

# The EU's outermost regions: a privileged, renewed and strengthened partnership

[IP/17/3585](#)

## ***What are the Outermost Regions of the EU?***

The nine Outermost Regions of the European Union consist of six French overseas territories (French Guiana, Guadeloupe, Martinique, Mayotte, Réunion and Saint Martin), two Portuguese autonomous regions (the Azores and Madeira) and one Spanish autonomous community (the Canary Islands). [http://ec.europa.eu/regional\\_policy/en/policy/themes/outermost-regions/](http://ec.europa.eu/regional_policy/en/policy/themes/outermost-regions/)

Despite being located thousands of kilometres from the European continent, they are an integral part of the EU, with a population of 4.8 million, equivalent to that of Ireland or slightly more than that of Croatia.

Mainly islands and archipelagos, they can be found in the Caribbean, near the American continent, in the Indian Ocean off the east coast of Africa and in the Atlantic Ocean between Africa and Europe, while French Guiana is a territory in the Amazon forest bordering Brazil and Suriname.

## ***Why are they different?***

The Outermost Regions have a number of specific features, compared to the rest of the EU, which limit their growth: their remoteness and/or insularity, small size, difficult topography and climate and dependence on a few local products. Only a region-by-region approach can help overcome these constraints.

Yet these features are also real assets to Europe. The geographical location of these regions projects a European presence into strategic areas of the world, making them ideal locations for trade, cultural exchange, investment and international cooperation. Their extensive maritime zones offer the potential for the development of a strong blue economy and for them to become key actors in the governance of the oceans.

These regions are also rich in resources. They account for 80% of Europe's biodiversity and are ideal locations for research and innovation in forward-looking sectors such as the circular economy, pharmacology and renewable energies. Their geographical locations offer unbounded opportunities in space sciences and astrophysics.

## ***What is Europe doing for these regions?***

Article 349 of the Treaty on the Functioning of the European Union recognises the specific situation of these regions and gives them a special status. The

Article provides for the adoption of specific measures geared to their realities, within the framework of European law. A Court of Justice judgment of 2015 clarified the scope of this Article. On that basis, the Commission intends to establish a strengthened partnership between the EU, the Outermost Regions and their respective Member States.

Between 2014 and 2020, the EU is allocating EUR 13.3 billion to these regions under the European Structural and Investment Funds, with additional amounts to tackle their specific constraints, and the POSEI (Programme of Options Specifically Relating to Remoteness and Insularity), a programme under the Common Agricultural Policy.[https://cohesiondata.ec.europa.eu/fundshttps://ec.europa.eu/agriculture/markets/outermost-regions/intro\\_fr](https://cohesiondata.ec.europa.eu/fundshttps://ec.europa.eu/agriculture/markets/outermost-regions/intro_fr)

In addition to European subsidies, the Outermost Regions benefit from specific measures or derogations to facilitate their access to the internal market in areas such as State aid and taxation, in order to mitigate the impact of their constraints and stimulate economic growth.

Recently, the rules on State aid to support the EU's outermost regions have been clarified and further simplified. Member States will now be able to fully cover both the additional transport costs and other extra costs that undertakings operating in those regions incur, across all sectors of the economy.[http://europa.eu/rapid/press-release\\_IP-17-1341\\_en.htm](http://europa.eu/rapid/press-release_IP-17-1341_en.htm)

In 2004, the Commission presented for the first time a strategy for the Outermost Regions, with the aim of structuring and strengthening the partnership between the EU institutions and these Regions. The strategy was renewed in 2008 and again in 2012 to bring it into line with the Europe 2020 strategy, placing the emphasis on the need for sustainable growth.

### ***Why renew the strategy today?***

Despite the progress of recent years, the Outermost Regions are facing serious challenges: high unemployment, above all among young people, even though it is falling in mainland Europe, vulnerability to climate change, obstacles to growth due to poor infrastructure and dependency on economic sectors that have not incorporated innovative processes to a sufficient degree. Some of these regions are also confronted with migratory pressure and social crises.

The Commission is therefore presenting a new strategy for an enhanced partnership between the EU, the regions and their respective Member States in order to redouble efforts and meet these new challenges.[http://ec.europa.eu/regional\\_policy/en/information/publications/communications/2017/un-partenariat-privilegie-renouvele-et-renforce-avec-les-regions-ultraperipheriques](http://ec.europa.eu/regional_policy/en/information/publications/communications/2017/un-partenariat-privilegie-renouvele-et-renforce-avec-les-regions-ultraperipheriques)

Most of the measures under this strategy respond specifically to requests made by the presidents of the outermost regions in a memorandum submitted to President Juncker at the 4th Forum of the Outermost Regions in Brussels in March 2017.[http://ec.europa.eu/regional\\_policy/en/conferences/rup2017/](http://ec.europa.eu/regional_policy/en/conferences/rup2017/)

The aim of the strategy is to better help these regions to take advantage of the globalised world, where they have already experienced the disadvantages without really reaping the benefits. They should therefore be better integrated in the European internal market, as well as in their own region, and trade should be facilitated.

### ***What is the Commission's new approach to the Outermost Regions?***

The aim of the strategy is to make these regions' economies more robust, ensure they take their place in all European policies and priorities, and guarantee that their specific nature is better taken into account throughout the EU's decision-making process.

To do this, the Commission will:

1) Take the specific nature of the Outermost Regions into account upstream: in line with the Commission's Better Law-Making initiative, the impact of decisions taken at European level on these regions will be analysed in advance, in order to shape policies better reflecting their realities and interests.[https://ec.europa.eu/commission/priorities/democratic-change/better-regulation\\_en](https://ec.europa.eu/commission/priorities/democratic-change/better-regulation_en)

For example, this preventive approach will be strengthened when the Commission negotiates international agreements, in particular with regard to fisheries and external trade. The Commission will thus take greater account of the interests of these regions when it negotiates trade agreements involving products important to their economies (e.g. bananas, sugar, wines and spirits).

2) Ensure a closer partnership at all levels: the strategy aims to enhance the dialogue between the Commission and the Outermost Regions, in particular by establishing a platform on common questions raised by the regions or their Member States. It will bring together, as required, the Outermost Regions, their Member States, the European institutions and other institutions such as the European Investment Bank and private actors.<http://www.eib.org/?lang=en>

But the EU cannot, alone, guarantee the prosperity of these regions; a responsible partnership is needed. That is why the new strategy clearly sets out a series of specific measures that the regions and their Member States must put in place to achieve their growth objectives, while underlining the fact that political will is vital for this.

3) **Provide bespoke support:** Each of the nine regions is unique, with its own advantages and difficulties. On request, the Commission will set up special working groups with each Member State in question to support them towards growth and to overcome specific difficulties, for example regarding the better use of European funding. Moreover, on the basis of the model of smart specialisation, which has proved its worth, the Commission is encouraging the Outermost Regions to better identify and capitalise on their advantages with the aid of strategic investments, notably as part of the Juncker Plan.[http://europa.eu/rapid/press-release\\_IP-17-1995\\_en.htm](http://europa.eu/rapid/press-release_IP-17-1995_en.htm)[https://ec.europa.eu/commission/investment-plan\\_fr](https://ec.europa.eu/commission/investment-plan_fr)

***Specifically, how will the EU help the Outermost Regions to speed up their growth?***

The strategy aims to help the regions to develop new growth vectors. To encourage research and innovation, including in traditional sectors such as fishing and agriculture, the new strategy will:

**help the regions to participate in the European research programme Horizon 2020**, by means of a new coordination and support measure to be launched in 2018. It will better inform local teams of funding opportunities and help them to promote the visibility of their research activities, identify European and international partners in their field of expertise, and set up consortia to prepare project proposals, including with the participation of third countries, in particular on the basis of identical advantages from smart specialisation.[http://europa.eu/rapid/press-release\\_IP-17-1995\\_en.htm](http://europa.eu/rapid/press-release_IP-17-1995_en.htm)

**Create a new initiative dedicated to the Outermost Regions under the Juncker Plan**, in partnership with the European Investment Bank. The aim will be to facilitate access to the European Fund for Strategic Investments (EFSI), in particular through a single access point within the European Investment Advisory Hub, with enhanced technical support for the more effective planning and funding of projects.<http://www.eib.org/?lang=en><http://www.eib.org/efsi/eiah-lowlight.htm?lang=en>

**Promote the development of a sound circular economy.** Waste management is an area where improvement is needed in some of the Outermost Regions, whilst also being a source of economic opportunity. It will be one of the priorities of the European environmental programme LIFE for the period 2018-2020, so that innovative projects in this field can be funded.[http://ec.europa.eu/environment/basics/natural-capital/life/index\\_en.htm](http://ec.europa.eu/environment/basics/natural-capital/life/index_en.htm)

**Support investment in basic infrastructure** (roads, drinking water and sewage distribution systems), fundamental for the development of many activities such as tourism, by encouraging strategic planning.

***How are you going to help the Outermost Regions to create opportunities for their populations?***

The new strategy focuses on **mobility and skills**, thanks to the Erasmus+ programme and the European Solidarity Corps, in order to tackle long-term unemployment, in particular among young people with no qualifications. The EU will give financial support to young people in the Outermost Regions taking part in these programmes by paying a substantial part of their travel costs.<https://info.erasmusplus.eu/>[https://europa.eu/youth/solidarity\\_en](https://europa.eu/youth/solidarity_en)

Moreover, **better transport links** within the archipelagos, between the regions and their neighbours and between the regions and the European continent are essential to their economic development and participation in the internal market.

The Commission is launching a **study** to determine the need for connections and identify key projects in the air and maritime transport sectors. This study also refers to **better support in the preparation of projects** with a view to potential European funding.

The Commission will explore, in justified cases, the possibility of cofunding ports and airports specifically for the Outermost Regions.

Finally, it will ensure that the connection needs of the Outermost Regions are better taken on board in the context of the Connecting Europe Facility and the Trans-European Networks when they are updated.  
[https://ec.europa.eu/transport/themes/infrastructure/ten-t-guidelines/project-funding/cef\\_en](https://ec.europa.eu/transport/themes/infrastructure/ten-t-guidelines/project-funding/cef_en)  
[https://ec.europa.eu/transport/themes/infrastructure\\_en](https://ec.europa.eu/transport/themes/infrastructure_en)

***How do you intend to help the Outermost Regions to better cooperate with their neighbours and access new markets?***

The strategy will help to deepen ties with neighbouring countries by promoting **joint projects**, in particular in the prevention and management of natural risks, protecting the environment, waste management, transport and energy.

To facilitate cooperation, the Commission will be launching a debate on how best to coordinate and align the rules between the various EU instruments and programmes (such as the European Regional Development Fund and European Development Fund) and considering the option of establishing joint programmes between the Outermost Regions and their neighbouring countries.  
<https://cohesiondata.ec.europa.eu/funds/erdf>  
[http://ec.europa.eu/budget/explained/budg\\_system/fed/fed\\_fr.cfm](http://ec.europa.eu/budget/explained/budg_system/fed/fed_fr.cfm)

The influence of the Outermost Regions in their zone is also facilitated by exchanges, and not only trade; the Commission will be looking at how to extend the Erasmus programme for young entrepreneurs to third countries.

***How will the EU better help the Outermost Regions to combat climate change?***

The EU is supporting projects to mitigate the impact of climate change (such as measures to manage the final stretches of the main rivers in Funchal, with funding granted to Madeira by the EU).

The new strategy will also take better account of the specific situation of the Outermost Regions, including in its LIFE programme, which supports projects to monitor, anticipate and adapt to extreme natural hazards. The EU will be integrating the challenges faced by the Outermost Regions into its Climate Change Adaptation Strategy, introduced in 2013 and currently being assessed with a view to reviewing it.  
<http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=COM:2013:0216:FIN:EN:PDF>

The Commission supports territories affected by natural disasters, and is currently looking at how best to combine various funds (the European Regional Development Fund, European Development Fund and EU Solidarity Fund) to

support reconstruction in Saint Martin following Hurricane Irma, whilst proposing a new support mechanism to fund 95 % of the work from the EU budget.<https://cohesiondata.ec.europa.eu/funds/erdf>[http://ec.europa.eu/budget/explained/budg\\_system/fed/fed\\_en.cfm](http://ec.europa.eu/budget/explained/budg_system/fed/fed_en.cfm)[http://ec.europa.eu/regional\\_policy/EN/funding/solidarity-fund/](http://ec.europa.eu/regional_policy/EN/funding/solidarity-fund/)

***What are the new features for the fisheries strategy?***

The Commission will assess the relevance of the use of State aid to support the renewal of the small-scale fishing fleets of the Outermost Regions, whilst respecting the principle of sustainable fishing. Finally, the strategy will encourage close collaboration with the Member States in combating illegal fishing and in collecting scientific data in the field of fisheries.

***What are the new features for the agriculture strategy?***

The Commission will seek to continue the POSEI programmes and to maintain specific conditions in the regions' rural-development programmes (e.g. operating support for the POSEI programme, more favourable financing rates for rural development programmes).

The agricultural products of the Outermost Regions have the potential to become real competitive assets with a high differentiation potential, such as rum from Martinique, bananas from the Caribbean, the Canaries or Madeira, or wine from the Azores. The strategy calls on the regions to make full use right now of European funding to promote innovation, limit market fluctuation risks and promote their agricultural products using EU, national or "Outermost Region" quality labels.