


# Procedure file

Basic information		
COS - Procedure on a strategy paper (historic)	<a href="#">1995/2050(COS)</a>	Procedure completed
EC/Chile relations: current state of relations		
Subject 6.40.10 Relations with Latin America, Central America, Caribbean islands		
Geographical area Chile		

Key players			
European Parliament	Committee responsible	Rapporteur	Appointed
	<b>RELA</b> External Economic Relations		23/05/1995
		PSE <a href="#">MIRANDA DE LAGE Ana</a>	
	Committee for opinion	Rapporteur for opinion	Appointed
Council of the European Union	<b>AFET</b> Foreign Affairs, Security and Defense Policy	The committee decided not to give an opinion.	

Key events			
05/04/1995	Non-legislative basic document published	SEC(1995)0563	
16/06/1995	Committee referral announced in Parliament		
19/12/1995	Vote in committee		Summary
19/12/1995	Committee report tabled for plenary	<a href="#">A4-0329/1995</a>	
19/01/1996	Debate in Parliament		Summary
19/01/1996	Decision by Parliament	T4-0032/1996	Summary
19/01/1996	End of procedure in Parliament		
05/02/1996	Final act published in Official Journal		

Technical information	
Procedure reference	1995/2050(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/4/06523

## Documentation gateway

Non-legislative basic document		SEC(1995)0563	05/04/1995	EC	
Document attached to the procedure		COM(1995)0232	31/05/1995	EC	Summary
Economic and Social Committee: opinion, report		<a href="#">CES1299/1995</a> <a href="#">OJ C 039 12.02.1996, p. 0025</a>	22/11/1995	ESC	Summary
Committee report tabled for plenary, single reading		<a href="#">A4-0329/1995</a> <a href="#">OJ C 032 05.02.1996, p. 0004</a>	19/12/1995	EP	
Text adopted by Parliament, single reading		T4-0032/1996 <a href="#">OJ C 032 05.02.1996, p. 0129-0142</a>	19/01/1996	EP	Summary

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OBJECTIVE: this communication seeks to respond to the demands expressed in December 1994 by the Essen European Council for specific discussions on "putting ideas on the extension of relations with Chile into concrete form", mainly by: . evaluating the current situation and trends and Chile's external relations; . presenting strategic options with a view to extending relations between Chile and the EU. CONTENT: the general evaluation of economic relations between the European Parliament and Chile is positive overall. Cooperation between the EC and Chile over the last three years has accounted for some ECU 50 million in financial and technical aid to help Chile restore its economy and diversify its exports. In this context, the Commission proposes to strengthen relations between the EC and Chile by examining several strategic options, all of which come within the operating framework of the WTO. The options proposed aim to strengthen either interregional relations (within the framework of MERCOSUR) or direct relations between the EC and Chile: . Interregional options: EU-MERCOSUR-Chile: Chile has already applied for associate membership of MERCOSUR (with a view to becoming a full member in the medium term). In this context the Commission proposes: - Option A1: variable speed convergence: Chile's participation in EU/MERCOSUR negotiations would differ depending on the sector at issue (political, commercial, cooperation, investment) and would make provision for Chile's full and immediate political cooperation. At the commercial level, negotiations would depend on progress in Chile's assimilation within MERCOSUR; - Option A2: joint negotiations: if progress in Chile's assimilation within MERCOSUR speeds up, Chile would be included in all negotiations as a full member. . Bilateral EC/Chile options: two options are proposed which build on current bilateral relations: - Option B1: active commercial cooperation: by invoking the open-ended clause in the 1990 framework agreement, extending this agreement and introducing types of trade cooperation (the main option being to increase trade and finalize a conflict prevention procedure and a formal procedure for exchanging information on negotiations between Chile and MERCOSUR and the EU and MERCOSUR); - Option B2: conclusion of a political cooperation and economic partnership agreement to replace the 1990 framework agreement, the commercial objective of which would be the gradual and reciprocal liberalization of trade, taking account of the sensitivity of certain products and the Community's international obligations vis-à-vis the WTO.?

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In the light of better and consistent information on air transport, the ESC welcomed the Commission proposal but stated that appropriate funding should be agreed and there should be easy access to the collected data. The ESC also welcomed the Commission's intention to avoid burdening airports and airlines with extra cost and stressed that the Commission should consider excluding air taxi services from the current definition of non-scheduled services. The ESC asked that the European Parliament and itself be provided with a copy of the report provided for in Article 8.

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The committee adopted with some amendments the report by Mrs Miranda DE LAGE (PSE, E) on the communication from the Commission to the Council and European Parliament on the strengthening of relations between the European Union and Chile. The rapporteur welcomed the Commission's communication and endorsed the strategy designed to achieve the final objective of political and economic association between the European Union and Chile. This should be the result of the negotiation of a new agreement involving more intense political dialogue and greater cooperation on trade so as to pave the way for progressive and reciprocal liberalisation of trade. Political dialogue should be institutionalised through the agreement in parallel with the strengthening of economic and trade dialogue and the mechanisms for settling disputes. The new agreement with Chile should be accompanied by a substantial increase in financial aid to the country with the aim of promoting industrial and technological cooperation in sectors such as the environment, telecommunications and information technology. ?

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In adopting the report by Mrs Ana MIRANDA DE LAGE (PSE, E), the European Parliament welcomed the Commission communication and endorsed the strategy designed to achieve the final objective of political and economic association between the European Union and Chile through the negotiation of a new agreement including: - stepping up of political dialogue; - strengthening of cooperation on trade and the rules governing trade, so as to pave the way for progressive and reciprocal liberalization of trade in goods and services, taking account of the sensitivity of certain products and in conformity with WTO rules; - promotion of reciprocal investments; - closer cooperation in the fields covered by the current agreement and the extension of cooperation to new sectors. The new agreement should establish an institutional framework for a political dialogue in parallel with the strengthening of the economic and trade dialogue and of the mechanisms for the settlement of disputes. The new agreement with Chile should be accompanied by a substantial increase in financial aid to the country with the aim of promoting industrial and technological cooperation in sectors such as the environment, telecommunications and information technology, and enhancing the role of NGOs in supporting civil society. At the same time, Parliament supported the Union's participation in Chile-MERCOSUR and Chile-Andean Pact regional projects in such fields as infrastructure, agriculture and the environment. With this in view, it considered that a multiannual programme should be drawn up, bringing together aid from the Community budget and loans from the European Investment Bank. Parliament also considered that Chile should take part in a number of specific R&D programmes under conditions already agreed with the countries of Central and Eastern Europe. ?

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Recalling that the agreement that had existed with Chile since 1990 had to be re-negotiated in order to revive a political and economic association between the EU and that country, the rapporteur, Mrs MIRANDA de LAGE (PSE, E), referred to the two areas that Parliament considered were especially important for the success of the initiative that had been launched by the Commission. These related to the institutionalisation of parliamentary dialogue and the strengthening of cooperation on trade in order to pave the way for the progressive and reciprocal liberalisation of trade in goods and services. Commissioner BRITTAN began by pointing out that a joint declaration on setting up a political dialogue between the interested parties had been signed in MADRID on 18 December last. In this context, dates had already been set for a series of regular meetings between the President of Chile and senior authorities of the EU Council of Ministers. The Directives relating to trade negotiations, which were to be approved by the Council at the end of January, would create new institutional mechanisms (a sub-committee for trade) and establish methods for developing trade liberalisation in the right direction.