

Against a disastrous European budget for overseas territories

On July 16, 2025, the European Commission presented its proposal for the next multiannual financial framework (MFF) covering 2028-2034. The stated goal is to conclude negotiations by the end of 2026 at the latest.

While the projections for overseas territories were worrying during the negotiations for the 2021-2027 MFF, they are disastrous in the upcoming MFF, which is **fundamentally reshaping the budgetary architecture**. This reform is reshuffling the deck and sweeping away almost all of the budgetary instruments dedicated to the **outermost regions (ORs)**, an achievement built up over more than thirty years. Conversely, overseas countries and territories (**OCTs**) are gaining new recognition, with a doubling of their budgetary allocations, following in the footsteps of Greenland, but without fair distribution.

This reform comes at a time of global geopolitical shifts and in a difficult economic and social context for overseas territories. Faced with this **budgetary upheaval** and in order to influence negotiations that go far beyond the issue of overseas territories alone, the rapporteurs have chosen to carry the voice of overseas territories to Brussels in order to **defend these territories' interests** and to work in close coordination with the Senate's Committee for European Affairs.

The conclusions of this report are crystallized in a **solemn political statement and four main recommendations** to avoid a **historic mistake**. The negotiations are not over, and in the coming months the delegation will continue its **work of raising awareness and convincing all European decision-makers** (European Parliament, European Council, Directorates-General of the European Commission), which must be strongly supported by the Permanent Representation in Brussels and the General Secretariat for European Affairs (SGAE).





The main recommendations

1. Restore budget lines dedicated to the ORs, notably to finance POSEI, and even extend POSEI to cover fishing and aquaculture, and guarantee a credible minimum level of funding for the ORs as part of the less developed regions category.
2. Reassess upwards the credits allocated to the outermost regions, at the very least to maintain identical budgets in constant euros and accelerate the structural catch-up of French Guiana and Mayotte.
3. Work towards a rebalancing of the budget allocated to OCTs outside Greenland to two-thirds, as opposed to barely 50% to date.
4. Adapt the rules for the management and mobilization of horizontal programs to the specific characteristics of the ORs and OCTs, and reform Erasmus+ to create genuine Erasmus programs rooted in their regional areas.

I. Maintaining a European ambition for the ORs

6,48 Bns €

This is the **total amount of European funding for French ORs** over the period 2021-2027.

Source : European union

The erasing of budgetary instruments dedicated to the ORs in the next MFF—POSEI and the specific OR allocation from the ERDF/ESF—significantly weakens the scope of **Article 349** of the Treaty on the Functioning of the European Union (TFEU). Above all, it shows a **lack of ambition and vision**.

And yet, beyond the crucial challenges of catching up, the ORs offer the European Union a **uniquely strategic foothold across the globe**, on a parallel with the Overseas Countries and Territories (OCTs). Simply classifying them as less developed

regions (with a **minimum guaranteed budget of €3.7 billion** for all French ORs and three additional regions in mainland France) does not do justice to the challenges they face. In reality, the EU is telling France that the ORs are primarily a French matter to be dealt with in the context of future **National and Regional Partnership Plans**, the “PNR Plans,” subject to a few safeguards to “tick the box of Article 349.”



Consequently, the delegation calls for the **reinstatement and safeguarding of budget lines dedicated to the ORs**, in particular to finance POSEI, or even an extended POSEI for fisheries. For the specific OR allocation from the ERDF/ESF, a first step would be to significantly increase the minimum amounts within the category of less developed regions. Finally, maintaining separate implementation regulations would send a strong signal.

But a **genuine ambition for the ORs cannot be limited to the status quo**. A reassessment of credits is imperative after more than a decade of frozen funding. This is vital in order to compensate for the structural additional costs of the ORs on the one hand, and to increase the budgets for the **structural catch-up of French Guiana and Mayotte** on the other. The ultimate contradiction is that, since January 1, 2026, the Carbon Border Adjustment Mechanism (CBAM), and therefore Europe, has considerably increased these additional costs for the ORs, which have no other supply options.

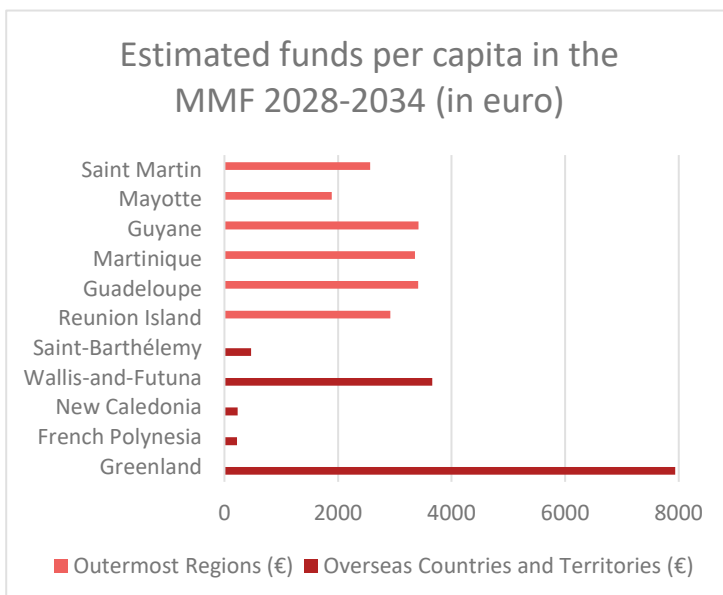
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« We have three territories in the Pacific—Wallis and Futuna, French Polynesia, and New Caledonia—which represent 15 to 20% of our voting rights at the UN. A major conflict is looming in this area between China and the United States, and regional powers such as Australia are concerned about it. We are there, but what are we doing? Not much... The world's axis is shifting to the Indo-Pacific. We are present there, but we are not doing much. ».

Source : Hearing of Mr. Benoît Lombrière, Delegate General of EURODOM

II. Equally support ALL ORs and PTOM

The delegation welcomes the doubling of the amounts allocated to the OCTs in the next MFF 2028-2034. However, it regrets that this opportunity has not been taken to **review the distribution key**. Without disputing the specific challenges facing Greenland (€530 million out of €1 billion), the increase in the overall budget should also enable a **rebalancing of the relationship with all the other OCTs**, which share the remaining €470 million. The French OCTs in the Pacific alone embody the European Union's presence at the heart of the world's new geopolitical center. Relative to their population, their budgets are too modest.



The graph above (source: DSOM) shows in particular that the Pacific OCTs receive 40 times less EU funding per capita than Greenland according to the 2028-2034 MFF forecasts. It also shows that some ORs receive less than the OCTs.

III. Adjusting the rules for management and mobilisation of horizontal programs to the specificities of the ORs and PTOMs



The delegation **welcomes several developments**, including pre-financing facilities, enhanced technical assistance, and the removal of thematic concentration as part of the first pillar.

However, in order for the ORs and OCTs to fully mobilize major EU funding for competitiveness and innovation, each horizontal program under the second pillar must **set out objectives and eligibility criteria tailored** to projects from these territories, particularly the least developed among them. Similarly, the **Erasmus+** program should enable for the creation of regional Erasmus programs for students from ORs and OCTs.

IV. The other european issues

Certain European budgetary issues also involve national choices. The main one is the use of POSEI funds. The shift towards **agricultural diversification** for food sovereignty has begun, but too slowly. French Guiana and Mayotte, due to a lack of sectoral structuring, benefit little from these funds.

Finally, defending the interests of the ORs also and above all involves European standards. The drafting of an « **omnibus text** » to adapt a series of European laws to the specific characteristics of the ORs is progressing and should result in a proposal from the European Commission in June 2026. The Commission's new strategy for the ORs is also expected to be unveiled in spring 2026. **But how credible will this strategy be with a budget that ignores the ORs?**

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