

I

(Legislative acts)

DECISIONS

COUNCIL DECISION 2014/137/EU

of 14 March 2014

on relations between the European Union on the one hand, and Greenland and the Kingdom of Denmark on the other

THE COUNCIL OF THE EUROPEAN UNION,

Having regard to the Treaty on the Functioning of the European Union, and in particular Article 203 thereof,

Having regard to the proposal from the European Commission,

After transmission of the draft legislative act to the national parliaments,

Having regard to the opinion of the European Parliament ⁽¹⁾,

Acting in accordance with a special legislative procedure,

Whereas:

- (1) In accordance with the Treaty amending, with regard to Greenland, the Treaties establishing the European Communities ⁽²⁾ ('the Greenland Treaty'), the Treaty on the Functioning of the European Union (TFEU) no longer applies to Greenland. Rather, Greenland, being a part of a Member State, is associated to the Union as one of the overseas countries and territories (OCTs).
- (2) In its preamble, the Greenland Treaty states that arrangements should be introduced which permit close and lasting links between the Union and Greenland to be maintained and mutual interests, notably the development needs of Greenland, to be taken into account, and that the arrangements applicable to OCTs set out in Part Four of the TFEU provide an appropriate framework for those relations.
- (3) In accordance with Article 198 TFEU, the purpose of association is to promote the economic and social development of the OCTs and to establish close economic relations between them and the Union as a whole. Pursuant to Article 204 TFEU, the provisions of

Articles 198 to 203 TFEU apply to Greenland, subject to the specific provisions set out in Protocol (No 34) on special arrangements for Greenland annexed to the TFEU.

- (4) The provisions for the application of the principles laid down in Articles 198 to 202 TFEU are set out in Council Decision 2013/755/EU ⁽³⁾.
- (5) In its conclusions of 24 February 2003 on the Mid-term Review of the Fourth Fisheries protocol between the European Community, the Government of Denmark and the Home Rule Government of Greenland, and recognising the geostrategic importance of Greenland to the Union and the spirit of cooperation resulting from the Union's decision to grant the status of overseas territory to Greenland, the Council agreed that there was a need to broaden and strengthen future relations between the Union and Greenland, taking into account the importance of fisheries and the need for structural and sectoral orientated reforms in Greenland. The Council further expressed its commitment to base the future relationship of the Union with Greenland after 2006 on a comprehensive partnership for sustainable development which would include a specific fisheries agreement, negotiated according to the general rules and principles for such agreements.
- (6) The Fisheries Partnership Agreement between the European Community on the one hand, and the Government of Denmark and the Home Rule Government of Greenland on the other hand ⁽⁴⁾, concluded by Council Regulation (EC) No 753/2007 ⁽⁵⁾, recalls the spirit of cooperation resulting from the decision to grant the status of overseas territory to Greenland.

⁽³⁾ Council Decision 2013/755/EU of 25 November 2013 on the association of the overseas countries and territories with the European Union ('Overseas Association Decision') (OJ L 344, 19.12.2013, p. 1).

⁽⁴⁾ OJ L 172, 30.6.2007, p. 4.

⁽⁵⁾ Council Regulation (EC) No 753/2007 of 28 June 2007 on the conclusion of the Fisheries Partnership Agreement between the European Community on the one hand, and the Government of Denmark and the Home Rule Government of Greenland, on the other hand (OJ L 172, 30.6.2007, p. 1).

⁽¹⁾ Opinion of 5 February 2014 (not yet published in the Official Journal).

⁽²⁾ OJ L 29, 1.2.1985, p. 1.

- (7) The Joint Declaration of the European Community, on the one hand, and the Home Rule Government of Greenland and the Government of Denmark, on the other, on partnership between the European Community and Greenland, signed in Luxembourg on 27 June 2006, recalled the close historical, political, economic and cultural connections between the Union and Greenland and emphasised the need to strengthen further their partnership and cooperation.
- (8) The relations between the Union on the one hand, and Greenland and the Kingdom of Denmark on the other, are governed, *inter alia*, by Council Decision 2006/526/EC ⁽¹⁾, which expired on 31 December 2013.
- (9) The Union needs to build comprehensive partnerships with new actors on the international scene in order to promote a stable and inclusive international order, to pursue common global public goals and to defend core Union interests, as well as to increase knowledge of the Union in third countries and OCTs.
- (10) The partnership pursuant to this Decision should allow for the continuation of strong relations between the Union on the one hand, and Greenland and Denmark on the other, and should respond to global challenges, allowing for the development of a proactive agenda and the pursuit of mutual interests. The partnership should also be linked to the objectives outlined in the Commission Communication of 3 March 2010 entitled 'Europe 2020 A strategy for smart, sustainable and inclusive growth' (the 'Europe 2020 strategy'), thus providing consistency with the Europe 2020 strategy and the promotion of internal policies and objectives defined in Commission Communications, such as the Commission Communication of 2 February 2011 entitled 'Tackling the Challenges in Commodity Markets and on Raw Materials', and facilitating cooperation in the context of the Union's Arctic policy.
- (11) Union financial assistance should focus on areas where it has most impact, having regard to its capacity to act on a global scale and to respond to global challenges such as poverty eradication, sustainable and inclusive development or the worldwide promotion of democracy, good governance, human rights and the rule of law, its long-term and predictable engagement in development assistance and its role in coordinating with its Member States.
- (12) The partnership pursuant to this Decision should provide for a framework permitting regular discussions on matters of interest for the Union or for Greenland, such as global issues, where an exchange of views, and a possible convergence of ideas and opinions, could be beneficial for both parties. In particular, the increasing impact of climate change on human activity and the environment, maritime transport, natural resources, including raw materials, as well as research and innovation, calls for dialogue and enhanced cooperation.
- (13) Union financial assistance, allocated through the partnership, should bring a European perspective to the development of Greenland and should contribute to the strengthening of the close and long lasting ties with it, while strengthening the position of Greenland as an advanced outpost of the Union, based on the common values and history which links the partners.
- (14) Union financial assistance for the period 2014-2020 should focus on one, or a maximum of two, areas of cooperation, allowing for the partnership's impact to be maximised and to further allow for economies of scale, synergy effects, greater effectiveness and visibility of the Union's actions.
- (15) The cooperation pursuant to this Decision should ensure that resource flows are accorded on a predictable and regular basis and are flexible and tailored to the situation in Greenland. To this end, budget support should be used wherever feasible and appropriate.
- (16) The financial rules applicable to the general budget of the Union are laid down in Regulation (EU, Euratom) No 966/2012 of the European Parliament and of the Council ⁽²⁾, and in Commission Delegated Regulation (EU) No 1268/2012 ⁽³⁾.
- (17) The financial interests of the Union should be protected through proportionate measures throughout the expenditure cycle, including through prevention, detection and investigation of irregularities, recovery of funds lost, wrongly paid or incorrectly used and, where appropriate, penalties. Those measures should be carried out in accordance with the applicable agreements concluded with international organisations and third countries.
- (18) The programming documents and financing measures necessary for the implementation of this Decision should be adopted by means of implementing acts in accordance with Regulation (EU) No 182/2011 of the European Parliament and of the Council ⁽⁴⁾. Given the nature of those implementing acts, in particular their policy orientation nature and their financial implications, the examination procedure should in principle be used for their adoption, except in the case of technical implementing measures of a small financial scale.

⁽¹⁾ Council Decision 2006/526/EC of 17 July 2006 on relations between the European Community on the one hand, and Greenland and the Kingdom of Denmark on the other (OJ L 208, 29.7.2006, p. 28).

⁽²⁾ Regulation (EU, Euratom) No 966/2012 of the European Parliament and of the Council of 25 October 2012 on the financial rules applicable to the general budget of the Union and repealing Council Regulation (EC, Euratom) No 1605/2002 (OJ L 298, 26.10.2012, p. 1).

⁽³⁾ Commission Delegated Regulation (EU) No 1268/2012 of 29 October 2012 on the rules of application of Regulation (EU, Euratom) No 966/2012 of the European Parliament and of the Council on the financial rules applicable to the general budget of the Union (OJ L 362, 31.12.2012, p. 1).

⁽⁴⁾ Regulation (EU) No 182/2011 of the European Parliament and of the Council of 16 February 2011 laying down the rules and general principles concerning the mechanisms for control by Member States of the Commission's exercise of implementing powers (OJ L 55, 28.2.2011, p. 13).

- (19) Common rules and procedures for the implementation of the Union's instruments for financing external action, laid down in Regulation (EU) No 236/2014 of the European Parliament and of the Council⁽¹⁾, should apply to the implementation of this Decision, as appropriate.
- (20) It is appropriate to ensure a smooth transition without interruption between Decision 2006/526/EC and this Decision and to align the period of application of this Decision with that of Council Regulation (EU, Euratom) No 1311/2013⁽²⁾. Therefore, this Decision should apply from 1 January 2014 until 31 December 2020,

HAS ADOPTED THIS DECISION:

SECTION 1

GENERAL PROVISIONS

Article 1

Subject matter, general objective and scope

1. This Decision lays down rules concerning the relations between the Union on the one hand, and Greenland and Denmark on the other (the 'partnership').
2. The partnership aims to preserve the close and lasting links between the partners, while supporting the sustainable development of Greenland.

The partnership acknowledges the geostrategic position of Greenland in the Arctic Region, the issues of exploration and exploitation of natural resources, including raw materials, and ensures enhanced cooperation and policy dialogue on those issues.

Article 2

General principles of the partnership

1. The partnership shall facilitate consultations and policy dialogue on the specific objectives and areas of cooperation referred to in this Decision.
2. The partnership shall, in particular, define the framework for policy dialogue on issues of common interest for either partner, providing the basis for broad cooperation and dialogue in areas such as:
 - (a) global issues concerning, *inter alia*, energy, climate change and environment, natural resources, including raw materials, maritime transport, research and innovation; and
 - (b) Arctic issues.
3. In implementing this Decision, coherence shall be ensured with other areas of the Union's external action as well as with other relevant Union policies. To this end, measures financed under this Decision shall be programmed on the basis of the

⁽¹⁾ Regulation (EU) No 236/2014 of the European Parliament and of the Council of 11 March 2014 laying down common rules and procedures for the implementation of the Union's instruments for financing external action (OJ L 77, 15.3.2014, p. 95).

⁽²⁾ Council Regulation (EU, Euratom) No 1311/2013 of 2 December 2013 laying down the multiannual financial framework for the years 2014-2020 (OJ L 347, 20.12.2013, p. 884).

Union's cooperation policies set out, *inter alia*, in agreements, declarations and action plans, and in accordance with the cooperation strategies adopted pursuant to Article 4.

4. Cooperation activities shall be decided upon in close consultation between the Government of Greenland, the Government of Denmark and the Commission. Such consultation shall be conducted in full compliance with the respective institutional, legal and financial powers of each of the parties. To this end, the implementation of this Decision shall be managed by the Government of Greenland and the Commission in accordance with the roles and responsibilities of each.

Article 3

Specific objectives and main areas of cooperation

1. The specific objectives of the partnership are:
 - (a) to support and to cooperate with Greenland in addressing its major challenges, in particular the sustainable diversification of the economy, the need to increase the skills of its labour force, including scientists, and the need to improve its information systems in the field of Information and Communication Technologies. The achievement of those objectives shall be measured by the percentage of trade balance in GDP, the percentage of the fisheries sector in total exports, and the results of education statistical indicators as well as other indicators deemed suitable;
 - (b) to contribute to the capacity of the administration of Greenland to formulate and implement national policies, in particular in new areas of mutual interest as identified in the Programming Document for the Sustainable Development referred to in the second subparagraph of Article 4(1). The achievement of that objective shall be measured by indicators, such as the number of administrative staff completing training and the percentage of civil servants that are (long-term) residents in Greenland.
2. The main areas of cooperation of the partnership shall include:
 - (a) education and training, tourism and culture;
 - (b) natural resources, including raw materials;
 - (c) energy, climate, environment and biodiversity;
 - (d) Arctic issues;
 - (e) the social sector, mobility of the workforce, social protection systems, food safety and food security issues; and
 - (f) research and innovation in areas such as energy, climate change, disaster resilience, natural resources, including raw materials, and sustainable use of living resources.

SECTION 2

PROGRAMMING AND IMPLEMENTATION*Article 4***Programming**

1. Within the framework of the partnership, the Government of Greenland shall assume the responsibility for the formulation and adoption of sector policies in the main areas of cooperation referred to in Article 3(2) and shall provide the adequate follow-up.

On that basis, the Government of Greenland shall prepare and submit an indicative Programming Document for the Sustainable Development of Greenland (the 'PDSO'). The PDSO shall provide a coherent framework for the cooperation between the Union and Greenland, that is consistent with the overall purpose and scope, objectives, principles and policies of the Union.

2. The preparation and implementation of the PDSO shall comply with the following principles of aid effectiveness: national ownership, partnership, coordination, harmonisation, alignment to national systems, mutual accountability and results orientation.

3. The PDSO shall draw on lessons learned and best practices and shall be based on consultations and dialogue with civil society, local authorities and other stakeholders in order to ensure their sufficient involvement and subsequent ownership of the PDSO.

The PDSO shall be adapted to the needs and shall respond to the specific circumstances of Greenland, including climate change impacts and socio-economic development.

4. A draft version of the PDSO shall be the subject of an exchange of views between the Government of Greenland, the Government of Denmark and the Commission.

The Government of Greenland shall be responsible for finalising the PDSO. Upon finalisation, the Commission shall appraise the PDSO, to determine whether it is consistent with the aims of this Decision and with the relevant Union policies, and whether it contains all the elements required to adopt the annual financing decision. The Government of Greenland shall provide all the necessary information, including the results of any feasibility studies, for that assessment.

5. The PDSO shall be approved in accordance with the examination procedure referred to in Article 8(2). That procedure shall also apply to substantial reviews which have the effect of modifying significantly the strategy or its programming.

The examination procedure shall not apply to non-substantial modifications to the PDSO, such as technical adjustments, re-signing funds within the indicative allocations per priority area,

or increasing or decreasing the size of the initial indicative allocation by less than 20 %, provided that those modifications do not affect the priority areas and objectives set out in the PDSO. The Commission shall communicate such non-substantial modifications to the European Parliament and to the Council within one month of the date of adoption of the relevant decision.

6. Any programming or review of programmes taking place after the publication of the mid-term review report referred to in Article 7 shall take into account the results, findings and conclusions of that report.

*Article 5***Implementation**

Unless otherwise specified in this Decision, Union financial assistance shall be implemented in accordance with Regulation (EU) No 236/2014 and with the overall purpose and scope, objectives and general principles of this Decision.

*Article 6***Procurement**

The rules on nationality and origin for public procurement, grant and other award procedures defined in Articles 8 and 9 of Regulation (EU) No 236/2014, applicable to the Development Cooperation Instrument, as established by Regulation (EU) No 233/2014 of the European Parliament and of the Council⁽¹⁾, shall apply.

*Article 7***Mid-term review of the PDSO and evaluation of the implementation of this Decision**

1. By 31 December 2017, the Government of Greenland, the Government of Denmark and the Commission shall undertake a mid-term review of the PDSO and its impact on Greenland as a whole. The Commission shall associate all relevant stakeholders, including non-State actors and local authorities.

2. By way of derogation to Article 17 of Regulation (EU) No 236/2014, by 30 June 2018, a report shall be drawn up by the Commission on the achievement of the objectives and the European added value of this Decision, by means of results and impact indicators on the efficiency of the use of resources, with a view to adopting a decision on the renewal, modification or suspension of the types of measures financed under this Decision. The report shall also address the scope for simplification, the internal and external coherence of the cooperation established by this Decision, the continued relevance of all its objectives, as well as the contribution of the measures to the Union priorities of smart, sustainable and inclusive growth. It shall take into account any findings and conclusions on the long-term impact of Decision 2006/526/EC.

⁽¹⁾ Regulation (EU) No 233/2014 of the European Parliament and of the Council of 11 March 2014 establishing a financing instrument for development cooperation for the period 2014-2020 (OJ L 77, 15.3.2014, p. 44).

3. The Commission shall require Greenland to provide all the data and information necessary, in line with the principles of aid effectiveness, to permit the monitoring and evaluation of the measures financed under this Decision.

Article 8

Committee

1. The Commission shall be assisted by the Greenland Committee ('the committee'). That committee shall be a committee within the meaning of Regulation (EU) No 182/2011.

2. Where reference is made to this paragraph, Article 5 of Regulation (EU) No 182/2011 shall apply.

3. Where the opinion of the committee is to be obtained by written procedure, that procedure shall be terminated without result when, within the time-limit for delivery of the opinion, the chair of the committee so decides, or a simple majority of committee members so requests.

Article 9

Scope and method of financing

1. Within the framework of the sector policies established by the Government of Greenland, Union financial assistance may be given to the following activities:

- (a) reforms and projects that are in line with the PDS;
- (b) institutional development, capacity building and integration of environmental and climate change aspects; and

(c) technical cooperation programmes.

2. Union financial assistance shall be provided mainly through budget support.

Article 10

Financial reference amount

The indicative amount for the implementation of this Decision for the period from 2014 to 2020 shall be EUR 217 800 000.

SECTION 3

FINAL PROVISION

Article 11

Entry into force

This Decision shall enter into force on the day following that of its publication in the *Official Journal of the European Union*.

It shall apply from 1 January 2014 until 31 December 2020.

Done at Brussels, 14 March 2014.

For the Council

The President

M. CHRISOCHOIDIS
