The EU as a Global Actor
The Roles & Responsibilities of the EU in an Interdependent World

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THE IMPORTANCE OF THE OUTERMOST REGIONS FOR STRENGTHENING EU FOREIGN AND REGIONAL RELATIONS

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1. Introduction

The study is aimed at deepening the understanding of the process of development in the strategy of the European Union for its Outermost Regions\(^1\) (OMR). Summarizing EU policies regarding geographical territories outside the European continent it can be seen that EU has been recently recognising the significance and opportunities of its special regions. This paper provides a brief analysis of certain potentials that OMRs have concerning EU foreign relations, transnational issues, cross-border and regional cooperation or even global roles and responsibilities. These prospects are determined by interior means of assorted common policies such as various financial instruments regarding reduction of the accessibility deficit and making the OMRs more competitive. Furthermore, exterior factors affect on these instruments influenced by particular common objectives on foreign and regional relations. Therefore the key subject is the development of the OMRs’ status in connection with strengthening existing and establishment of new international relation between European Union, its member states and countries that are geographically closer to those outposts of the EU than to the European continent itself.

Outermost Regions have distinct specifications which are similar in each case, though particular measures and political actions can be set up. Some of these territories could have prominent role in the future, however, additionally a number of Overseas Territories and Countries (OCT) can be expectedly remarkable regions as well. In the past decade the Commission of the European Communities gradually recognised the importance of certain territories and policies furthermore, there has been extended initiatives launched and considerable activities accelerated. This process had begun in the end of the first decade of the 21\(^{st}\) century, along with increasing attention to remote lands adjacent to countries which are currently seeking possibilities to set up new political and economic relations with the European Union itself or with any European Union member state.

The following chapters are presenting some of the main questions regarding key parts of the EU policies towards the OMRs summarizing the current and future situation of certain

\(^1\) Briefly, those regions are distinguished by their low population density and considerable distance from mainland Europe. Their specific location makes them European bridgeheads for fostering trade relations with their non-EU neighbours, most of whom are less-developed countries. (EU GLOSSARY 2011) In this sense, however, the French phrase of “les régions ultrapériphériques” (i.e. ultra-peripheral regions) seems to be a more expressive term than “Outermost Regions”.

regions with high importance. Finally, last chapters of this paper are the recommendations towards bodies of EU Foreign and Security Policy in order to establish more improved relations with non-EU member states in the wider geographic region of the OMRs.

These Outermost Regions of the European Union are islands or archipelagos scattered in the Caribbean Sea (Guadeloupe, Martinique, Saint Barthélemy, Saint Martin), in the Atlantic (the Canary Islands, Madeira and the Azores) and the Indian Ocean (Réunion), except for French Guiana, which is a small enclave in the Amazon region. (LAISSY 2011, p. 2) All of them are part of European Union member states and therefore part of the EU as well. For historical, geographical or political reasons these territories are more closely related to the EU than the OCTs. Besides the different legal status between the OCTs and the OMRs and their links to the European Union, the Outermost Regions have different aspects which makes them divergent comparing to any other special member state territories of the European Union.

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2 Most of the member states’ territories which are outside the EU enjoy a special relationship with the EU. The Overseas Territories and Countries are outside European Union.
2. Characteristics of the Outermost Regions

Currently, nine of the regions in the European Union are classified as “outermost”\(^3\). They are: the Spanish Autonomous Community of the Canary Islands; the four French overseas departments (\textit{départements d’outre-mer, DOM}) Guadeloupe, French Guyana, Martinique and Réunion; the two French overseas collectivity (\textit{collectivités d’outre-mer, COM}): Saint Barthélemy and Saint Martin; and the Portuguese autonomous regions of the Azores and Madeira.

The Outermost Regions of the European Union have well-defined specifications from which the most determinates\(^4\) are the remoteness, insularity and relatively small sized territory with difficult topography and climate. Due to these factors, the OMRs have economic dependence on a small number of products. However, these regions also have major assets and the potential not only to contribute to their own development, but also to that of Europe as a whole. They can act as excellent laboratories for studying and combating the effects of climate change, they have exceptional biodiversity and marine ecosystems, great potential for the development of renewable energies and leading-edge agri-environmental research, and so on.

Besides these aspects, geopolitical characteristics of the OMRs enable EU foreign strategy to take advantage of their locations while building relationships with non-EU member states. “The OMRs: regions of assets and opportunities to be nurtured” – this is Europe’s new, ambitious approach to its distant, dynamic borders. (LAISSY 2010, p. 3)

2. a. Geographical locations

Considering the various geographical locations of the OMRs, it is obvious that foreign policies with different objectives can be implemented depending on their actual neighbouring countries and regions. These objectives are determined by common aims firstly, specific regional aspects secondly and by the kin-states’ administration thirdly. These are major determinants. Also specific policies of the OMRs can be mentioned as minor determinants as

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\(^3\) Changes in status of Saint Barthélemy and Saint Martin will take effect in 1\(^{st}\) January 2012. In 2015 a re-evaluation of three special municipalities (or ‘public bodies’) of The Netherlands’ (Bonaire, Saba and Sint Eustatius) EU status is to take place.

\(^4\) These specifications or handicaps do not affect all OMRs with the same intensity.
competencies of those regions are strengthening. The Outermost Regions demand their place at high levels of EU decision-making structure appropriate to their emerging political weight.

As for common aims, there are two main aspects which define EU interests. These objectives are deepening and strengthening foreign relations from one point of view, and research, hi-tech industries, climate change, biodiversity programmes and the concern of special products from another. Among regional determinants, location of the OMRs is a primary aspect in a wider regional presence. With the cooperation of the EU’s outposts, new relations can be set up between the EU and Americas or the African states. As regards national aims: the European kin-states intend to convert their links to the OMRs into more close ties by reinforcing control over immigration and taking advantage of economic relations based upon their special interests.

Regarding the second dimension (i.e. regional determinants) of the above mentioned objectives, there can be various initiatives linked to the geographic location of the OMRs depending on the surrounding countries and the region they are situated within. In this approach, they have a valuable contribution to the European Union to make in three factors. (See Appendix I.)

Firstly, diversification: the Outermost Regions give the EU wider territorial waters than it would otherwise have. Above this, on account of those regions, the maritime territory of the European Union is the world’s largest with an exclusive economic zone covering 25 million square kilometres. (EU GLOSSARY 2011) As a consequence of this, economies of the OMRs become more diverse, as they are already providing tropical fruits, vegetables and other products (e.g. rum, sugar cane) for European consumers. Thus, product range of EU develops into a wider scale and costs of certain goods tend to be reducing in the Internal Market of European Union. Moreover, forming economic processes by diversifying sources is a main factor in current market trends.

Secondly, strategic importance: the Outermost Regions (as well as the Overseas Territories and Countries) offer the EU tremendous opportunities for developing relations with neighbouring countries in Macaronesia⁵, the Caribbean and the Southwest Indian Ocean. Target regions are Western Africa, Southern and Eastern Africa, the Caribbean states, South America, Melanesia and Polynesia. (See target countries in chapter 3.b.)

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⁵ Macaronesia consists of a group of several islands scattered in the North-East Atlantic off the coast of Africa. This region includes the Canary Islands (Spain), Madeira (Portugal), and the Azores (Portugal), which are Outermost Regions of the European Union, and Cape Verde.
Thirdly, research and hi-tech industries: numerous facilities had been set up on the basis of concerning their location and special features as well. These include, *inter alia* exploration centres, research institutes, communication installations and environment utilization services⁶.

Bodies and processes of this system are established by common legislation supplemented by association agreements and national regulations. Common goal of these laws is to regulate the OMRs’ special membership with the EU.

2. b. Legal status of the Outermost Regions

In 1997, the Treaty of Amsterdam first introduced the legal basis of the concept of Outermost Regions. This was reinforced by the treaty of Lisbon which recognised the special nature of the OMRs and the need for specific action to foster their development. The OMRs have set up a political unity of action to establish systematic cooperation with the European Union and make sure that their common problems are dealt with in a consistent and systematic way, by regional and other development policies and initiatives of the Union. (LAISSY 2011, p. 2)

There were initially seven Outermost Regions, as established by the EC Treaty, but the Treaty of Lisbon included two additional territories⁷, both of which seceded from one of the original Outermost Regions (Guadeloupe).

The recognition of their special status in Article 299(2) of the Treaty of Amsterdam is based on the principles of equality and proportionality which allow differing treatment to take account of the distinct situation of those regions. Under that status, the European Union adapts Community measures so that those living in the Outermost Regions can enjoy the same opportunities as those in the European Union as a whole. It should also be noted that since 1989 cohesion policy has worked to offset the economic and social disparities affecting these regions, which benefit from a higher level of financial support from the Structural Funds and,

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⁶ These facilities are e.g. IAC, the Canary Islands' Astrophysics Institute; the European Space Agency's centre in French Guiana; University of the Azores' Oceanography and Fisheries Department; CRVOL, the Centre for Research on Emerging Diseases, on Réunion; Guadeloupe's under-sea broadband cables; agri-environmental research cluster on Martinique; and Madeira's multi-purpose power station.

⁷ On 22 February, 2007, Saint Barthélemy and Saint Martin were broken away from the French overseas department of Guadeloupe to be formed into two new overseas collectivities. As a consequence their status was unclear for a time. While a report issued by the French parliament suggested that both islands would probably have to change from being Outermost Regions status to Overseas Countries and Territories status, the EU Treaties as amended by the Treaty of Lisbon lists them as Outermost Regions (see articles 349 and 355 of the Consolidated Version of the Treaty on the Functioning of the European Union).
in the case of those forming part of Portugal and Spain, the Cohesion Fund. (COM [2004] 343, p. 3)

Article 349 of the Treaty of Lisbon (ex Article 299(2), second, third and fourth subparagraphs, TEC) Taking account of the structural social and economic situation of Guadeloupe, French Guiana, Martinique, Réunion, Saint Barthélemy, Saint Martin, the Azores, Madeira and the Canary Islands, which is compounded by their remoteness, insularity, small size, difficult topography and climate, economic dependence on a few products, the permanence and combination of which severely restrain their development, the Council, on a proposal from the Commission and after consulting the European Parliament, shall adopt specific measures aimed, in particular, at laying down the conditions of application of the Treaties to those regions, including common policies. Where the specific measures in question are adopted by the Council in accordance with a special legislative procedure, it shall also act on a proposal from the Commission and after consulting the European Parliament. The measures referred to in the first paragraph concern in particular areas such as customs and trade policies, fiscal policy, free zones, agriculture and fisheries policies, conditions for supply of raw materials and essential consumer goods, State aids and conditions of access to structural funds and to horizontal Union programmes. The Council shall adopt the measures referred to in the first paragraph taking into account the special characteristics and constraints of the Outermost Regions without undermining the integrity and the coherence of the Union legal order, including the internal market and common policies.

2. c. Overseas Territories and Countries

Created under the Treaty of Rome in 1957, the status of Overseas Countries and Territories has its own specific legal and political structure. Those entities with the OCT status are not part of the European Union and are not included in the Schengen Space, despite being dependencies of Schengen member countries. They nonetheless benefit from association with the European Union – covered in Part IV of the Treaty of the European Union – and qualify for European Development Fund (EDF) grants. Their inhabitants are usually citizens of the State with which the territory is associated. The European Union numbers 21 OCTs belonging
to five Member States. Most of these entities are islands situated in the tropics. (PETIT – PRUDENT 2008, p. 12)

Regarding the OCTs, key act was issued in 2001 named “Overseas Association Decision”\(^9\). That aims to promote the economic and social development of the OCTs more effectively and to develop economic relations between the OCTs and the EC as a whole. Cooperation based on the principles of the Decision focuses in particular on three issues: the reduction, prevention and eventual eradication of poverty; sustainable development; and the gradual integration of the OCTs into the regional and world economies. The areas of cooperation are the economic and trade cooperation or trade arrangements\(^10\); the development finance corporation; and regional cooperation and integration. Regarding the lastly mentioned field of cooperation, this area involves operations between OCTs and between OCTs and other non-EU member countries, such as ACP countries\(^11\), and cooperation with the Outermost Regions. It is aimed at accelerating economic cooperation and development, promoting the free movement of persons, goods, services, labour and technology, liberalising trade and payments, and implementing sectoral reform policies at regional level. In addition, closer cooperation and greater integration should encourage the least-developed OCTs to participate in and benefit from regional markets. (ASSOCIATION OF THE OCTS…, 2008)

Financial resources for the OCTs are available through European Development Fund (EDF) and by European Investment Bank (EIB) Investment Facility and loans as well as financial resources from the general EU budget and thematic programmes.

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\(^8\) The Netherlands Antilles, Aruba (Netherlands), the Cayman Islands, the British Virgin Islands, Turks and Caicos, Bermuda, Anguilla and Montserrat (United Kingdom) are in the Caribbean. Mayotte (France) and the Chagos Archipelago (United Kingdom) are in the Indian Ocean. The islands in the South Pacific include French Polynesia, New Caledonia, Wallis and Futuna (France), and Pitcairn (United Kingdom). Saint-Helena and dependencies (United Kingdom), are in the South Atlantic. There are also several overseas entitles of the European Union in the Polar and sub-Polar Regions: Greenland (Denmark) and Saint-Pierre-and-Miquelon (France) close to the North Pole; the Falkland Islands (United Kingdom), the French Southern and Antarctic Territories (TAFF – France), South Georgia and the South Sandwich Islands (United Kingdom), and the British Antarctic Territories (United Kingdom) close to the South Pole.


\(^10\) The OCTs benefit from a very advantageous trade system. Products originating in the OCTs and imported into the EC are not subject to import duties or quantitative restrictions. These arrangements are non-reciprocal. Nevertheless the OCTs may also not discriminate between members of the European Union.

\(^11\) ACP Countries: the African, Caribbean and Pacific Group of States, which currently has 79 member states (48 African, 16 Caribbean and 15 Pacific). The group was created by the Georgetown Agreement in 1975. The group's main objectives are sustainable development and poverty reduction within its member states, as well as their greater integration into the world's economy.
3. Development of the European strategy for the OMRs

The aim of the first support programmes in the past – POSEIDOM for the French overseas départements (1989), POSEICAN for the Canary Islands (1991) and POSEIMA for the Azores and Madeira (1991) – was to improve infrastructure, promote job-creating industries and develop human resources.

The support system was reformed in 2006, and replaced by POSEI programmes, with a funding allocation for each of the three EU countries the regions belong to. Since 2004, the EU has had an integrated strategy, based on active partnership between the EU institutions, national governments and the Outermost Regions. The three priorities are to make the regions more accessible, more competitive and more integrated with the countries around them. These priorities – and other measures – are explained in the above mentioned Strategy for the Outermost Regions (COM [2007] 507).

The policy today is based on the Commission policy paper, issued in October 2008, “The Outermost Regions – an Asset for Europe” (COM [2008] 642) set two objectives: address new difficulties facing the Outermost Regions – globalisation, climate change, demographic trends, migratory flows, sustainable management of natural resources, including marine resources and agricultural products and exploit the regions’ assets to boost economic development, with particular focus on high-value-added assets, e.g. the agri-food industry, biodiversity, renewable energy, astrophysics, aerospace, oceanography, vulcanology, seismology, and the regions’ role as outposts of the EU. (REGIONAL POLICY…., 2011)

Several Communications of the European Commission have been issued since 2004 to boost growth policies in the OMRs. The first 2004 Communication (COM [2004] 343) defined a common strategy to reduce the impact of remoteness and improve accessibility, make the regions more competitive and strengthen their integration. The second 2004 Communication (COM [2004] 543) complements the strategy, providing recommendations in terms of specific objectives to be pursued in the field of Cohesion Policy, RTDI Framework Programmes etc. (LAISSY 2011, p. 2)

In 2004, the EU defined a strategy based on an integrated approach with three main strands: accessibility and reduction of the effects of the other constraints, competitiveness and regional integration. This approach, given the permanent nature of the disadvantages facing
the OMRs, remains valid but will require further development in order to rise to the new challenges.

In September 2007\textsuperscript{12} the Commission therefore recognised the need: “to continue the effort to adapt Community policies and for specific support whenever necessary”. The adoption, since 2007, of new programmes and measures in support of the OMRs is testimony to the continued awareness of the specificities of the OMRs, and should enable them to make clear progress in the context of the three strands of the strategy. (COM [2008] 642, p. 4)

Communications were issued annually after 2007. Those initiatives on the basis of a cooperative approach led to a new system of needs and interest of these regions turned to be more visible\textsuperscript{13}. Parallel to this process EU policies gained stronger impact on the territories.

3. a. Internal relations (Cohesion, challenges and existing EU instruments)

Besides the above mentioned strategies, the Lisbon Treaty also includes a clause (Article 349) explicitly outlining the unique challenges faced by the OMRs and consequently calling for “specific measures” to be applied to their situation in EU strategies.

Of the nine OMRs, all apart from the Canaries and Madeira fall into Objective 1 status for EU regional funds, i.e. they are among the Union’s least wealthy regions, with GDP at 75% or less of the EU average.

In order to adjust OMRs’ economic performance and achievements in different aspects to EU-average, EU has attached communications of implementation to its strategies. These directives refer to the usage of existing Community instruments and national aids and subsidies. The financial instruments\textsuperscript{14} aim to implement Common priorities under EU and national regulation. Current Community programmes include some areas of research,


\textsuperscript{13} The 2008 Communication (COM [2008] 642) highlights the OMRs’ opportunities and potential, their comparative advantage on which development can be based. In October 2009, a Memorandum presenting the position and their shared priorities of OMRs in the next programming period was signed. In 2010, the commitment to contribute to the establishment of the objectives and priorities within the framework of the Europe 2020 Strategy and for the post-2013 period, led to the signature of a new memorandum of Spain, France, Portugal and the OMRs, in Las Palmas de Gran Canaria on the 7th of May 2010. Furthermore, the conference on 27-28 of May in Brussels allowed OMRs’ delegates to present their demands to the EU.

\textsuperscript{14} In budgetary terms, the OMRs will receive €7.8 billion in Community investment over the period 2007-2013 (€4.5bn from ERDF – European Regional Development Fund – reducing the accessibility deficit, €1.3bn from ESF – European Social Fund – increasing competitiveness, EAFRD – Agricultural Fund for Rural Development, EFF – European Fisheries Fund, POSEI – Programme of Options Specifically Relating to Remoteness and Insularity).
transport, energy, innovation, information and communication technologies, education and culture. Besides these measures EU has backed the OMRs in order to become involved in convergence and competitiveness programmes. The aim of the initiatives is to take into consideration the geographical and economic disadvantages of these regions. In addition to funding programmes, the EU takes account of the regions’ special needs in initiatives on competition, agriculture, research, trade and transport. (REGIONAL POLICY…, 2011)

As a preliminary result of EU strategies, Outermost Regions have raised their demands recently. As there has been numerous Community decisions made in accordance to EU funding to the OMRs, supplemented by national aids, it has created more autonomous political entities within European Union. As political leaders of the EU satellite territories were first Meeting with EU commissioners in May 2010 they also presented their demands in the European political arena. Among their collective needs and claims were exemptions and exceptions both. The Forum was aware of the growing recognition of the OMRs’ importance among the EU institutions. Besides these results, primary conclusion of the Meeting was the need for differentiation in the EU’s approach to the OMRs. (EURACTIV, 2010)

Besides the recognition of the OMRs’ increasing level of authority, immigration is also a current question about the OMRs’ prospected status. Outermost Regions as well as Overseas Territories and Countries can offer an alternative entry point for immigrants from non-member states. The demographic trends and migratory flows (i.e. the increasing number of illegal immigrants) made European Commission to reconsider its policy regarding the situation in the OMRs. In 2008 the Commission recommended to launch an impact study to obtain a better overview of the consequences – positive and otherwise – of both migration and demographic trends on the territory, the labour market, public services, education and health in the OMRs. In this document the Commission revealed this should enable a “migration balance sheet” to be drawn up for each region. During the mid-term evaluation of the recent general programme “Solidarity and the Management of Migration Flows 2007–2013”, the Commission determines whether further developments are necessary, including the need for and feasibility of setting up a “European Fund for adjustment to migration”. Concerning demographics, the Commission would call on the Member States and the regional authorities of the OMRs to continue and, where necessary, increase their analytical work with a view to taking the demographic change factor into consideration when defining policies, particularly in the areas of education, training and employment, as well as during the Structural Fund
programming process. It also calls on the National Statistical Institutes to continue their cooperation with EUROSTAT. (COM [2008] 642, p. 12)

3. b. External relations (Outposts of the European Union in the World)

Besides internal cooperation aiming to overcome the OMRs’ structural handicaps, external relations seem to have subordinate role. Comparing the funding of the two segments, the contribution of the OMRs assets to EU Foreign Policy is rather having less importance. Although, according to think-tanks, interregional cooperation provides added value to the European Union’s neighbourhood policy. As for this aspect, EU targets on Foreign and Security Policy shall consider geographic situation of the OMRs as well as their existing cooperation with non-EU member states. In order to form a competent concept over the OMRs’ regional relations, EU shall furthermore take into account the characteristics of each Outermost Region.

The Atlantic region

The Atlantic region has three Outermost Regions. From which the Canaries archipelago is an autonomous region of Spain whose easternmost point is only 100 kilometres to the west of Morocco. The region consists of seven main islands: Tenerife, Fuerteventura, Gran Canaria, Lanzarote, La Gomera, El Hierro and La Palma. With a population of about 2 millions inhabitants it is the most populated European overseas entity. (PETIT – PRUDENT 2008, p. 124)

Key targets of foreign relations of the Canaries based on the International Cooperation Law of Canaria are the geographic areas of the Maghreb: Morocco and Mauritania; Sub-Saharan Africa, mainly Senegal and Cape Verde as secondary Mali, Gambia and Guinea Bissau. In Latin America: Cuba, Venezuela, Argentina, Brazil and Uruguay. The issue of Sahrawi people is also a section of that policy, taking into account their refugee status. Cooperation is determined by historic and cultural neighbourhood and has four horizontal priorities. These are the fight against poverty and its causes; environmental sustainability; the strengthening of democratic institutions of civil society and supporting institutions especially

15 Vision of the EU think-tank, CMRP/CMPR: “With the seven European Outermost Regions, the CPMR is working hard to promote better integration of Outermost Regions into their regional environments (along African coasts, in the Caribbean and the Indian Ocean)”. (ENP 2011)
those closer to the citizenry; and equality between men and women. (NUESTRA COOPERACIÓN, 2011)

In order to deepen economic and political relations Canary Islands Government articulated its request to the European Union in May 2011. At the meeting of the OMRs’ representatives with EU Commissioner for Regional Policy, representative of the Canary Islands asked the EU to adopt a set of measures to enhance connectivity to Africa, among which include the implementation of a tool that enables European funds to establish new connections with neighbouring areas. (CANARIAS…, 2011)

As for the two non-Spanish region of Macaronesia, Madeira is an autonomous region of Portugal, which consists of the Island of Madeira and several other small islands, situated in the Atlantic Ocean to the west of Morocco. The capital of the archipelago, Funchal, is about 660 kilometres from the African coast and 980 kilometres from Lisbon. (PETIT – PRUDENT 2008, p. 130) The Azores are an autonomous overseas region of Portugal and an Outermost Region of the European Union, situated in the centre of the Atlantic Ocean about 1,500 kilometres from Lisbon and Morocco and 3,900 kilometres from the east coast of North America. The Azores archipelago consists of nine islands with a total area of 2,333 square kilometres of emerged land. (PETIT – PRUDENT 2008, p. 133)

Considering the fact of the longer distance between Portuguese OMRs and African mainland, the European Commission approved on 18 September, 2007 a European territorial cooperation programme16 for transnational cooperation between the archipelagos of Madeira and Azores (Portugal) and the Canary Island (Spain) for the period 2007–2013. This programme involves Community support for the three Atlantic island areas in the participating countries, within the framework of the European territorial cooperation objective. The programme focuses on the cooperation of three outermost island regions in the middle of the Atlantic Ocean, with one of them, the Canary Islands, geographically closer to Africa than to Europe. This situation provides the programme with a strong orientation not only for cooperation among the partner regions, but also with third countries of their

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16 “Transnational Cooperation Programme Madeira-Açores-Canarias (MAC) 2007-2013”.
The Caribbean region

The French Caribbean Outermost Regions are located in the Caribbean Basin while they belong to France, thus to the European Union Outermost Regions. Such a combination implies a peculiar political, economic and social situation compared to their closest neighbours. (WATSON – ANGELO 2010, p. 24)

The Caribbean OMRs are Guadeloupe, Martinique, Saint Barthélemy and Saint Martin. The region has three main foreign orientations: the CARIFORUM countries; the MERCOSUR and the USA. This study follows a traditional distinction made between the islands, on one hand, and French Guiana on the other, the latter being located on the South-American continent. While the Caribbean islands have advanced opportunities in the cooperation with CARIFORUM member states, French Guiana can have more developed relations with MERCOSUR states. Caribbean cooperation is currently stimulated by INTERREG IV. Operational Programme, along with being a part of relations with the ACP countries. Active trade and political relations of French Guiana are principally formed by Operational Programme “Cross-Border Cooperation – Brazil-Guyana-Surinam 2007–2013” and by EU-provided assistance to MERCOSUR through its 2007–2013 Regional Programme.

The foreign trade and political relations regarding the inner Caribbean states, the OMRs and the OCTs are supported by INTERREG IV. Operational Programme (Caribbean). That initiative “intends to support financially the activities and cooperation projects involving public and private actors from countries and territories in the Caribbean that can contribute to development and regional integration of Guadeloupe, Guyana, Martinique, Saint Barthélemy and Saint Martin.” (LE PO INTERREG IV. 2009)

17 In this context, the long term objective of the programme is not only to increase the level of cooperation between Madeira, Azores and Canarias and their integrated development, but also to enlarge the natural area of socio-economic and cultural influence of the three archipelagos and to increase the possibilities for exchanges with their geographic entourage. This later activity will be carried out in a coordinated manner with other Community external cooperation instruments, namely the European Development Fund (EDF). (OPERATIONAL PROGRAMME M-A-C, 2007 p.1)

18 CARIFORUM States are Antigua and Barbuda, The Bahamas, Barbados, Belize, Dominica, Dominican Republic, Grenada, Guyana, Jamaica, St. Christopher and Nevis, St. Lucia, St. Vincent and the Grenadines, Suriname and Trinidad and Tobago. These states comprise a subgroup of ACP States and it serves as a base for economic dialogue with the European Union

19 MERCOSUR is an economic and political agreement between Argentina, Brazil, Paraguay and Uruguay.
European Union fosters improvements in participation of Caribbean sovereign states, overseas departments, and dependencies in international trade and political partnership. To strengthen the competitiveness of economic operators and integration processes, the EU provides development cooperation support to Caribbean countries. (ACP – CARIBBEAN, 2010)

**French Guiana**

French Guiana (Guyane française), is an overseas region of France, consisting of a single overseas department (département d’outre-mer, DOM) located on the northern Atlantic coast of South America. It has land borders with two nations, Brazil to the east and south, and Suriname to the west. Its 83,534 square kilometres have a very low population density of less than three inhabitants per square kilometres, with almost half of its 229,000 people in 2009 living in the urban area of Cayenne, its capital.

French Guiana, as part of France, is part of the European Union, the largest landmass for an area outside of Europe, with one of the longest EU external land boundaries. Along with the Spanish enclaves in Africa of Ceuta and Melilla, it is one of only three European Union territories outside Europe that is not an island.

Regional relations of French Guyana are shaped by two EU-programmes. Operational Programme “Cross-Border Cooperation – Brazil-Guyana-Surinam 2007–2013” (PO Amazon) concentrates on the neighbourhood policy targeting only its adjacent countries. The objective of that initiative is “to synergize the potentials of the area of cooperation to promote sustainable development, coordinated and integrated to the benefit of the populations in the region of cooperation.” (LE PO AMAZONIE, 2009) European Commission has validated that programme in 2008, determining the key components of European territorial cooperation applied in French Guiana as well. According to this document, cross-border relations “is a specific priority objective, it also becomes a fundamental pillar of cohesion policy, and falls in relative continuity of the Community Initiative INTERREG III implementation over the period 2000–2006 with the maintenance of three distinct components that correspond to

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20 The 2008-2013 European Development Fund (EDF) makes €143 million available for: Caribbean economic integration (supporting CARICOM's Single Market and Economy (CSME), the Organisation of Eastern Caribbean States (OECS), and the relations between Haiti and the Dominican Republic), EPA implementation and private sector competitiveness. (ACP – CARIBBEAN, 2010)

21 Since Greenland left the European Community in 1985.
different levels of cooperation (cross-border, transnational and interregional).” (LE PO AMAZONIE, 2009)

MERCOSUR Regional Strategy Paper 2007–2013 is the basic document on the subject of the foreign relations of French Guiana targeting regional partner countries. The European Union has close trade relations with MERCOSUR since its foundation in 1991. At that time the European Union has favoured the strengthening of MERCOSUR and supported its initiatives, notably through the Inter-institutional Agreement to provide technical and institutional support for its newly created structures. Since then dialogue, trade and collaboration has strengthened between the European and the Southern Americanintegrations. At present, the EU provides assistance to MERCOSUR through its 2007–2013 Regional Programme adopted in August 2007 in the framework of the Regional Strategy for MERCOSUR. The Regional programme provides €50 million to support projects in three priority areas: MERCOSUR institutional strengthening; supporting MERCOSUR in preparing for the implementation of the Association Agreement; and fostering the participation of civil society to MERCOSUR integration process. As a result of this assistance, the EU is by far the largest supplier of assistance to MERCOSUR. (MERCOSUR – EEAS, 2011)

**ACP countries**

As acknowledged, relations with the ACP countries (see members list in Appendix III.) are consist of the relations including the Caribbean OMRs. The African ACP countries negotiate in five European Partnership Agreement (EPA) groups. (ACP – REGIONS, 2010) According to the founding Georgetown Agreement, signed in 1975 and the Lomé Conventions, the groups’ main objectives are sustainable development and poverty reduction within its member states, as well as their greater integration into the world’s economy. (LOMÉ DOSSIER, 1975) In 2000 Lomé Conventions were replaced by the Cotonou Agreement. That document, being the successor of the Conventions, made the partnership

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22 In 1995, the EU and MERCOSUR signed an Interregional Framework Cooperation Agreement, which entered into force in 1999. A joint declaration annexed to the Agreement provides the basis for the political dialogue between the parties, which takes place regularly at Heads of State, Ministerial and Senior Official levels. In 2000 the parties opened negotiations for an Association Agreement based on three pillars: political dialogue, cooperation and a free trade area. Negotiations were suspended in 2004 over fundamental differences in the trade chapter. Political relations have nevertheless evolved, with an agreement made at the last Summit in Lima (2008) to extend relations to three new areas, science and technology, infrastructure and renewable energy. (MERCOSUR – EEAS, 2011)

23 Groups include West Africa, Customs and Economic Union of Central Africa (CEMAC), Southern African Development Community (SADC), East African Community (EAC), Eastern and Southern Africa. The related EU OCTs is: Mayotte (for Eastern and Southern Africa) and the related EU Outermost Regions are: Réunion (for Eastern and Southern Africa), Canary Islands, Madeira, Azores (for West Africa).
extended to new actors such as civil society, private sector, trade unions and local authorities. These are involved in consultations and planning of national development strategies, provided with access to financial resources and involved in the implementation of programmes. (COTONOU AGREEMENT, 2000)

Regarding the EU – West African relations 15 members of ECOWAS (Economic Community Of West African States) and Mauritania are concerned. That region is the main EU trade partner in ACP countries (40% of all EU-ACP trade) and EU is the main trade partner for those states (32% of trade). The ongoing EPA negotiations are focusing on strengthening regional integration and to foster cross-border trade within the region as well. (ACP – WEST AFRICA, 2010)

The EU-Central Africa EPA is negotiated with the mainly least developed eight countries. Due to the economic situation and the low level of relations, intensification of negotiations is needed involving countries of that area. (ACP – CENTRAL AFRICA, 2010)

The Eastern and Southern Africa region consist of the Horn of Africa, Southern Africa and several of Indian Ocean islands. All countries are members of the Common Market for Eastern and Southern Africa (COMESA). Current negotiations include harmonised, regional market-access rules for EU exports to the region and trade facilitation and co-operation on technical barriers to trade. (ACP – E-S AFRICA, 2010)

East African Community comprises five states which are the least developed countries excluding Kenya. Recently signed partnership agreements cover trade-related cooperation on a mostly basic level. (ACP – E A COMMUNITY, 2010)

As for the Southern African Development Community negotiations covered quotas and EU commitments to foster trade within that region. (ACP – SOUTH AFRICA, 2010)

In addition to the five EPA groups further institutions serve as assistance for international collaboration. Those are the Council of Ministers, the Committee of Ambassadors, the ACP Parliamentary Assembly, the Joint Parliamentary Assembly (JPA), the ACP-EU Council of Ministers, the ACP-EU Committee of Ambassadors, the Centre for the Development of Enterprise, and the Technical Centre for Agricultural and Rural Cooperation ACP-EC (CTA) besides regular Summits of ACP Heads of State and Government. (ACP SECRETARIAT, 2011)
The Indian Ocean region

In the Indian Ocean region only one French Outermost Region represents European interests as being an Outermost Region. The island of Réunion is an overseas department (DOM) and has a population of around 820,000.

As an Outermost Region of the European Union, Réunion Island is also an “active border” of Europe. Aware of its assets from its double membership (Europe and the Indian Ocean Region24), Reunion Island intends to use regional cooperation in a strategy of development in partnership. The Regional Council of Réunion Island has also initiated a series of partnerships with regional territories. These territories include the Indian Ocean Commission, Africa (the South African Province of Kwazulu-Natal, Mozambique, Zimbabwe), Asia (Vietnam, the Indian State of Karnataka and the Chinese Province of Tianjin). (MEETING RÉUNION, 2003) Proximity with other actors in the area, also takes the form of active participation in institutions such as the IOC25 (Indian Ocean Commission), IOR-ARC26 (Indian Ocean Rim – Association for Regional Cooperation) and SADC (Southern African Development Community) in the immediate neighbourhood of Réunion. (A RÉUNION EN BREF, 2011) At the heart of the Indian Ocean, the island also enjoys the status as the Outermost Regions of Europe. Many competitive advantages are induced: access to a market of 500 million European consumers; belonging to the free trade zone of France and South Africa; a label of European manufacturing; political stability and jurisdiction; a guarantee of monetary stability that reinforces by the introduction of the Euro.

As it is seen, Indian Ocean Region is an exceptionally wide geographic territory containing countries in three continents. That regional approach causes challenges “on one hand, neighbouring countries are mostly less developed countries, making them less attractive partners for trade while, on the other hand, there are linguistic and institutional barriers.” (EUROPEAN PERSPECTIVE…., 2011, p. 40)

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24 Indian Ocean Region consists of South Africa, Republic of Angola, Botswana, the Comoros, India, Madagascar, Mauritius, Namibia, Seychelles, Zimbabwe and Zambia.

25 Comoros, Madagascar, Mauritius, France (for Réunion), and the Seychelles with Maldives as an observer joins together in that intergovernmental organisation. The main objectives are diplomatic cooperation; economic and commercial cooperation; cooperation in the field of agriculture, maritime fishing, and the conservation of resources and ecosystems; and cooperation in cultural, scientific, technical, educational and judicial fields. (COI-IOC, 2011)

26 As an international organisation with 18 member states, IOR-ARC facilitates and promotes economic cooperation, bringing together representatives of government, business and academia. One of the key objectives is to promote the sustained growth and balanced development of the region and of the Member States and to create common ground for region economic cooperation. (IOR-ARC CHARTER, 1997)
Whereas the OMRs are vital footholds for Europe in the heart of the Caribbean, in the neighbourhood of the MERCOSUR countries, and off the coast of Africa in the Indian and Atlantic Oceans, making the Union one of the world’s largest maritime areas, with EEZs totalling 25 million square kilometres, containing a wealth of resources of all kinds. (OFFICIAL JOURNAL: 2009/279, p. 14)

To summarize the potentials of Europe’ distant regions, it is necessary to consider the OMRs within their geographic context. “Currently, they are represented as European isolates, in specific frames along the edge of the map of the European continent in which their respective geographic context does not appear. This means that it is not possible to analyse how they relate to neighbouring territories, e.g. in terms of flows, differences in development levels and wider economic production systems. This is particularly important in the Caribbean Arc and in the Guyanas (French Guiana, Suriname and Guyana), which are contiguous to North-Eastern Brazil. There is also significant interaction between Réunion and Madagascar and Mauritius. Finally, the proximity of the Canary Islands to the African coast explains the regular inflow of immigrants. In all these cases, an appropriate mapping of territorial structures can help illustrate the previously noted need for further cooperation, e.g. with the ACP countries in the Caribbean area. It may also help design more concrete strategies for coordination between the European Development Fund and the ERDF through « concertation ». Border and migration issues are also of a great importance, especially for the Canary Islands and French Guiana which, because of their geographical situations, have to deal with problems of illegal immigration. Madeira and the Azores, on the other hand, function more as insular isolates.” (EUROPEAN PERSPECTIVE…., 2011, p. 77)

3. c. Changes in status quos (Relations between the OMRs and the OCTs)

Along with existing regulation in relation to the referred OMRs and OCTs, European legislation provided legal framework in order to facilitate the modification of statuses regarding such territories. Recently, two regions have been initiated to change their status: former French overseas collectivity of Mayotte may change its OCT status to OMR and the future status of three Dutch overseas territories is still under consideration.

The Treaty of Lisbon introduces a mechanism in connection with the OMRs so that the list of those regions can be adapted without a treaty modification. In the Treaty on the Functioning of the European Union, under the new articles preceded by Article 311, which defines the territorial scope of the treaty, Paragraph 6 allows for the European Council to
adopt, by unanimity and upon consultation with the European Commission, a decision to modify the status of a country or a Danish, French or Dutch territory. (EUROPOLITICS 2007, p. 30)

The case of Mayotte is determined by the changes in the status of the island’s association with France. Prior 2011 Mayotte was an overseas collectivity (*collectivités d’outre-mer, COM*) of France. On 31 March, 2011 its status has changed to an overseas department (*département d’outre-mer, DOM*). Becoming an overseas department means it shall adopt the same legal and social system as used in the rest of France. This requires abandoning some customary laws, adopting the standard French civil code, and reforming the judiciary, educational, social and fiscal systems as well. Despite its domestic constitutional evolution from the status of an overseas collectivity to that of an overseas department, Mayotte will remain an Overseas Country and Territory in association with the Union and will only become an Outermost Region of the European Union on the request of the French government, and through the process outlined in Declaration 43 annexed to the Treaty of Lisbon. This provision could apply to Mayotte given the institutional evolution of this French overseas collectivity, currently outside EU territory. A declaration to this effect is annexed to the treaty. It states that the European Council “will take a decision leading to the modification of the status of Mayotte with regard to the Union in order to make this territory an Outermost Region, when the French authorities notify the European Council and the Commission that the evolution currently under way in the internal status of the island so allows”27 (Declaration 43). The Netherlands could also ask that certain islands be added to the list following the dissolution of the Netherlands Antilles. (DECLARATIONS…, 2007)

The case of the successors of the former Netherlands Antilles are more complex as the consequences of the dissolution of the autonomous Caribbean territory. The Netherlands Antilles dissolved on October 10, 2010. The two largest islands that formed part of the Netherlands Antilles, Curaçao and Sint Maarten, became independent countries within the Kingdom of the Netherlands. Apart from these two countries, the Kingdom consist of the Netherlands and, since January 1, 1986, Aruba28. The Netherlands Antilles also included Bonaire, Sint Eustatius and Saba, together known as the BES islands. The BES islands have,

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27 Declaration on Article 355(6) of the Treaty on the Functioning of the European Union
28 The four countries stand on equal footing: each country with its own set of laws but subject to the Statute of the Kingdom (*Statuut voor het Koninkrijk*) and certain Kingdom Acts (*Rijkswetten*).
as public entities, chosen to become part of the Netherlands, as special municipalities (bijzondere gemeenten), a form of “public body”\(^{29}\) (openbaar lichaam) as outlined in article 134 of the Dutch Constitution. (BOERSMA 2010, p. 3)

The Council of Ministers of the Kingdom of the Netherlands agreed not to change the status of these islands with regard to the EU in the first five years of integrating\(^{30}\) these islands into the Netherlands. After these five years have passed, a re-evaluation of the islands’ EU status is to take place. The islands thus will remain OCTs at least until 2015. (ACT OF BES ISLANDS…, 2010)

On the approach of foreign relations’ aspect, however, Mayotte and the BES islands have different potentials due to their unique characteristics. Expectedly the recently formed Dutch regions in the Caribbean are capable to set up new networks of cooperation easily with surrounding countries than Mayotte does in the Indian Ocean Region. It is because of the existing ties that the BES islands inherited from the periods of their previous statuses on the one hand, and the aware of the planned reforms of the relation between EU and its OCTs\(^{31}\) on the other. As for Mayotte’s status change, further problem arises in connection with immigration and the concerns about the political aims of its Islamic population\(^{32}\). According to the Council Decision of 27 November, 2001, Mayotte is one of the least developed OCTs. (COUNCIL DECISION [2001] 822 p. 42) Besides internal problems, Réunion also could manage the same tasks as an OMR with its more developed administration and foreign relations. In addition to those, Mayotte has territorial dispute with the Union of the Comoros and therefore local population of Mayotte very largely did not want to be independent from France and join the Union of the Comoros. As a result of those, the status of Mayotte could be uncertain as an OMR for many years.

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\(^{29}\) The Dutch province of North Holland invited the three new municipalities to become part of the province.

\(^{30}\) Since 2010 the three islands had to involve the Dutch Minister of Foreign Affairs before they make agreements with countries in the region. On 1 January, 2011 the three islands switched to the US dollar, rather than the euro which is used in the European Netherlands.

\(^{31}\) There had been concerns about new trade dynamics resulted by the differentiation between the BES islands being part of the EU and the other three islands, as OCTs, only partly in the EU with serious implications for trade, transport and migration between the Dutch islands. In order to achieve the OCTs become more involved in the regional integration processes, the EU’s Overseas Association Decision (OAD) with the OCTs shall be renewed, which is due in 2013. (10-10-10 WHY IT MATTERS…, 2010)

\(^{32}\) It is a predominantly Muslim country, local administration of Mayotte is largely ruled by customary Muslim law and, although French is the official language, only about 50% of the population can read or write it. (MAYOTE BACKS…, 2009)
Compared to the French and Dutch OCTs objectives, Saint Barthélemy has an opposite goal: to become an OCT rather than keep its status as an OMR. Initiated by French Government and backed by the opinion of the European Commission, the European Council had its Decisions\textsuperscript{33} in 2010 on the future status of the island. (COUNCIL DECISION [2010] 718) According to the Decisions, Saint Barthélemy ceased to be an OMR from 1 January, 2012, enabled by the above mentioned mechanisms for change in status.

\textsuperscript{33} European Council Decision of 29 October 2010 Amending the Status with Regard to the European Union of the Island of Saint Barthélemy (2010/718/EU)
4. Achievements and future prospects

In the past 15 years of Outermost Regions, there have been many efforts in order to broaden functions of the OMRs. In its 2008 Communication “Outermost Regions – an asset for Europe”, the EU Commission names the following opportunities for the OMRs: outposts of the European Union in the world; ideal location for experimentation to combat the effects of climate change; remarkable biodiversity and wealth of marine ecosystems; scientific portals for their geographical areas and; high-quality agricultural produce. (EUROPEAN PERSPECTIVE..., 2011, pp. 40–41) That Communication also refers to foreign relations under the aim of strengthening regional integration: “the territorial cooperation programmes for the period 2007–2013, jointly financed by the ERDF, provide opportunities for the development of the action plan for the wider neighbourhood.” (COM [2008] 642) p. 7

European Union also recognised the importance of the geographic positions of its OMRs.34 “Located on shipping routes or straits, the OMRs occupy an important position for trade. They also play a role in maritime governance for the monitoring of coastal waters (e.g. the fight against illegal fishing, piracy or drug trafficking) or in improving the security of transport (e.g. the management of oil transport in the Caribbean). (COM [2008] 642), p. 7

The development of the European strategy for the OMRs is summarized by several documents. On the basis of Article 349 (ex Article 299(2)) of the Treaty on the Functioning of the European Union, the European Commission has for some years been developing an EU strategy for the Outermost Regions, which is set out in its Communication entitled “A stronger partnership for the Outermost Regions” of May 2004. (COM [2004] 343 final, 26.05.2004) This strategy focuses on three priorities: to increase their accessibility (internal and external), to improve their competitiveness by attracting new investors and companies in those regions and to integrate them into their specific regional areas by facilitating trade with direct neighbours. Those aims of the strategy were part of a broader makeover of the EU’s cohesion policy and were supplemented by further principles in later communications. All these documents state that cross-border cooperation is pursued by the Outermost Regions through the European Neighbourhood and Partnership Instrument (ENPI) and the Wider

34 The OMRs, surrounded by geopolitical and geographic realities that are different from those of the continental European Union, represent the vanguard of the EU’s position vis-à-vis other major economic blocs. They thus confer a special dimension on the Union’s external activities and participate in the development of a true wider neighbourhood policy through their geographical, cultural and historical links with other countries and peoples, particularly in Africa and the Americas. (COM [2008] 642, p. 7)
Neighbourhood Action Plan for the Outermost Regions. (INVolVEMENT OF REGIOnS…, 2009, p. 6)

In September 2007 the Commission regarding the OMRs, recognised the necessity “to continue the effort to adapt Community policies and for specific support whenever necessary”. In the Communication (COM(2007) 507 final) European Commission has refined those objectives settled in the Communication in 2004. That document kept the existing three priorities and supplied their funding by the modified regulations of state aid and special measures applicable to the OMRs as well as EIB loans and interventions in those regions. (COM [2007] 507 pp. 6–19) The Communication issued in 2008 (COM(2008) 642 final) proposed that the use of existing Community instruments and strengthening of partnership will be key elements of future development of the strategies in connection with foreign relations of OMRs. Regarding existing instruments, in total, the OMRs receive €7.8 billion in Community investment over the period 2007–2003 (ERDF, ESF, EAFRD, EFF, POSEI) in budgetary terms. (COM [2008] 642, p. 10) In order to support the strengthening of partnership, information sessions (to provide a better explanation of Community instruments and policies) and a forum for “Outermost Europe” which takes place every two years (organised together with the Member States and the OMR) were set up.

During the 27–28 May, 2010 session of Forum for Outermost Europe in Brussels additional proposals were initiated. Background document of round table n°2 specifies two main difficulties which are yet to be solved. “An enormous challenge to face in order to successfully internationalise is accessibility of the regions – infrastructure and lines of transport – both towards the European continent and within their respective geographical areas, and finally towards the rest of the world. Another major difficulty is linked to

35 As for the aim of reducing the accessibility deficit the European Regional Development Fund (ERDF) operational programmes for the period 2007-2013 continue the effort to reduce the accessibility problems by investing in total, almost €1,710 million improving the accessibility of these regions. In order to increase competitiveness in accordance with the guidelines resulting from the implementation of the Lisbon and Gothenburg strategies, the OMRs benefit from the ERDF and European Social Fund (ESF) operational programmes, the rural development programmes, European Fisheries Fund programmes and state aid in the period 2007-2013. To strengthen regional integration, the territorial cooperation programmes for the period 2007-2013, jointly financed by the ERDF, provide opportunities for the development of the action plan for the wider neighbourhood. Economic Partnership Agreements (EPAs), in order to facilitate cooperation with the ACP countries, are also key elements of that priority. (COM [2008] 642)

36 From 2008 the OMRs are able to become involved in the “Regions for Economic Change” initiative and its “fast-track” element implemented under the interregional strand of the territorial cooperation objective and the sustainable urban development programme (Urbact II). (COM [2008] 642, p. 10)

37 “The OMRs must be called upon to take a constructive role in the process of implementing and finalising the EPAs. They should in particular grasp the opportunities offered by the enhancement of regional cooperation for trade in goods and services as well as in other areas such as services, intellectual property and public procurement.” (COM [2008] 642, p. 13)
immigration, where the strong push in certain OMRs can destabilise their cohesion in terms of economics (labour market and unemployment) and social matters (pressure on health, education systems and housing).” (FORUM FOR OE 2010, p. 2) However, the document also declares that focusing more towards the outside could represent a vital way of securing stronger development of the OMR assets and ultimately ensure their endogenous development.

4. a. Transnational and cross-border cooperation

In the context of the “European territorial cooperation” objective of the cohesion policy, the Commission intended to improve transnational and cross-border cooperation to the benefit of the Outermost Regions more dynamically from 2004. The 2004 Commission Communication (COM [2004] 343, p. 7) has recognised that “some of the funding allocated to cross-border cooperation in the Outermost Regions could be allocated to projects implemented with neighbouring non-member countries (particularly the ACP countries and those around the Mediterranean).” According to the Communication, those cooperation programmes could be coordinated at the level of programming and implementation with the regional indicative programmes (RIP) financed by the European Development Fund (EDF) in the ACP countries.

The European territorial cooperation objective has three priorities: facilitating exchanges as regards transport, services and the information and communications technologies; facilitating exchanges of persons in order to be effective, cooperation should be based on the easier movement of nationals of neighbouring non-member countries, although these exchanges also have to take account of the fight against illegal immigration; and lastly, exchanges of experience as regards regional integration. The document has further recommendations in connection with exchanges of experience.

As far as the EU’s approach to territorial cooperation at its external borders is concerned, the specific situation of the Outermost Regions has been largely neglected. They were only allowed to get involved in cross-border cooperation under the above mentioned ENPI as from 2007. The paper of “Involvement of the Regions in European Neighbourhood and Partnership Policy” in 2009 gives a specific example of the Outermost Regions and cross-

38 “Cooperation should also be based on exchanges of experience as regards regional integration and support for economic cooperation and trade between the Outermost Regions and their neighbours. The aim is to support and anticipate the establishment of economic partnerships between ACP countries because the Outermost Regions have every interest in monitoring and perhaps associating themselves with the processes of regional integration which are taking place in their geographical areas.” (COM [2004] 343, pp. 8–9)
border cooperation through the ENPI, called the Spain (Canaries) / Southern Morocco Programme. However these types of examples of cooperation seem to be limited in practice up to now.

Besides cross-border activities the Wider Neighbourhood Action Plan has recognised that the OMRs have a dual challenge: membership of the EU and integration within the Single Market on the one hand, and membership of their specific regional area, remote from EU territory and close to other, usually poorer countries, with which they have economic, historic and cultural ties. (INVolVEMENT OF REGIONS…, 2009, p. 6)

4. b. Strengthening the Wider Neighbourhood Action Plan

This plan was originally proposed in the above mentioned Communication from the Commission of May 2004, which set out an EU strategy for the Outermost Regions.

The Wider Neighbourhood Action Plan aims to help the Outermost Regions to integrate more easily with their socio-economic and cultural area by removing obstacles which limit the opportunities for exchanges with the surrounding regional area. To achieve this, it is necessary to promote the free movement of goods, services and people in a coherent fashion, including by facilitating exchanges of experiences. “The Commission is proposing that the Action Plan should have two main strands: firstly transnational and cross-border cooperation; and secondly trade and customs measures. The action plan should also include measures to inform all those concerned, including Commission delegations in third countries, about the extent of the challenge which the Outermost Regions and countries in their regional area face.” (INVolVEMENT OF REGIONS…, 2009, p. 6)

In the above mentioned Communication from 2007 concentrates on the strengthening of the existing activities. Strengthening the regional integration of the OMRs in their vicinities is an innovation of the 2004 strategy which has brought noticeable improvements, but it needs

39 “The Canary Islands had not been allowed to participate in cross-border cooperation before then as they had not been considered as external maritime borders of the EU and could therefore not join the Spain–Morocco cooperation programme under Interreg IIIA (2000–2006), which only involved certain Andalusian provinces, Ceuta and Melilla. It was not until the 2007–2013 period that the Canaries Islands finally came to be considered as external maritime borders of the EU and therefore became eligible to participate in cross-border cooperation, which, during this time, was incorporated into the wider context of neighbourhood policy. The Canary Islands now constitute the Atlantic fringe of neighbourhood policy. The Spain/Morocco cross-border cooperation programme has two strands: one for Spain and Northern Morocco, which involves Andalusia, and one for Spain and southern Morocco, which involves the Canary Islands. Negotiations with the Commission began in 2006. The Spain – Southern Morocco strand involving the Canary Islands has a €32 million budget, of which 50% is funded by the ERDF and the ENPI. In order to establish this cooperation, and until the neighbourhood programme was approved, another cross-border cooperation programme involving just the ERDF is in preparation.” (INVolVEMENT OF REGIONS…, 2009, p.6)
to be strengthened by involving public and private local players as well as the member states concerned. Dialogue between the regions and their neighbouring countries, particularly the ACP (Africa, Caribbean, Pacific) countries and the Overseas Countries and Territories associated with the EU is the tool for pushing this process forward.

The Commission Communication on the Outermost Regions, entitled “The Outermost Regions: an asset for Europe” (COM [2008] 642 final), emphasises that the major importance of cooperation for the Outermost Regions, for whom this is not a matter of choice but one of need.

“Located on shipping routes or straits, the OMRs occupy an important position for trade. They also play a role in maritime governance for the monitoring of coastal waters (for instance, the fight against illegal fishing, piracy or drug trafficking) or in improving the security of transport (for instance, the management of oil transport in the Caribbean). Moreover, the OMRs’ border on regions faced with developmental challenges, with which the EU cooperates in the areas of combating poverty, sustainable development, managing migratory flows and regional security. The OMRs can thus act as privileged partners with their neighbouring third countries, specifically in projects to enhance administrative capacities, training, education and health, creation of SMEs, agriculture, fisheries and prevention of natural hazards.” (COM [2008] 642, p. 8)

There have been already some potential measures for pursuing those priorities. These are: the recognition of the special nature of the OMRs in Economic Partnership Agreements; the improved coordination of financial instruments; strengthened sea connections between the OMRs and neighbouring non-member states; recognition the special nature of the OMRs in migration policy; and joint participation by the OMRs and non-member countries in research networks and Community framework programmes. (COM [2007] 507, pp. 7–8)

4. c. Recommendations

On 12 May, 2011 in Brussels, the European Commissioner for Regional Policy, Johannes Hahn, met the Presidents of the Outermost Regions and representatives of their member states (France, Spain and Portugal). The purpose of the meeting, chaired by Martinique, was to discuss the future of Outermost Regions economies and the attention they should continue to receive in the future cohesion policy after 2013. Among main conclusions of the meeting, it was revealed, that better regional integration of Outermost Regions with their geographical
neighbours could be a real growth factor and a development booster for the neighbouring countries. This would improve their accessibility and reduce the impact of their isolation from European mainland. According to the summary of the meeting, the Commission will pay particular attention to the specific situation of the Outermost Regions. The document also underlines that the Commission will encourage the Outermost Regions to pursue efforts to design “smart specialisation strategies”, which means to identify their greatest strengths and concentrate their resources on a few key priorities. They should conceive and develop innovative projects which can help them to realise their full potential. (MEETING…, 2011)

In 2012, the European Commission will present a new communication on the future EU strategy for the Outermost Regions. In the meantime, some recommendations towards EU can be made in accordance with the conclusions of the meeting.

Firstly, it shall be considered, what mechanisms shall be applied in connection with Common policies regarding the OMRs. Currently, foreign policy prospects of Outermost Regions are determined by Common Regional Policy. This system can be developed by transferring specific authorities under the priorities of the Common Foreign and Security Policy. Thus, it would foster the OMRs to intensify their foreign relations and enables immigration-related demographic processes to be controlled. On the other hand, the OMRs are situated along international sea trade routes. This potential would also urge the implication of certain security policies.

Secondly, the major hurdle of the development of the OMRs’ external relations is that they still need helping hand. Their financial positions depend on a budget drafted by EU institutions. Nevertheless, economic stimulus programmes processing presently may not be appropriate due to the conflict of economic and strategic foreign relation interests. Economic objectives are based on cohesion policies and commercial aims. (BEHRENS – GAIGNÉ 2006) Because of the needs presented in Chapter 3.a. (i.e. the OMRs have to overcome their structural handicaps), it is evident that economy (trade) has a priority over external relations.

Thirdly, apart from the previous structural innovations, new institutions with different functions and wider authority shall be established in the OMRs. For instance, relations to the ACP countries can be improved by founding either a single or some regional institutions in the OMRs. Moreover that is more required, to establish an Outermost Region in the Pacific

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40 This will take effect, for instance, during the re-examination of the trans-European transport networks (TEN-T) guidelines. Coordination between EDF and ERDF will also be improved following the recent agreement with the EU Commissioner for Humanitarian Aid Andris Piebalgs and EU High Representative Catherine Ashton. (MEETING…, 2011)
region by a transformation from an OCT. At this time, this region contains 14 island states of the ACP countries. The Economic Partnership Agreement with those countries have a priority of customs and trade facilitation, aiming efficient customs procedures and better co-operation between administrations. (ACP – PACIFIC, 2010) Although its trade with EU falls short of the other ACP regions have\textsuperscript{41}, the European Union has not taken all of the advantages of the Pacific region and its OCTs.

Concerning the future prospects of the OMRs, the recent initiatives regarding OCTs shall be reviewed in accordance with possible changes in the OCT and the OMR statuses.

Based on the experience acquired, the Commission wished to carry out a holistic review of the relations between the EU and the OCTs and to consider a substantial revision of the OCT-EC association. “Green Paper on future relations between the EU and the OCTs” aims to examine a series of challenges and opportunities and to obtain input from interested parties before defining a new partnership between the EU and the OCTs, in particular in view of the expiry of the current Overseas Association Decision at the end of 2013. (EU RELATIONS…, 2011) There is a need to complete a similar task in connection with the OMRs and regarding the relations among the OMRs, the OCTs and non-member states.

\textsuperscript{41} In budgetary terms, Pacific region trade with the EU was €1.012 billion in 2008. Trade of other ACP regions varied between €4.8bn and € 58.2bn in 2008. (ACP – PACIFIC, 2010)
5. Conclusions

Summarizing the development of the European strategy for the OMRs, it concentrates evidently on mainly the financial segment of trade relations. For this reason, various programmes launched by the EU lack the vision of external relations based on deeper political cooperation.

On the matter of regional integration, it is important to make a distinction between cooperation policy and trade policy (under the customs and taxation sections of the Commission Communications).

As concerns regional cooperation, the OMRs now base themselves, from the Community point of view, on their territorial cooperation programme (with ACP countries and the OCTs through the “Caribbean”, “Indian Ocean” and “Macaronesia” programmes, and also with Brazil through the “Amazonia” programme).

The question of regional trade integration has been the subject of many debates and meetings in recent years as part of EPA negotiations between the EU and ACP regions. Only the Caribbean has signed a complete EPA; everywhere else only interim agreements on trade in goods have been signed, and negotiations continue. The Commission proposed making EPAs a tool for integrating the OMRs in their respective regions, pointing out the positive effects of the EPAs for the OMRs – an end to the old nonreciprocal trade relations, a clause for promoting cooperation – and highlighting the existence of specific support measures, which after consultation and negotiation appear to be primarily defensive. (FORUM FOR OE 2010, p. 2)

Considering the lack of long-term aims, EU has only a few initiatives about its future expectations in connection with the Outermost Regions. The Commission of the European Union has defined its objectives regarding the OMRs in general. The Commission highlighted in its communication on Europe 2020 that one of the main objectives for the coming years will be to establish strategic relations with emerging economies and that in 2010 it will develop a trade strategy for Europe looking toward 2020, including priority work aimed at concluding new trade agreements especially targeting future sectors. The policy of opening up the OMRs will therefore reflect this context. (FORUM FOR OE 2010, p. 2)

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Regional policy & Outermost Regions.
Appendix I.
Determinants of objectives regarding the OMRs

1. Community aims
   a. EU Common Foreign and Security Policy
   b. Developing competitiveness

2. Specific regional aspects
   a. Diversification of produce
   b. Strategic importance
   c. Research and Development, hi-tech industries

3. National aims
   a. Economic relations
   b. Special interests
   c. Immigration

4. The OMRs’ aims: emerging political authority
Appendix II.
The Outermost Regions

<table>
<thead>
<tr>
<th>Location</th>
<th>Capital</th>
<th>Surface area</th>
<th>Population</th>
<th>Per capita GDP (EU=100)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Azores</td>
<td>Atlantic</td>
<td>Ponta Delgada</td>
<td>2 333 km²</td>
<td>237 900</td>
</tr>
<tr>
<td>Canaries</td>
<td>Atlantic</td>
<td>Las Palmas</td>
<td>7 447 km²</td>
<td>1 715 700</td>
</tr>
<tr>
<td>Guadeloupe</td>
<td>Caribbean</td>
<td>Pointe-à-Pitre</td>
<td>1 710 km²</td>
<td>425 700</td>
</tr>
<tr>
<td>French Guiana</td>
<td>South America</td>
<td>Cayenne</td>
<td>84 000 km²</td>
<td>161 100</td>
</tr>
<tr>
<td>Madeira</td>
<td>Atlantic</td>
<td>Funchal</td>
<td>795 km²</td>
<td>244 800</td>
</tr>
<tr>
<td>Martinique</td>
<td>Caribbean</td>
<td>Fort-de-France</td>
<td>1 080 km²</td>
<td>383 300</td>
</tr>
<tr>
<td>Réunion</td>
<td>Indian Ocean</td>
<td>Saint-Denis</td>
<td>2 510 km²</td>
<td>715 900</td>
</tr>
<tr>
<td>Saint Barthélemy</td>
<td>Caribbean</td>
<td>Gustavia</td>
<td>25 km²</td>
<td>8 300</td>
</tr>
<tr>
<td>Saint Martin</td>
<td>Caribbean</td>
<td>Marigot</td>
<td>53 km²</td>
<td>35 000</td>
</tr>
</tbody>
</table>

Appendix III.
List of ACP countries

**SADC group**
- South Africa
- Swaziland
- Lesotho
- Mozambique
- Namibia
- Angola
- Botswana

**EAC group**
- Burundi
- Rwanda
- Kenya
- Tanzania
- Uganda

**“Eastern and Southern Africa group”**
- Malawi
- Zambia
- Zimbabwe
- Seychelles
- Comoros
- Madagascar
- Mauritius
- Djibouti
- Ethiopia
- Eritrea
- Sudan
- Somalia

**“CEMAC plus São Tomé and Príncipe, DR Congo group”**
- Cameroon
- Central African Republic
- Chad
- Republic of the Congo
- Democratic Republic of the Congo
- Equatorial Guinea
- Gabon
- São Tomé and Príncipe

**“West Africa group”**
*(ECOWAS plus Mauritania)*
- Benin
- Burkina Faso
- Cape Verde
- Côte d’Ivoire
- Togo
- Gambia
- Ghana
- Guinea
- Guinea-Bissau
- Liberia
- Niger
- Nigeria
- Senegal
- Sierra Leone
- Mali
- Mauritania

**Caribbean**
- Antigua and Barbuda
- Bahamas
- Barbados
- Belize
- Cuba
- Dominica
- Dominican Republic
- Grenada
- Guyana
- Haiti
- Jamaica
- Saint Kitts and Nevis
- Saint Lucia
- Saint Vincent and the Grenadines
- Suriname
- Trinidad and Tobago

**Pacific**
- Cook Islands
- Timor-Leste
- Fiji
- Kiribati
- Marshall Islands
- Federated States of Micronesia
- Nauru
- Niue
- Palau
- Papua New Guinea
- Samoa
- Solomon Islands
- Tonga
- Tuvalu
- Vanuatu