

Committee: Council of the European Union

Issue: Assessing the Economic, Legal and Political Status of Overseas Countries and Territories, Outermost Regions and Protocol Territories

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PERSONAL INTRODUCTION

My name is Christos Kangelidis and I have the greatest honor to serve as a Deputy President of the Council of the European Union in this year's DSTMUN. I am a 10th grader at the German School of Thessaloniki.

First of all, I would like to congratulate you all for participating in this conference and assure you that this experience will be highly beneficial to you. Not only will this conference help you expand your knowledge in English, but it will also help you understand the way this EU institution works, expand your horizons regarding politics and teach you how to debate on crucial issues and find feasible solutions to them.

Our topic in this year's Council of the European Union is "Assessing the economic, legal and political status of Outermost Regions, Protocol Territories and Overseas Countries and Territories".

The main purpose of this Study Guide is to introduce and help you better understand the topic since it provides you with the primary information regarding the issue. It is, therefore, recommend that you thoroughly read the Study Guide, but do some research on your own as well in order to find out more about your country's policy and be sufficiently prepared.

I hope that you are all looking forward to this conference and are as excited as I am! Feel free to contact me and send me an e-mail at christos.kangelidis@gmail.com to ask me anything regarding the Study Guide, the Rules of Procedure, the topic in general or anything else that might arise. Let's all hope for a fruitful debate!

Have fun while working on your speeches and resolutions!

Yours truly,

Christos Kangelidis

TOPIC INTRODUCTION

Some European nations were the most significant colonial powers. The UK, France, Portugal and Spain have colonised North and Central America, as well as the majority of Africa, Asia and Oceania. Although most of these territories got their independence and became new countries, some of these territories choose not to become independent and remain under their colonisers rule. This has resulted in European nations having territories in remote places such as the Indian Ocean or the Pacific.

Most of these territories are island archipelagos or small cities; however, there are larger pieces of land such as Greenland and French Guiana. A critical issue that these territories are facing is weak and unstable economies. Most of these territories have economies that are mostly based on fisheries, agriculture and the service industry. Despite the assistance and funding of the European Union, these territories have not been able to build stable, sustainable and developed economies. Especially remote islands have difficulty adjusting to global economic shocks and are affected by the changes in global financial markets.

A crucial issue that these territories are facing is the lack of advanced, digital technologies. These territories have not been able to keep up with the evolution of technology. Due to a low economic status in many cases, the inhabitants are unable to afford technological devices. This has resulted in a digital gap between these territories and the mainland.

Overseas Countries and Territories, Outermost Regions and Protocol Territories are located all over the globe. The ones located in the Caribbean, the Pacific and the Indian Ocean have tropical, hot climates with high temperatures and rainforests. There are other territories situated in the Baltic sea and in other places, where the climate is colder, temperatures are lower and there is a limited amount of resources. Most of these territories have unique ecosystems, which could increase scientific output and decrease unemployment. However, climate change has affected most of these territories, especially the small islands. Small island nations are facing environmental challenges such as the constant rise of sea levels, water scarcity and soil degradation. This, of course, has affected the daily life of the citizens, but also the economy and the scientific sector.

DEFINITION OF KEY TERMS

Overseas Countries and Territories (OCTs)

"The overseas countries and territories (OCT) are dependent territories that have a special relationship with one of the Member States of the EU and have been explicitly invited by the EU treaty to join the EU-OCT Association (OCTA). They are not

subject to the EU's common external customs tariffs but may claim customs on goods imported from the EU on a non-discriminatory basis. They are not part of the EU and the EU acquis does not apply to them, though those joining OCTA are required to respect the detailed rules and procedures outlined by this association agreement (Council Decision 2013/755/EU). OCTA members are entitled to ask for EU financial support. As of July 2014, there are still 25 OCTs (twelve with the United Kingdom, six with France, six with the Netherlands and one with Denmark) of which 22 have joined OCTA. The three OCTs which are not part of OCTA (British Antarctic Territory, British Indian Ocean Territory and South Georgia and the South Sandwich Islands are all uninhabited)."¹

Outermost Regions (OMRs)

"The outermost regions (OMR) are geographic areas which are part of a European Union Member State, are situated outside of Europe and are fully part of the EU. Both primary and secondary European Union law applies automatically to these territories, with possible derogations to take account of their "structural social and economic situation, which is compounded by their remoteness, insularity, small size, difficult topography and climate, economic dependence on a few products, the permanence and combination of which severely restrain their development. As of April 2014, a total of nine territories (six French, two Portuguese and one Spanish) were registered to have OMR status."²

Protocol Territories

While the outermost regions and the overseas countries and territories fall into structured categories to which common mechanisms apply, this is not true for all the special territories. Some territories enjoy ad-hoc arrangements in their relationship with the EU. Some of these could be called "protocol territories" as their status is governed by protocols attached to their respective countries' accession treaties. The rest owe their status to European Union legislative provisions which exclude the territories from the application of the legislation concerned. Many were opted out from either the VAT area or the customs union or both.

¹ "SPECIAL MEMBER STATE TERRITORIES AND THE EUROPEAN UNION | Association Of Accredited Public Policy Advocates To The European Union". *Aalep.Eu*, 2020, <http://www.aalep.eu/special-member-state-territories-and-european-union>.

² "SPECIAL MEMBER STATE TERRITORIES AND THE EUROPEAN UNION | Association Of Accredited Public Policy Advocates To The European Union". *Aalep.Eu*, 2020, <http://www.aalep.eu/special-member-state-territories-and-european-union>.

Schengen Area

The signing of the Schengen Agreement, which was signed on 14th June 1985, led to the creation of the Schengen Area. All parties involved have benefited from the abolishment of strict border checks, the ease of transportation as well as from the common visa policy.

European Single Market

The European Single Market is an economic system based upon the four freedoms, labour, services, goods and capital. All 27 members of the EU, as well as Switzerland and some nordic states, Norway and Iceland, participate in the single market.

Value Added Tax (VAT)

"The Value Added Tax, or VAT, in the European Union, is a general, broadly based consumption tax assessed on the value added to goods and services. It applies more or less to all goods and services that are bought and sold for use or consumption in the European Union. Thus, goods which are sold for export or services which are sold to customers abroad are normally not subject to VAT. Conversely, imports are taxed to keep the system fair for EU producers so that they can compete on equal terms on the European market with suppliers situated outside the Union."³

Euroscepticism

Euroscepticism is a "European political doctrine that advocates disengagement from the European Union (EU). Political parties that espouse a Eurosceptic viewpoint tend to be broadly populist and generally support tighter immigration controls in addition to the dismantling or streamlining of the EU bureaucratic structure"⁴

BACKGROUND INFORMATION

Overseas Countries and Territories (OCTs)

Several European countries have some special status territories. These territories have been divided into three main categories. The first category of the territories is Overseas Countries and Territories (OCTs). OCTs are considered EU territory; however, they are not considered EU borders. The EU through the years, has

³ "What Is VAT? - Taxation And Customs Union - European Commission". *Taxation And Customs Union - European Commission*, 2020, https://ec.europa.eu/taxation_customs/business/vat/what-is-vat_en.

⁴ "Euroscepticism | Politics". *Encyclopedia Britannica*, 2020, <https://www.britannica.com/topic/Euroscepticism>.

supported several initiatives in order to help the OCTs with sectors such as education, healthcare and climate change. France has six OCTs, most of which are located in the Pacific Ocean (Wallis-et Futuna, French Polynesia and New Caledonia). St. Barthelemy, Sint Eustatius and Saba are located in the Caribbean and Saint Pierre-et Miquelon is located in the North Atlantic. The French Southern and Antarctic Lands are located in the Indian Ocean. The Kingdom of the Netherlands has all six of its OCTs in the Caribbean. Curacao, Aruba, Bonaire, Saba, Sint Maarten and Sint Eustatius are the territories that make up the Dutch overseas territories. Denmark has one OCT, Greenland, which is located in the Arctic.

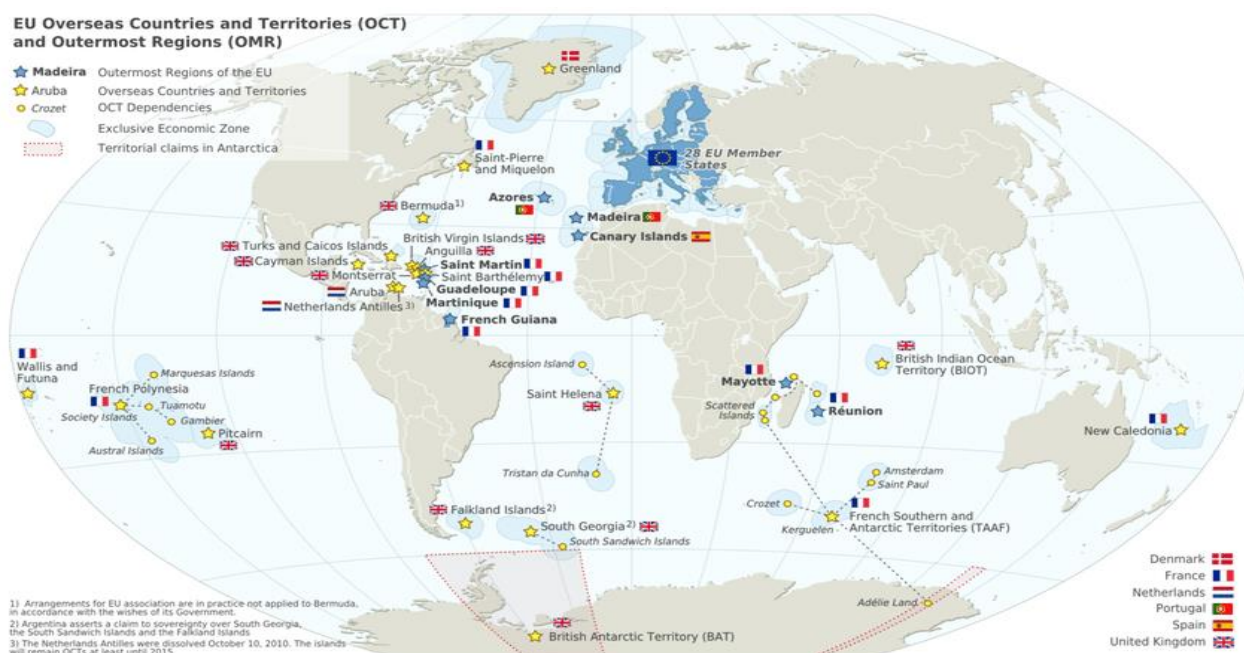


Figure 1: A map with all Overseas Departments of the EU

Outermost Regions (OMRs)

The European Union has nine outermost regions in total. Only three member states of the European Union have outermost regions. France has Guadeloupe, Martinique, Reunion and Mayotte are the four overseas departments and French Guiana is the fifth French OMR. Spain has the Canary Islands, while Portugal has Azores and Madeira. All OMRs are considered integral territories of the European Union. The Spanish and Portuguese OMRs enjoy all EU benefits such as the European citizenship. French OMRs are not members of the Schengen area nor the EU VAT area.

Outermost regions have mostly agricultural economies that have been vulnerable to climate change and the rising sea levels. In order to do that the EU has supported the islands by funding with the assistance of some EU financial instruments, such as The European Regional Development Fund, The European Maritime and

Fisheries Fund and a number of EU initiatives. The European Union has assisted these overseas departments, however, they have not been able to improve all sectors.

Protocol territories and special cases

For the EU to satisfy all territories, it has divided them to a number of categories. As it was previously mentioned, OMRs and OCTs are the two main categories. However, some territories did not want to belong to any of these categories and therefore, are characterized as special cases.

Ceuta and Melilla are two Spanish territories bordered entirely by Morocco and are surrounded by the Mediterranean sea. They are parts of Spain and are the EU's border in Africa. Spain has given the two cities a semi-autonomous status region and considers them integral parts of the union. The two cities face numerous problems, such as high unemployment rates and several humanitarian violations. One of the most significant issues that the territories are facing is the vast migration flows coming from African nations. The EU has tried to prevent illegal immigrants by creating a very strict border and trying to reach diplomatic agreements with Morocco. The two cities are not members of the EU Value Added Tax (VAT) area and do not belong to the EU customs territory.

In Greece and specifically in the area of Chalkidiki, Mount Athos is located. Mount Athos, also known as the Monastic Republic of Mount Athos, is Greece's Protocol Territory. From the moment that Greece joined the European Union, Mount Athos was considered a special case and was treated differently. The territory enjoys all EU benefits, except being a member of the VAT area. One of the issues that the EU has with Mount Athos and its policies is the women ban.

The situation in Cyprus has been a challenge for the EU since the country became an official member. Cyprus is separated into four main parts, the Republic of Cyprus, the Northern Cyprus Republic, the UN Buffer Zone, Akrotiri and Dhekelia. Akrotiri and Dhekelia are two cities located in Cyprus which are owned by the United Kingdom and have exited the EU. When the United Kingdom exited the European Union, all its OCTs, OMRs and protocol territories left as well. The Republic of Cyprus is the official country which is a member of the EU and is officially recognised by the United Nations. Cyprus enjoys all EU benefits, with the exception of the Schengen area. The UN Buffer Zone separates the Republic of Cyprus and the Turkish Republic of Northern Cyprus, in order for peacekeeping to be retained. In the Buffer Zone, the Schengen Area and the right to vote for EU elections do not apply, just like EU law. The Turkish Republic of Northern Cyprus is a territory which claims its independence, and it is recognised only by Turkey, while the international considers it a part of the

Republic of Cyprus. In Northern Cyprus civilians are not granted any EU rights except Cypriot citizenship. The Republic of Northern Cyprus has suspended the application of European law in the proclaimed territory. Several humanitarian violations have been reported in the territory. The nation's economy is mostly based on tourism, education and infrastructure. The Turkish Republic is under an international embargo since the international community does not recognise it as an independent nation, but rather a part of the Republic of Cyprus.

Germany has neither OMRs nor OCTs, but in fact, it has two Protocol Territories. The first one is called Busingen am Hochrhein and is a German enclave which is located in Switzerland. The city is not a member of the VAT area nor the EU customs territory. The enclave has close relations with Switzerland, with the citizens using the Swiss franc and the city being a member of the Swiss VAT area. The other German protocol territory is Heligoland. Heligoland is an island archipelago located in the North Sea. Just like Busingen am Hochrhein, Heligoland is not a member of the VAT area or the EU customs territory.

The Faroe Islands are a self-governed territory ruled by the Kingdom of Denmark. When Denmark joined the European Union, the Faroe Islands were not included in the treaty. The self-governing nation does not enjoy any EU benefits. People born in the Faroe Islands are not EU citizens since they do not possess the Danish citizenship. In 2013 the European Union even imposed sanctions on the Faroe Islands for a fisheries dispute.

The Åland Islands are a number of islands located in the Baltic Sea and belong to Finland. They are members of the EU; however, they do not belong in the VAT area. The people have local citizenship, and the Islands have the flexibility to make their own decisions when it comes to minor issues. The islands have a diverse economy. From the steady tourism and trade industries to emerging technology and IT companies, the islands have a number of income sources.

Campione d'Italia and Livigno are Italian exclaves located in Switzerland. Both of these territories are excluded from the EU VAT area and do not enjoy such EU costumes.

Can overseas departments exit the EU?

Exiting from the European Union is a time-consuming process that requires preparation and several economic and legislative adjustments. The first territory to exit the Union was Algeria, in 1962. Territories in the Algerian coastline were ruled by France and Algeria was therefore considered an overseas territory of mainland France. Algeria was a member of the European Economic Community and had several other EU benefits. Algeria gained its independence with protests and violent conflict.

The second territory to leave the EU or in this case, the European Economic Community was Greenland. The island belongs to the Kingdom of Denmark, however, it exited the community in 1985.

In 2012 the island of Saint Barthelemy exited the department of Guadelupe and therefore left the European Union since Guadelupe is one of the French overseas territories. After St.-Barthexit (Saint Barthelemy's exit), Euroscepticism has become more visible in the overseas departments of the European Union. The most recent example is New Caledonia, a French Overseas Territory located in Oceania. The people of New Caledonia had to vote in order to determine whether they should remain in the European Union. The majority voted for the island to remain in the union.

MAJOR COUNTRIES AND ORGANISATIONS INVOLVED

France

The French Republic has 6 OCTs and 5 OMRs under its control. As one of the biggest colonial power, France has territories all over the world. France has kept close relations with all of its OCTs and OMRs. With a few exceptions, all OMRs and OCTs are members of the European Atomic Energy Community and the Eurozone. The citizens of those territories are granted with EU citizenship as well as the right to vote for the political situation in Metropolitan France. EU law is minimally applicable to most of the territories.

The Netherlands

The Dutch overseas territories are six islands, which are located in the Caribbean Ocean. The Kingdom of the Netherlands has given its OCTs only the right to vote for the EU elections and has granted them with EU citizenship. The Netherlands retains a friendly relationship with their overseas departments and these citizens enjoy benefits such as lower cost of secondary education in the mainland.

The European Commission

The European Commission has always tried to strengthen the relations between OCTs, OMRs, Protocol Territories and the EU. The Commission has assisted the territories by promoting socio-economic development, offering a legal framework and creating special provisions in order for every territory to be represented correctly.

Cyprus

Cyprus is a nation divided into four main regions, which have different status and benefits. Despite the complexity of the situation, Cyprus has tried to improve the situation, by finding common ground with the other parties. Although there is

constant involvement of the European Union and the United Nations, there has not been that much improvement. The territorial dispute in Northern Cyprus has been going on for years and the European Union has recognised Akrotiri and Dhekelia, the Turkish Republic of Northern Cyprus and the UN buffer zone are considered special cases.

Overseas Countries and Territories Association

The Overseas Countries and Territories Association is an international organisation created in 2000 by the European Union and located in Belgium, where Overseas Countries and Territories collaborate with each other and the European Union in order for the stability, prosperity and development of OCTs. The goal of this association is to promote sustainable development and strengthen relations between the OCTs and the European Union. The organization is strongly based on collaboration, in order to improve human rights, the environment and the economy in these overseas departments.



Figure 2: The logo of the Overseas Countries and Territories Association

BLOCS EXPECTED

Bloc A

All parties in this block are the EU Member States that have OCTs, OMRs and protocol territories under their control. Most of these countries want to support these territories and help them develop. The goal of this block is to assist those territories.

Bloc B

The member states that are in this block are nations that do not have OMRs, OCTs and protocol territories. The goal of this block is to support the development of special-status territories, while still benefiting from it and increasing the collaboration between the two parties.

TIMELINE OF EVENTS

Date	Description of event
15 th -18 th Century	European colonialism lasted three centuries, during which European Colonial powers such as France, the Netherlands and the UK colonized several nations, including all of the territories.
1945-1994	The Trusteeship Council, one of the six main organs of the UN, was created in order to deal with the problems caused by colonialism and start decolonisation. During this process, several OCTs, OMRs and protocol territories were given to the member states of the EU.
1 st January 1958	The Treaty of Rome was signed and the European Economic Community was created. The treaty established the legal status of OCTs and OMRs.
1 st November 1993	The European Union was created on November 1 st in the Netherlands. Countries such as Denmark, France, the Netherlands, Spain and Italy, who have OCTs, OMRs and protocol territories, joined the EU.
17 th November 2000	The Overseas Countries and Territories Association was created. The Association has been beneficial at the development and economic growth of OCTs. The Association's primary goal is to increase collaboration between the OCTs and the EU.
2012	Saint Barthelemy left the department of Guadalupe and eventually the European Union.

4 th November 2018	In 2018 the people of New Caledonia people were given the choice to either stay in France or become independent.
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RELEVANT RESOLUTIONS, TREATIES AND EVENTS

Maastricht Treaty

The Maastricht Treaty, which was signed on 7th February 1992, has played a major role for the EU as a whole. It also gave all OMRs their status and recognized them as parts of the EU. The Maastricht Treaty created the legal status of outermost regions and separated them from the other overseas departments of the European Union. The treaty also expanded EU overseas law.

Treaty on the Functioning of the European Union

The Treaty on the Functioning of the European Union allowed the OCTs to free movement of workers. The treaty also created the Overseas Countries and Territories Association (OCTA), an organization that has played a major role in the cooperation between OCTs and the European countries. The treaty also mentions that the EU law applies to all the Outermost regions. The legal status of these territories is defined by the 355th and the 349th Article of the Treaty on the Functioning of the European Union.

PREVIOUS ATTEMPTS TO SOLVE THE ISSUE

Although the nations themselves have helped their special territories, there have not been any joined efforts to tackle the issue. Of course, the EU has created the OCTA in order to strengthen collaboration between OCTs and the EU and has funded several projects; however, there have not been any joined efforts to tackle the problem in all OMRs, OCTs and protocol territories. The Commission has been open to collaboration and funding.

POSSIBLE SOLUTIONS

In order to achieve development in the OMRs, OCTs and Protocol Territories, there are many issues that need to be solved. Most of these territories have high unemployment rates, something that has drastically affected their economies. In order for that to be solved, the EU could encourage the creation of multinational companies in these territories in order to create job positions. The mainland European countries should assist with making the territories economies stable and resilient to regional and global economic changes. The European Central Bank could analyse the economic situation of each territory and prepare the territories for potential financial issues.

In collaboration with global and European organizations OCTs, OMRs and protocol territories could become more robust against climate change and try to find economic and scientific prosperity. The EU could partner up with NGOs and the UNEP in order to protect endangered species and protect the flora and fauna. The local media could be used to raise awareness about climate change in these overseas departments and coordinated efforts could be organised by the European Union.

When creating resolutions, delegates should keep in mind that all these territories have different needs and issues. It is important to take into consideration the different legal status of each territory, the current situation of the European Union and the benefit of all member states.

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