

ORs and OCTs

The EU counts seven outermost regions (ORs): the Canaries archipelago, which is part of Spain, the archipelagos of the Azores and Madeira, which are part of Portugal, and the French overseas departments (Martinique, Guadeloupe, French Guyana and Réunion)¹. The ORs constitute an **integral part of the Union**, as stated by Article 299(2) of the EC Treaty, and, as a consequence, Community law is fully applicable to them, even though derogations are granted on a case-by-case basis in step with their structural handicaps (e.g. in the field of state aid, agriculture, fisheries, taxation).

The overseas countries and territories (OCTs) are the 21 countries and territories listed in annex II to the EC Treaty. These are countries and territories that are **not independent** but **linked to a Member State** (France, United Kingdom, Netherlands or Denmark).

Contrary to outermost regions, these countries and territories are **not part of the European Union**, even though they are part of their Member State of reference. Not belonging to the Union, **Community law does not apply to them**, except for the **association regime** based on Part IV of the EC Treaty (“Association of the overseas countries and territories”, Articles 182 to 188 of the EC Treaty)².

OCTs **are not ACP countries** or third countries. As opposed to ACP countries or other third countries, OCTs are not independent. The Member State of reference remains responsible for sovereign affairs, such as defence, foreign affairs, justice, internal security, etc., even though the degree of autonomy of OCTs varies from one OCT or group of OCTs to another. It should however be noted that, in their relations with the EU, OCTs are sometimes treated as if they were third countries, e.g. in the field of trade, but the only reason for such a treatment is that Community law does not apply to them and this has nothing to do with the degree of autonomy of an OCT.

Whilst OCTs are not ACP countries (and thus not covered by the Cotonou Agreement), the funds that are allocated to OCTs are financed by the European Development Fund (EDF) as well. This budgetary link with ACP countries will disappear if the global OCT allocation is budgetised, i.e. fully incorporated into the general budget of the Union.

It should be noted that OCTs are not covered by Articles 177 to 188 of the EC Treaty on development cooperation.

¹ The DOM, i.e. the French overseas departments, are part of the EU, contrary to the French overseas countries and territories (OCTs), which are associated to the EU, without being part of the EU.

² It should be noted that the Bermuda islands are a special case, since the Overseas Association Decisions adopted by the Council every ten years and that implement Part IV of the EC Treaty do not apply to them (at their own request).

1. LIST OF OCTs

- Greenland,
- New Caledonia and Dependencies,
- French Polynesia,
- French Southern and Antarctic Territories,
- Wallis and Futuna Islands,
- Mayotte,
- Saint Pierre and Miquelon,
- Aruba,
- Netherlands Antilles:
 - Bonaire,
 - Curaçao,
 - Saba,
 - Sint Eustatius,
 - Sint Maarten.
- Anguilla,
- Cayman Islands,
- Falkland Islands,
- South Georgia and the South Sandwich Islands,
- Montserrat,
- Pitcairn,
- Saint Helena and Dependencies,
- British Antarctic Territory,
- British Indian Ocean Territory,
- Turks and Caicos Islands,
- British Virgin Islands,
- Bermuda.