

ROADMAP	
TITLE OF THE INITIATIVE	Proposal for Council Decision replacing Council Decision 2001/822/EC of 27 November 2001 on the association of the overseas countries and territories with the European Community ("Overseas Association Decision")
TYPE OF INITIATIVE	X CWP act • Non-CWP • Implementing act/Delegated
LEAD DG – RESPONSIBLE UNIT	DG DEV/D task force OCT
EXPECTED DATE OF ADOPTION	March 2012
VERSION OF ROADMAP	No: 02 Last modification: 19/10/2010

This indicative roadmap is provided for information purposes only and is subject to change. It does not prejudice the final decision of the Commission on whether this initiative will be pursued or on its final content and structure.

A. Context, problem definition
<p>(i) What is the political context of the initiative?</p> <p>(ii) How does it relate to past and possible future initiatives, and to other EU policies?</p> <p>(iii) What ex-post analysis of the existing policy has been carried out and what results are relevant for this initiative?</p>
<p>(I) The Overseas Countries and Territories (OCTs) are associated with the European Union (EU) through a regime based on the provisions of Part IV of the Treaty on the Functioning of the EU (TFEU) and the detailed rules and procedures laid down at present in the Overseas Association Decision of 27 November 2001. This current Overseas Association Decision will expire on 31 December 2013. Thus, the European Council in its 22 December 2009 conclusions stressed the importance of updating the unique relationship between the EU and the OCTs to reflect new developments in the EU, in the OCTs and in the wider world. It also encouraged the Commission, through appropriate dialogue with the OCTs and the Member States, to revise the Overseas Association Decision and to present it to the Council before July 2012.</p> <p>(II) The current Overseas Association Decision of 27 November 2001 is based on an approach analogous to that for cooperation between the EU and the African, Caribbean and Pacific (ACP) States, despite the significant differences between the ACP States and today's OCTs. In order to launch an open discussion on the case for replacing this approach by one that is tailored to the OCTs' specific needs, their potential and their unique relationship with the EU, the Commission adopted a Green Paper on future relations between the EU and the OCTs on 25 June 2008. The Green paper gave the opportunity for a large public consultation. The outcome and results of that public consultation were presented in a Communication "Elements for a new partnership between the EU and the OCTs" (COM(2009)623 final of 6 November 2009). This communication set out the Commission's standpoint on essential elements for a new partnership between the EU and the OCTs which should guide further work, in 2011-2012, on replacing the current Overseas Association Decision when it expires on 31 December 2013.</p> <p>(III) An external evaluation of the cooperation between the EU and the OCTs, for the past 10 years, is currently underway. According to the Terms of Reference and the Contract signed between the Commission and the contractant the final Report and results of the evaluation are expected in April 2011. The main objectives of the evaluation are:</p> <ul style="list-style-type: none"> • To provide the relevant external co-operation services of the EU and the wider public with an overall independent assessment of the EU's past and current cooperation activities with the OCTs. • To identify key lessons in order to improve the current and future strategies and programmes of the EU. <p>The overall context of a partnership with the OCTs with different financing instruments and territory-specific strategies as set out in the Single Programming Documents will be analysed. The focus will also be on the impact (effects) of the EU expenditure programmes.</p> <p>Thus the evaluation will cover the strategic aspects concerning the result-orientation and the effectiveness of the management of the allocated funds. It will also describe the effects of the selected implemented interventions and their contribution to the achievement of the objectives of the EU cooperation strategies with the OCTs and of the EU cooperation in general.</p> <p>The results of the evaluation will be taken into consideration when drafting the proposal for the new Association Decision.</p>

What are the main problems which this initiative will address?
<p>The overseas countries and territories (the OCTs) are closely associated with the European Union. Historically, the list of OCTs mainly included countries and territories that have in the meantime become independent sovereign countries, most of them ACP countries. This explains why the logic (of the 2001 Overseas Association decision) applied to cooperation between the EU and the OCTs is to a large extent identical to that applied to cooperation between the EU and the ACP states, despite the fact that the OCTs are covered by a separate legal base in the Treaty on the Functioning of the EU (TFEU).</p> <p>However, such parallelism does not correspond to the reality in the field, the specific social, economic and environmental challenges faced by the OCTs today, and the close historical, institutional and political ties between the OCTs and the EU. Furthermore, it does not take into account the potential of OCTs as strategically important outposts, spread all over the world, as proponents of the EU's values. In addition, the wider international context has evolved, in particular as a consequence of globalisation, the ongoing liberalisation of international trade and also the increased regional integration of the ACP countries.</p>
Who will be affected by it?
All OCTs: Aruba, British Virgin Islands, Netherland Antilles, Anguilla, Cayman islands, Turks & Caicos islands, Montserrat, New Caledonia, French Polynesia, Wallis & Futuna, Pitcairn, British Indian Ocean Territory, Mayotte, St Pierre & Miquelon, Greenland, British Antarctic Territory, Falkland islands, South Georgian and South Sandwich Islands, St Helena, French Southern and Antarctic Territories.
<p>(i) Is EU action justified on grounds of subsidiarity?</p> <p>(ii) Why can Member States not achieve the objectives of the proposed action sufficiently by themselves? (Necessity Test)</p> <p>(iii) Can the EU achieve the objectives better? (Test of EU Value Added)</p>
(I) The Treaty on the functioning of the European Union and in particular its Part Four provide the foundation for an action undertaken at EU level. Furthermore, Article 203 of the TFEU provides that the Council adopts the detailed rules and procedures for the OCT - EU Association on the basis of a proposal from the Commission.

B. Objectives of the initiative

What are the main policy objectives?
<p>The special relationship between the EU and the OCTs should move away from a classic development cooperation approach to a reciprocal partnership to support the OCTs' sustainable development and promote the EU's values and standards in the wider world. Taking into account the feedback received in response to the public consultation, particular from the OCTs and the four Member States to which they are linked (Denmark, France, the Netherlands and the United Kingdom), the focus should be on three central objectives tailored to the OCTs' specificity: i) Enhancing competitiveness, ii) strengthening resilience and iii) promoting cooperation.</p> <p>What are more specific objectives (simplification?)</p>
Do the objectives imply developing EU policy in new areas?
<p>The future association will no longer require a relationship between donor and aid partner as is the case today, but will call for a new framework of cooperation. In this regard, the EU's internal policies offer interesting examples. This does not mean that these policies or parts of them should be applied as such to the OCTs, or that the OCTs should be brought within the scope of these policies. Instead, the detailed rules and procedures for the association of the OCTs with the EU after 2013 should continue to be based on Article 203 of the TFEU, but should draw inspiration from successful formulae followed in implementing the EU's internal policies.</p>

C. Options

<p>(i) What are the policy options being considered?</p> <p>(ii) What legislative or 'soft law' instruments could be considered?</p> <p>(iii) How do the options respect the proportionality principle?</p>
<p>(I), (II) and (III) Following the outcome of the public consultation, the statements and declarations of the four relevant EU Member States and the OCTs themselves during the last OCT Fora as well as the Council Conclusions of December 2009, the next step would be to submit to the Council a proposal to revise the Overseas Association Decision. This would go beyond routine up-date of existing legislation and would concern the OCT-EU association in all of its aspects. Furthermore, the Member States and the OCTs should adopt and address to the Commission, in March 2011, a Joint Position about the future of the Association between the EU and the OCTs where this option is expected to be underlined. Therefore, the option of "no specific EU action beyond a routine up-date, by not modernising the substance of the OCT-EU association" has to be excluded. In any event, Article 203 of the TFEU requires an act adopted by the Council, at the latest when the current</p>

Overseas Association Decision expires. In principle, the preferred instrument would be a Council decision applicable to all the OCTs. However, the adoption of ad hoc decisions dealing with specific cases (such as current Decision 2006/526/EC on relations between the European Community on the one hand, and Greenland and Denmark on the other) should not be ruled out. As regards the future Financial Instrument detailed analysis will be carried out in the context of the Multi-Annual Financial Framework (MFF) post 2013. Nevertheless, it has to be recalled, that the 2009 Communication indicated that the aim of the new Association should be not to revise the current financial framework with a view to broadening assistance to the OCTs, but rather to limit cooperation to more concentrated areas. Indeed, the new Association could provide a better access of OCTs to various European Programmes to which they are eligible but also to define rules that would take into consideration the administrative capacity and size of the OCTs.

D. Initial assessment of impacts

What are the benefits and costs of each of the policy options?

A significant change in the approach to the association of the OCTs with the EU should reflect the fact that the relationship between them is one of a kind, in the sense that the OCTs and the EU are intricately linked even though the OCTs do not form part of the EU as such. This should give rise to a partnership based on mutual interests, reciprocity, rights and obligations. In this context, the EU's solidarity towards the OCTs should ensure their sustainable development by strengthening their competitiveness and reducing their vulnerability, while the OCTs should contribute to the promotion of European values. This no longer requires a relationship between donor and aid partner, as is the case today, but calls for a new framework of cooperation.

In parallel, it has to be acknowledged that maintaining an anti-poverty approach in some OCTs might be justified, bearing in mind that some OCTs are at present eligible for Official Development Assistance. However, the actual development needs in the OCTs in question should be assessed in relation to those of the EU's other aid partners, and a list should be drawn up accordingly. Consequently, the Union should only provide development aid to a very limited number of OCTs, if any. Of course, this should have no bearing on an OCT's eligibility for other forms of financial assistance to support the objectives of the OCT-EU association.

Improvements of the future financial instrument would address the question of how technical and financial assistance could best be provided by the EU in order to achieve the objectives of the association, with due regard to coordination with financial instruments for neighbouring Outermost Regions, ACP States or relevant third countries. In addition, the question whether and how OCTs could be better targeted under horizontal European programmes, to which they have access in principle, similar to the direct or indirect targeting of the Outermost Regions in certain cases (like the specific 'capacity' programme under the Seventh Research Framework Programme) will be addressed. Moreover, as the OCTs often stress the difficulties they encounter due to limited institutional capacities given their small size, the new financial Instrument should take into consideration that reality and thus be better tailored to the characteristics and realities of those Countries and Territories.

Could any or all of the options have significant impacts on (i) simplification, (ii) administrative burden and (iii) on relations with other countries, (iv) implementation arrangements? And (v) could any be difficult to transpose for certain Member States?

(I) & (II) better and "tailored made" provisions of the new Association decision are expected to have a positive effect on simplification and reduce administrative burden. Indeed, the provisions that currently apply to the OCTs are the same with the ones that apply to ACP countries and thus to much larger Administrations. It has also to be underlined that OCTs do not benefit from the presence of EU Delegations and today they fall under the responsibility of Delegations located in third countries (only New Caledonia benefits from the presence of a Commission's representative). The new Association Decision should also address the ways for improving the administrative/institutional capacity of OCTs in the areas of particular relevance for each of them.

(III) Based on a clear diagnosis of the regional challenges and opportunities for each OCT the future association should stimulate the formulation of a policy framework for an outward-oriented growth strategy, following a participative approach between public authorities, the private sector and the civil society.

Once the comparative assets of an OCT have been identified, the future association should provide ways for an OCT to further develop these assets with a view to sharing the excellence and expertise acquired with other OCTs, neighbouring countries and in particular developing countries, as well as other interested partners. The new Association should provide ground for better and reinforced cooperation with third countries.

(V) no particular difficulties are foreseen as regards transposal to Member States' legal order.

(i) Will an IA be carried out for this initiative and/or possible follow-up initiatives? (ii) When will the IA work start? (iii) When will you set up the IA Steering Group and how often will it meet? (iv) What DGs will be invited?

(i) It appears that an Impact Assessment could have to be carried out. In that respect, preliminary meetings to agree on depth of analysis will be organised between DG DEV and the SG.

(ii) & (iii) It is proposed to set up the steering group by the end of 2010 and to hold the kick-off meeting at the latest the first week of January 2011 to discuss an annotated outline (to be provided by DG DEV in advance). The steering Group would meet on a bi-monthly basis.

(iv) The following DGs will be invited to join the Steering Group: SG, LS, BUDG, AIDCO, ECHO, ECFIN, TRADE, TAXUD, MARE, ENV, CLIMA, RTD, MARKT, REGIO, SANCO, HOME; representatives of the future EEAS should also be invited following the definition of the new structure of that Service !

(i) Is any of options likely to have impacts on the EU budget above €5m?

(ii) If so, will this IA serve also as an ex-ante evaluation, as required by the Financial regulation? If not, provide information about the timing of the ex-ante evaluation.

(i) The evolution of the current relationship towards a new partnership might entail a change in the way that OCTs receive financial assistance from 2014 onwards. All issues related to the future financial Instrument for the OCTs would be addressed in the context of the next Multi-Annual Financial Framework post 2013 which will be followed by the legislative proposals for the specific programmes and financial instrument(s) to be implemented under the next multiannual financial framework.

E. Evidence base, planning of further work and consultation

(i) What information and data are already available? Will existing impact assessment and evaluation work be used?

(ii) What further information needs to be gathered, how will this be done (e.g. internally or by an external contractor), and by when?

(iii) What is the timing for the procurement process & the contract for any external contracts that you are planning (e.g. for analytical studies, information gathering, etc.)?

(iv) Is any particular communication or information activity foreseen? If so, what, and by when?

I) The Green Paper (COM(2008)383 accompanied by SEC(2008)2067 dated 25 June 2008), the public consultation (July-October 2008), the Communication (COM(2009)623 dated 6 November 2009) altogether with the underway evaluation of the 1999-2009 EU-OCT cooperation provide valuable elements that will feed into the Impact Assessment. In addition, the IA will also take into consideration the Joint Position Paper to be adopted by the OCTs and the four Member States to which they are linked by the end of February 2011. Furthermore, information on the political, economic, environmental and social situation of the OCTs, detailed overview of present and past cooperation, and trade statistics are already available, through various reports submitted either by the OCTs (as part of their regulatory obligations), by external studies and/or in the context of mid-term review.

(II) An external evaluation of the 1999-2009 period of cooperation between the EU and the OCTs is currently under way and its final report is expected to be available in April 2011. Furthermore, as suggested in the 2009 Communication, some particular thematic issues will be examined in detail before making a proposal for a new Overseas Association Decision. These works will be carried out by the different Commission Departments and will be coordinate by DG DEV. In that respect thematic groups will be set out in November 2010 and the outcome of their work will be expected by the end of the first semester of 2011. These thematic groups will cover inter alia the following issues: Environment, Trade, OCTs accessibility improvement.

(III) In addition to the above mentioned evaluation which is due to be concluded by April 2011, it might prove necessary to launch an external study in order to gather additional information concerning the convergence between the currently in force local legislation in each OCT and the European *acquis* in specific policy areas (environment, trade, financial markets). The procurement procedure would be launched by the end 2010. The duration of the contract would not exceed June 2011.

(IV) according to the Conclusions of the Council (December 2009) the Commission is requested to report back to the Council before the end of 2010 on the progress made in the process of identifying specific proposals to revise the Overseas Association Decision.

Which stakeholders & experts have been or will be consulted, how, and at what stage?

Stakeholders (OCTs & MS) were consulted in 2008/2009 following the publication of the Green Book; further consultations and discussions took place (in the course of 2009 and 2010) between the Commission and the stakeholders following the adoption of the 2009 Communication in the framework of the partnership meetings established (Trilateral meetings, Working Parties, Forum). The dialogue between the Commission and the OCTs and the four Member States will be pursued in the context of the partnership mechanisms foreseen in the current Association Decision. Furthermore, discussions could take place on the occasion of the reporting on the progress for the revision of the association the Commission has to make in the Council before the end of 2010 as well as during the March 2011 Forum where MS and OCTs will adopt and present their Joint Position Paper on the same issue.