EU–Andean Relations

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INTRODUCTION

Despite rhetoric to the contrary it seems to be clear that in the past the EC\(^1\) did not pay great attention to its relations with Latin America, which can be regarded as the periphery of the EC’s reach.\(^2\) Other regions in the world always were and still are of much more strategic and economic interest for the Community, such as the USA, Japan or – since 1989 – the Central and Eastern European countries. Even among developing countries, the ACP countries, the Mediterranean region and the South-East Asian countries seem to be favoured over Latin America.

One reason for this is the fact that there are no historical or colonial ties between this region and the founding member states of the EC. Articles 131–6 of the Rome Treaty foresaw an association with the ‘overseas countries and territories’, the former colonies of the six original EC states. An improvement in European–Latin American relations was expected to be brought about by Spain’s accession to the EC in 1986, but despite numerous political declarations – for example in the annexe of Spain’s treaty of accession\(^3\) – one must conclude that Spain was more concerned with its own integration into the EC than with promoting Latin American interests within the Community.\(^4\)

Another reason why the EC neglected its relations with this region until the 1970s is the fact that Latin America was considered to be the exclusive sphere of influence of the USA, in which the EC did not want to interfere. Additionally, the geographical distance between the two regions did not make it necessary for the EU to act on a larger scale. In contrast to the Mediterranean countries, where the EU, and Spain particularly has strong strategic and geopolitical interests, there is no fear of mass immigration from Latin America into the EU that would have to be prevented by considerable direct economic aid and investment.

It was only in 1981 that official talks took place between Latin American ambassadors and the Commission. Before, there were only contacts with COREPER, which represents the EC member states,
but not with the Commission, which is the organ defending the Community's interests. This so-called 'renewed dialogue' which began in 1981 was interrupted as early as 1982, when the Falklands War between Argentina and the UK broke out and the EC imposed on Argentina the most severe sanctions since its foundation in 1957 which were not lifted until the 1990s.

**THE ANDEAN PACT: A LATIN AMERICAN SUBREGIONAL GROUPING**

Latin America is made up of several regional groupings for economic integration, whose diversity and interdependence are quite complex and whose success and efficiency vary considerably. At present, the most promising integration grouping is MERCOSUR (Argentina, Brazil, Paraguay and Uruguay), which concluded a framework cooperation agreement with the EC in December 1995.5

The Andean Group, also called the Andean Pact, was founded on 26 May 1969 in Cartagena, Colombia, as a subregional grouping within LAFTA (the Latin American Free Trade Organization). The treaty founding the Andean Pact provides for the establishment of a customs union and a mechanism for political cooperation.6 Its members are Bolivia, Colombia, Venezuela,7 Ecuador and Peru.8 The fact that the Andean Pact duplicated EC institutions and did not take into account the particular problems that affected its member states was one of the reasons for the weak functioning of this integration grouping.9 The 'Protocol of Quito' of 12 May 1987, which modified the founding treaty, was meant to overcome this crisis. But it was only in January 1992 that the Andean Pact was re-established, at first only as a free trade area (without Peru). Since May 1994 the Andean Pact has been a customs union,10 although problems still exist between the member states, who have yet to agree on a common external customs tariff.11 In 1996, the member states of the Andean Group negotiated bilateral free trade agreements with MERCOSUR, which formed a customs union for a number of products in 1995, in order not to be excluded from this market of 190 million consumers.12

In 1996, at Trujillo, Peru, the Presidents of the Andean member states agreed on fundamental institutional reforms of the Pact. Its main institutions are now the Council of Presidents, the Council of Ministers for Foreign Affairs, the Commission, the Secretary-General (JUNAC), the Court of Justice and the Andean Parliament.13