European Commission

Regional and Urban Policy

EU STRATEGY FOR ISLANDS

June 2026

Islands are fundamental to the EU's identity, shaping its economy, history, geography and culture. From bustling territories near the mainland to remote, sparsely inhabited areas in the periphery - they are a wellspring of opportunity, offering unique natural environment, rich cultural heritage and strategic geographic potential. Yet, islands face structural challenges, stemming from geographic isolation, demographic pressures and natural constraints.

Islands are explicitly recognised as being burdened by severe and permanent disadvantages - underscoring the need for targeted support to unlock their full potential.

MORE THAN
4000
ARE INHABITED

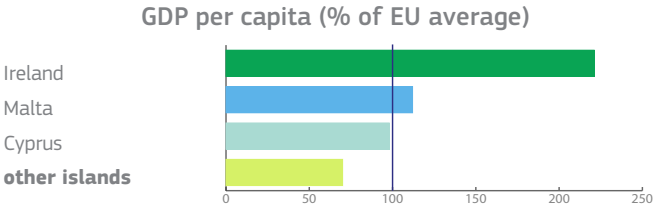
CLOSE TO
17 MILLION PEOPLE
CALL THEM HOME
(EXCLUDING OUTERMOST REGIONS)

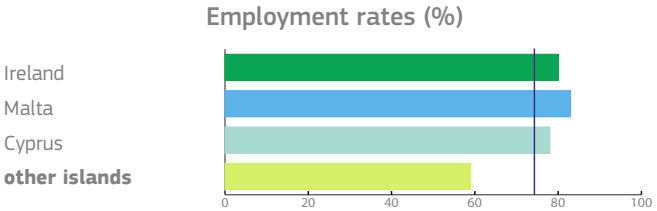
DIVERSITY AND CONTRASTS

Economy and employment

GDP per capita is above EU average in Ireland and Malta (221% and 112% respectively) and broadly in line with it in Cyprus (98%). By contrast, most other islands record just 70% of the EU average.

Employment rates in island nations range from 78% in Cyprus, to 80% in Ireland and 83% in Malta - above the EU average of 75% and higher than the 59% recorded in other islands.





Cost of insularity

Islands' geography creates a "cost of insularity" (OECD), meaning additional economic, social and fiscal burdens islands face. Evidence suggests that transport costs can exceed mainland benchmarks by just over 300% in some cases, local government spending per capita can be around 30-50% higher, and housing prices can be 75-130% higher in some island municipalities.

FOUR PILLARS OF THE STRATEGY

Economic development, connectivity, competitiveness and innovation

Improving connectivity, entrepreneurship, digitalisation, sustainable tourism, and diversified local economies.

Energy Security, Environmental Protection and Climate Resilience

Decarbonisation, energy supply and the preservation of islands' unique natural heritage.

Communities, Demography and Quality of Life

Healthcare, education, affordable housing, mobility, and social inclusion against depopulation.

Security and Crisis Preparedness

Equipping islands to respond to natural hazards, maritime threats, and other security risks.

Governance, a horizontal enabler – the key to success

A coordinated, multi-level approach across all four pillars, aligning EU, national, and local action. This is what allows a single strategy to support thousands of very different islands.

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