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New Caledonia: A Historic Agreement for a Unique Status

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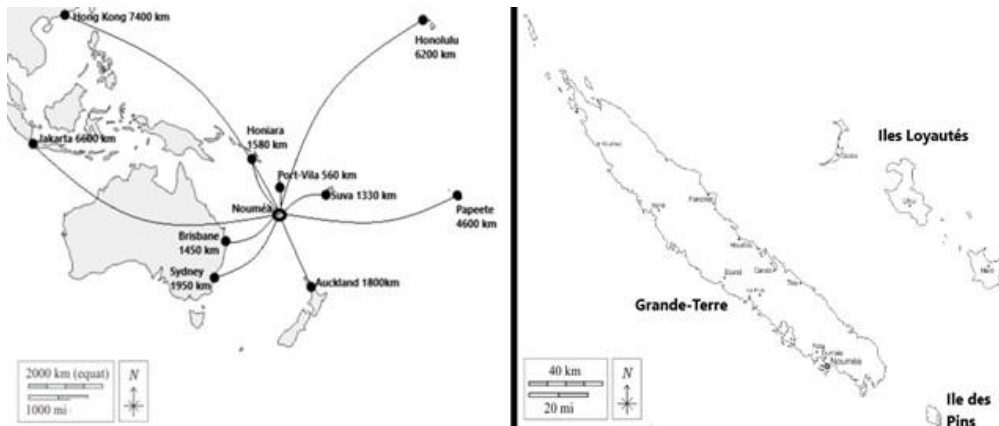
SYNOPSIS

Fourteen months after deadly riots erupted in New Caledonia, a political agreement was reached by the French state and local political groups on 12 July 2025. The main outcome is the creation of a "Caledonian State" within the French Republic – a sui generis status, legally hybrid, situated somewhere between federalism and free association. This agreement marks a pivotal moment in New Caledonia's institutional trajectory and has significant implications for France's broader Indo-Pacific strategy.

COMMENTARY

New Caledonia is an archipelago located in the South Pacific, more specifically in the Melanesian arc. Under French sovereignty since 1853, its political landscape has long been characterised by a bipolarity for or against independence, leading to political turmoil. In May 2024, a renewed outbreak of [civil unrest](#), which resulted in the death of 14 people, plunged the territory into deep institutional uncertainty and economic crisis.

After multiple [failed mediation attempts](#), the summit held in the French town of Bougival, near Paris, was widely seen as a last chance at a settlement. It resulted in a groundbreaking agreement and a major geopolitical shift, paving the way for a unique political status for New Caledonia.



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The End of a Political Crisis?

Inhabited by the Kanak people for over 3,000 years, New Caledonia was annexed by France in 1853 and initially used as a [penal colony](#). Successive waves of immigration from Europe and Asia, and the devastating impact of disease, colonial discrimination, and land dispossession, progressively marginalised the Kanak population, and they became a minority by 1963 (47 per cent).

Against the backdrop of the broader Pacific decolonisation movement, nationalist and independence aspirations emerged at the end of the 1960s. Between 1984 and 1988, political tensions escalated into near-civil war, culminating in the 1988 [Ouvéa hostage crisis](#), where 19 Kanak militants and two French soldiers were killed.

A series of political agreements – [Matignon](#) (1988) and [Nouméa](#) (1998) – granted greater autonomy, introduced a restricted electoral roll for local elections and restored civil peace. Nevertheless, the archipelago has been classified as a [non-self-governing territory](#) by the United Nations since 1986, formally recognising its unresolved colonial status.

Three referendums on self-determination were held between 2018 and 2021. All returned a majority for remaining within the French Republic, but pro-independence groups boycotted the third vote. These consultations highlighted the reality of deep ethnic divide: the Kanak population voted overwhelmingly for [independence](#), while other communities voted to stay within the French Republic.

Independence Referendums in New Caledonia

Referendum question: "Do you want New Caledonia to gain full sovereignty and become independent?"

	Yes	No	Participation
1st referendum: 4/11/2018	43.33%	56.67%	81.01%
2nd referendum: 4/10/2020	46.74%	53.26%	85.69%
3rd referendum: 12/12/2021	3.50%	96.50%	41.87%

In 2024, the French government's proposed reform of the local [electoral roll](#), triggered widespread unrest. Riots erupted in Nouméa and surrounding areas, leaving 14 people dead (including two gendarmes), hundreds injured, and extensive damage to infrastructure and businesses.

In this explosive context, and following a breakdown in dialogue between the New Caledonian partners and the State for almost four years (2021-2025), the Bougival summit marked a pivotal step. Despite persistent polarisation and opposing visions for the future, the meeting was an attempt to find a negotiated solution to a crisis that has haunted the archipelago for decades.

The Bougival Agreement: A Deliberately Vague Document

On 12 July 2025, the French State and New Caledonia's main political forces – both pro- and anti-independence – reached a [landmark agreement](#). This political compromise is unprecedented: it establishes a “State of New Caledonia” within the French Republic, a constitutional innovation combining enhanced autonomy, institutional hybridity, and shared sovereignty.

Another major innovation is the introduction of a Caledonian nationality, creating a dual-nationality system – French and Caledonian. Building on the Nouméa Accord, more competencies – including international relations – will be progressively transferred to New Caledonia. However, France will retain authority over defence, justice, security, and currency, although these competencies may eventually be handed over to New Caledonia by the next local congress.

While the agreement appears to favour the pro-independence side, it also includes major concessions to anti-independence groups: the unfreezing of the restricted electoral roll to natives (estimated at +12,000 new voters), to spouses, and to people who have been resident in the country for at least 15 years; no binding referendum on independence in the near future; and increased congressional representation for South Province – a stronghold of anti-independence support around Nouméa.

In theory, the Bougival agreement marks a major political achievement. In practice, however, it is a deliberately vague document, fraught with legal ambiguities that could trigger political struggles over its interpretation and implementation.

A Fragile Success and a Long Way to Ratification

The path to ratification remains strewn with obstacles. Negotiated in haste [under pressure](#) from French President Emmanuel Macron, the agreement is still only a draft. To be ratified, it must pass through a complex legislative process.

First, a constitutional reform must be approved by a three-fifths majority of the French Parliament (the National Assembly and Senate convened in Congress) – a considerable challenge given France's current political volatility and criticisms of the Bougival agreement from key opposition figures such as [Marine Le Pen](#) or Jean-Luc Mélenchon.

Next, the agreement will need to be submitted to a local referendum in early 2026. The

outcome remains uncertain, as deep divisions persist on the ground, [starkly illustrated](#) by the police protection required for New Caledonian officials returning from Bougival who have faced threats. Although intended as a consensus-based text, the agreement has already come under fierce criticism on [both sides](#) of the political spectrum, similar to the previous New Caledonian agreements (Matignon 1988, Nouméa 1998), which were initially heavily criticised.

If both hurdles are overcome, long-delayed provincial elections (last held in 2019) will be organised in New Caledonia between May and June 2026. The new assembly will then be tasked with drafting a fundamental law (basically a local constitution), followed by the adoption of an organic law by the French Parliament implementing the new agreement at the national level.

A daunting constitutional journey towards ratification.

Conclusion: Wider Geopolitical Implications

The Bougival Agreement establishes a legally hybrid status – neither federation nor free associated state – with potentially far-reaching consequences. If ratified, it may bring closure to a political crisis that has plagued New Caledonia for decades.

The stakes are high. Economic recovery is now critical to avoid a prolonged social crisis. Following the May 2024 riots, more than 500 businesses were destroyed or seriously damaged, over [10,000 jobs lost](#), food prices spiked, and mining activity collapsed. As the world's [fourth largest](#) producer of nickel – accounting for 90 per cent of New Caledonia's exports – the territory has suffered an estimated GDP contraction of 10-15 per cent.

Geopolitically, this latest episode in the Caledonian crisis will be closely monitored across the region. Several Pacific Island [leaders](#) have openly expressed support for Kanak independence, elevating the issue on the international stage.

Even though the Bougival Agreement states that “*New Caledonia (...) fully intends to assume its voice and place in the Indo-Pacific, in close collaboration with France*”, this sequence exposes a fundamental [paradox](#) in France's Indo-Pacific narrative: advocating for regional stability abroad while facing persistent political unrest in some of its overseas territories.

In the longer term, the hybrid status proposed in the Bougival Agreement could set a precedent for other French overseas territories – notably French Polynesia, which enjoys a comparable degree of autonomy and is currently led by Moetai Brotherson, a [pro-independence president](#).

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