# EUROPEAN PARLIAMENT

## DELEGATION OF THE EUROPEAN PARLIAMENT

for the relations with the

KNESSET OF ISRAEL

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BACKGROUND DOCUMENT
ON THE EURO-ARAB DIALOGUE
(EAD)

DIRECTORATE-GENERAL FOR COMMITTEES AND INTERPARLIAMENTARY DELEGATIONS

Luxembourg, 5 october 1977

#### BACKGROUND DOCUMENT

on the development of the Euro-Arab dialogue

The opening of negotiations between the European Community and the Arab countries was mentioned for the first time at the meeting held in Copenhagen in December 1973 between the Foreign Ministers of the Community, and representatives of Algeria, Sudan, Tunisia and the United Arab Emirates.

On 4 March 1974 the European Ministers, in keeping with a desire expressed at Copenhagen, decided to begin the dialogue and adopted to that end an aide-memoire which Mr SCHEEL, the President-in-Office was to forward to the representatives of the Arab League. However, three Member States expressed reservations on this aide-memoire, the most serious being those of Denmark and the Netherlands, which were being discriminated against in the matter of oil supplies. (The third was the United Kingdom).

While still leaving out political problems, the aide-memoire laid down a broad basis for Euro-Arab relations, since it included a non-exhaustive list of subjects to be dealt with, such as industry, agriculture, energy, raw materials, transport, science, technology, financial cooperation and management training. It also provided for a two-stage procedure:

## (1) preparatory phase

Meeting between the President of the Foreign Ministers Conference of the Nine with Arab League representatives, followed by a meeting of senior civil servants,

#### (2) phase of negotiations proper

Meeting of a committee of experts and conference of Foreign Ministers of the Community and the Arab States.

It was not until the meeting (political cooperation) of 10 June 1974 in Bonn that the United Kingdom agreed to the forwarding of this document. This was done on 19 June, when a Community delegation consisting of the Deputy Secretary-General of the Commission, a senior civil servant from the country then holding the office of President (Germany) and one from the country due to take over on 1 July (France) was sent to Cairo.

On 5 July, the Secretary-General of the Arab League (Mr MAHMOUD RIAD) and the Foreign Minister of Kuwait (Sheikh SABAHALJABER) were appointed spokesmen for the meetings with the European countries by the Arab League committee responsible for Euro-Arab relations.

In accordance with the provisions of the aide-memoire submitted to them, they met Mr SAUVAGNARGUES and Mr ORTOLI on 31 July and 1 August in Paris, with a view to defining the fields in which cooperation could be developed. It was decided to set up:

- A General Committee a permanent negotiating body, with representatives of all States concerned and those of the Community and the Arab League on their own behalf;
- a smaller group, consisting of senior civil servants, responsible for studying the outline and the principles of the negotiations (this group met on the same day);
- groups of experts responsible for studying specific problems; the Arab delegates wished representatives of economic interests, such as bankers, industrialists, etc., to participate in these groups.

This work was to be continued at a meeting of the Conference of Foreign Ministers of all States represented.

Both sides agreed that this meeting should be held before the end of the year.

On 19 November, at a meeting of senior civil servants, it was agreed that the preparatory stage of negotiations was over and that the General Commission could meet on 26 November in Paris. However, there was one difficulty; the Arab representatives had asked the Foreign Ministers of the Community to allow a PLO delegation to take part in the meeting.

On 18 November, the Foreign Ministers' Conference, without categorically rejecting the Arabs' request, considered that the time and circumstances were not appropriate.

On 22 November, the Arab League representatives requested that the meeting of the General Committee be postponed.

### Preparations for the first meeting of the General Committee

On 13 February 1975, on a proposal by Mr SAUVAGNARGUES, the Foreign Ministers of the Community agreed on a formula to solve the problem of PLO representation while allowing members of that organization to participate de facto in the work of the committees of experts.

This formula was also accepted by the Arab League, and contacts were established in April and May with a view to a meeting of a conference of experts to be held in Cairo on 10-14 June 1975; although economic questions were raised, the meeting was dominated by the political aspects of relations between the EEC and the Arab States. Nevertheless, the final communiqué of the meeting listed the technical problems which should be discussed:

- agriculture and rural development
- industrialization
- basic infrastructure
- financial cooperation
- trade
- scientific, technical and cultural cooperation.

It also made provision for another meeting of experts in Rome during July. On 22-24 July 1975, 130 European and Arab experts met in Rome, forming 6 working parties corresponding to the subjects listed in the communiqué of the Cairo meeting.

They considered in greater detail the questions falling within their terms of reference and a number of Arab countries actually submitted definite cooperation projects.

Political problems were nevertheless discussed, in particular by Mr NIJMEDDIN DAJANI, leader of the Arab delegation, who raised the question of peace in the Middle East and expressed a hope that the European States would remain faithful to their joint declaration of 6 November 1973.

The European delegation gave him full assurances in this respect, but reaffirmed Europe's opposition to all forms of violence.

The Arab delegation asked for the General Commission to meet as soon as possible, thereby raising once more the problem of the participation of the PLO in the EAD.

This request was formally made on 28 October 1975 by Mr MAHMOUD RIAD, Secretary-General of the Arab League to the Italian Ambassador in Cairo.

On 26 September, at a press conference, Mr CHALID EL HASSAN, a member of the PLO political bureau responsible for foreign relations, requested the European States to recognise the PLO so that they could intervene jointly with the United States to settle the conflict in the Middle East.

On 22-27 November 1975, another conference of experts was held in ABU DHABI. A number of infrastructural projects were to be considered by seven working committees:

- basic infrastructure
- agricultural and rural development
- industrialisation
- scientific and technical cooperation
- trade
- financial cooperation
- cultural, labour and social questions.

Political problems were also raised, however, but had no major effect on the work of the committees.

On 13 February 1976, the Foreign Ministers of the European Communities agreed a formula permitting the PLO to take part in the dialogue, according to which the PLO members would appear in the Arab delegation in the Conference of experts without mention of each delegate's nationality. The European Parliament debate of April 1976

On 7 April 1976, the European Parliament debated rapporteur BLUMENFELD's report on the current situation of the dialogue and resolved, inter alia, to hope that the dialogue might lead to concrete results in the fields of finance, agriculture and industry, technology, energy and cultural affairs.

The resolution affirmed that the success of the dialogue hinged upon the solution of political problems, which would permit all the countries of the Middle East, including Israel, to live within clear boundaries which were recognised by all parties. The resolution also confirmed the importance of the principle of non-discrimination. The first meeting of the General Committee

On 18-20 May the first session of the General Committee of the Euro-Arab dialogue was held in Luxembourg. Two committees were set up, one on procedural questions and one on technical questions. These would complement the work of the seven committees set up earlier. The final communiqué listed a number of projects proposed by the European Communities which would be put into effect. It foresaw the study of a series of measures designed to help and reinforce mutual investment, European

financial participation in Arab projects, the transfer of technology and financial collaboration. The Arab delegation wished to institutionalise political consultation using a procedure similar to the Davignon consultation procedure. The European delegation preferred informal and ad hoc consultation on political problems, while emphasising economic problems and methods of cooperation.

The Arab delegation pressed for a multilateral preferential scheme for all Arab countries, while the European delegation preferred a country by country approach.

On 28 June the experts from the Commission of the European Communities met to prepare for a meeting of the trade committee, and confirmed their position of principle in favour of preferences being given on a country by country basis.

Preparatory work for the second meeting of the General Committee scheduled for November was interrupted on 21 September when the Ministerial Council of the Arab League asked for a postponement because of slow progress in the working groups.

#### Preparation for the second meeting of the General Committee

Working Committees met frequently, often as specialised groups, between June and December  $1976^{1}$ .

On 9-10 December 1976 the Chairmen of the Dialogue meeting in The Hague agreed the second meeting of the General Committee should take place in Tunis on 10-12 February 1977.

Working committees adopted a number of projects before the meeting; for instance the agriculture and rural development committee proposed an agricultural project in the Juba valley in Somalia, development of potato, production in Iraq, integrated development of the South Darfur region of the Sudan, and the development of meat production in the Damazin region of the Sudan.

Commissioner CHEYSSON stated that experts' groups had met 17 times between July and November 1976, in answer to Mr CIFARELLI, (Debates No. 210 14 December 1976)

#### The second meeting of the General Committee

The main points arising from the second meeting of the General Committee of the Euro-Arab Dialogue were as follows 1:

"It has been found that of the two parts of the dialogue the specifically economic part is increasingly becoming more important than the political part as successive meetings are held. In Tunis the General Committee made considerable progress in this field, on four points in particular:

- (i) The problem of the financing of all Dialogue activities, except for actual development projects, is now resolved: the Arabs have pledged \$ 15 million while the Community will have to provide a further, but smaller, sum which still has to be determined and will become operational via Community budgetary procedures. This sum is intended for project prefeasibility studies, joint research projects, technical aid, cultural cooperation and so on.
- (ii) The establishment of a Euro-Arab centre for the transfer of technology has been decided in principle. A joint declaration on the transfer of technology between the two regions is to be drawn up.
- (iii) The specific terms for a Euro-Arab trade cooperation centre are to be studied.
- (iv). A draft multilateral convention on protection of investments against non-commercial risks is to be drawn up.

These results show that a start has been made on providing the dialogue with the array of instruments needed to translate the special relationship into concrete achievements.

The next meeting of the General Committee will be in Brussels in September; Saudi Arabia will take the chair for the Arab side."

The third meeting of the General Committee was postponed to 28-29th October.

On 5 April the Council decided to make available 3.5 million dollars for 1977 as the Community's financial contribution towards the initial practical operations in the context of the Euro-Arab Dialogue. These were intended solely for financing project pre-feasibility studies and the other activities connected with the Dialogue, with the exception of the implementation of the projects themselves<sup>2</sup>.

Bulletin of the European Communities No. 2, 1977, p.64

<sup>&</sup>lt;sup>2</sup>Bulletin of the European Communities No. 4, p.62