

Procedure file

Basic information	
CNS - Consultation procedure Decision	2018/0244(CNS) Procedure completed
Association of the overseas countries and territories with the EU including EU/Greenland/Denmark relations 2021-2027	
Repealing Decision 2013/755/EU 2012/0195(CNS)	
Subject 4.70.06 Outlying and outermost regions, overseas countries and territories	
Legislative priorities Multiannual Financial Framework 2021-2027	

Key players			
European Parliament	Committee responsible	Rapporteur	Appointed
	 Development	 TOBÉ Tomas	14/06/2021
	Former committee responsible		
	 Development	 PONGA Maurice	10/08/2018
	Former committee for opinion		
	 Budgets	The committee decided not to give an opinion.	
	 Employment and Social Affairs	The committee decided not to give an opinion.	
 Environment, Public Health and Food Safety	The committee decided not to give an opinion.		
 Fisheries	The committee decided not to give an opinion.		
Council of the European Union	Council configuration	Meeting	Date
	Economic and Financial Affairs ECOFIN	3814	05/10/2021
European Commission	Commission DG	Commissioner	
	International Cooperation and Development	MIMICA Neven	

Key events			
14/06/2018	Legislative proposal published	COM(2018)0461	Summary
10/09/2018	Committee referral announced in Parliament		

13/12/2018	Vote in committee		
20/12/2018	Committee report tabled for plenary, 1st reading/single reading	A8-0480/2018	Summary
31/01/2019	Results of vote in Parliament		
31/01/2019	Decision by Parliament	T8-0053/2019	Summary
17/05/2021	Formal reconsultation of Parliament		
17/05/2021	Amended legislative proposal for reconsultation published	08656/2021	
13/07/2021	Vote in committee		
21/07/2021	Committee report tabled for plenary, reconsultation	A9-0244/2021	
14/09/2021	Decision by Parliament	T9-0365/2021	Summary
05/10/2021	Act adopted by Council after consultation of Parliament		
07/10/2021	Final act published in Official Journal		

Technical information

Procedure reference	2018/0244(CNS)
Procedure type	CNS - Consultation procedure
Procedure subtype	Legislation
Legislative instrument	Decision
	Repealing Decision 2013/755/EU 2012/0195(CNS)
Legal basis	Treaty on the Functioning of the EU TFEU 203
Other legal basis	Rules of Procedure EP 159
Stage reached in procedure	Procedure completed
Committee dossier	DEVE/8/13744; DEVE/9/06215

Documentation gateway

Legislative proposal	COM(2018)0461	14/06/2018	EC	Summary
Document attached to the procedure	SWD(2018)0337	14/06/2018	EC	
Economic and Social Committee: opinion, report	CES4576/2018	17/10/2018	ESC	
Committee draft report	PE629.642	06/11/2018	EP	
Amendments tabled in committee	PE630.663	23/11/2018	EP	
Committee of the Regions: opinion	CDR4008/2018	06/12/2018	CofR	
Committee report tabled for plenary, 1st reading/single reading	A8-0480/2018	20/12/2018	EP	Summary
Text adopted by Parliament, 1st reading/single reading	T8-0053/2019	31/01/2019	EP	Summary
Commission response to text adopted in plenary	SP(2019)150	27/02/2019	EC	
Amended legislative proposal for reconsultation	08656/2021	17/05/2021	CSL	Summary

Committee draft report		PE695.212	06/07/2021	EP	
Committee final report tabled for plenary, reconsultation		A9-0244/2021	21/07/2021	EP	
Text adopted by Parliament after reconsultation		T9-0365/2021	14/09/2021	EP	Summary
Follow-up document		COM(2023)0474	02/08/2023	EC	

Additional information

Research document

[Briefing](#)

Final act

[Decision 2021/1764](#)
[OJ L 355 07.10.2021, p. 0006](#)

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

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

PROPOSED ACT: Council Decision.

ROLE OF THE EUROPEAN PARLIAMENT: the Council adopts the act after consulting the European Parliament but without being obliged to follow its opinion.

BACKGROUND: Overseas Countries and Territories (OCTs) have been associated with the European Union since the entry into force of the Treaty of Rome. These 25 islands located in the Atlantic, Antarctic, Arctic, Caribbean, Indian Ocean and Pacific regions are not sovereign countries, but depend on four EU Member States: Denmark, France, the United Kingdom and the Netherlands.

The OCTs are not part of the Unions customs territory and are outside the internal market. In addition, most OCTs face specific challenges due to their size and remoteness. In this context, the EU has financed territorial and regional European Development Fund (EDF) programmes in the OCTs in previous decades.

The main source of funding for the current '[Overseas Association Decision](#)' is the 11th EDF which covers programming and financing of territorial and regional programmes for OCTs other than Greenland, which is the subject of a specific decision financed from the EU budget (the [Greenland Decision](#)).

Under the next multiannual financial framework of the Union for the period 2021-2027, it is proposed to regroup a number of external financing instruments into a comprehensive instrument called the neighbourhood, development and international cooperation instrument ([NDICI](#)) and to integrate the EDF into the EU budget. Thus, from 1 January 2021, the Union assistance to OCTs previously financed by the European Development Fund (EDF) shall be financed from the general budget of the Union.

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

CONTENT: this proposal for a Decision aims to establish, for the period 2021-2027, an association of the overseas countries and territories (OCTs) with the Union, which shall constitute a partnership aimed at fostering the sustainable development of the OCTs and promote the values and standards of the Union in the wider world.

The proposed instrument takes account of the exit of the United Kingdom from the European Union on 29 March 2019 effective with the expiration of the transition period on 1 January 2021 and thus does not apply to British OCTs.

Cooperation with the Overseas Countries and Territories (OCTs), including Greenland, shall aim to support and strengthen economic, political and cultural relations between the EU and the Overseas Countries and Territories linked to the EU Member States.

Priority shall be given to cooperation in areas of mutual interest, such as:

- the economic diversification of OCTs' economies, including their further integration in world and regional economies;
- in the specific case of Greenland, the need to increase the skills of its labour force;
- the promotion of green and blue economy;
- the sustainable management of natural resources, including the conservation and sustainable use of biodiversity and ecosystem services;
- climate change mitigation and adaptation to the impacts of climate change;
- the promotion of disaster risk reduction;
- the promotion of research, innovation and scientific cooperation activities;
- the promotion of social, cultural and economic exchanges between the OCTs, their neighbours and other partners;
- Arctic issues.

The association is the framework for policy dialogue and cooperation on issues of mutual interest. It shall continue to be based on the three key pillars of enhancing competitiveness, strengthening resilience and reducing vulnerability, and promoting cooperation and integration between the OCTs and other partners and neighbouring regions.

Without prejudice to the Commissions prerogatives, the OCT authorities shall have primary responsibility for implementing the operations agreed on under the cooperation strategy. The Commission shall be responsible for establishing the general rules and conditions for these programmes and projects.

Actions under this programme are expected to contribute 20 % of the overall financial envelope of the programme to climate objectives.

In principle, the OCTs shall remain eligible, under the next multiannual financial framework, to participate in Union programmes. They shall participate in the thematic programmes and rapid response actions of the neighbourhood, development and international cooperation instrument.

Proposed budget: the proposed decision earmarks EUR 500 million (in current prices) to the association with the OCTs under the heading 'Neighbourhood and the world' of the multiannual financial framework for the period 2021-2027.

Of this amount, EUR 225 million shall be allocated to Greenland and EUR 225 million to the other OCTs, including EUR 159 million for territorial programmes and EUR 66 million for regional programmes.

In addition an intra-regional financial envelope of EUR 15 million is open to all the OCTs, including Greenland.

Moreover an amount of EUR 22 million for technical assistance is foreseen in accordance with the new Decision as well as a non-allocated amount of EUR 13 million.

The financial resources for Greenland shall come from heading 6 of the EU budget: Neighbourhood and the world. As regards the other OCTs, their financial allocations shall be transferred from the EDF to the Neighbourhood and the World heading of the budget.

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

The Committee on Development adopted, in accordance with the consultation procedure, the report by Maurice PONGA (EPP, FR) on the proposal for a Council Decision on the association of the overseas countries and territories with the European Union, including relations between the European Union, on the one hand, and Greenland and the Kingdom of Denmark, on the other (Overseas Association Decision ODA).

The committee recommended that the European Parliament approve the Commission's proposal subject to the following amendments:

Objectives

Members said that the association between the EU and the OCTs should contribute to the achievement of sustainable development goals as defined in Agenda 2030 and to the implementation of the Paris Climate Agreement.

The specific objectives would be as follows:

- assist the OCTs in addressing the major challenges they face, including the level of education for Greenland;
- strengthen the resilience of the OCTs, reducing their economic and environmental vulnerability;
- improve the competitiveness of the OCTs, including social standards;
- promote OCT cooperation with other partners.

Members proposed that specific treatment be defined for the least developed OCTs in order to enable them to catch up and to address their permanent structural constraints.

The association should:

- promote the principles of democracy, the rule of law and respect for human rights and fundamental freedoms on which it is based, through dialogue and cooperation between the Union and the OCTs;
- promote equality and equity between men and women in the OCTs, as well as the empowerment of women and equal political and economic opportunities for women. All initiatives shall incorporate the gender dimension.

Budget

Members proposed that the financial envelope for the programme for the period 2021-2027 be set at EUR 669 million in current prices instead of the EUR 500 million proposed by the Commission.

The general distribution proposed by the Members is as follows:

- 81% for territorial cooperation;
- 12% for regional cooperation, including EUR 30 million for intra-regional operations;
- 3.5% for technical assistance;
- 3.5% of non-allocated funds.

The envelopes allocated to each OCT have been specified.

Programming

Members proposed to include the programming rules directly in the new ODA by taking over the rules proposed in the [NDICI](#) applicable to the

OCTs and recalling the principle that the Financial Regulation applies, except where specifically provided in the OAD.

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

The European Parliament adopted by 566 votes to 40, with 41 abstentions, following the consultation procedure, a legislative resolution on the proposal for a Council decision on the association of the overseas countries and territories with the European Union, including relations between the European Union, on the one hand, and Greenland and the Kingdom of Denmark, on the other (Overseas Association Decision or OAD).

The European Parliament approved the Commission's proposal subject to the following amendments:

Objectives

Parliament specified that the association between the Union and the OCTs should contribute to the achievement of the sustainable development objectives as defined in Agenda 2030 and in the implementation of the Paris Climate Agreement.

Those specific objectives would be as follows:

- to assist the OCTs in addressing the major challenges they face, including the level of education for Greenland;
- to strengthen the resilience of the OCTs, reducing their economic and environmental vulnerability;
- to improve the competitiveness of the OCTs, including as regards social standards;
- to promote cooperation between the OCTs and other partners.

Members proposed that specific treatment be accorded to the least developed OCTs so as to enable them to catch up and address their permanent structural constraints.

The association should:

- promote the principles of democracy, the rule of law and respect for human rights and fundamental freedoms on which it is based, through dialogue and cooperation between the Union and the OCTs;
- promote equality and equity between men and women in the OCTs, as well as the empowerment of women and equal political and economic opportunities for women. All initiatives should incorporate a gender dimension.

The Union and the OCTs should cooperate to ensure the active participation of young people in the labour market in order to combat youth unemployment.

With regard to environmental issues, cooperation should also focus on addressing issues linked to land degradation, including rising sea levels and soil contamination, as well as combating illegal logging.

Budget

Parliament has proposed that the financial allocation for the programme for the period 2021-2027 be set at EUR 669 million in current prices instead of the EUR 500 million proposed by the Commission.

The general distribution proposed is as follows:

- 81% for territorial cooperation;
- 12% for regional cooperation, including EUR 30 million for intra-regional operations;
- 3.5% for technical assistance;
- 3.5% for an unallocated fund for all OCTs, which would include Greenland.

The envelopes allocated to each OCT have been specified.

Dialogue with the OCTs

This dialogue should enable the OCTs to play a full part in implementing the association and also in defining and implementing the Union's regional strategies in the areas in which the OCTs are located.

The dialogue with the Caribbean OCTs should in particular serve to strengthen the European strategy in the Caribbean region and to foster cooperation on issues relating to biodiversity, climate change, sustainable resource management, disaster risk prevention and management, the social dimension, as well as on promoting good governance, including in the field of taxation and the fight against organised crime.

Programming

Members proposed including rules on programming directly in the new OAD, taking over the rules proposed for the Neighbourhood, Development and International Cooperation Instrument ([NDICI](#)). These would apply to the OCTs, while recalling the principle that the Financial Regulation is applicable, unless otherwise provided for in the OAD.

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

The European Parliament adopted by 603 votes to 27, with 57 abstentions, under a special legislative procedure (Parliament's consultation), a

legislative resolution on the draft Council decision on the Association of the Overseas Countries and Territories with the European Union including relations between the European Union on the one hand, and Greenland and the Kingdom of Denmark on the other (Decision on the Overseas Association, including Greenland).

Parliament approved the revised version of the draft Council decision 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.

Objective

The overall objective of the proposed decision is to:

- enhance 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 EU 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.

The association will 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 will provide the framework for strategic dialogue and cooperation on issues of mutual interest. The Council's revised draft clearly outlines the different areas of cooperation proposed. In particular, it includes:

- more extensive reference to the 2030 Agenda and the attainment of the Sustainable Development Goals (SDGs), as well as the recognition that gender equality and women's empowerment are key to achieving the SDGs;
- recognition of the important role of civil society organisations in all areas of cooperation;

additional provisions on the protection of human rights, especially of women and children;

- an increase in the climate target from 20% to 25% with a greater emphasis on nature and environmental protection;
- an increase in the number of annual trilateral consultations between the Commission, the Member States to which they are linked and the OCTs;
- encouraging the OCTs to express their views in the context of the design and impact assessment of the EU's free trade agreements with third countries;
- clarification of what happens to the reflows from the OCT Investment Facility managed by the European Investment Bank;
- an Annex II concerning the definition of the concept of 'originating products' and methods of administrative cooperation.

Budget

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