



European Commission



THE OUTERMOST REGIONS EUROPEAN LANDS IN THE WORLD



REUNION ISLAND



850 000 inhabitants

2 512 km²

- Situated in the Indian Ocean, 9000 km away from Paris, the Reunion Island has a population of 850 000 inhabitants.
- The **geostrategic position** of Reunion Island and its **rich biodiversity** offer a strong potential. **Tourism** is an important part of Reunion Island's economy.
- **Tropical bio economy** is one of the island's assets, as well as **ecotourism** and **digital knowledge** for the reduction of energy consumption. Fisheries and agriculture are still key to the economy, especially sugar cane.
- The island is affected by a **high unemployment rate**, which is three times the EU average for young people. Low levels of qualification and early school leaving remain a challenge. The economy remains fragile due to lack of basic infrastructures, and high transport costs.

WHAT WILL THE NEW STRATEGY BRING TO REUNION ISLAND?

By encouraging the outermost regions to **capitalise on their unique assets**, the strategy will help them create new **opportunities** for their people, boost **innovation** in sectors like agriculture, fisheries or tourism, while deepening the **cooperation** with neighbour countries. For the Reunion Island, the strategy could help support in particular:

- ✓ A more competitive **agri-food sector**, with modernised production processes
- ✓ **Enhanced mobility, employability and new skills for young people** by financially helping students and volunteers travelling under Erasmus + and the European Solidarity Corps
- ✓ **A hand to researchers and their activities** by facilitating their participation in the EU research programme Horizon 2020
- ✓ Greater **cooperation with neighbouring countries**, by encouraging joint projects in area such as ocean governance and energy
- ✓ The **region's interests taken into account** upstream when negotiating trade agreements involving specific local productions (such as sugar)



WHAT DOES THE EUROPEAN UNION DO FOR REUNION ISLAND?

EU funding 2014-2020



Some **expected results** of this EU support:

- ▶ Increase by over 60% of the number of enterprises connected to very high speed broadband
- ▶ Increase in the energy efficiency in 9600 households
- ▶ Reduce waste volumes by 25 tons
- ▶ from better drinking water for $\frac{3}{4}$ of the island's inhabitants
- ▶ Increased number of students in education or training infrastructures by 7000
- ▶ 30,000 people supported in their job search
- ▶ Support to 180 young farmers and 1800 farms benefiting from modernisation aid

IN ADDITION

€63.2 million under the **European cooperation programme** Indian Ocean area

€131 million under the **European Maritime Fisheries Fund** for the French outermost regions

POSEI, the specific agriculture programme for the outermost regions can support the French outermost regions with **up to EUR 278 million per year**

Specificities of other EU policies

The outermost regions benefit from specific or derogating measures, in areas such as agriculture, state aid and taxation, in order to mitigate the impact of their specific constraints and boost economic growth. Reunion Island, in particular, benefits from specific taxation regime for the consumption in France of locally produced traditional rum as well as from the exemption or reduction of the dock dues to goods produced locally.

EXAMPLES OF PROJECT SUPPORTED BY THE EU IN REUNION ISLAND



Fund of Funds: 'Financière Région Réunion'

EUROPEAN FUND FOR STRATEGIC INVESTMENTS COMBINED WITH EUROPEAN REGIONAL DEVELOPMENT FUND

EU funding: €50 million

The creation of the Réunion Region Finance fund-of-funds is a response to the financing needs of the island's entrepreneurs. It benefits from €50 million of public funds (€24 million from the ERDF), in order to support around 1 000 micro and small businesses over the next five years. It should generate a total investment of €100 million.



«ReNovRisk»: Integrated and Innovative research on Natural Risks

EUROPEAN REGIONAL DEVELOPMENT FUND

EU funding: € 3.5 million

The project ReNovRisk is the fruit of the collaboration with Research Institutions of Reunion, Mozambique, Madagascar and Mauritius in order to assess the impact of climate change on the territory. The project aims to set innovative tools for forecasting and managing climate change, as well as the associated cyclones and natural hazards.