

Briefing

How the EU budget is spent

April 2019



EU cooperation with Greenland

In a nutshell

The overall aim of the European Union-Greenland Partnership Agreement is to boost ties and cooperation between the EU and Greenland, with education and training as one of several key areas of cooperation. As part of the partnership, and taking Greenland's needs into account, the focal point of EU-Greenland financial cooperation is education and training, with a special emphasis on boosting the pre-school and elementary school system, as well as on providing support for vocational education and post-elementary education.

EU's multiannual financial framework (MFF) heading and policy area

Heading 4 – Global Europe

The European Union-Greenland Partnership (21 07)

2014-2020 total amount programmed (in current prices and as % of total MFF)

Commitments: €217.81 million (0.020 %)

2018 budget (in current prices and as % of total EU budget)

Commitments: €32.40 million (0.021 %)

Payments: €32.33 million (0.023 %)

2019 budget (in current prices and as % of total EU budget)

Commitments: €32.90 million (0.020 %)

Payments: €32.37 million (0.022 %)

Methods of implementation

Direct management (European Commission grants budget support for the implementation of the Greenland education programme, which is led by Greenland's Ministry of Education, Church, Culture and Gender Equality, in cooperation with other ministries and stakeholders).



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EU role in the policy area: legal basis

Having been a part of the European Community since 1973 through Denmark's membership, Greenland withdrew from the European Community in 1985 after the island secured Home Rule from Denmark. Since then, Greenland has been [associated](#) with the European Union as an [Overseas Country and Territory](#) (OCT). There are currently 25 OCTs associated with the EU in accordance with Part Four of the Treaty on the Functioning of the European Union ([2012/C 326/01](#)). The purpose of this association is 'to promote the economic and social development of the countries and territories and to establish close economic relations between them and the Union as a whole'. Whilst the Overseas Association Decision (OAD) is applicable to all OCTs, a separate and additional 'Greenland Decision' ([Council Decision 2014/137/EU](#)) outlines cooperation with the EU and financing from the EU budget. Greenland's relations with the EU are also covered by the [Greenland Treaty](#) (1985), the [Fisheries Partnership Agreement](#) (Council Decision [2015/2103/EU](#)) and the legally and financially non-binding 2015 [joint declaration](#) by the EU, the government of Greenland and the government of Denmark.

Cooperation objectives

Overall, the 2014-2020 EU-Greenland [Partnership Agreement](#) aims to further strengthen the ties and cooperation between the EU and Greenland with the general goal of diversifying Greenland's economy. The explicit political ambition is to ensure policy dialogue on global issues of common interest. The main areas of cooperation include education and training, energy, climate, environment and biodiversity, natural resources, maritime transport and research and innovation, in addition to Arctic issues.

The EU's multiannual financial framework for the 2014-2020 period allocates an indicative amount of €217.8 million (current prices) to financial cooperation with Greenland. In line with Greenland's strategic focus on the education sector as a key driver for long-term and sustainable development, the 2014-2020 programming document for the sustainable development of Greenland ([PDSD](#)) focuses on boosting living standards and ensuring continuous, sustainable economic progress via a qualified, flexible and competitive workforce. The overarching aim of EU financial cooperation with Greenland is to contribute to an inclusive and coherent education system from pre-school to higher education. The specific objectives are as follows:

- reducing inequality via a consistently well-functioning pre-school system that equips pupils with the necessary skills to pursue further education;
- improving the quality of the (pre-school and elementary school) education system, increasing the share of educated staff;
- achieving a more efficient education system with lower drop-out rates, more students completing the post-elementary system, and less time spent in the education system before graduation.

Funded measures

As laid out in the PDSD, the 2014-2020 [Greenland education programme](#) places special emphasis on boosting the pre-school and elementary school system, and also on providing continued support for vocational education and the post-elementary school system. Article 9 of [Council Decision 2014/137/EU](#) identifies three categories of activity that are entitled to receive financial support from the EU budget: 1) reforms and projects that are in line with the PDSD; 2) institutional development, capacity building and

integration of environmental and climate change aspects; and 3) technical cooperation programmes. The PDSO lists the following actions and expected results:

- a higher share of children attending pre-school, achieved by offering pre-school facilities and staff to a larger proportion of the population;
- an improved rate of transition to further education, as more pupils have access to elementary schools of high quality;
- a higher literacy rate after elementary school;
- a lower share of young people (16-18 years) outside the education system;
- in the medium term, increased completion of post-elementary education as a result of better elementary education;
- a better quality pre-school system by increasing the share of educated staff in the system;
- a higher proportion of educated teachers in elementary schools;
- an increased rate of transition from elementary school to further education;
- increased transition rate from high school to further education;
- lower age at completion of post-elementary education;
- increased completion at all levels of post-elementary education;
- lower excess study time (beyond standard time limits) in higher education;
- increased completion rate and more graduates from higher education;
- a higher number of apprenticeships via school apprenticeships, incentives to businesses and introductory courses in vocational education and training.

Implementation

Under [Council Decision 2014/137/EU](#) the primary form of aid is budget support, for which Greenland fulfils the relevant eligibility conditions (adoption of a territorial development plan with implementation under way; a stable macro-economic framework; openness and transparency in government operations; and a credible programme of public finance management). Financial cooperation from the EU budget, which requires yearly financing agreements, contributes to the implementation of the Greenland education programme.

Table 1 – EU cooperation with Greenland: 2014-2020 financial resources (€ million)

	2014	2015	2016	2017	2018	2019	2020	Total
Education sector	24.569	30.699	31.130	31.631	32.111	32.635	33.220	215.996
Technical assistance, studies, etc.	0.249	0.244	0.249	0.254	0.276	0.263	0.269	1.804
Total	24.818	30.943	31.379	31.885	32.387	32.898	33.489	217.800

Data source: PDSO 2014-2020.

As detailed in Table 1, the 2014-2020 financial envelope allocates some €216 million to the education sector and €1.8 million to complementary support measures. Based on the PDSO, the practical implementation of the Greenland education programme is led by Greenland's Ministry of Education, Church, Culture and Gender Equality, in cooperation with other ministries and stakeholders. In order to ensure adequate coordination, the Ministry of Finance and Domestic Affairs is involved in all the stages of the programme's implementation.

Assessment of cooperation/action

The [evaluation](#) of the Greenland Decision fed into the mid-term review of the EU's 2014-2020 external financing instruments (2017). This deemed the choice of education as the focal sector to be relevant to beneficiaries' needs in Greenland: there is a broad consensus in Greenland that education is 'the most relevant growth parameter'. The evaluation stressed that the fact that the education sector had been chosen by the Greenlandic government ensured strong support and ownership.

The evaluation noted that, although the instrument's stated ambition of policy dialogue corresponded with EU priorities, attempts to expand this official policy dialogue to include areas of mutual interest other than education had not yet been achieved. It also emphasised that although the instrument had contributed to sustainable development by improving educational attainment through the PSDS, it was still too early to see a significant impact in terms of diversifying the Greenlandic economy.

According to the evaluation, the instrument had triggered 'positive dynamics', in particular by ensuring that Greenland was 'receptive to the EU playing a more prominent role in the Arctic', as well as that the EU gained a better understanding of the special circumstances of the people living in the Arctic region. Furthermore, the development aspects of the partnership had been 'effective in contributing to sustainable development in Greenland' (a Greenland Decision objective). Moreover, the evaluation stressed that, via financial support and bi-annual policy dialogues, the EU is helping to strengthen Greenland's capacity to implement its own policies, in line with the objectives of the Greenland Decision.

Other EU action in the same field

Financial cooperation with OCTs other than Greenland is channelled through the [European Development Fund](#), an intergovernmental tool outside the EU budget. On the basis of an assessment of current external financing instruments, the European Commission has [proposed](#) to streamline funding for OCTs and channel it entirely through the EU budget for the post-2020 programming period, with special arrangements for Greenland. The proposed resources for the years 2021 to 2027 amount to €500 million for all OCTs, including Greenland. The 12 British OCTs would no longer be covered following the expected withdrawal of the United Kingdom from the European Union.

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