have the fastest growing level of unemployment amongst young people and the highest percentage of unemployed in the Community;

- (v) have a high level of migration among skilled and relatively young workers which adversely affects labour efficiency and undermines the social structure;
 - (vi) have low returns on labour (about two-thirds of the Community average) and high underemployment (approximately 16%);
 - (vii) have a low return on capital invested;
 - (viii) have problems in finding outlets for their products because of traditional marketing patterns and the Community's preferential policy, particularly towards other countries of the Mediterranean basin in the agricultural sector;
 - (ix) suffer a comparative disadvantage in the form of higher transport cost, and
 - (x) are rather isolated from centres of social and technological change with a growing shortage of social services and public amenities.
5. The special social features, the structural weaknesses, the economic disadvantages and the low level of development that characterize peripheral maritime regions and islands, and are summed up in the term "syndrome of peripherality", imply the following:
 - (a) the existence of inhibiting factors that prevent a fast rate of economic development and of capital accumulations;
 - (b) the indigenous development of these regions becomes almost impossible unless the efficiency of the factors of production is consciously promoted;
 - (c) a positive correlation exists between "accessibility" and "economic prosperity".
 6. The determining role of the transport cost in the location of industrial investment has often been stressed. In the KILBY study⁴ the decision of General Motors is cited as an example. In fact General Motors ruled out its plant investment in a peripheral EEC location because of a transport cost disadvantage relative to a central location; the peripheral transport cost was seven times higher than the central and accounted for 7% of the total cost while the central location accounted for 1% of the total cost.
 7. Islands are further penalized by the break in territorial continuity inhibiting the use of private means of transport and forcing the island inhabitants to resort to air and sea services provided that they exist. But they face two kinds of handicap: a) higher costs for transporting goods to a central location and b) longer journey times for which a time-consuming financial equivalent could be devised.
 8. Given the fact that these regions are thinly populated and their spatial integration is prevented by remoteness and insularity, the utilisation of transport capacity in general, be it by ship, train or road, is sub-optimal adding further to cost and making the syndrome of peripherality rather impossible to break.

9. The Community should promote the Transport System in order to remove, first, the inhibiting factors for the development of these regions and, then, should integrate them, through the means of transport and communications, with central regions.

III. IMPORTANCE OF TRANSPORT SYSTEMS TO PERIPHERAL REGIONS AND ISLANDS

10. Transport should be seen as a service sector and as an industry sector. As a service it provides a link between producers and consumers. As an industry it produces means of transport. In its former capacity we have only a derived demand whereas in the latter case we have additional demand. Both aspects are equally important to peripheral regions and islands because their "economic potential" is substantially lower than other regions'.
11. One should recognise two broad benefits that result from an improvement of transport systems:
- i) the basic economic impact
 - ii) the social advancement.
- The basic economic impacts are on the "users", "non-users" and "production potential of the region". For the users, the economic benefits are derived from savings in travel time for passengers and goods as well as in operating costs of the vehicles. For the non-users, the benefits are derived from the direct and indirect changes to the economic conditions of the regions, given a change in the transport infrastructure.
12. For the increase of the production potential of the region, one usually includes:
- a) the rise in production of certain goods
 - b) the increase of the export potential of the region
 - c) the change in productivity of the factors of production
 - d) the effects on tourism and services, and
 - e) the changes in population, employment and income.
13. Numerous empirical examples and studies could be cited from the literature - as in the Giannopoulos study⁶- to prove both theoretically and in practice the high positive correlation between the rise in production of certain goods, and hence export potential of a region, and improvements of transport systems. So would it be the case for the promotion of tourism and services of these peripheral regions and islands and therefore the increased productivity of the factors of production. An efficient transport system, in such a context, is an absolute prerequisite.
14. It should be stressed, though, that the magnitude of the socio-economic effect on peripheral regions, given a new of improved transport infrastructure, largely depends on two factors:
- a) the creation of economic opportunity, and
 - b) the response to economic opportunity.
- The first depends upon the quality and quantity of invested resources in transport systems and on the size and dynamism of peripheral markets. The second depends upon the endogenous human potential of peripheral regions.
15. Turning now to the social aspect of transport systems and its impact on the social advancement of peripheral regions, one should be aware of the context used. Two aims of economic development, namely spatial integration and modernization, define the context. In turn these two concepts are interlinked with the institutional

framework which may differ in different countries and, therefore, in peripheries; but one could find common features in all peripheral regions. Broadly speaking, spacial integration and modernisation refers to the availability of social services, dissemination of information and ideas but preservation of peripheral cultural life. What is claimed here is that improved accessibility in the peripheries would facilitate a greater flow of information, the basis for knowledge, and would enable attitudes to be changed towards new ideas and innovations which would both enable a uniform process of development across peripheries.

IV. . RECOMMENDATIONS

16. The following proposals might be included in the BARRETT report's motion for a resolution:

- (a) Stresses that the principle of differentiability, which implies that different regions are suitable for, and in need of, different transport systems, should be adopted since it should be compatible with the rules on competition;
- (b) Believes that transport infrastructure in peripheral regions should be designed to promote the integration of those regions with central regions as well as direct links between peripheral regions, since communications between those regions and other outlying areas of the EEC are undoubtedly of paramount importance; radical improvement in the transport systems to and from the peripheral regions, which constitutes one of the prerequisites for their development, should be of special concern to the Community and to the ERDF in particular, since the isolation of a region or island is considerably reduced by frequent, rapid and cheap transport;
- (c) Notes that most of the regions of the Iberian peninsula, including the Atlantic archipelagos, are very backward, and conditions there are sometimes unacceptable: their connection with the transport infrastructure of the rest of the Community is an elementary requirement;

- (d) Affirms that public authorities may provide public subsidies based on distance and equivalent fares, given the public utility of the service and the aims of regional development; in the case of fixed costs, however, priority should be given to infrastructure problems;
- (e) Expresses the desire that a road equivalent tariff co-financed by Member States be applied to islands, although there is no reason why the Community should not shoulder part of this burden until such time as the volume of traffic thus created makes these routes sufficiently profitable to finance themselves;
- (f) Such tariffs should be adjustable in accordance with the products being transported, so as to encourage island production; the use of new financial aid should be decided following consultation with the islands' regional authorities so as to ensure that the aid will chiefly benefit transport users and consumers;
- (g) Supports the view that islands should maintain their cabotage activities so that the carriage of certain goods essential to them could be reserved for ships flying the national flag;
- (h) Considers it important that in financing transport infrastructure projects either through the ERDF or via the Community loan instruments (i.e. EIB, NCI and ECSC), and via a budget line, priority should be given to those projects that improve accessibility, provide transport links or promote the economic potential of the peripheral regions and islands;
- (i) Takes the view that 'mobile transport infrastructure' should receive Community aid.

F O O T N O T E S

1. See the CORRE report on "the peripheral coastal regions of the EC"
(OJ No C140, 5.6.1979);
the KLINKENBORG report on "Memorandum of the Commission on the role of the
Community in the development of transport infrastructure"
(OJ No C144, 15.6.1981);
the HARRIS report on "the peripheral maritime regions and islands of the EC"
(OJ No C162, 20.6.1983);
the KAZAZIS report on "the Integrated Mediterranean programmes"
(OJ No C 117, 30.4.1984)
2. Doc. 1-755/83 - OJ No C 307, 14.11.1983
3. Keeble, D., Owens, P.L., Thompson, C.
Centrality, Peripherality and the EEC Regional development Study, Department
of Geography, University of Cambridge England, 1981
4. D. Kilby, Industrial Investment: Must Britain always lose out?, Association
of British Chambers of Commerce, 1980
5. Giannopoulos, G., "Transport and the Challenge of Structural Change",
8th International Symposium on Theory and Practice in Transport Economics,
Istanbul, 1979 defined the term "social advancement" to denote the complex
web of changes regarding the social, political, cultural and even ethical
attitudes and habits, of the regional population, toward acquiring the
socio-political characteristics common to the more "advanced nations". (p.31)
6. See cited study in fn. 5