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International Case Study: The Problems Faced by Islands (EU & Croatia)

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'ISLANDS ARE SMALL CONTINENTS'

- **Each island has a specific life of its own** – I can tell since I live in the country with more than 1000 smaller or bigger islands – **Croatia**;

Omisaalj, island Krk





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- My paper speaks of the **problems faced by islands in Europe and in Croatia** particularly, and I am **referring to the EU Study EUROISLANDS**, Project Report 2009/10, The Development of the Islands - European Islands and Cohesion Policy ESPON 2013;
- **Europe's major challenges:** the accelerating globalization, climate change and ageing population + global economic downturn starting in 2007 – emphasized the focus on growth, employment and economic recovery in **European strategies**;
- The **key players** for successful strategies (beyond 2010) – **Member States EU-27**, in particular **their regions and cities** – include factors of **social and territorial cohesion** – the **European Regions**;
- There is acknowledgement of **regional inequalities** affecting the development of some parts (differences in the West and North compared to the East and South of Europe), also of **particular problems** in some areas – isolated, mountainous **and islands**;



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- **A specific action** was taken concerning the development of **European islands** – included in the EU Action Program (AP1) for the **implementation of the Territorial Agenda: the targeted analysis EUROISLANDS 2009/10** - in line with the objectives of ESPON 2013;
- The aim - to deliver a **set of policy recommendations and strategic guidance** to foster the **sustainable development of the European islands** (ensuring equal terms and opportunities with other non-handicapped regions).



Island of
Wight



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- **Many European islands are not attractive for economic activities and/or residence** – the statement based on actual facts of diminishing life on islands;
- The EUROISLANDS study – basing their research on statistical data & case analyses from three **EU 27 island areas**: Greece islands & Cyprus (SE Mediterranean); Malta & Italian & Balearic islands (SW Mediterranean); Northern European islands (Baltic and GB & Ireland) – ***Croatian islands not included (not yet a Member State)***;
- The Study tries to answer **3 fundamental questions**:
 1. What is the **state of Europe's islands** considering sustainable development goals (economic efficiency, social justice/equity, and environmental conservation) ?
 2. What is the **cause of this state**? (the concept of attractiveness is utilized, related to Lisbon and Gothenburg strategies);
 3. What **policies would be appropriate for increasing the attractiveness of islands** and ensure that their development meets the **tenets of sustainable development**?
- My intention is to try to include ***Croatian islands examples*** – *as an additional comparison to the mentioned cases in the SE Europe.*



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- EUROISLANDS Outcomes -

Islands' economic efficiency:

- islands have an average GDP/per capita lower than the EU-27 average, as only a few of cases analysed perform better (e.g. Balears, Shetland, Kyklades);
- the majority of islands have lower performances than their national continental regions (but most of them have generally better GDP/per capita than many regions of the EU-27, esp. in the New Member States);
- in a significant number of islands (Nordic islands, Corse, Sicily and Sardegna) GDP level and employment are sustained by an important public sector;
- there is not a uniform trend of specialization even if services are the most important activity - there are two main groups with competitive activities: a) islands where tourism prevails or specialised activities (e.g. energy production in the North), and b) a few islands with significant production in agriculture, fisheries or manufacture;
- long-term development perspectives seem rather fragile, because of the predominance of low value added activities in an increasingly competitive international environment based on excessive use of scarce natural resources.



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- EUROISLANDS Outcomes –

Islands' social equity:

- same diversity regarding population, some islands having healthy demographics (young population, positive natural movement) while others keep on losing their active and young population (only Malta and Cyprus have a birth rate and a share of young population above the European average);
- economically active population: reveal differences between Nordic and Mediterranean islands (reflect differences in general between North and South Europe) – activity rate is significantly higher in the Nordic and the touristic islands, but is generally particularly low in Mediterranean and in small archipelagos, also compared with the European mainland;
- unemployment, particularly of young and female, is rather high. Malta





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Environmental conservation:

- **natural assets** are very important for islands, esp. for those in the Mediterranean where biodiversity and landscape quality are particularly high; islands' environment is rich but particularly vulnerable to human and other external pressures;
- **environmental pressures** - very different among European islands (as population density varies from less than 1 inhabitant per km² up to more than 1000, e.g. Malta, Italian coastal islands);
- **environmental problems** also differ: urban sprawl due to tourism and second house construction, coast artificialisation, water shortage (serious problem on almost all islands), fires, high soil erosion risk – principally addressed in the South; sea pollution, desertification and landscape degradation as well as coastal erosion in the North; a common problem seems to be fish stock collapse (more severe in the North) while climate change is a global concern but islands are more vulnerable than the mainland;





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Insularity:

- all islands have lower accessibility than the European average, even if sea transport is not taken into account – cost in time and money are much higher on islands than on mainland. Generally, insularity implies isolated and small markets, prices for transport and goods are higher compared with prices on mainland, provision of services is very unequal (in some cases – e.g. Nordic islands, the national state covers the extra cost);



Valletta, Malta



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- **Functional urban area** - only 2 island cities – Palma (Mallorca) and Valetta (Malta) have functions that are higher than the average of European cities (offering wide set of services and opportunities).
- **Human capital** - a major problem on the islands (mainly the Mediterranean ones): the education level is particularly low even in the islands with high level of GDP/ capita and presence of a University; low trends of lifelong learning worsen this, but for eg. on Nordic islands human capital is better prepared to face new challenges.
- **Information Society** - activities follow the same low pattern of development - but indicators for Mediterranean islands are even worse than the national ones that are already lagging behind the European average (Kriti and Corse are the only ones with high values).
- **Social capital components** - (Level of satisfaction with public issues, Interest in politics, Social trust and Social networks participation) **have a statistical significant difference between north and south in all parameters but one**: institutional trust. Safety feeling has another pattern and a diversification between big and small islands. It has to be underlined that the feeling of safety is one of the few parameters that receive a positive score.



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- **Natural and cultural assets** – islands have an important level of natural and cultural assets (specific habitats and endemic species, monuments, sites, landscapes etc); they are under pressure as the predominant development model based on mass tourism and the construction sector does not give priority to their management.
- **Attractiveness Potential Index** confirms that natural and cultural assets constitute a prominent potential for a significant number of islands.
- Attractiveness and performance is even lower for small islands and archipelagos.

Cotonera, Malta



North Ireland





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Proposals:

- **The findings of the research to locals on the attractiveness factors** reveal that islanders consider the quality of the health care system, trip frequency, job opportunities, regularity of water supply, quality of life and quality of education as the most important factors of attractiveness for living. The most important factors for businesses are: trip frequency, economic incentives, regularity of water supply, development vision of local authorities, regularity of energy supply and travel;
- Therefore, **insularity has to be considered as a permanent, natural feature that affects negatively, directly and indirectly, islands' attractiveness** and subsequently places obstacles to their performance in terms of sustainable development creating unequal opportunities between these territories and the rest of the European Union.



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- Furthermore, the **external threats** (climate change, globalization, etc) tend to intensify the constraints of insularity (in varying degrees) and the conditions under which insular areas “compete” in the global environment.
- Therefore, an appropriate **policy framework** for the European islands has to be elaborated that should pursue the increase of their attractiveness for sustainable living and entrepreneurship so that they could keep pace (in terms of development) with the continental mainland. This framework has to:
 - (a) **overcome their permanent handicaps** (e.g. accessibility problems due to insularity) by applying permanent measures;
 - (b) **tackle external threats** by adapting their long-term strategy to the respective impacts;
 - (c) **adapt their development model** by utilising their assets and looking towards an endogenous sustainable development and
 - (d) **orient their production system** towards “safe” and high quality products and services.
- The Study also **proposes additional classification of European islands** (besides the applied Factors influencing the attractiveness) - in order to diversify the intensity of measures within an integrated insular policy according to the intensity of the constraints insularity provokes (so each island/region gets a particular attention and support).



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- ***Croatia*** at this moment is on the threshold of entering the EU - scheduled for the year 2011;
- the **outcomes** and **proposals** of the **EUROISLANDS analysis** point to an appropriate course to be taken in order that the problem solving activities may be adequately **applied within the context of sustainable development in all European island regions – including Croatian islands.**
- **Comparable issues - Croatian examples** related to the EUROISLANDS Study - most of the facts mentioned could be applied based on the SE European islands cases.

Island Krk, Vrbnik



Peljesac and Island Pag





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Comparable issues:

1. Croatian islands' economy:

- Croatia has an average GDP/capita lower than EU 27 average...and the situation on the islands is similar except on the Northern Adriatic (Krk, Cres and Losinj) – which corresponds to the severe problems of transition and recession in the country;
- in general, the economic convergence process is slower than on the continent in most cases, and the long term development perspectives are fragile and will depend on general recovery of the Croatian State economic development, as well as on tourism as basic activity on the islands (including natural agricultural production and fisheries); excessive use of scarce natural resources (including spatial components) should be avoided with orientation towards sustainability.

Mali Losinj





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Comparable issues:

2. Environmental conservation analysis:

- population density very low (except on the North Adriatic Krk island, Losinj), young people leave islands – unemployment problem;
- high rates of artificial coast (still pressure of 'betonization & apartmanization' continues, excessive building), very rich natural environment but under constant pressure from human activities (tourism and petrol industry – e.g. Krk island);
- landscape degradation should be avoided, while traditional and cultural aspects should be taken better care of.

Lopud island (Dubrovnik archipelago)



Šipan island (Dubrovnik)





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Comparable issues:

3. **Croatian State policies** toward environmental protection (in the last two decades):

- there is no serious sea pollution of the Adriatic; fresh water availability – less on smaller islands; controlling the rate of artificialization and landscape degradation;
- 'Croatian Island Product' Project – to stimulate and develop the island production and to improve the quality of products (and other national and regional incentives);
- Legal documents – Act on the islands (Zakon o otocima RH, 1999.); Adaptation of the Islands Development Strategy and application of Proportionality rules is expected for Croatia in the future EU constellation (provision of the Lisbon Treaty etc.).

Omisalj, Krk island





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- Thank you for attention !

