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Subject:	COMMUNICATION FROM THE COMMISSION TO THE EUROPEAN PARLIAMENT, THE COUNCIL, THE EUROPEAN ECONOMIC AND SOCIAL COMMITTEE AND THE COMMITTEE OF THE REGIONS Putting people first, securing sustainable and inclusive growth, unlocking the potential of the EU's outermost regions
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**COMMUNICATION FROM THE COMMISSION TO THE EUROPEAN
PARLIAMENT, THE COUNCIL, THE EUROPEAN ECONOMIC AND SOCIAL
COMMITTEE AND THE COMMITTEE OF THE REGIONS**

**Putting people first, securing sustainable and inclusive growth, unlocking the potential
of the EU's outermost regions**

{SWD(2022) 133 final} - {SWD(2022) 134 final}

INTRODUCTION

Five million EU citizens live in the most remote parts of the Union, the outermost regions: Guadeloupe, French Guiana, Martinique, Mayotte, Réunion, and Saint-Martin (France); the Azores and Madeira (Portugal); and the Canary Islands (Spain). These are an integral part of the EU, strategically located in the Atlantic Ocean, the Caribbean basin, South America and the Indian Ocean.

The outermost regions represent major assets: a young population, extensive maritime economic zones, unique biodiversity, rich renewable energy sources, location and climate suitable for space sciences, astrophysics activities, as well as important space infrastructure. The growth of real GDP per capita in some of these regions has been outpacing EU average¹. With appropriate development strategies, reforms and investment, the gap with the rest of the EU can therefore be narrowed in the future. In addition, these regions represent outposts of the European Union throughout the world with potential to enhance cooperation and relations with their surrounding countries and territories.

At the same time, the outermost regions face permanent constraints to their development recognised in Article 349 of the Treaty on the Functioning of the European Union. The Treaty provides for specific measures to support the outermost regions, including the tailored application of EU law in these regions and access to EU programmes.

While these regions are quite different from one another, they share some specificities, such as remoteness, insularity², mostly small size, vulnerability to climate change, economies dependent on a few sectors, with high levels of unemployment and gross domestic product (GDP), significantly below EU and national averages³. Mayotte has the EU's lowest GDP per capita (30%) and highest unemployment (27.8%)⁴. Several such regions have seen lack of convergence with the rest of the EU⁵ over the past two decades and are now particularly exposed to the combination of high energy prices and the looming food crisis resulting from the Russian invasion of Ukraine.

To deliver on their potential, some outermost regions still need to address basic needs that are key for quality of life and for meeting the Sustainable Development Goals⁶, such as access to water, education, healthcare or transport. Demographic factors will also play a key role: with the population expected to triple in Mayotte and double in French Guiana by 2100, such needs are bound to increase accordingly⁷. Some regions, such as the Canary Islands, French Guiana, Mayotte and Saint-Martin, are also under considerable pressure from irregular migration. On the

¹ REGIO calculations on growth 2000-2019 of real GDP per capita, Guadeloupe, Martinique, Réunion, Mayotte and the Azores have growth in real GDP per capita that outpaces the EU average of 1.2% ([Cohesion report 2022, ec.europa.eu/add the link to the report](#)).

² The outermost regions are all islands or archipelagos except French Guiana in South America.

³ Eurostat, code: nama_10r2gdp, in 2020, GDP in purchasing power parity compared to the EU average ranged from 30% of the EU average in Mayotte (EU lowest) to 76%. From 2010 to 2020, GDP compared to the EU average shrank in the Canary Islands from 83% to 62%; in the Azores from 75% to 67%; and in Madeira from 81% to 69%.

⁴ Eurostat, code: [LFST_R_LFU3RT](#). In addition, some of the highest youth unemployment rates are in Guadeloupe (41.5%), Mayotte (55.4%) and Martinique (38.3%).

⁵ Eurostat, code: [nama_10r_2gdp](#), comparison of GDP in 2000 and in 2020.

⁶ Notably the goals 'no poverty', 'good health and well-being', 'quality education', 'gender equality', 'clean water and sanitation', 'affordable and clean energy', 'decent work and economic growth', 'reduced inequality', 'climate action'.

⁷ Eurostat, code: [proj_19rp3](#), Mayotte population to increase from 279 000 in 2020 to 782 000 in 2100; Guiana population to increase from 289 000 in 2020 to 591 000 in 2100.

other hand, in the same period, the population is expected to shrink considerably in some other outermost regions⁸ due to young people's emigration in search of opportunities.

This Communication presents the priorities for EU action with and for these regions. In the aftermath of the COVID-19 crisis, it aims to put the people of these regions first on the road to sustainable recovery and growth. These have to be anchored in the green and digital transition as vectors for cohesive, resilient and inclusive societal transformation, economic diversification, and job creation, addressing people's needs. The Communication builds on the implementation of the 2017 strategic partnership with these regions⁹, presented in a 2020 report to the European Parliament and the Council¹⁰.

The outermost regions' specificities are taken into account in dedicated EU legislation, funds and programmes. The Commission is committed to continue mainstreaming these regions' specificities across EU legislation and policies to boost their development through tailored and place-based approaches. This Communication presents the Commission's proposed initiatives, in complement and support of regional and national action. The Commission will, in particular, strengthen dialogue with these regions, provide tailored support, and help improve administrative capacity, so that can fully benefit from EU policies and reap their potential.

While the EU plays a key role in contributing to unlocking the outermost regions' growth potential, their well-being and development fundamentally relies on choices and actions by the regions themselves and their Member States. It is upon them to shape and implement development strategies tailored to each region, setting the right priorities and using to the full the funding possibilities provided by the European instruments. Such strategies need to anticipate and respond to citizen's needs, address barriers to growth, exploit assets, diversify the economy, increase self-sufficiency, expand trade links, develop skills, and generate jobs.

Therefore, the Communication, while setting out a number of initiatives to be developed at EU level, encourages action by these regions and their Member States, for example, to address their specificities in cross-cutting policies and instruments, including the Recovery and Resilience Facility (RRF)¹¹ and cohesion policy funds¹² and in horizontal tools such as the Technical Support Instrument (TSI)¹³. The Communication also proposes paying special attention to these regions in relevant actions to meet EU-wide targets e.g. under the European Pillar of Social Rights¹⁴ and climate action.

This Communication takes into account input from a public consultation held from July to November 2021¹⁵, four targeted meetings with the outermost regions and their Member States, bilateral meetings with outermost regions' administrations, the Conference of Presidents of the Outermost Regions (CPRUP) declaration of November 2021¹⁶, the joint position paper of Member States and outermost regions of January 2022¹⁷, a European Parliament resolution¹⁸, a

⁸ Eurostat, code: [proj_19rp3](#), Madeira, Azores, Martinique and Guadeloupe.

⁹ COM(2017) 623 final.

¹⁰ COM(2020) 104 final.

¹¹ [Recovery and Resilience Facility \(ec.europa.eu\)](#); Regulation (EU) 2021/241.

¹² Regulation (EU) 2021/1058; Regulation (EU) 2021/1057.

¹³ Regulation (EU) 2021/240.

¹⁴ [European Pillar of Social Rights \(ec.europa.eu\)](#).

¹⁵ [Outermost regions – update of Commission's strategic partnership with these regions \(ec.europa.eu\)](#).

¹⁶ CPRUP – Conférence des Présidents des Régions ultrapériphériques, [CPRUP declaration of November 2021 \(ec.europa.eu\)](#); [Annex to the CPRUP declaration \(ec.europa.eu\)](#)

¹⁷ [Joint position paper of Member States and outermost regions of January 2022 \(outre-mer.gouv.fr\)](#).

¹⁸ European Parliament resolution (2020/2120(INI)).

study on the impact of the pandemic in these regions¹⁹, as well as the opinions of the Committee of the Regions (CoR) and the European Economic and Social Committee (EESC)²⁰. It also builds on the proposals stemming from the Conference on the Future of Europe.

1. COVID-19 PANDEMIC AND CRISIS RESPONSE

The outermost regions were hit particularly hard by the COVID-19 crisis. In the Canary Islands, youth unemployment rose sharply from 35.4% in 2019 to 57.7% in 2020²¹. In Saint-Martin, jobseekers had increased by over 16% by the end of 2020 compared to the previous year. Between 2019 and 2020, GDP dropped by 11% in the Canary Islands and by 7% in Madeira, compared to a decrease of 7% in Spain and 3% in Portugal²². The outermost regions were also affected by supply chain disruptions. In this context, within the European Semester 2020, the relevant Member States were encouraged to pursue targeted policies in these regions to reduce the risk of widening disparities²³.

The Commission has put in place measures to help cushion the impact of the pandemic. The Corona Response Investment Initiatives CRII and CRII+²⁴ channelled cohesion policy funds to support the health sector, employment, teleworking and remote schooling. The State aid COVID-19 Temporary Framework²⁵ enabled measures to support undertakings (notably small and medium-sized enterprises) and to maintain employment in the outermost regions, some co-financed by the Recovery Assistance for Cohesion (REACT-EU)²⁶. For example, the Commission authorised over 20 aid schemes to safeguard jobs and businesses in the Azores and Madeira. In addition, REACT-EU provides an earmarked amount for the outermost regions of €146 million, in addition to a share of their Member States' envelope. For example, almost one third of France's REACT-EU envelope was allocated to its outermost regions (€1.2 billion of €3.9 billion) to support the green and digital transition (e.g. Wi-Fi in Guadeloupe) and infrastructure (e.g. new schools in French Guiana). As the centrepiece of NextGenerationEU²⁷, the RRF aims to increase Member States' resilience and support the green and digital transition. The relevant national recovery and resilience plans (RRPs) include investments in their outermost regions in broadband, clean energy and transport, building renovation, access to the labour market, education and training, digitalisation, social housing, climate change adaptation, and disaster prevention and resilience. The Portuguese plan specifically earmarks funding for climate and digital transition in the Azores and Madeira.

¹⁹ [Study on the impact of COVID-19 on the Outermost Regions – Final Report, October 2021.](#)

²⁰ CoR opinion CDR 3319/2020; EESC opinion ECO/567.

²¹ Figures refer to a comparison between Q4-2019 and Q4-2020.

²² Eurostat, code: [nama_10r_2gdp](#), Purchasing power standard (PPS) per inhabitant in % of the EU-27 average (from 2020).

²³ Council Recommendations: 2020 National Reform Programmes of France (8429/20), Spain (8428/20) Portugal (8441/20).

²⁴ Regulation (EU) 2020/460; Regulation (EU) 2020/558.

²⁵ [Competition Policy – The COVID-19 State Aid Temporary Framework \(ec.europa.eu\)](#); Communication from the Commission - Temporary framework for State aid measures to support the economy in the current COVID-19 outbreak (OJ C 91I, 20.3.2020, p. 1), as amended by Commission Communications C(2020) 2215 (OJ C 112I, 4.4.2020, p. 1), C(2020) 3156 (OJ C 164, 13.5.2020, p. 3), C(2020) 4509 (OJ C 218, 2.7.2020, p. 3), C(2020) 7127 (OJ C 340I, 13.10.2020, p. 1), C(2021) 564 (OJ C 34, 1.2.2021, p. 6), and C(2021) 8442 (OJ C 473, 24.11.2021, p. 1).

²⁶ Regulation (EU) 2020/2221.

²⁷ Council Regulation (EU) 2020/2094.

The Commission encourages concerned Member States and the outermost regions to:

- address outermost regions’ needs and improve their resilience across sectors and supply chains, notably in the implementation of the RRP and in cohesion policy programmes; use REACT-EU to the fullest for the outermost regions, and speed up implementation.

The Commission will:

- pay particular attention to the outermost regions across various policies in the relevant country reports within the European Semester process;
- take into account supply chain resilience in the outermost regions²⁸ through appropriate crisis preparedness and management within the Single Market Emergency Instrument.

2. SUSTAINABLE AND INCLUSIVE RECOVERY AND GROWTH

In order to continue Europe’s recovery path, and amid high uncertainty caused by the Russian invasion of Ukraine in early 2022, recovery and growth strategies need to be adapted to each of the outermost regions to deliver on the specific needs of the population (Chapter 2.1.), support the most affected sectors, diversify and modernise the economy by building on assets (Chapter 2.2.), underpinned by the green and digital transition (Chapter 2.3).

2.1. PUTTING PEOPLE FIRST: FAIR AND EQUITABLE OPPORTUNITIES FOR ALL

The outermost regions suffer, on average, from the EU’s highest levels of poverty, illiteracy, unemployment, young people not in employment, education, or training (NEETs), and the lowest levels of educational attainment. Many people in some of these regions lack clean water, decent housing, electricity, education, healthcare, public transport, and internet.

Recovery needs to put people first, bringing these regions’ quality of life closer to EU and national averages. As such, recovery efforts should start by helping to alleviate poverty, address people’s basic needs and, in particular, create opportunities for children and young people through an integrated approach including national policies, and investment in basic infrastructure, high-quality public services and administrative capacity, complemented by EU policies and funds. It is important in this context to support outermost regions in implementing the European Pillar of Social Rights and in reaching the Porto Summit targets for 2030 on jobs, skills and poverty reduction²⁹.

Addressing poverty, fostering equality and inclusion

In 2019, the share of people at risk of poverty was 28.5% in the Canary Islands, 31.8% in the Azores and 27.8% in Madeira, well above the EU and national averages³⁰. The poverty rate in Guadeloupe (34%) more than doubles the rate in mainland France (14%)³¹. In Réunion’s rural areas, one in two people live below the poverty threshold³². Children and other vulnerable groups

²⁸ The CoR opinion CDR 3319/2020 notes that the crisis caused a serious problem for food distribution in the outermost regions.

²⁹ [Porto Social Summit – Porto Social Commitment \(2021portugal.eu\)](#): by 2030 at least 78% of people aged 20-64 should be in employment; at least 60% of adults should take part in training every year; at least 15 million fewer in people at risk of poverty.

³⁰ Eurostat, code: [ilc_peps11](#), averages: Portugal 17.2 and Spain 20.7.

³¹ INSEE [Analyses Guadeloupe No 43](#), 2020.

³² INSEE [Niveaux de vie et pauvreté à La Réunion en 2017 No 169](#), 2020.

such as the elderly are at greater risk of poverty. For example, in 2017, 8 out of 10 children in Mayotte and 6 out of 10 in French Guiana lived in a household at risk of poverty³³.

In addition, the gender employment gap is much higher in the outermost regions than the EU average and is particularly pronounced in Mayotte, where the percentage of employed women is approximately half of that of men (23.9% and 41.9% respectively³⁴). Female unemployment is higher than male unemployment in all outermost regions except Réunion³⁵. Promoting women's participation in the labour market can increase employment rates, thus contributing to the European Pillar's employment target of 78% by 2030. This requires adequate work-life balance measures as well as good quality early childhood education and care and long-term care.

In this context, actions aiming to close gender gaps in employment, care, pay and decision-making, and end gender-based violence³⁶ are essential, as identified in the EU gender equality strategy³⁷. The EU strategy on the rights of the child³⁸ and the European Child Guarantee³⁹ can also serve as roadmaps for initiatives aiming to protect children in the outermost regions and help them fulfil their rights. EU cohesion policy funds – including the European Regional Development Fund (ERDF) and the European Social Fund Plus (ESF+) – can contribute to achieve these objectives. For example, in 2014-2020 the ERDF provided €82 million to support childcare and social facilities' infrastructure in Madeira and in the Azores. The ESF+ investments in the outermost regions can help address poverty, social exclusion, and provide food and material aid to the most deprived.

The Commission encourages concerned Member States and outermost regions to:

- set targets for implementing the **European Pillar of Social Rights** in the outermost regions, contributing to reach its overall targets; ensure that measures in this context address these regions' specific challenges; fully use ERDF and ESF+, including the specific additional allocation for the outermost regions, to address the Pillar's objectives, targets and actions;
- develop measures to **reduce poverty** in these regions within national policies, focusing on vulnerable groups including the elderly; assess reforms' impact on poverty and inequalities;
- pay special attention to outermost regions' specificities in implementing the **Youth and Child Guarantee** in these regions, in particular the European Child Guarantee action plans;
- use national and EU funds, in particular the ESF+, to support people at risk of poverty or social exclusion, gender-balanced labour market participation, access to employment by people with disabilities promoting their social inclusion, equal working conditions, and protection of victims of violence.

The Commission will:

- support the outermost regions in implementing the **European Pillar of Social Rights**; reflect their specificities in initiatives under its action plan; monitor implementation through the Semester process; support high-level discussions on implementation in these regions;
- assess the outermost regions' dimension of the national action plans implementing the **European Child Guarantee** with the aim of ensuring that children in these regions enjoy the

³³ INSEE [Première No 1804](#), 2020.

³⁴ Eurostat, code: [LFST_R_LFE2EMPRTN](#).

³⁵ Eurostat, code: [LFST_R_LFU3RT](#), 2020.

³⁶ COM(2022) 105 final.

³⁷ COM(2020) 152 final.

³⁸ COM(2021) 142 final.

³⁹ Council Recommendation (EU) 2021/1004.

same opportunities as elsewhere in the EU and support the exchange of best practices;

- monitor these regions' actions on **poverty reduction**, integration and equality, and on prevention and combating violence against women⁴⁰;
- support through the ESF+ actions to reduce social exclusion; monitor the implementation of social inclusion strategies (e.g. access to essential services);
- support the participation of the outermost regions in the European Social Economy Regions network and the Europe Social Economy Missions scheme.

Access to adequate housing, water, internet and affordable transport and energy

In some outermost regions, many people lack appropriate living conditions and access to basic services. 53% of people in French Guiana live in overcrowded accommodations (8% in mainland France) and 56% of residences in Mayotte are overcrowded⁴¹. Access to water is insufficient in some regions: in Mayotte, one third of households have no access to running water⁴²; in French Guiana over 30% of the population has no access to hot water⁴³; in Guadeloupe people do not have continuous access to water due to leakages in the distribution network⁴⁴. The high energy prices accentuated by the Russian invasion of Ukraine risk making electricity unaffordable for many. Lack of public transport affects access to services, education and job opportunities.

The cohesion policy funds play an important role in meeting some of these basic needs. For example, in 2014-2020, the ERDF and the Cohesion Fund (CF)⁴⁵ supported urban sustainable transport, water and energy infrastructure in Madeira and the Azores with €116 million. The Portuguese and French RRP's envisage investments in social housing. Addressing people's basic needs requires significant national investment in infrastructure, complemented by EU funds. This needs to be reflected in the programming of EU funds and in submissions for funding under EU programmes such as the Connecting Europe Facility (CEF)⁴⁶.

The Commission encourages concerned Member States and outermost regions to:

- ensure access to adequate and affordable housing, water, electricity, transport and the internet; exploring synergies between national budgets and EU funds and tools, including cohesion policy funds; set targets at regional level to meet basic needs.

The Commission will:

- support the outermost regions and their Member States in achieving synergies between national budgets and various EU funds and programmes – such as the ERDF, the ESF+, the CF and CEF – to address people's basic needs.

⁴⁰ COM(2022) 105 final.

⁴¹ [France Info based on INSEE data](#)

⁴² INSEE [Analyses Mayotte No 18](#), 2019.

⁴³ INSEE [Dossier Guyane No 10](#), 2020.

⁴⁴ In 2019, the average loss rate of water due to infrastructure problems stood at 63% in Guadeloupe. 2/3 of water treatment facilities are not in a satisfactory condition. [Eau et assainissement - Rapport chiffres clés \(guadeloupe.developpement-durable.gouv.fr\)](#).

⁴⁵ The CF benefits the Portuguese outermost regions.

⁴⁶ Regulation (EU) 2021/1153.

Access to healthcare

While outermost regions' health systems vary considerably, they are characterised by lower capacity and fewer health professionals than the national and EU averages⁴⁷. The COVID-19 pandemic has shown these regions' acute vulnerability and isolation. These regions also suffer from low life expectancy⁴⁸, particularly high infant mortality rates⁴⁹, tropical disease outbreaks and pollution⁵⁰. It is important to strengthen medical capacity, to improve access to healthcare, health promotion and disease prevention, and to strengthen pandemic preparedness.

Cohesion policy funds and the RRF can provide support e.g. for infrastructure, equipment, medical training and digital health solutions. The French RRP for example will invest in the modernisation of hospitals in the outermost regions. The EU4Health programme⁵¹ can support actions to reduce inequalities in access to healthcare and to strengthen crisis preparedness, e-health, health promotion and disease prevention. Interreg⁵², a key instrument for cooperation between EU regions and with neighbouring non-EU countries, can further support cooperation on health. The Digital Europe programme also supports digital infrastructure for access to imaging and genomic data for diagnostic and care.

The Commission encourages concerned Member States and outermost regions to:

- support health system development and access to care, develop e-health solutions to help address shortages in health professionals and health system digitalisation;
- participate in actions under the EU4Health programme in particular on bridging health inequalities, crisis preparedness and response, e-health, health promotion and disease prevention, access to healthcare, and tropical diseases; Member States to address the specific needs of their outermost regions in their participation in the EU4Health programme's actions;
- cooperate with the Commission's Health Emergency Preparedness and Response Authority to secure provision of critical medical supplies during a crisis; and with the European Centre for Disease Prevention and Control on preparedness and response to health threats;
- use Interreg programmes for cooperation on health in regional basins.

The Commission will:

- reach out to outermost regions' stakeholders to involve them in the preparatory work of the **EU4Health annual work programmes** and in subsequent information events to facilitate their participation in specific actions; consider targeted actions for the outermost regions⁵³;
- involve the outermost regions **in discussions** about policy initiatives of specific interest, such as on vaccination, cancer, mental health;
- invite outermost regions' non-governmental organisations (NGOs) and other stakeholders to join the **health policy stakeholders' platform**;

⁴⁷ Eurostat, code: [HLTH_RS_PRSRG](#), Mayotte has 81 medical doctors per 100 000 people and French Guiana 219, EU average is 391.

⁴⁸ Eurostat, code: [DEMO_R_MLIFEXP](#), Life expectancy in the Azores and Madeira is 78.8 years, Portuguese average is 81.9.ESF.

⁴⁹ Eurostat, code: [DEMO_R_MINFIND](#), Infant mortality is almost triple the EU average in French Guiana (9.7, EU average 3.4).

⁵⁰ Chlordecone, a pesticide prohibited in the EU since 2003, used in the Caribbean in the past, linked to increased cancer rates.

⁵¹ Regulation (EU) 2021/522.

⁵² Regulation (EU) 2021/1059.

⁵³ [Joint position paper of Member States and outermost regions of January 2022 \(outre-mer.gouv.fr\)](#).

- improve the accessibility, quality and sustainability of healthcare through ESF+ and ERDF;
- address the outermost regions’ specific vulnerabilities in the work programmes of the Commission’s Health Emergency Preparedness and Response Authority⁵⁴;
- support the implementation of actions under Europe’s Beating Cancer plan, which addresses unequal access to prevention, screening, diagnosis, treatment and care.

Youth opportunities: education, training, employment support and entrepreneurship

The outermost regions suffer from high youth unemployment and brain drain. Youth unemployment is above 50% in the Canary Islands and Mayotte, and around 40% in Guadeloupe, Martinique, and Réunion, much higher than the EU average of 16%. These regions have particularly high levels of NEETs (33.6% in French Guiana and 24.6% in Réunion, triple and double of France and EU averages respectively) and early school leavers (27% in the Azores, triple of Portugal’s average of 8.9%)⁵⁵.

Educational attainment is also lower in these regions. Illiteracy is widespread in the French outermost regions: depending on the region, 30% to 73% of 17-year-olds have reading difficulties (much higher than the national average of 9.6%)⁵⁶. In this context, supporting education, training and life-long learning are priorities for EU support, in line with the results of the public consultation of 2021. The European Pillar of Social Rights action plan aims to lower the rate of NEETs from 12.6% (2019) to 9% by 2030, notably by improving their employment prospects. Under the Youth Guarantee, Member States have committed themselves to ensuring that young people receive an offer of employment, education, apprenticeship or traineeship within four months of leaving education or work.

In this context, the EU supports skills development in the outermost regions through a range of instruments. In 2021-2027 the ESF+ will support training, the prevention of school dropout and career guidance, youth employment, entrepreneurship and business creation, dedicating at least 12.5% of programme allocations to supporting young people. The RRP’s have an important role to play too – the French RRP for example supports higher education establishments in Guadeloupe and Réunion. In 2014-2020, almost 25 000 people from Martinique participated in education and training funded by the ESF. The ESF+ new additional allocation for the outermost regions will support vocational education and training, apprenticeships, school to work transition, youth employment and mobility. The Employment and Social Innovation strand of the ESF+ can support access to finance for social enterprises, and enhanced labour mobility and modernisation of employment policies. The new ALMA (Aim, Learn, Master, Achieve) initiative supported by this fund is an active inclusion initiative that supports disadvantaged young NEETs to gain professional experience abroad and experience to enter into the labour market and to participate in society. The initiative aims in particular to include young people from rural, peripheral and less developed regions, providing them with a work-related learning experience in another Member State. It can also support the mobility of outermost regions’ young people to neighbouring non-EU countries and to the mainland.

⁵⁴ As proposed by respondents to the public consultation.

⁵⁵ Eurostat, code: [EDAT_LFSE_16](#).

⁵⁶ [Convention Nationale des Associations de Protection de l'Enfant, La protection de l'enfance en Outre-mer. Etat des lieux et phenomenes émergents \(cnape.fr\)](#).

Various initiatives during the European Year of Youth 2022 will empower young people, including a new initiative aimed exclusively at young people from the outermost regions. The Erasmus+⁵⁷ programme provides additional support for students from these regions to study abroad, including cooperation with neighbouring non-EU countries. In 2014-2020, 28 500 people from all the outermost regions participated in Erasmus+ mobility projects⁵⁸. Through its inclusion and diversity strategy, the Commission helps young people from these regions participate in Erasmus+ and in the European Solidarity Corps. In addition, it is important to promote young researchers from these regions and support their participation in Horizon Europe, the EU's research and innovation programme⁵⁹ and to create attractive employment opportunities for young people in their regions. The Commission is also shaping an initiative to mitigate the challenges associated with brain drain in affected parts of the EU such as the outermost regions, and to identify potential solutions.

The Commission encourages concerned Member States and outermost regions to:

- set up apprenticeship, job retention and hiring schemes for young people in the outermost regions within the Youth Guarantee using EU funds, factoring in the gender perspective; include the ALMA initiative into the ESF+ programmes; test digital educational models;
- identify skills needs in the outermost regions; use the ESF+ including the additional allocation of €370 million to improve youth education, training, mobility and employment;
- provide career guidance to young people; taking into account the gender perspective; set up one-stop shops to help secure a first job;
- use Interreg to further develop regional learning mobility schemes in synergy with Erasmus+.

The Commission will:

- create a €1 million grant scheme empowering young people to shape and implement projects at local level, with specific attention to equality and inclusion, as part of the European Year of Youth 2022 with Commission-led technical assistance under the ERDF;
- take into account these regions' specificities in the annual work programmes under the ESF+; support the regions in using the new ESF+ additional allocation and monitor its use;
- recognise outermost regions' specificities and support their participation in the **Erasmus+ work programmes** including exchanges with non-EU countries⁶⁰, in the **Flagship for European Universities**, as well as the Centres of Vocational Excellence;
- cooperate with the national agencies to further support the participation of outermost regions' young people in **Erasmus+** and the **European Solidarity Corps**;
- provide tailored information to support the participation of outermost regions' young people in Interreg Volunteer Youth e.g. in neighbouring countries;
- reflect outermost regions' specificities in the pathways to the school success initiative to reduce early leaving from education and training;
- take into account the outermost regions' specificities in the upcoming initiative to mitigate the challenges associated with brain drain.

⁵⁷ Regulation (EU) 2021/817.

⁵⁸ EAC Dashboard.

⁵⁹ Regulation (EU) 2021/695.

⁶⁰ The European Parliament, the CoR and the CPRUP call for measures to increase outermost regions' participation in Erasmus+ and to promote exchanges with neighbouring countries.

2.2. BUILDING ON ASSETS, ADDRESSING CONSTRAINTS, FOCUSING ON KEY SECTORS

The outermost regions differ considerably from one another. Each region has its own set of constraints and assets, from agriculture or tourism to the blue economy or space. Economic development varies considerably from Mayotte (30% of EU GDP) and French Guiana (46%) to Madeira (69%) and Martinique (76%). This strong differentiation calls for tailored regional development strategies. Diversifying their economies by focusing on their added value, in line with their smart specialisation strategies, is key for recovery and growth.

The COVID-19 crisis as well as the current energy and food price increases due to the Russian invasion of Ukraine laid bare the need for these remote regions to develop some level of autonomy in agriculture and energy supply and diversify sources. Environmentally friendly food production capacity is an opportunity to diversify and green the sector and create quality jobs. In the same vein, using clean energy installations based e.g. on solar and wind energy can help overcome shortages and decarbonise their energy mix.

Research, innovation and smart specialisation

The outermost regions are updating their smart specialisation strategies⁶¹ to promote innovation in the most promising sectors, namely on agri-food, bio economy, sustainable blue economy, training and research on tropical medicine, tourism and creative industries. Boosting research and innovation (R&I) can help these regions capitalise on their assets and integrate in the European Research Area (ERA). The Commission will strive to improve access to excellence and overcome the innovation divide⁶². The previous R&I framework programme Horizon 2020 helped the outermost regions boost their research capacity through the FORWARD⁶³ project. Horizon Europe's strand on "widening participation and spreading excellence" to support countries lagging behind in research was extended to all outermost regions. Recent Horizon Europe calls for projects, e.g. on marine biodiversity or ecosystem restoration, reflect outermost regions' specificities. Synergies between the ERDF and Horizon Europe, e.g. cumulative funding and support to projects which have been awarded the Seal of Excellence quality label, should be explored. Horizon Europe further promotes collaboration between national R&I programmes, allowing states to identify common priorities for their outermost regions and implement joint calls. The Horizon Europe mission 'Restore our Ocean and Waters by 2030' provides additional opportunities to foster local R&I.

The ERDF will support innovation through its mainstream programmes, the Interreg programmes and the Interregional Innovation Investments initiative, which scales up interregional projects in smart specialisation areas. The European Maritime Fisheries and Aquaculture Fund (EMFAF)⁶⁴ also boosts the uptake of research, innovation and technology in the blue economy, and the BlueInvest platform⁶⁵ and fund provide investment readiness services.

The Commission encourages concerned Member States and outermost regions to:

- participate in opportunities under the 'widening' strand of the Horizon Europe programme, and in the calls for projects on key themes for the outermost regions;

⁶¹ COM(2017) 376 final.

⁶² COM(2020) 628 final.

⁶³ [FORWARD Fostering research excellence in EU outermost regions \(forward-h2020.eu\)](https://forward-h2020.eu)

⁶⁴ Regulation (EU) 2021/1139.

⁶⁵ [BlueInvest \(ec.europa.eu\)](https://blueinvest.ec.europa.eu)

- launch a process to identify common priorities in view of programme-level collaboration among research funders, within Horizon Europe;
- review and implement smart specialisation strategies; benefit from opportunities from smart specialisation interregional partnerships and value chains.

The Commission will:

- design a call tailored to the outermost regions in **the 2023-2024 work programme of the Interregional Innovation Investments initiative**;
- subject to the results of the FORWARD project, **propose a dedicated coordination and support action under the widening part of the Horizon Europe programme**, as proposed by the outermost regions, to further activate the local research and innovation communities, e.g. through projects by local researchers on socio-economic topics specific to these regions;
- support outermost regions in shaping and implementing smart specialisation strategies and provide tailored support through the **Community of Practice** to be launched by end 2022;
- ensure that the next Horizon Europe work programmes include topics relevant to the outermost regions.

Mobility, transport, tourism, culture

The outermost regions rely on air and maritime connections for transport and for the supply of goods. Transport connections within the regions and to mainland Europe are essential for people to access education, training and jobs, as well as for business, trade and tourism. Tourism contributes to a significant share of their economy – 35% of the GDP of the Canary Islands⁶⁶ and a quarter of the GDP of Madeira – and the sector was hit hard by the COVID-19 crisis⁶⁷. In Madeira there were 61% fewer guests in tourism establishments, and a related 64% income drop in 2020 compared to 2019⁶⁸.

Various EU funds can support mobility, transport and tourism. The CEF can co-finance transport infrastructure, and its work programme specifically supports maritime ports to help improve outermost regions' connectivity. The Commission proposal to revise the Trans-European transport network Regulation (TEN-T)⁶⁹ reflects outermost regions' connectivity needs, adding their ports, urban nodes and roads to the TEN-T network maps and making them eligible for CEF support. These regions can use the ERDF and the CF⁷⁰ for airport infrastructure and to support the tourism sector. The Spanish RRP for example supports tourism resilience targeting investments in infrastructure and marketing.

Taking into account their heavy dependence on air connections, all flights from the outermost regions to the European Economic Area are exempted from the Emissions Trading System (ETS) until the end of 2023⁷¹. In 2021, the Commission proposed to exempt flights between these regions and their Member State until 2030 from the ETS⁷². The transition pathway for tourism⁷³ will guide green and digital transition and resilience in the sector, with proposed actions that the

⁶⁶ [Study on the impact of COVID-19 on the Outermost Regions – Final Report, October 2021 \(ec.europa.eu\).](#)

⁶⁷ [Regional impacts of the COVID-19 crisis on the tourist sector – Final Report, August 2021 \(ec.europa.eu\).](#)

⁶⁸ [Study on the impact of COVID-19 on the Outermost Regions – Final Report, October 2021 \(ec.europa.eu\).](#)

⁶⁹ COM(2021) 812 final.

⁷⁰ The CF applies to the Portuguese outermost regions.

⁷¹ Regulation (EU) 2017/2392.

⁷² COM(2021) 552 final.

⁷³ [Transition pathway for tourism \(ec.europa.eu\).](#)

outermost regions can follow through. Finally, the Commission supported the cultural sector with a pilot project on culture targeting the outermost regions and the overseas countries and territories (OCTs)⁷⁴, and other initiatives⁷⁵, in complement to the Creative Europe programme.

The Commission encourages concerned Member States and outermost regions to:

- seize all opportunities for funding essential transport infrastructure, including for alternative fuels;
- invest in resilient, digitally fit and sustainable tourism, making use of EU funding opportunities in particular in the programming of cohesion policy funds; and participate in the implementation of the transition pathway for tourism and share tourism-related data;
- upskill and reskill tourism workers under the pact for skills partnership for tourism.

The Commission will:

- take into account the regions’ specificities in the revision of the Air Services Regulation;
- encourage and facilitate outermost regions’ uptake of available EU tools to improve connectivity and mobility;
- support investments in the tourism sector; ensure that EU funds, e.g. the cohesion policy funds, support this sector’s recovery and sustainable development;
- provide the tourism sector with information on funding opportunities and support their use;
- reflect the regions’ specificities in the ecolabel criteria for EU tourism accommodation; promote the sharing of tourism-related data and the development of a tourism data space;
- reflect outermost regions’ specificities in the Creative Europe MEDIA work programmes.

Biodiversity

The outermost regions have an exceptionally high biodiversity value. This is recognised in the EU biodiversity strategy for 2030⁷⁶, which specifically highlights the need to protect and restore their ecosystems. Many sectors, including tourism, fisheries, forestry and agriculture, depend on this biodiversity. Healthy ecosystems also provide clean air and water and mitigate the adverse effects of climate change. Their protection and restoration is therefore essential. The Commission would welcome Member States to include all their outermost regions in the EU Natura 2000 Network of protected areas⁷⁷ where this is not yet the case.

Investments under the ERDF will help preserve and restore protected areas as well as green infrastructure. The EMFAF supports marine protected areas, marine living resources and ecosystems. Biodiversity investments can also be leveraged through InvestEU⁷⁸. In addition, the Programme for the Environment and Climate Action (LIFE)⁷⁹ reflects outermost regions’ specificities in all its components: biodiversity, ecosystem services, circular economy, climate change and energy, and provides special consideration and bonus points to applications from

⁷⁴ The 13 OCTs are associated with the EU: Aruba (NL), Bonaire (NL), Curaçao (NL), French Polynesia (FR), French Southern and Antarctic Territories (FR), Greenland (DK), New Caledonia (FR), Saba (NL), Saint Barthélemy (FR), Sint Eustatius (NL), Sint Maarten (NL), Saint Pierre and Miquelon (FR), and Wallis and Futuna Islands (FR).

⁷⁵ For example Cultural Creative Cities Monitor and Culture Gems.

⁷⁶ COM(2020) 380, commitment to protect a minimum of 30% of the EU’s land area and 30% of the EU’s sea area.

⁷⁷ [Natura 2000 \(ec.europa.eu\).](https://ec.europa.eu/natura2000/)

⁷⁸ InvestEU is a budgetary guarantee aimed at leveraging private and public funds to support investments on: sustainable infrastructure; research, innovation and digitalisation; small companies; as well as social investment and skills.

⁷⁹ Regulation (EU) 2021/783; LIFE work programme 2021-2024 - C(2021) 4997 final.

these regions. LIFE also includes a grant scheme for small projects in the outermost regions co-financed at 95%. The Commission has also set up the ‘Green Assist’ technical assistance to support public and private investments in natural capital, biodiversity, the circular economy and greening other investments. Such investments, in addition to preserving the environment, also hold great potential for sustainable and eco-friendly tourism, as well as for economic diversification for example on pharmaceutical research and development.

The Commission encourages concerned Member States and outermost regions to:

- seize specific opportunities under the LIFE programme e.g. grants for biodiversity projects; the Horizon Europe programme e.g. for research on marine biodiversity⁸⁰; and the Interregional Innovation Investments initiative for cooperation on the green transition;
- implement strategies mainstreaming biodiversity across sectors; develop measures to protect and restore outermost regions’ ecosystems in national restoration plans;
- promote green skills and jobs in the implementation of all EU programmes⁸¹; combine funds with financial instruments using ‘Green Assist’ technical assistance.

The Commission will:

- increase support to projects on outermost regions’ important or newly discovered species⁸² in the **2025-2027 LIFE programme**, subject to an assessment⁸³;
- adopt a proposal for a **regulation on nature restoration** reflecting the outermost regions’ specificities; monitor the implementation of nature restoration measures for these regions;
- continue supporting ecosystem assessments in the outermost regions, e.g. through the MOVE-ON⁸⁴ project; make them available to the Knowledge Centre for Biodiversity⁸⁵.

Blue economy

The outermost regions have unique blue economy potential thanks to their large exclusive economic zones (EEZ), accounting for over half of the EU’s EEZ, and rich marine biodiversity. Fisheries and maritime transport remain an important part of their economies. It is important that the outermost regions develop their blue economy strategies in a sustainable way, including by protecting their marine biodiversity.

The EMFAF and the cohesion policy funds support the outermost regions’ maritime sector. Under the EMFAF these regions benefit from an earmarked budget of €315 million for structural investments and the compensation of additional costs, and also from specific State aid provisions for fisheries and aquaculture. The Commission proposed to continue special conditions for these regions in the ongoing review of these rules⁸⁶. Investing in innovative renewable marine energy, blue biotechnology, aquaculture, research, protection and sustainable exploration of deep-sea resources and training can create new business models and generate jobs. The Horizon Europe programme also provides opportunities to coordinate measures to achieve a climate-neutral blue

⁸⁰ The EESC opinion ECO/567 calls for efforts in R&I related to the ocean.

⁸¹ In line with the EU Biodiversity Strategy for 2030, biodiversity action requires at least EUR 20 billion per year, EU funds and programmes are to mainstream biodiversity up to 7.5% of annual spending in 2024 and 10% in 2026-2027.

⁸² This refers to species not yet assessed by the International Union for Conservation of Nature

⁸³ CPRUP declaration of November 2021.

⁸⁴ [MOVE-ON project \(moveon-project.eu\)](https://moveon-project.eu)

⁸⁵ As proposed in European Parliament resolution (2020/2120(INI)).

⁸⁶ [Public consultation on revised State aid rules for the fishery and aquaculture sector \(ec.europa.eu\)](https://ec.europa.eu).

economy and reduce pollution and greenhouse gas emissions in the maritime sector through its mission ‘Restore our Ocean and Waters by 2030’.

The Commission encourages concerned Member States and outermost regions to:

- implement blue economy strategies, seizing synergies in EU support, including the EMFAF for structural investments, the ERDF and the CEF for infrastructure, the ESF+ for training, LIFE and EMFAF for climate and biodiversity actions, and the Horizon Europe programme for innovation;
- strengthen efforts in the fight against illegal fishing;
- participate in sustainable blue economy value chains (e.g. blue tourism, marine renewable energy, sustainable fisheries and aquaculture, pollution prevention, risk management);
- conduct studies on data collection and fish stocks with EMFAF support, in line with the recommendations of the 2022 study on data collection and scientific advice in the EU outermost regions⁸⁷; improve implementation of reporting obligations;
- participate in the mission ‘Restore our Ocean and Waters by 2030’.

The Commission will:

- launch a call for proposals on blue economy strategies in the outermost regions in line with the EMFAF 2022-2023 work programme; support outermost regions’ blue economy under the EMFAF, as proposed by the European Parliament, the regions and their Member States;
- engage with the concerned Member States in order to address the issue of collection of fisheries related data⁸⁸ in the outermost regions, as laid out in relevant EU legislation⁸⁹, taking into account the specificities of those regions and based on the results of the 2022 study on data collection and scientific advice in the EU outermost regions⁹⁰;
- continue supporting sustainable fisheries partnership agreements beneficial for outermost regions’ economy, in particular with outermost regions’ neighbouring countries;
- organise knowledge exchanges on maritime spatial planning and renewable energy notably via the 2021-2024 project ‘Advancing Maritime Spatial Planning in Outermost Regions’.

Agriculture and rural development

Agriculture remains a key sector in most outermost regions, contributing to a sizeable share of value added and employment. Innovation can help improve food quality and resource efficiency and reduce the footprint of food production. In line with the farm to fork strategy, increasing organic farming in these regions can have both environmental and economic benefits. Developing and future-proofing agriculture, which uses fewer chemical pesticides and antibiotics and more agro-ecological approaches, is key to improving competitiveness.

The EU will continue to strongly support outermost regions’ agriculture. The Programme of Options Specifically Relating to Remoteness and Insularity (POSEI)⁹¹, supports local production

⁸⁷ [Overview of the state of data collection and scientific advice in the EU ORs, with case study on a roadmap towards regular stock assessment in French Guiana - Publications Office of the EU \(ec.europa.eu\).](#)

⁸⁸ Communication on guidelines for the analysis of the balance between fishing capacity and fishing opportunities, COM (2014)545.

⁸⁹ Guidelines for the examination of State aid to the fishery and aquaculture sector (OJ C 217, 2.7.2015, p. 1), as amended by the Communication amending the Guidelines and Commission Regulation (OJ C 422, 22.11.2018, p. 1).

⁹⁰ [Overview of the state of data collection and scientific advice in the EU ORs \(ec.europa.eu\).](#)

⁹¹ Programme of Options Specifically Relating to Remoteness and Insularity; Regulation (EU) No 228/2013.

through direct payments to farmers, market measures and the supply of essential agriculture products. Thanks to close inter-institutional cooperation, the POSEI budget in 2021-2027 will maintain its financial capacity. In addition, the European Agricultural Fund for Rural Development provides specific conditions for these regions including that Member States must adapt their common agricultural policy (CAP) strategic plans to the specificities of their outermost regions⁹², as also highlighted in Commission recommendations⁹³, while addressing the goal of an increased economic, environmental and social sustainability.

Furthermore, the State aid instruments for aid in agriculture, forestry and rural areas⁹⁴ allow higher maximum aid intensity rates for investments in these regions and operating aid. The Commission proposed to continue providing special conditions for the outermost regions in the on-going review of these instruments⁹⁵. In order to support the outermost regions' agricultural and rural development, the Commission will work in partnership with the Members States to adapt and modernise the existing actions financed by POSEI, in view of a more balanced development between the various agricultural sectors (traditional export sectors, and livestock and crop diversification sectors). In the context of the Russian invasion of Ukraine, the Commission adopted measures to support the most affected agricultural producers⁹⁶. Given the related rise of food prices and risk of supply disruptions, and in order to guarantee food security, these measures included advances of payments to farmers, temporary rules allowing aid to companies affected by the crisis also in the agri-food sector⁹⁷ and flexibilities to import feed.

The Commission encourages concerned Member States and outermost regions to:

- pay special attention to the outermost regions' agricultural and rural development sector in fostering a green, digital and fair transition, building on assets and addressing constraints;
- promote diversification, modernisation in agriculture and an increased food autonomy, invest in resource-efficient technologies; and upskill/reskill agricultural workers.

The Commission will:

- ensure that Member States' CAP strategic plans comply with CAP Regulation requirements and address outermost regions' specificities; and that EU priorities with regard to fostering a green, digital and fair transition are reflected in the plans;
- work with the relevant Member States to improve their POSEI programming and annual implementation reports and to ensure that POSEI-financed actions are coherent with CAP strategic plans, e.g. compliance with environmental and social objectives and diversification;
- follow-up the implementation of the recommendations of the 2021 POSEI report⁹⁸, in particular the need for fair distribution of support, promotion of sustainable farming practices, product quality, product differentiation and the exchange of good practices;
- under the long-term vision for rural areas, analyse outermost regions' agriculture within the EU Rural Observatory's scope and in the rural revitalisation platform; share knowledge

⁹² Recital 99 of Regulation (EU) 2021/2115.

⁹³ COM(2020) 846 final; SWD(2020) 379; SWD(2020) 374; SWD(2020) 398.

⁹⁴ European Union Guidelines for State aid in the agricultural and forestry sectors and in rural areas 2014 to 2020 (OJ C 201, 1.7.2014, p. 1) as prolonged until 31 December 2022 (OJ C 424, 8.12.2020, p. 30); Commission Regulation (EU) No 702/2014.

⁹⁵ [Public consultation on revised State aid rules for the agriculture and forestry sectors and in rural areas \(ec.europa.eu\)](https://ec.europa.eu/public-consultation/public-consultation-on-revised-state-aid-rules-for-the-agriculture-and-forestry-sectors-and-in-rural-areas).

⁹⁶ COM(2022) 133 final.

⁹⁷ C(2022) 1890.

⁹⁸ COM(2021) 765 final

within the EU CAP network and explore cooperation opportunities;

- as part of LEADER, further promote local development and support the deployment of innovation and technology in agriculture, namely through the European Innovation Partnership for Agricultural Productivity and Sustainability;
- promote the transition towards an increased level of food autonomy in the outermost regions through both CAP instruments, while ensuring high-quality food with sustainable farming.

2.3. DOING IT RIGHT: FOSTERING THE GREEN AND DIGITAL TRANSITION

2.3.1. GREEN TRANSITION: TOWARDS A SUSTAINABLE ECONOMY

The green transition aims to achieve the sustainable, environmentally friendly and climate-neutral transformation of society and the economy across all policies. The Commission has committed itself, in the Green Deal Communication⁹⁹, to paying particular attention to the outermost regions, taking into account their vulnerability to natural disasters and their unique biodiversity and rich renewable energy sources. These regions are well placed to become role models for development, respecting the circular economy and climate neutrality, as well as investing and creating jobs in green and blue solutions in sectors such as tourism, agriculture and fisheries. Respondents to the public consultation ranked climate, biodiversity and environment in the top five themes for EU action in these regions.

Climate action

The EU is committed to achieving the Paris Agreement goals, including the adaptation goals aimed at strengthening resilience. The outermost regions are particularly exposed to climate change impacts, including extreme weather events, and need tailored climate adaptation measures. In this context, the 2021 strategy on adaptation to climate provides for exchanges between these regions and their neighbours on climate change adaptation solutions. The Commission's proposal for a Social Climate Fund¹⁰⁰ envisages that Member States' social climate plans analyse the effects of ETS on vulnerable groups taking into account remote regions' specificities. In addition, it can support affordable low-emission transport in insular and remote areas.

The Commission encourages concerned Member States and outermost regions to:

- foster research on climate change, e.g. develop innovative tools to anticipate climate events, and to increase knowledge on climate change impact, seizing opportunities under cohesion policy funds and other EU programmes, e.g. LIFE and the Horizon Europe programme;
- strengthen cooperation with neighbouring countries on climate change, risk prevention and resilience, including through the Interreg programmes;
- take into account the outermost regions' specificities in the national plans under the EU Social Climate Fund; and apply for funding under the Innovation Fund;
- participate in the EU Mission 'Adaptation to Climate Change' and its opportunities.

⁹⁹ COM(2019) 640 final.

¹⁰⁰ COM(2021) 568 final.

The Commission will:

- foster cooperation and research on common challenges under the Horizon Europe programme, and support climate action under the LIFE programme; foster exchanges on climate action between outermost regions and their neighbours under the ERDF;
- support action on risk prevention and resilience as regards natural disasters; foster knowledge exchange between outermost regions and their neighbours;
- help identify adapted solutions for ‘mobility’ poverty linked to increases in transport prices;
- continue to give due consideration to the outermost regions when implementing the EU Solidarity Fund¹⁰¹.

Renewable energy and energy efficiency

With their rich sources of renewable energy – solar, wind, marine and geothermal – the outermost regions can be frontrunners in the clean energy transition helping to achieve the EU’s target of climate neutrality by 2050. However, these regions still rely on fossil fuels’ imports to cover most of their energy needs, entailing high emissions and costs. Given the high energy prices exacerbated by the current geopolitical tensions, the risk of energy poverty is increasing. The Energy Efficiency Directive¹⁰² invites Member States to alleviate energy poverty and take into account regional temperature variations when setting targets for energy savings.

Several outermost regions (e.g. the Canary Islands, Azores, Madeira and Réunion) are implementing innovative solutions to produce renewable energy, notably geothermal, which in some outermost regions already meets a large part of electricity demand. Investing in producing and storing renewable energy can increase outermost regions’ energy autonomy and help meet the EU’s 2050 climate-neutrality target and the 2030 emission reduction and renewable energy increase targets. The EU regulatory framework stimulates investments in clean energy and in small, decentralised renewable energy systems including in the heating and cooling sector¹⁰³. The 2020 offshore renewable energy strategy¹⁰⁴ highlights the outermost regions’ potential as pioneers in decarbonisation. The cohesion policy funds, the Clean Energy for EU islands initiative, the facility ‘New Energy Solutions Optimized for Islands (NESOI)’ and the RRF can support energy transition in the outermost regions. The LIFE programme can finance technology roll-out, new business models, and related skills.

In the context of the Russian invasion of Ukraine, the Commission proposed the REPowerEU plan to address energy dependency¹⁰⁵ and a State aid Temporary Crisis framework that allows support to cover additional costs due to gas and electricity price increases¹⁰⁶.

The Commission encourages concerned Member States and outermost regions to:

- ensure that national/regional legislation encourages renewable energy and energy efficiency; reflect the outermost regions’ situation in national energy and climate plans;
- provide targeted support to households affected by energy poverty;

¹⁰¹ CPRUP declaration of November 2021, Common position Member States and outermost regions of January 2022.

¹⁰² Directive 2012/27/EU.

¹⁰³ COM(2021) 557 final.

¹⁰⁴ COM(2021) 741 final.

¹⁰⁵ COM(2022) 108 final.

¹⁰⁶ C(2022) 1890 final.

- invest in renewable energy and energy efficiency exploring natural assets; support outermost regions in applying small-scale renewable energy solutions to remote areas to overcome energy infrastructure shortages;
- integrate offshore renewable energy development in maritime spatial plans, as envisaged in the offshore renewable energy strategy;
- ensure outermost regions are taken into account in REPowerEU support measures.

The Commission will:

- foster research on smart grids, energy storage, marine energy, renewable energies;
- take into account outermost regions’ specificities in the EU Solar Energy Strategy;
- foster the exchange of experience on innovative energy management, e.g. within Interreg;
- provide a study on clean energy transition in EU islands, including outermost regions; supporting their energy transition via the Clean Energy for EU Islands Initiative and NESOI.

Circular economy

Due to their dependence on resource imports, high waste generation fuelled by tourism and waste exports, the outermost regions can greatly benefit from circular economy solutions. It is in this context that the 2020 circular economy action plan¹⁰⁷ promotes solutions tailored to these regions. Most outermost regions have designed circular economy action plans that encompass sustainable production and consumption and waste management. EU funds can help: the ERDF and the ESF+ can support infrastructure and training; the LIFE programme can finance various projects, e.g. on waste management, and the EMFAF can support the collection and treatment of marine litter. In 2014-2020 the ERDF supported projects, e.g. in the Azores to recover waste from landfills, increasing the reuse of natural resources and decontaminating soil.

The Commission encourages concerned Member States and outermost regions to:

- step up efforts on waste management, in particular on improving circularity in bio-waste management and treatment, and in reducing waste through reuse or repair; blend and combine funds with financial instruments, use the ‘Green Assist’ instrument;
- design and implement circular economy action plans and use TAIEX-REGIO PEER 2 PEER to facilitate joint learning with other regional authorities.

The Commission will:

- take into account outermost regions’ specificities when proposing to harmonise separate waste collection systems as envisaged in the circular economy action plan;
- support resource efficiency and circularity in these regions; foster the exchange of good practices through the Circular Economy Stakeholder Platform.

¹⁰⁷ COM(2020) 98 final.

2.3.2. FOSTERING THE DIGITAL TRANSITION: ENABLING NEW OPPORTUNITIES

Digitalisation can bring together people, services and businesses irrespective of their location, and, as such, help outermost regions' overcome remoteness constraints. The 2030 Digital Compass¹⁰⁸ vision for digital transformation can guide transition, including digital infrastructure roll-out and digital skills development.

Several EU funds can support investment in digital infrastructure. The Digital Europe programme¹⁰⁹ strengthens EU critical digital capacities and seeks to help bridge the digital divide between Europe and the outermost regions. The European Digital Innovation Hubs work programme for 2021-2023¹¹⁰ encourages Member States to address their outermost regions' digital needs. In addition, the CEF programme can support sustainable infrastructure and network integration: its 2021-2025 digital work programme¹¹¹ can support submarine cables and satellite connectivity. The ERDF will further contribute to an inclusive digital society in these regions. As regards digital skills, with the European Pillar of Social Rights Action Plan, the EU aims to equip at least 80% of the EU's adults with such basic skills. The Communication on Shaping Europe's digital future¹¹² and the Digital Education action plan aim to support digital education and skills. The ERDF supports skills development through educational infrastructure.

Moreover, the proposal for an EU secure connectivity programme¹¹³ establishes a space-based connectivity system to ensure worldwide access to secure satellite communication services for governmental users, connecting administrations. Moreover, EU Space flagships Copernicus, Galileo and EGNOS¹¹⁴ provide very high performance data and services that can enable the digital transition of whole sectors of the outermost regions' economies, including agriculture and transport. EU Space data are also useful for civil protection services and for monitoring of the environment. The outermost regions can benefit from EU and national tools such as the Structural and Investment Funds and the National Recovery and Resilience plans, as well as the Horizon Europe programme, InvestEU, or the Cassini Space Entrepreneurship Initiative.

The Commission encourages concerned Member States and outermost regions to:

- take into account the needs of the outermost regions when designating candidate entities for the initial European Digital Innovation Hubs network, in line with the Digital Europe programme;
- seize opportunities to fund digital infrastructure and connectivity under the CEF programme (e.g. submarine cables and satellite connections), and under the Digital Europe programme;
- support digital skills in education and training, using all EU funding opportunities¹¹⁵, including by promoting skills partnerships under the pact for skills.

The Commission will:

- analyse the uptake of digital solutions in the outermost regions and help them seize

¹⁰⁸ COM(2021) 118 final.

¹⁰⁹ Regulation (EU) 2021/694.

¹¹⁰ C(2021) 7911 final.

¹¹¹ C(2021) 9463 final.

¹¹² COM(2020) 67 final.

¹¹³ COM(2022) 57 final.

¹¹⁴ The services provided by EGNOS should cover the territories geographically located in Europe, including the Azores, the Canary Islands and Madeira, by the end of 2026 (Regulation (EU) 2021/696 establishing the Union Space Programme and the European Union Agency for the Space Programme).

¹¹⁵ The EESC opinion ECO/567 calls for measures to ensure digital access in the outermost regions.

opportunities and support under EU programmes as proposed by the outermost regions; explore possibilities to support satellite networks to ensure connectivity in all areas;

- propose additional hubs or entities to cover the needs of the outermost regions, in cooperation with the Member States, if the initial Digital Innovation Hubs network does not cover their digital needs;
- foster the exchange of information and good practices; continue facilitating the participation of the outermost regions in the Broadband Competence Offices Network;
- promote basic digital literacy through EU funds and programmes such as Erasmus+ and the ESF+, as well as advanced digital skills through the Digital Europe programme;
- promote the uptake of EU Space data, services and applications for enabling the digitalisation of the economies of the outermost regions.

3. COOPERATION WITH OTHER EUROPEAN REGIONS, NEIGHBOURING COUNTRIES AND BEYOND

Interreg and cooperation with Global Europe and Overseas Countries and Territories' financing instruments

Given the outermost regions' location, they are a unique asset for EU's external relations and for the projection of our interests and values. They make the EU a truly global player. In line with the EU's Global Gateway strategy, cooperation with neighbouring countries and territories is also essential for these regions' economic development and regional integration. Respondents to the public consultation selected such cooperation as one of the top five priorities. The EU/Africa-Caribbean-Pacific (ACP) Partnership Agreement initiated in 2021 encourages ACP states' cooperation with the OCTs and the outermost regions in e.g. trade, energy, digitalisation, climate change, environment and tourism.

All outermost regions participate in Interreg European Territorial Cooperation programmes, which support cooperation between the outermost regions and neighbouring countries or territories. However, cooperation remains limited due to regulatory, administrative, budgetary and political issues¹¹⁶. The Commission has simplified procedures to facilitate cooperation: in 2021-2027, programmes jointly funded by the ERDF (outermost regions), Global Europe (third countries) or the Decision on the Overseas Association (OCTs) follow a single set of rules. In addition to supporting cooperation with other EU regions, including through the Interreg Europe programme, the EU has allocated €281 million under the ERDF to support cooperation between the outermost regions and their neighbours, and €15 million to support cooperation between the OCTs and other partners, facilitating joint projects such as university courses, cooperation between hospitals, or financial facilities. The Horizon Europe programme or LIFE can also support cooperation.

The Commission encourages concerned Member States and outermost regions to:

- analyse opportunities and overcome obstacles to regional cooperation as part of the new Interreg specific objective on better governance within their Interreg programmes;
- use the ERDF for cooperation with other Member States, non-EU countries or OCTs¹¹⁷.

¹¹⁶ Some partner countries of the Interreg Indian Ocean programme do not recognise Mayotte as a French outermost region.

¹¹⁷ Under Article 63(4) of Regulation (EU) 2021/1060.

The Commission will:

- facilitate the implementation of projects jointly financed by the ERDF, Global Europe, and the Decision on the Overseas Association, in coordination with beneficiaries;
- map regional cooperation opportunities and challenges per basin, identify key areas for cooperation; develop opportunities and support collaboration; foster exchanges per basin;
- factor in outermost regions' role and specificities when revising geographical strategies; include these regions in consultation mechanisms, as proposed by the outermost regions.

Trade

The outermost regions' proximity to non-EU countries offers opportunities for trade and cooperation. However, these regions face competition from surrounding countries, which produce similar goods at lower cost with lower health, safety, and environmental standards.

The Commission will continue to take into account the outermost regions' sensitive products in negotiating free trade agreements (FTA), assessing their effect and taking measures in the event of potential negative impacts, including safeguard clauses. The sustainability impact assessments which supported negotiations on the EU-Indonesia free trade agreement and on the Global Agreement with Mexico already analyse outermost regions' interests¹¹⁸. The 2019 EU-Mercosur Agreement includes provisions to prevent disruptions to these regions' markets caused by imports from Mercosur¹¹⁹. In parallel, the outermost regions are encouraged to seize the opportunities of the FTAs, in particular with countries in their geographical region, in view of their integration in global and regional value chains¹²⁰. In addition, the Commission proposed to prolong and improve EU legislation exclusively providing specific taxation and customs rules for outermost regions, which was adopted by the Council¹²¹.

The Commission encourages concerned Member States to:

- involve the outermost regions when shaping their position on trade agreements;
- identify trade opportunities for the outermost regions and support their trade capacity and integration in regional and global value chains.

The Commission will:

- continue taking into account outermost regions' concerns in its sustainability impact assessments, in the context of negotiations on trade agreements;
- further enhance transparency in negotiations and implementation of free trade agreements in the outermost regions by ensuring participation of their stakeholders in civil society dialogues, consultations and advisory groups, as proposed by the outermost regions¹²²;
- inform and raise awareness in the outermost regions about the potential of the existing trade agreement between the EU and third countries;

¹¹⁸ [Sustainability impact assessment \(SIA\) in support of Free Trade Agreement \(FTA\) negotiations between the European Union and the Republic of Indonesia: Final Report \(ec.europa.eu\)](#); [Sustainability Impact Assessment \(SIA\) in support of the negotiations for the modernisation of the trade part of the Global Agreement with Mexico \(ec.europa.eu\)](#)

¹¹⁹ [EU-Mercosur trade agreement: the agreement in principle \(ec.europa.eu\)](#)

¹²⁰ See also [Communication on the Trade Policy Review \(ec.europa.eu\)](#)

¹²¹ Council Decisions (EU) 2020/1790, (EU) 2020/1791, (EU) 2020/1792, (EU) 2021/991; Council Regulation (EU) 2021/2048.

¹²² CPRUP declaration of November 2021, and also as requested by respondents to the public consultation.

- promote ‘Access to Markets’, the new EU trade helpdesk in the outermost regions, to help them take advantage of trade agreements and export to non-EU markets.

Migration

Some outermost regions experience strong migratory pressure from neighbouring countries, in particular the Canary Islands, French Guiana, Mayotte and Saint-Martin. In 2019 alone, over 27 000 people attempted to enter Mayotte (equivalent to 10% of its population)¹²³, and in 2021, over 23 000 people arrived in the Canary Islands¹²⁴. It is estimated that 12% of French Guiana’s population are irregular migrants. There is a need for appropriate and **tailored actions** to manage the specific migration challenges in the outermost regions as regards provision of e.g. reception conditions and procedures for asylum seekers, border management and control, integration of migrants. A specific focus is needed on unaccompanied minors.

EU funding can support and complement regional and national funding in these areas. According to the EU Regulations establishing the Asylum, Migration and Integration Fund (AMIF), the Instrument for Financial Support for Border Management and Visa Policy (BMVI), and the Internal Security Fund (ISF), the Member States concerned should ensure that their national strategies and programmes under these funds address the specific challenges that outermost regions face in managing migration¹²⁵. In addition, the proposed pact on migration and asylum¹²⁶ aims to prevent irregular migration and ensure asylum for those in need.

The Commission encourages concerned Member States and outermost regions to:

- ensure that national strategies and programmes under the EU funds AMIF, BMVI, and ISF address outermost regions specific challenges in managing migration as envisaged in the regulations creating these funds; ensure cooperation in implementing EU, national and regional strategies and programmes related to migration, in the outermost regions; provide adequate conditions for unaccompanied minors;
- achieve synergies in using EU funds to address the challenges faced by the outermost regions in managing migration and dedicate appropriate funding;
- involve regional authorities and stakeholders in shaping and implementing such programmes.

The Commission will:

- monitor the application of the partnership approach in national programming and implementation under shared management, to ensure that national programmes under AMIF, BMVI and ISF address the specific challenges of migration in the outermost regions and the emerging threats with which the outermost regions are confronted;
- support awareness raising towards the outermost regions and encourage local and regional authorities to use the potential offered by EU funds to address local gaps and needs; promote synergies between various EU funds to address migration and security challenges;

¹²³ Press Statement from the French Ministry of Home Affairs and Minister of Overseas Territories on 11 February 2021.

¹²⁴ Source: Euromed Rights and UNHCR.

¹²⁵ Regulation (EU) 2021/1147, Recital 64; Regulation (EU) 2021/1148, Recital 63; Regulation (EU) 2021/1149, Recital 58: all state that the relevant Member States should ensure that their national programmes address the specific challenges the outermost regions face in managing migration.

¹²⁶ COM(2020) 609 final.

- monitor the migration situation in outermost regions particularly exposed to migration influxes and support Member States in shaping tailored solutions as appropriate;
- use the Thematic Facilities Work Programmes under AMIF, BMVI and ISF to help address these regions' migration challenges including support measures for unaccompanied minors.

4. STRENGTHENED PARTNERSHIP, DIALOGUE AND SUPPORT

Mainstreaming outermost regions' specificities remains a Commission priority to ensure that EU policies, legislation, funds and programmes are adapted to these regions as laid out in Article 349 TFEU. The Commission has systematically taken into account these regions' concerns in its policy-making. In 2021 alone, the Commission reflected these regions' specificities in almost 30 legislative proposals, policy initiatives and work programmes, for example under Horizon Europe, the CEF, LIFE, the EMFAF, Erasmus+, and Digital Europe. The Better Regulation Guidelines¹²⁷ further strengthen territorial impact assessments to assess legislative proposals' impact on specific regions including the outermost regions.

The outermost regions can benefit from many new opportunities for support under EU policies to help them shape, implement and fund their tailored regional development strategies. The Commission is committed to helping these regions undertake the necessary reforms and investments, seize opportunities and synergies in EU programmes, improve administrative capacity, and is rolling out an advisory tool for this purpose. The Commission holds regular high-level meetings and working group sessions with the outermost regions and their Member States and is committed to strengthening dialogue to better understand the concerns of people living in these regions and to raise awareness on EU policies. It promoted citizens' dialogues and Europe Direct Centres in these regions.

The Commission encourages concerned Member States and outermost regions to:

- develop together regional development plans per outermost region that address each regions' needs; identify bottlenecks and areas to reform; develop and invest in specific assets and comparative advantages; set priorities; and allocate funding accordingly;
- seize all the specific opportunities for the outermost regions under EU policy initiatives and legislation, programmes and funds;
- develop overall administrative capacity, participate in the Commission's administrative capacity building initiatives¹²⁸; use technical assistance to prepare large projects; use existing EU tools e.g. Jaspers¹²⁹; build capacity to participate in competitive programmes;
- make use of the TSI to request support on key reforms, in particular in the areas of this Communication; multi-region applications are particularly welcome, enabling economies of scale and sharing of best practices;
- disseminate at local level information provided by the Commission on funding opportunities;
- extend data gathering in the outermost regions to bridge existing gaps in regional statistics.

¹²⁷ COM(2021) 219 final.

¹²⁸ For example, a pilot action with the OECD on frontloading administrative capacity building, TAIEX-REGIO PEER 2 PEER, REGIO Communities of practitioners, the Competency Framework, integrity pacts, training programme for experts.

¹²⁹ [Joint assistance to support projects in European regions \(JASPERS\) \(ec.europa.eu\).](https://ec.europa.eu/jaspers/)

The Commission will:

- roll out advisory tools to help individual outermost regions, on demand, shape regional development plans, reforms and investment agendas; enable synergies between opportunities under EU funds and programmes;
 - encourage requests from outermost regions for TSI support for tailored technical expertise to design and implement reforms across a wide range of policy areas; reach out to outermost regions in the yearly TSI country roll-outs, with the assistance of the coordinating authorities;
 - build a portal on opportunities for the outermost regions to benefit from EU funds, programmes and policy initiatives; launch a series of information sessions for these regions on EU programmes and flagship initiatives, reaching out to small and medium-sized enterprises, NGOs and the public;
 - analyse and follow up on proposals by the outermost regions and their Member States (2021 CPRUP declaration, 2022 joint position paper) in the outermost regions' working group;
 - mainstream outermost regions' specificities in initiatives, legislative proposals and programmes through tailored and place-based approaches, with territorial impact assessments where appropriate;
 - continue taking into account these regions' specificities in the revision of State aid regulations and guidelines across sectors, based on the existing provisions for these regions in EU State aid legislation;
 - support administrative capacity building, related roadmaps and integrity pacts and exchange of knowledge between managing authorities through existing tools ¹³⁰; support capacity to participate in competitive programmes;
 - strengthen communication and dialogue with local authorities, civil society, businesses, the public and young people, building on existing structures, including citizens' dialogues;
- develop strategic foresight on how key trends will affect the outermost regions so as to tailor policies accordingly and promote data gathering for evidence-based policy.

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[TAIEX-REGIO PEER 2 PEER \(ec.europa.eu\)](https://ec.europa.eu/taiex-regio-peer-2-peer/) and Communities of practitioners.

CONCLUSION

This renewed and strengthened strategy for the outermost regions demonstrates the Commission's unwavering commitment to their development and prosperity. This is an institutional obligation, as laid out in Article 349 TFEU; a political imperative, given the 5 million European citizens living in these regions; an economic necessity because of the untapped potential in these regions, not least for the green economy; and a geostrategic investment, enhancing these regions' role as European Union gateways to the rest of the world.

Putting people at the centre of this strategy and future actions is also about ensuring that all EU citizens, regardless of where they were born or live, have access to education, training, housing, healthcare and basic living conditions. It is about providing opportunities for young people to realise their potential.

It is in this spirit that the Communication sets the priorities for EU action to support sustainable recovery and growth in its most remote regions, unlocking their growth potential, helping bridge the quality of life gap between these regions and the rest of the Union.

While such an endeavour requires a strong commitment at EU level, first and foremost it requires each region to develop its own vision of recovery and growth. Despite similarities, EU outermost regions are heterogeneous, and their development visions need to be tailor-made, designed in close cooperation with the Member State, in line with the European priorities, applying the partnership principle, and consulting across all sectors of society in these territories. Sustainable recovery also requires prioritisation at both national and regional level, political will, reforms and administrative capacity.

The Commission commits itself to strengthening dialogue and promoting individualised support for this purpose. It will continue to work in close partnership with the outermost regions and their Member States and the other institutions, notably European Parliament and Council, in reflecting these regions' specificities across all relevant EU policies. It will redouble efforts to help these regions capitalise on their assets, seize the unprecedented opportunities provided by EU policies, the single market as well as financial support to invest in their future.