


# Procedure file

Basic information	
COS - Procedure on a strategy paper (historic) <a href="#">1994/2159(COS)</a>	Procedure completed
EU/MERCOSUR relations: strengthening of the policy	
Subject 6.40.10 Relations with Latin America, Central America, Caribbean islands	

Key players			
European Parliament	Committee responsible	Rapporteur	Appointed
	<b>RELA</b> External Economic Relations		22/11/1994
		PPE <a href="#">VALDIVIELSO DE CUÉ Jaime</a>	
	Committee for opinion	Rapporteur for opinion	Appointed
	<b>AFET</b> Foreign Affairs, Security and Defense Policy		02/12/1994
		ELDR <a href="#">BERTENS Jan Willem</a>	
Council of the European Union	<b>DEVE</b> Development and Cooperation		30/11/1994
		GUE <a href="#">CARNERO GONZÁLEZ Carlos</a>	

Key events			
19/10/1994	Non-legislative basic document published	COM(1994)0428	Summary
30/11/1994	Committee referral announced in Parliament		
11/04/1995	Vote in committee		Summary
11/04/1995	Committee report tabled for plenary	<a href="#">A4-0075/1995</a>	
15/05/1995	Debate in Parliament		Summary
16/05/1995	Decision by Parliament	T4-0199/1995	Summary
16/05/1995	End of procedure in Parliament		
19/06/1995	Final act published in Official Journal		

Technical information	
Procedure reference	1994/2159(COS)
Procedure type	COS - Procedure on a strategy paper (historic)

Procedure subtype	Commission strategy paper
Legal basis	Rules of Procedure EP 142
Stage reached in procedure	Procedure completed
Committee dossier	RELA/4/06104

### Documentation gateway

Non-legislative basic document	COM(1994)0428	19/10/1994	EC	Summary
Committee report tabled for plenary, single reading	<a href="#">A4-0075/1995</a> <a href="#">OJ C 126 22.05.1995, p. 0003</a>	11/04/1995	EP	
Text adopted by Parliament, single reading	T4-0199/1995 <a href="#">OJ C 151 19.06.1995, p. 0021-0028</a>	16/05/1995	EP	Summary

## EU/MERCOSUR relations: strengthening of the policy

The Commission communication to the European Parliament and the Council discusses strengthening the European Union's policy towards MERCOSUR (Argentina, Brazil, Paraguay and Uruguay). According to this communication, this strengthening could follow one of two scenarios between now and 2000: - the first scenario would maintain average rates of MERCOSUR imports and exports during the period from 1988/92 with its main partners and would translate into: . average growth of 11.5% per annum for MERCOSUR exports; . a progression on the part of Latin America; . a higher Community deficit; . double the market share for Asian companies. The Community would therefore lose important market shares; - the second scenario would create a free trade zone between the EC and MERCOSUR and would imply: . increased market shares for the EC; . growth in trade with Europe; . a stronger upswing in European exports than with the first scenario. Liberalizing trade would enable new openings to be created in a whole series of areas (aeronautical, electronic etc.). The communication also stresses the fact that the current cooperation instrument is now obsolete and inadequate. In fact, it only covers administrative cooperation between the European Commission and MERCOSUR. Relations therefore need to be strengthened. The Commission proposes a strategy in two stages to: - set up an interregional EE/MERCOSUR association based on a fair and mutually supportive partnership, mainly by gradually establishing a free trade zone in the industrial and services sectors, agricultural trade (taking account of sensitive products) and, where necessary, political dialogue; - the first stage would involve concluding an interregional economic and commercial framework cooperation agreement. The Commission will present the Council with draft guidelines for negotiating this new agreement by mid 1995. Progress made in implementing this strategy will be examined by the "General Affairs" Council at regular intervals.?

## EU/MERCOSUR relations: strengthening of the policy

The committee voted unanimously in favour of the report by Mr VALDIVIELSO DE CUÉ. All the rapporteur's amendments were adopted. ?

## EU/MERCOSUR relations: strengthening of the policy

The rapporteur mentioned by way of example some of the objectives of the agreement in question: establishing formal political and economic dialogue between the EP and Mercosur's Joint Parliamentary Committee, promoting regional cooperation among the Mercosur countries, particularly as regards infrastructures and the environment, ensuring EU cofinancing for projects through the EIB, and providing support for European businesses operating in the region. He did not hide his concerns about the effects of the negotiations on the agricultural aspect, especially in relation to the WTO rules on free trade areas. Commissioner MARTIN pointed out that the framework agreement on regional cooperation for which the Commission was requesting a negotiating mandate was a transitional instrument aimed at establishing a free trade area, which would be achieved in the next century. As far as agricultural liberalisation was concerned, he believed that some concessions would have to be made for sensitive EU products, but he stated that the Commission intended to show the greatest caution in the negotiations. As regards the 1998 deadline suggested by the REX Committee for launching the discussions on the free trade agreement, Mr MARTIN stated that the date should be set in the form of an ?evolutionary clause? similar to the Russian or Ukrainian model.

## EU/MERCOSUR relations: strengthening of the policy

The European Parliament supported the strategy agreed in the EU/MERCOSUR solemn declaration of 22 December 1994, which seeks to achieve political and economic association between the parties in 2 stages: - a preparatory stage culminating in an interregional economic and commercial framework cooperation agreement; - a final stage culminating in an association based on closer political cooperation, gradual and reciprocal liberalization of all forms of trade (taking account of the sensitivity of certain products and WTO rules), the promotion of investments and stronger cooperation. Parliament also supported the fact that the Member States of MERCOSUR will be able to continue to benefit from the SGP and called on these countries to sign up to the WTO agreement on public procurement in the near future. As far as institutionalizing political dialogue with MERCOSUR is concerned, Parliament took the view that this should be strengthened in all areas of common interest, especially in the following areas: - promoting trade; - defining a strategy on operating standards within international bodies (intellectual

property, telecommunications); - aligning the positions of MERCOSUR and the EU on all questions relating to security. Parliament also insisted on receiving regular information on EU-MERCOSUR negotiations on the framework cooperation agreement and called on the Commission and the Council to take account of the priorities defined in its resolution when concluding the agreement. Finally, Parliament called for political dialogue at parliamentary level between it and the members of the MERCOSUR interparliamentary delegation to be included in the institutional provisions of the framework agreement.?