

# Specific measures for agriculture in the smaller Aegean islands

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In accordance with Council Regulation (EU) No 229/2013, the Commission presented a report on the implementation of the scheme of specific measures in agriculture for the smaller Aegean islands (SAI).

The smaller Aegean islands benefit from a specific support scheme, which helps to promote local production and ensure the supply of essential products. The programme covers all the islands of the Aegean Sea, with the exception of Evia and Crete.

The objectives of the PIME scheme are to **develop local agricultural production and the supply of agricultural products** through measures related to the production, processing and marketing of local agricultural products. To this end, the programme includes two types of support: specific supply arrangements (SSA) and support for local production (SLP), both financed by the European Agricultural Guarantee Fund (EAGF).

The purpose of this report is to assess the implementation of the SAI scheme between 2006 and 2014.

**Positive verdict:** the report concludes that the smaller Aegean islands regime has **operated smoothly** since the introduction of the programming approach. The Commission considers that it has been implemented effectively and that it satisfies the needs of the smaller Aegean islands satisfactorily.

The Commission considers **positive the overall results** stemming from the scheme between 2006 and 2014 in terms of its ability to meet the challenges of agriculture and the geographical situation specific to the smaller Aegean islands (remoteness and insularity, small holdings, steep and mountainous landscape, unfavourable climatic phenomena).

Support for local production has facilitated the maintenance of agricultural production activities, and the specific supply regime has reduced the difference in prices of products supported in the smaller Aegean islands in relation to the mainland.

**Programme implementation:** on the basis of the annual performance reports provided by Greece, the total implementation rate is **relatively high** over the period 2007-2014, ranging from 85% to 94%.

Between 2007 and 2014, Greece spent between EUR 15.4 million and EUR 17.8 million per year under the SLP. 61% of all funds allocated to the SLP during the period 2007-2014 were used for **olive trees**. The other assisted sectors were **wine** (11% of the funds), **traditional cheese production** (9% of the funds), **beekeeping** (7% of the funds) and **mastic** (6% of funds).

The total annual budget of the SSAs was set at EUR 5.47 million and the total annual expenditure was between EUR 4.8 million and EUR 5.3 million. Almost 95% of the aid for SSA is used for animal feed and about 5% for flour.

The financial envelope allocated to the scheme has made it possible to achieve the general objectives of the scheme. The Commission therefore **recommends retaining the current basic Regulation**.

**Contribution to the objectives of the CAP:** the smaller Aegean islands scheme, which is an aid that is additional to direct payments, is compatible with the objectives of the CAP.

The Commission considers that, without the specific regime for the smaller Aegean islands and the support limited to the CAP rules as agreed in the 2013 reform (direct payments), the situation would lead to the abandonment of production with negative effects on employment, the environment or the territorial dimension of the smaller Aegean islands.

**Points to improve:** the evaluation of the scheme shows that there is no need to amend Council Regulation (EU) No 229/2013. However, the Implementing Regulation ([Regulation \(EU\) No 181/2014](#)) should be amended in order to improve the quality of the programme reports by integrating the performance indicators into the analysis.

The Greek authorities need to **improve the design of the programme** taking into account the general objectives of the CAP and ensuring consistency with the strategy for the agricultural sector in the region.