



OUTERMOST REGIONS (ORS)

There are specific measures in place to support the development of the most remote regions of the European Union, known as the outermost regions: Guadeloupe, French Guiana, Réunion, Martinique, Mayotte and Saint-Martin (France), the Azores and Madeira (Portugal), and the Canary Islands (Spain). The purpose of this support is to compensate for the constraints arising from the geographical remoteness of these regions.

LEGAL BASIS

Articles 349 and 355 of the Treaty on the Functioning of the European Union (TFEU).

BACKGROUND

Some EU Member States have part of their territory located in areas of the globe that are remote from Europe. These regions, known as the outermost regions (ORs), have to deal with a number of difficulties related to their geographical characteristics, in particular: remoteness, insularity, small size, difficult topography and climate. They are economically dependent on a few products (often agricultural products or natural resources). These features act as constraints on their future development potential.

Currently there are nine outermost regions:

- 5 French overseas departments — Martinique, Mayotte, Guadeloupe, French Guiana and Réunion;
- 1 French overseas community — Saint-Martin (since 2009);
- 2 Portuguese autonomous regions — Madeira and the Azores;
- 1 Spanish autonomous community — the Canary Islands.

It should be highlighted that ORs are not the same as the EU overseas countries and territories (OCTs). There are 25 OCTs constitutionally linked to the following Member States: Denmark, France, the Netherlands and the United Kingdom. OCTs are not part of the single market and must comply with the obligations imposed on third countries in respect of trade, particularly rules of origin, health and plant health standards and safeguard measures. The EU's association relations with OCTs are detailed in the Council Decision 2013/755/EU, adopted on 25 November 2013. Article 355 of the Treaty of Lisbon allows the European Council, on the initiative of the Member State concerned, to amend the status of a given French, Danish or Netherlands overseas country or territory (i.e. ORs or OCTs) without having to amend the Treaty. Until the end



of 2011, for example, Saint Barthélemy was an outermost region, but in 2012 it became an OCT by Council Decision No 528/2012/EU. The opposite happened in 2014 with Mayotte, which was an OCT and by Council Decision 2014/162/EU became an OR.

OBJECTIVES

Regardless of the great distance separating them from the European continent, the outermost regions are an integral part of the European Union, and the *acquis communautaire* is fully applicable in their territory. However, owing to their specific geographical location and the related difficulties, EU policies have had to be adjusted to their special situation.

The relevant measures concern, in particular, areas such as customs and trade policies, fiscal policy, free zones, agriculture and fisheries policies, and conditions for supply of raw materials and essential consumer goods. Also, the rules on State aid and conditions of access to the Structural Funds and to EU horizontal programmes can be adapted to the needs of these regions (e.g. European Regional Development Fund (ERDF) special allocations to ORs).

For the 2014-2020 programming period, approximately EUR 13 billion is allocated to ORs, as follows:

Table: 2014-2020 European Structural and Investment (ESI) Funds allocated to ORs

ESI Funds allocated to ORs	(EUR billion)
ERDF (including special ORs allocations and European Territorial Cooperation (ETC))	5
European Social Fund (ESF) (including Youth Employment Initiative (YEI))	1.9
European Agricultural Fund for Rural Development (EAFRD)	1.5
Programme of Options Specifically Relating to Remoteness and Insularity (POSEI) programmes (funded from the European Agricultural Guarantee Fund - EAGF)	4.6
European Maritime and Fisheries Fund (EMFF)	0.3
Total	13.3

Source: European Commission, *Fourth Forum of the Outermost Regions, 30-31 March 2017*

Apart from the special ERDF allocations, ORs also benefit, in the area of agriculture, from the POSEI programmes (Programmes of Options Specifically Relating to Remoteness and Insularity), funded from the EAGF (see table above). These programmes focus on two major types of measures:

- specific supply arrangements designed to mitigate the additional supply costs relating to essential products for human consumption, for processing or for use as agricultural inputs; and
- measures to support local agricultural production.



At present, the Commission is working on a new strategy for the ORs, which is due to be published in autumn 2017.

ROLE OF THE EUROPEAN PARLIAMENT

Despite the fact that all decisions as to which regions are accorded outermost region status are taken by the European Council, Parliament plays a very active role in support for the ORs.

Parliament has powers equal to those of the Council when it comes to the legislation concerning the most important EU policies, such as regional, agricultural, fisheries and education policy. In its work Parliament takes account of the specific situation of the outermost regions and supports initiatives aimed at boosting their development.

During the negotiations of the 2014-2020 regulatory framework, Parliament supported the principle that outermost regions should have differentiated treatment regarding co-financing rates, special ERDF provisions on productive investments in enterprises, and specific rules as regards ETC programmes. Furthermore, in 2014 Parliament adopted a resolution on 'optimising the potential of outermost regions by creating synergies between the Structural Funds and other European Union programmes'. In this resolution, it recalled the special features of ORs and emphasised the need for synergies between the Structural Funds' support for ORs and EU-level programmes such as Horizon 2020, LIFE+ and COSME.

More recently, Parliament has been deliberating on an own-initiative report on the ORs, which focuses on the implementation of Article 349 TFEU, covering areas such as EU's trade policy, maritime policy, fisheries and blue growth, cohesion policy, environment and energy.

Table: Data on Outermost Regions

	Distance from national capital (km)	Area (km ²)	Population	GDP per capita as a percentage of the EU average (EU=100) (*)
EU 28	-	4 407 569.1	508 450 856	100
France***	-	633 186.6	66 415 161	106
Portugal	-	92 226.0	10 374 822	77
Spain	-	505 944.0	46 449 565	90
Azores	1 548	2 322.0	245 766	69.2
Canaries	1 850 (average for all the islands)	7 445.0	2 135 722	78.2
Guadeloupe	7 578	1 681.6	393 392	73.1
French Guiana	7 841	83 533.9	262 527	58.4
Madeira	1 041	802.0	256 424	73.39



Martinique	7 641	1 128.0	376 847	77.03
Réunion	9 921	2 503.7	850 996	69.92
Saint-Martin (**)	6 700	86 (53 for the French side)	36 457	-
Mayotte	8 444	374.0	235 132	30.75

(*) Data for 2015, except for the Azores, Madeira and Martinique (2014) and Guadeloupe (2016); sources: Eurostat, Statistics Portugal,
(**) Sources: INSEE (France), 2015 and 'Ministère Français des Outre-Mer' (Ministry of Overseas France); no recent data available for GDP
(***) Total area for France includes the ORs but not the OCTs.

Source: Eurostat 2015

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