

EVALUATION OF THE EU COOPERATION WITH OVERSEAS COUNTRIES AND TERRITORIES (OCTs)

ABSTRACT

The EC has been consistent with the EU objectives of promoting the economic and social development in the OCTs and bringing these islands economically closer to the EU. Regarding trade, the EU preference regime did not sufficiently counterbalance the economic diversification constraints. The involvement of the OCTs in regional programmes was minimised by isolation from regional networking, high participation costs and sometimes by the language barrier. Few results have been achieved on climate change and the disaster crisis management. EC support management and delivery mechanisms have been less conducive to the achievements of the cooperation's objectives.

Objectives of the evaluation

This evaluation covers the strategies of the European Union (EU) for cooperation with the Overseas Countries and Territories (OCTs) and their implementation over the period 1999-2009, including the intended effects under the current programming cycle 2008-2013. The objectives of this study are to provide an independent assessment and to identify key lessons learned in order to improve future strategies and programmes.

Methodology

The evaluation is based on 8 evaluation questions, relating to the five DAC evaluation criteria (relevance, effectiveness, efficiency, sustainability and impact) plus coherence and EU value added. The evaluation is carried out in 3 phases: (i) desk (ii) field and (iii) synthesis. This study was supervised by a Reference Group composed by representatives of the 4 EU Member States directly concerned, by the Association of the OCTs and by members of the EU services.

Main conclusions

1. EU support to the Overseas Countries and Territories (OCTs) has served its purpose well by being consistent with the EU's policy objectives of promoting economic & social development in the OCTs and bringing the OCTs economically closer to the EU. EU support was also consistent with the priorities set out by the OCT governments and the needs of their populations.
2. The EU **trade** preference regime did not sufficiently counterbalance the OCTs' economic diversification constraints. At the same time, the EU-ACP EPA negotiations represent a threat for the OCTs by levelling trade advantages to ACP-countries.
3. In spite of the efforts towards **regional integration and cooperation** supported under the EDFs, the involvement of the OCTs in regional programmes was minimised due to isolation from regional networking, high participation-costs and in the South Pacific, by the language barrier.
4. Despite recognising the importance of the environment, the reality of climate change and the importance of crisis management, few results from the EU-OCT cooperation were found in this field so far. However, prospects for future impact from interventions that have recently started hold promise.

5. The delivery mechanisms of EU support and its management have been less conducive to the overall achievement of the cooperation objectives. Significant delays have occurred in some cases and there have been cases where the Commission's approach was inconsistent.

Main recommendations

1. In future, the framework should be revised in order to respond better to new emerging OCT priorities, such as energy and climate change challenges and opportunities, and to new EU objectives such as sustainable marine management. It should also facilitate OCT access to all relevant EU agencies, programmes and thematic budget lines.

2. The EU should move from the present trade regimes to a framework of positive discrimination. The trade incentive framework should be integrated in a GBS policy dialogue platform on trade and economic diversification. The incentive framework should counterbalance any further erosion of trade preference by establishing an EU-funded scheme designed to promote internationalisation and innovation among OCT SMEs. More resources should also be committed to technical assistance.

3. The EU should increasingly consider the OCTs as EU stakeholders in **regional programmes** than as ACP countries. In order to build a closer relationship with OCTs' neighbours, the OCTs and neighbouring ACP countries should reach an agreement, closely coordinated with EU bilateral National Indicative Programmes (NIPs) on economic co-operation and trade focused on services, environment and scientific and cultural co-operation.

4. OCTs should be supported in developing "**centres of excellence**", capable of creating and disseminating knowledge, in particular with respect to climate change, renewable energy and environment issues that apply to their regions. Centres of excellence could be shared between different OCTs, thus promoting their co-operation.

5. A mix of co-operation-instruments (project versus budget support) should reflect the individual OCT circumstances and needs. When project modalities are applied, it should be ensured that they are part of a sector approach and that the territorial capacities are adapted to the chosen modality.

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