

EU/Greenland/Denmark partnership 2014-2020

2011/0410(CNS) - 07/12/2011 - Initial legislative proposal

PURPOSE: to establish a new partnership with Greenland and Denmark (which has sovereignty over Greenland).

PROPOSED ACT: Council Decision.

BACKGROUND: prior to 1982, Greenland was considered as a part of the European Union (EU) through Denmark, allowing for EU vessels to fish in Greenlandic waters. In 1982, Greenland withdrew from the EU, and became associated as an Overseas Country and Territory (OCT) through the **Greenland Treaty**. The treaty emphasised the need to maintain the close relations between the EU and Greenland, notably the development needs of Greenland and fishing rights of the EU.

A fisheries agreement was signed on 13 March 1984. Following the Mid-Term Review of the Fourth Fisheries Protocol, the European Council (2003) concluded that an arrangement should take into account the importance of fisheries and the structural development problems in Greenland. The Joint Declaration between the EU, Greenland and Denmark, defined the common objectives of a new partnership and was the political basis for the Council Decision 2006/526/EC, which defined the framework for cooperation between the parties for the period 2007-2013. The partnership defined in Council Decision 2006/526/EC **expires on 31 December 2013**.

Without prejudice to the existing EU/Greenland Fisheries Partnership Agreement, the increased geo-strategic importance of Greenland, and the importance of the Arctic region for the EU and its climate induced increased accessibility, as well as the structural weaknesses of Greenland, justifies a **new instrument** in order to respond to these developments.

IMPACT ASSESSMENT: in the context of the Impact Assessment undertaken for the purpose of this new partnership, three options were considered:

- **Option 1:** no partnership with Greenland;
- **Option 2:** maintaining the status quo;
- **Option 3:** a revised partnership that takes account of the geo-strategic importance of Greenland in the context of global issues, such as global warming, natural resources, including raw materials, and the emerging international awareness towards Greenland, while allowing for the EU to fully project its interests and policies abroad.

This proposal builds on the **third option**.

LEGAL BASIS: Article 203 of the Treaty for the Functioning of the European Union. Articles 198-204 of the Treaty on the Functioning of the European Union (TFEU) apply to Greenland, subject to the specific provisions set out in the Protocol on special arrangements for Greenland annexed to the TFEU (Protocol No 34).

CONTENT: the partnership between the European Union, Greenland and Denmark shall facilitate consultations and policy dialogue on the objectives and areas of cooperation established through this Decision. In particular, the partnership shall define the framework for policy dialogue on issues of common interest for either partner, providing the basis for broad cooperation and dialogue in areas such as:

- **global issues** such as energy, climate change and environment, natural resources, including raw materials and excluding fisheries products, maritime transport, research and innovation.
- **Arctic issues**, within areas of interest to the European Union.

The **specific objectives** of the partnership are:

to assist Greenland in addressing its major challenges in particular the sustainable diversification of the economy, the need to increase the skills of its labour force, including scientists, and the need to improve the Greenlandic information systems in the field of Information and Communication Technologies;

to reinforce the capacity of the Greenlandic administration to better formulate and implement national policies in particular in new areas of mutual interest as identified in the proposal

Other areas of cooperation under the partnership would include:

- education and training, tourism and culture;
- natural resources¹, including raw materials;
- energy, climate, environment and biodiversity
- international cooperation on Arctic issues, such as Arctic Council, maritime transport and exploitation of natural resources;
- the social sector; mobility of workforce; social protection systems; food safety and food security issues;
- research and innovation in areas such as energy, climate change, disaster resilience, natural resources, including raw materials, and sustainable use of living resources.

The new partnership will also attempt to address the issue of **structural weaknesses** of the Greenlandic economy by providing the appropriate framework for the formulation and implementation of policies by the competent authorities that would lead to the diversification of the economy.

Financial contribution:

In spite of the fact that there is a Danish annual support to Greenland which amounts to approximately EUR 450 million, Denmark does not support any singular strategy, but the Greenlandic system in its entirety. The **EU support will be given to national strategies**, initiated, adopted and implemented by the Government of Greenland, and would permit broader dialogue of strategic interest to both parties.

Concerning the financing decision the aid modality would primarily be **budget support**, which will imply a regular dialogue about the focal sector(s) chosen in the context of the strategies agreed upon for the period.

BUDGETARY IMPLICATION: in the [Commission's communication](#) on the Future Financial framework for the European Union, under Heading 4 ('Global Europe') the line "others" includes an amount of **EUR 217.8 million for the post-2013 partnership with Greenland**.