

Association of the overseas countries and territories with the EU including EU/Greenland /Denmark relations 2021–2027

2018/0244(CNS) - 17/05/2021

PURPOSE: to establish the rules and procedures governing the EU's association with the Overseas Countries and Territories (OCTs), including Greenland, for the period 2021-2027, replacing Council Decision 2013/755/EU (Overseas Association Decision) and Council Decision 2014/137/EU (Greenland Decision).

PROPOSED ACT: Council Decision.

ROLE OF THE EUROPEAN PARLIAMENT: the Council adopts the act after consulting the European Parliament but is not bound by its opinion.

BACKGROUND: EU aid to the OCTs previously financed by the European Development Fund (EDF) should, as from 1 January 2021, be financed from the general budget of the EU.

In order to streamline the number of external financing instruments and their performance, the relations with all OCTs, including Greenland, should be regrouped by replacing the Overseas Association Decision and the Greenland Decision by a single Decision.

The partnership provided for in this Decision should ensure that a strong relationship is maintained between the EU on the one hand and all OCTs on the other. The new decision should also highlight the particularities of the partnership between the Union on the one hand and Greenland and Denmark on the other.

CONTENT: the draft Council Decision:

- establishes an association of the overseas countries and territories (OCTs) with the Union to support the OCTs' sustainable development as well as to promote the values and standards of the Union in the wider world;
- lays down rules concerning the relations between the Union on the one hand, and Greenland and Denmark on the other;
- establishes the funding programme for the association with all the OCTs, for the period from 1 January 2021 to 31 December 2027.

Objectives

The proposed Decision's general objective is to:

- promote the economic and social development of the OCTs and to establish close economic relations between them and the Union as a whole by the enhancing the OCTs' competitiveness, strengthening the OCTs' resilience, reducing their economic and environmental vulnerability and the promoting of cooperation between them and other partners;

- preserve the existing ties between the Union on the one hand, and Greenland and Denmark on the other, acknowledging the geostrategic position of Greenland in the Arctic, and to preserve existing ties between the Union and the other OCTs, acknowledging their geostrategic positions in the Caribbean, the Indian Ocean, the Atlantic and the Pacific.

In pursuing those objectives, the association should respect the fundamental principles of liberty, democracy, human rights and fundamental freedoms, the rule of law, good governance and sustainable development, all of which are common to the OCTs and the Member States to which they are linked.

Priorities

The Association should provide the framework for strategic dialogue and cooperation on issues of mutual interest. Priority should be given to cooperation in areas of mutual interest such as:

- sustainable diversification of the OCT economies, including their further integration into global and regional economies; in the specific case of Greenland, the necessary upgrading of its labour force;
- the promotion of trade, cooperation and partnerships to accelerate the achievement of the Sustainable Development Goals (SDGs);
- education and training, public health, tourism and culture;
- promotion of the green and blue economy
- sustainable management of natural resources;
- climate change;
- action for disaster risk reduction;
- promotion of research, innovation and scientific cooperation activities;
- Digital accessibility;
- promotion of social, cultural and economic exchanges;
- the social sector, labour mobility, social protection systems, food safety and food security issues;
- issues related to the Arctic region;
- the development of intra-regional cooperation in the Arctic, Caribbean, Indian Ocean, Atlantic and Pacific.

Budget

The financial envelope of the programme for the period 2021-2027 would be set at **EUR 500 million** in current prices.

The overall breakdown proposed is as follows:

- EUR 164 million in the form of grants for bilateral programmable support for the long-term development of OCTs other than Greenland,

- EUR 225 million in the form of grants for bilateral programmable support for the long-term development of Greenland;
- EUR 76 million to support regional OCT programmes, of which EUR 15 million could help finance intra-regional operations, with Greenland only eligible for intra-regional operations;
- EUR 22 million for studies or technical assistance actions for all OCTs including Greenland;
- EUR 13 million for a non-allocated fund for all OCTs including Greenland in order, inter alia, to enable the Union to react appropriately in the event of unforeseen circumstances.

Dialogue with the OCTs

The association should be based on a broad dialogue and consultation on issues of mutual interest between the OCTs, the Member States to which they are linked and the Commission and, where appropriate, the European Investment Bank (EIB) and other EU institutions and bodies.

The dialogue with the OCTs, including Greenland, shall in particular provide a basis for broad cooperation on issues such as education, energy, climate change, nature, the environment, the blue economy, natural resources (including raw materials and fish stocks), maritime transport, research and innovation, as well as the Arctic dimension of these issues, where relevant.

Programming

Under the Decision, the Commission should adopt, in the form of ‘single programming documents’, the multi-annual indicative programmes referred to in the rules proposed in the Neighbourhood, Development Cooperation and International Cooperation Instrument (NDICI).