

(English version)

**Question for written answer E-002060/25
to the Commission
Galato Alexandraki (ECR)
(22 May 2025)**

Subject: Support for islands facing abandonment, overtourism and migratory pressure

Island regions face major challenges such as abandonment, overtourism and migratory pressure. Some islands receive tourists at a rate of around 150 per inhabitant, while — at the same time — islands in the Eastern Aegean continue to face significant migration flows, placing a strain on local communities. Other islands (which are essentially EU borders) are confronted with depopulation due to a lack of infrastructure and the resulting deterioration in living standards.

The EU recognises the specificities of island regions in Article 174 of the Treaty on the Functioning of the European Union, which provides for particular attention for regions with permanent natural or demographic handicaps, such as islands. However, the implementation of specific support policies and measures remains limited.

Can the Commission therefore answer the following:

Does it intend to adopt a special tax regime for the smaller Aegean islands in order to strengthen their economic viability?

Submitted: 22.5.2025

**Answer given by Mr Hoekstra on behalf of the European Commission
(1 August 2025)**

Member States are free to design their tax systems, including how to determine the tax base and tax rates as well as appropriate incentives and tax breaks for taxpayers, as long as they respect primary and secondary EU law.

Such policies must be designed carefully taking into account effectiveness, fairness, their fiscal impact and with minimal compliance costs.

In the area of value-added tax (VAT), VAT rates lower than the corresponding rates applied in mainland Greece apply in the islands of Leros, Lesbos, Kos, Samos and Chios in line with the conditions set out in Council Directive (EC) 2006/112 ⁽¹⁾ and the national legislation.

The European cohesion policy provides support for islands, including the Greek islands. A key element of this targeted support is the Greco Islands initiative, which promotes holistic and sustainable development.

The allocated budget is EUR 157 million in public funding ⁽²⁾, with potential additional contribution from the regional cohesion policy programs of North and South Aegean.

⁽¹⁾ <https://eur-lex.europa.eu/eli/dir/2006/112/oj/eng>.

⁽²⁾ The Greco islands initiative is financed by EU cohesion policy national programmes Environment & Climate Change (EUR 100 million) and Just Development Transition (EUR 57 million).