

Outermost regions: specific measures for agriculture

2010/0256(COD) - 15/12/2016 - Follow-up document

The Commission presented a report on the implementation of the scheme of specific measures in agriculture in favour of the outermost regions of the Union (POSEI).

Specific measures for agriculture have been implemented through the programme called POSEI (Programme of options specific to the remote and insular nature of the outermost regions) with a view to supporting the economic and social development of the outermost regions (OR) and to facilitate access to the benefits of the single market.

The POSEI scheme is aimed at the French overseas departments and regions (Guadeloupe, Martinique, French Guiana, La Réunion and, since 2014, Mayotte) and also covers the Canary Islands, the Azores and Madeira.

Two categories of measures have been implemented under the programmes, namely **Specific Supply Arrangements** (SSAs) and **Support for Local Production** (SLP). The measures must comply with European legislation and be compatible with the common agricultural policy (CAP) and other EU policies.

This implementation report concerns the application of the scheme during the period 2006 to 2014.

Evaluation of the scheme: the report states that the **overall performance of the POSEI programmes over the period 2006-2014 is rather positive** and that the programmes address directly all the challenges faced by the outermost regions through a major contribution to farmers' incomes:

- the POSEI programme has contributed to maintaining the **traditional "diversification products"** in these regions and to an adequate supply of agricultural products. The POSEI programme contributed to (i) the maintenance of production in the four outermost regions in the banana sector; (ii) the maintenance of production and cultivated areas in the sugar sector; (iii) the maintenance of milk and meat production in the Azores; (iv) the maintenance of wine production in Madeira;
- SSAs **reduced the difference in prices of products** supported in the outermost regions in relation to the mainland, and the SLPs facilitated the maintenance of agricultural production activities;
- the programme supported the **employment** of around 140 000 people in the value chain of all the outermost regions and contributed greatly to income;
- POSEI programmes have **contributed to the overall objectives of the CAP**. Coherence between POSEI programmes and rural development programmes (RDPs) is strong. The analyses show that the needs of the outermost regions are not fully covered by the current CAP measures.

On the basis of this assessment, the report recommends that the **current basic Regulation (EU) No 228 /2013 be maintained**. An **amendment to Regulation (EU) No 180/2014** should be made in order to clarify and simplify the preparation of programme reports.

Recommendations: Member States should adapt their programmes in order to improve the effectiveness of the application of measures and of programme design and to enhance complementarity with other CAP aids, in particular to increase the competitiveness of local production.

The Commission recommends that Member States:

- define, within their programme, a **clearer strategy**, highlighting the general objectives and quantifying the specific objectives with appropriate indicators;
- ensure a **better distribution of aid** between different types of farms or sectors in certain ORs in order to mitigate income differences between beneficiaries and sectors and to increase coverage of specific needs;
- pursue the **development of sustainable agricultural practices**, including by strengthening non-price competitiveness. It is recommended that i) product differentiation is developed through non-price competitiveness (brown sugar, sustainable bananas, fresh milk, PDO wine, etc.) compared to conventional products for which the ORs have no comparative advantage; (ii) exchanges of good practices with other ORs are strengthened.
- **improve reporting** by including more information on national supports;
- ensure the **actual payment of the complementary national support**, particularly if this aid represents a high percentage of the total allocation.