

CAIRO REGIONAL CENTRE FOR COMMERCIAL ARBITRATION

**CONFERENCE ON "EUROPEAN UNITY AS FROM 1992
AND ITS IMPACT ON ECONOMIC DEVELOPMENT
IN THE ARAB WORLD"**

(Cairo, 11-12 January 1992)

THE DIPLOMATIC ROLE OF THE E.E.C.

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The area known as the European Space is not a clear geopolitical concept. It is formed of a wide variety of changing alliances - always potent and often very old. The European Military Space does not correspond to the European Political Space. The European Scientific Space, for example in the nuclear field, is a different area than the Europe of the Community. The various definitions of the European Space complicate diplomatic and political tasks. Thus, for example, the European organization responsible for defence matters - the Western European Union (WEU) - does not have the same number of members as the European Community, the Council of Europe has a further different composition, and so on.

In this field, the European Economic Community represents a new development, without legal or diplomatic precedent. Its culmination has been in the

the increasing harmonization of European law, practices and networks. The expansion of Community-wide policies (agriculture, transport) has led to an extension of the range of authority to negotiate with the rest of the world. But this extension, however, is only in specific domains, for the member states of the Community each retain their sovereignty. Thus, France is able to maintain its Franc-zone with a number of African states, as this zone is not a trade entity, but a financial institution. And the United Kingdom's foreign policy towards Yugoslavia can be different from that of Germany.

The European Economic Community is a new world which is slowly being created. It is not a state. It is neither a Federation nor a Confederation of states. It is a specific political, economic, diplomatic and legal system which has very substantial though limited powers as initially specified in the Treaty and subsequently expanded by unanimous consent of the member states. National sovereignty remains a permanent feature, for example in the defence sector : within the European Economic Community Ireland is neutral, in other words it follows a military policy in contrast to that of the United Kingdom which is strongly allied to the United States of America. The Community has the characteristics of a Super-State in the area of international trade, but not in the diplomatic field, which considerably complicates problems.

This system operates under very special conditions. The management of the European Community entails a mixture of diplomacy and government because it operates on the basis of inter-governmental agreement. The Council of Ministers of the Community and the Council of their permanent representatives are structures involved in continual negotiation. It is well known that the agricultural prices fixed each year are the result of fierce discussion between the governments. Thus, when the European Community wishes to define a foreign trade policy, the Commission drafts the policy, but the final decision is taken by the relevant Ministers - as demonstrated

by the GATT negotiations, where each partner pursues its own interests and where the Commission is only able to negotiate on the basis of the mandate granted by the Ministers.

This process of dual and successive negotiation is difficult to understand because it occurs on several levels. Moreover, there are very few trade negotiations that concern purely trade and, hence, exclusively within the ambit of the Community. Whenever negotiations have a financial aspect (loan, credit, aid, etc.) they concern the individual states' authority which means either that each government has to agree to specific obligations, or that the Council of Ministers has to examine the matter. The same applies to many other matters. In many cases the negotiation is mixed, involving both Community and national aspects. The Community delegation is composed accordingly, and the Council of Ministers is then often represented by its chairman, and the Commission by one of its members or senior officials.

The procedure to be applied is complicated further due to the consultation of the European Parliament. Its opinions are not always the same as those of the governments, but still have a role to play which has a bearing on the result of external negotiations, especially after the Single European Act. Now that there is power to negotiate and take decisions at the Community level, private lobbying groups have arisen at this level comprised of representatives of business, trade unions and associations, often specialized according to their sector of activity, their profession and/or their opinions. These groups are powerful in each state, and when, united, are important players in Brussels, Strasbourg and Luxemburg as well.

For states outside the Community, the EC system is difficult to understand. Unfortunately it is becoming increasingly complex, because with the extra dimension associated with 1992, and the possible coming into force of the Maastricht Agreement, Community discussions are extending into even wider fields, such as

has been disputed by the European Court in Luxemburg. Thus the EFTA member states would not be able to take part in the institutions of the European Community. On the other hand, they would apply the general rules of intra-community trade.

Following the political changes in Central Europe, other interested parties have arrived on the scene. Hungary, Poland and Czechoslovakia are concluding association agreements with the EEC aimed at allowing them to benefit from the commercial development of Western Europe and its technological progress. These negotiations also have a political objective. Their aim is to uphold the freedom that the states in question have attained from since the unshackling from the former Soviet empire. The general trend of these negotiations is towards the extension of the EEC free trade area.

In addition to these two types of European negotiation, the EEC has entered into a specific relationship with the African, Caribbean and Pacific states (ACP), which have concluded association agreements with the EEC. These states benefit not only from preferential treatment in the field of trade, but also from loans from the European Development Fund. All this is governed by the various Lomé Treaties, successors to the Yaoundé Treaties, which also offer the ACP states institutional participation in joint bodies alongside the EEC member states.

Any commercial relationships established between the EEC and the other side of the Mediterranean have to take into account the historic context and long-standing links between them. As early as 1972, the EEC Council decided on an overall approach to these problems, despite the difficulty of defining precisely the number of partners concerned in the Arab world. For many of these countries, such as Egypt, Syria and the Maghreb states, the EEC is their leading customer; it also exports many products to the Southern Mediterranean states. In order to consolidate these relationships, specific agreements were concluded and signed. These made certain

Discussions then take place between the representatives of the various governments that are members of the Community, with a view to determining the terms of reference to be attributed to the Commission or possibly to other representatives of the Community, for example at the level of the chairmanship of the Council of Ministers. At this stage, lobbying groups - professional, trade unions or cultural - are often involved.

Once the proposed negotiations have been defined, they have to be presented to the Parliament - either at a full meeting, or before a Commission - with a view to testing the first reactions of the European Members of Parliament. Finally, the Council of Ministers has the task of determining the terms of reference of the negotiations. In this connection, it should be noted that the chairman of the Council of Ministers plays a special role, in that he has the capacity for initiating or guiding all the work during the whole of his term of office. This chairmanship of the Council changes every six months.

These negotiations will often have a dual nature, in that they will both bind the Community as such and the Member states in the context of each of their own spheres of action. The procedure used for carrying out the negotiations will vary. It may be carried out by a Commission delegation when the negotiations relate purely to tariffs or trade matters. In other numerous cases - that is to say, when the matter to be discussed has a wider scope - the delegations will consist of both representatives of the Commission and representatives of the Council of Ministers, or at least of its chairman. When the negotiations are completed, or when they give rise to new questions, a report is presented to the Council of Ministers, for it is this Council that approves the negotiations, subject to the presentation of the proposals to the European Parliament.

