

Association of the overseas countries and territories with the European Union ("Overseas Association Decision")

2012/0195(CNS) - 22/02/2018 - Follow-up document

In accordance with Council Decision 2013/755/EU on the Association of the Overseas Countries and Territories with the European Union, the Commission presented this report on the progress achieved in the implementation of 11th EDF resources for Overseas Countries and Territories (OCTs) for the year 2017.

Financial support to the OCTs is provided mainly through the European Development Fund (EDF), with an amount of **EUR 364.5 million being allocated under the 11th EDF for the 2014-2020 programming period**. In compliance with the criteria set out in the Overseas Association Decision, **sixteen OCTs are considered eligible** for a territorial allocation under the 11th EDF.

Programming process: the OAD establishes a programming process which is specific to OCTs which is organised around the elaboration of a Programming Document, which has two components: a) the EU response strategy and, b) the Action Document. Only one formal Commission Decision is taken to approve each OCT's Programming Document, covering both the strategic orientations as well as the detailed programme design. Budget support is the preferred implementation modality for territorial allocations in the OCTs.

Situation in 2017:

- **Hurricanes in the Caribbean region:** in September 2017, two Category 5 Hurricanes, Irma and Maria, impacted several Caribbean Overseas Countries and Territories, resulting in widespread damages to housing and basic infrastructure.

The Directorate-General for European Civil Protection and Humanitarian Aid Operations (DG ECHO) provided an immediate relief support to the Turks and Caicos Islands (**EUR 60 000**) and to Sint Maarten (**EUR 80 000**) through a regional programme with the Pan-American Health Organisation (PAHO). The interventions focus on small rehabilitation works in affected **health infrastructures**.

In addition, the **European Civil Protection Mechanism** was activated for Sint Maarten by the Netherlands.

As part of the relief efforts, the disbursement of **EUR 3.6 million and EUR 4 million** were immediately realised through the 11th EDF budget support programmes to the **education sectors** of Anguilla and the Turks and Caicos Islands.

An indicative envelope of **EUR 5 million has been reserved as part of the envelope of EUR 60.5 million** pledged by the EU Commissioner for International Cooperation and Development, on behalf of the European Union, to support reconstruction efforts in affected territories and countries during a high-level donor conference that took place in New York on 21 November 2017.

-**11th EDF territorial and regional programmes:** significant achievements have been attained in terms of programming the 11th EDF resources in 2016 and 2017:

- 2016 and 2017 saw the full mobilisation of **Technical Assistance** (TA) to support Territorial and Regional Authorising Officers in the programming process. TA contracts or studies to define OCTs' sectoral strategies or to establish OCTs' eligibility for budget support have been contracted for a total amount of EUR 3.64 million;
- **at the territorial level**, all EU Response Strategies have been endorsed (with the exception of Curaçao and Saint Maarten), whilst Saint Helena has completed the identification phase in the second trimester 2017 and has completed the formulation phase in December 2017;
- in addition to the Programming Documents of **Saint Pierre & Miquelon**, which had been signed in autumn 2016, the five Programming Documents for **New Caledonia, Turks and Caicos Islands, Saba, Saint Eustatius and Anguilla** were signed in February 2017;
- four other Programming Documents for the **Falkland Islands, Pitcairn, Wallis & Futuna and French Polynesia** have been adopted at the end of the year. In addition, the adoption procedure for the Programming Document for **Montserrat**;
- at the regional level, the **Pacific Regional Programme** is the first regional programme that has concluded the formulation phase, whilst the **Caribbean Regional Programme** has successfully completed the identification phase. For the Indian Ocean and the intra-OCTs thematic Regional Programme, the identification phase is ongoing;
- on a final note, the **programming exercise for the 11th EDF supporting measures to the OCTs Association (OCTA)** for a total amount of EUR 1.1 million for the years 2018 – 2019 was also completed in 2017.

The report noted that the **implementation of the 11th EDF sector performance reform programmes** for Saint Pierre and Miquelon, New Caledonia, Anguilla, Saba, Sint Eustatius and the Turks and Caicos Islands are currently ongoing and on-track, whilst the Financing Agreement for the Falkland Islands was signed on 4 December 2017.

Looking ahead: 2018 will be particularly important for OCTs to efficiently conclude the programming exercise for their regional programmes. At the same time, the European Commission will continue **supporting the OCTs affected by hurricanes Irma and Maria** in their reconstruction efforts.

On a more global note, the coming year will also be critical to further advance in reflections concerning the EU financial cooperation with OCTs in light of the outcomes of the discussions of the 16th OCT-EU Forum and of the upcoming impact assessment for the next External Financing Instruments post-2020 and correspondent legislative proposals.