



European Economic and Social Committee

EU's outermost regions

"The outermost regions (ORs) have considerable assets to contribute to the future of Europe: the talents of their men and women, their agricultural, fisheries and industrial products, their high-quality tourism and their geographical role as outposts of Europe in their regional neighbourhoods. The citizens of the ORs feel themselves to be 100% European."

Henri Malosse, EESC rapporteur on the EU's outermost regions

Introduction

The outermost regions (ORs) of the EU are situated geographically thousands of kilometres away from Brussels and the European continent, but administratively they are as much part of the EU as Berlin or Paris. Their ties with Europe go back over centuries. They are currently:

- **The Canary Islands** – an autonomous community belonging to Spain, in the North Atlantic.
- **Madeira and the Azores** – autonomous regions of Portugal, in the North Atlantic.
- **Martinique, Guadeloupe, French Guiana, Réunion, Saint-Martin** – French overseas departments, in the Caribbean and Indian Ocean.

The citizens of the ORs make up less than 1% of the EU population, but have exactly the same rights and obligations and are bound by the same legal framework as their counterparts throughout the 27 Member States.

Why action is needed

Economically, the ORs are fragile. Most of the islands have a large proportion of young and highly educated citizens, which should be a crucial asset for Europe, with its ageing populations. They have higher levels of development than their geographical neighbours in Africa or the Caribbean – more comparable to their parent states in the EU. For example,

the Canary Islands have advanced research capacity in areas like renewable energy and water management, while Madeira is Portugal's second wealthiest region, with GDP above the EU average. Yet their relative wealth isolates them from neighbouring countries, inhibiting mobility within regions.

As a result, unemployment, especially among young people, is up to three times higher than the EU average. The ORs' economies are highly dependent on the public sector, with one-third of GDP coming from European investment.

Through its contacts with civil society, the European Economic and Social Committee knows that people in the ORs feel European, and expect to be treated equally. But they criticise policy-makers in Brussels for ignoring their specific geographical and climatic conditions, and failing to consult them on, for instance, trade or other bilateral issues that affect their economies (for example in negotiations with the ACP countries). At the same time, they want to be active in their regional environment through direct cooperation with neighbours.

The EU has an obligation to meet the aspirations of the people of its outermost regions.

European Union policy

In June 2012, the European Commission issued a Communication aimed at helping the ORs "become more self-reliant, economically more robust and better able to create

sustainable jobs, by capitalising on the unique assets they possess and their added value for the EU". It promised to take more account of the regions' interests, and give them a higher profile.

The proposals included financial investment through the EU's Cohesion policy, with support for young people entering the labour market from the European Social Fund. Alongside measures to modernise traditional sectors, it proposed to promote "smart" growth through new technologies and entrepreneurship. "The Commission will pursue efforts to strengthen the integration of the OR in the single market and in their geographical environment," it pledged.

The EESC's position

"The EU's current priority in relation to the ORs must be to strengthen the links that connect them with mainland Europe and their citizens' sense of belonging to the European project," insists the EESC in its new opinion on *Outermost regions – smart growth*. Indeed, the ORs have much to offer Europe in areas like biodiversity, earth observation, renewable energies and cultural, ethnic and religious diversity.

For 20 years, the EESC has supported civil society in the ORs in its efforts to work more closely with EU institutions. But despite the Committee's warnings of the potentially negative impact of some EU trade agreements, a lack of consultation has persisted. There is no justification for excluding ORs from major EU policy areas such as research and mobility, adds the EESC, criticising the Commission for neglecting EU partnership with civil society and for the absence of projects to strengthen people's sense of European identity, for example through information campaigns. "The involvement of civil society in the EU's strategy must be more than just a slogan."

In recent months, as major EU players have wrangled over the size of the EU budget for the next seven-year period (2014-2020), these isolated regions have struggled to retain their share of funding. "Despite the extremely tight budgetary situation, specific support for the ORs must not be cut," declares the

opinion rapporteur Henri Malosse. The EU also needs to tackle excessive delays in delivering funds.

To help young people into work, education and training should be one of the three priorities for EU support, says the EESC. The second should aim at boosting SMEs and wealth-creating industries like tourism. Thirdly, the EU must invest in major networks such as information technologies, transport, waste, water and energy. Overall, the EESC welcomes the EU's recognition of the importance of the social dimension in the development of the ORs. "No European citizen should be left behind in the process of development," it emphasises.

Agriculture is vital to the ORs' economies, but EU intervention through the POSEI programme concentrates too narrowly on sugar and bananas, failing to develop a more diverse range of products such as vanilla, fruit and vegetables, and fish. The Commission should also do more to foster the regions' potential for research, given that an astounding 80% of the EU's biodiversity is found in its ORs. European networks and clusters could encourage and support local researchers.

Much of the EESC's opinion is devoted to ways of promoting regional cooperation, which would reinforce the EU's geostrategic influence. It calls for a dialogue between civil society organisations in the ORs and their neighbours, allowing for a say in Economic Partnership Agreements with the ACP countries.

The EESC also argues that a new Erasmus Mundus programme could boost exchanges between young people in neighbouring regions, and help to promote European identity and culture. Further, setting up EU representation offices in the ORs would enhance the visibility and presence of the Union there, offer a channel for direct contact, and avoid the need for local authorities to communicate via national capitals.

Finally, the EESC calls on the Commission to carry out an urgent analysis of the application of Article 349 (TFEU), which allows for the specific situation of the ORs to be taken into account in EU policy-making, as there is a strong feeling that the opportunities it offers are not being fully exploited.

Further information:

Europe's outermost regions and the Single Market: http://ec.europa.eu/internal_market/outermost_regions/index_en.htm

EU regional policy: http://ec.europa.eu/regional_policy/activity/outermost/index_en.cfm

EESC opinion: www.eesc.europa.eu/?i=portal.en.eco-opinions.23907

Outermost regions video: www.youtube.com/watch?v=iiOXDI0mEsl