**UE: a transatlantic actor of ACN integration.**

Good afternoon ladies and gentleman.

Today I am here to talk about the complete results of the three of four parts of a research called: “The European Union and the influence of its actions in Latin-American integration”. This research belongs to the Doctoral works of the **unit of international relations** of the **University of Liege** – Belgium. It concerns three international and interregional actors, that of the interest of this Conference: the European Union (EU), the Andean Community of Nations (ACN) and the United States (US).

In fact, being European interregional strategy towards the ACN, traduced (among others) by the encouragement of Latin-America integration, this research wonders about the nature of the EU’s actions for satisfying this ambition, their degree of influence and their efficiency.

**The working hypothesis** is that the EU’s interregional strategy, of stimulation of Latin American integration, has evolved. It **has movedfrom an idealized vision of total integration** for ACN (at every level: political level, economic level and other levels as physical infrastructure for example) **towards a complex and pragmatic approach**.

This approach is complex in that it advances in two ways. Politically the EU- ACN relations are region-to-region. Economically, they become into a region-to-country dialogue. The result of the Trade Agreement EU – ACN, witnesses of that. Taking into account these results and entirely adhering to the assertion “interregionalism, as practiced by the EU, has the purpose of building and consolidating regional orders, whereas the US regional activities rather have the purpose of preventing strong regional formations to grow” (Hetnne, 2007), we demonstrate that the European interregional behavior gets comparable to the US one. It **hasAmericanized**.

This Americanization implicates a triangular relationship among EU, ACN and US. It affects not only the characteristics of Latin-American integration but also the European approach to its own initiatives of stimulation of this phenomenon. It has given place to a combination of interregional strategies that we have called “complex interregionalism”. This name has been given to this phenomenon because it combines two kinds of interregionalism (pure and hybrid one) simultaneously.

This intervention is divided in two main parts and a conclusion.

1. **The first part** concerns the introduction of the concepts of pureand hybridinterregionalism.
2. **The second part** concerns, the European interregional strategy. It is presented and compared to the US’ towards ACN. By this contrasting exercise, a double and complex EU’s interregional behavior is verified. It is a region-to-region political dialogue and region-to-country economical one. The results of the negotiation of the Free Trade AgreementEU-ACNare used as the illustration of this statement.In fact, this treaty, at the beginning conceived to stimulate ACN regional integration, became a factor of erosion of the Andean unity. It permits to identify an Americanization *de facto* of the European interregional strategy.
3. **Conclusions**. This conclusion part is sub-divided in two. First, we present the conclusions about the complex interregionalism of EU towards ACN. Second, we open a discussion about the deep reasons of the European interregional behavior. The objectives of the two European approaches to the ACN strategy of integration. Has it been imposed by the international needs? bythe necessity of building other regions as valuable interlocutors? orby the commitment to development ?

FIRST PART

1. CONCEPTUALIZING INTERREGIONALISM
2. SUPPORT OF REGIONAL INTEGRATIONS AS A PART OF THE EUROPEAN INTEREGIONAL STRATEGY

SECOND PART: COMPLEX INTERREGIONALISM

1. PUR POLITICAL INTEREGIONALISM APPLIED
2. HYBRID ECONOMIC INTEREGIONALISM APPLIED
3. RESULT: COMPLEX INTERREGIONALISM

THIRD PART

1. AXED ON COMMERCIAL BENEFITS

EUROPEAN INTERREGIONAL STRATEGY HAS EFFETS OF DISOLUTION OR REGIONAL INTEGRATION IN CAN;

* + 1. It’s this way that it gets comparable with the Nord American effect in Latin-American integration.
    2. Examples of what has been negotiated in the commercial agreement.

1. PERSPECTIVES

FIRST PART

* 1. CONCEPTUALIZING INTERREGIONALISM

As you have noticed, today I am not talking about regional integration; today I am here to talk about interregionalism.

The concept of interregionalism belongs to the new regionalism theory and reality. New regionalism implies the existence of an old regionalism (De Lombaerde and alii., 2008), which “novelty” (according to what has been expressed by George Howard Joffé (2007) “resides in its potential as a an alternative to hegemonic stability, within a globalized context, in which the region becomes the nexus of activity both at the state and the supra-state level (…) This kind of regionalism binds states (usually contiguous) – together to the voluntary derogation of their sovereign rights into a collective economic endeavor. This endeavor (…) may also become a political project as well so the collectivity retains a significant autonomy of political and economic action within the structures created by economic globalism”.

This post-hegemonic regionalism (Telo, 2001), has been developing for more than fifteen years (Santander, 2008) and has permitted then the existence of interregionalism. According to Fredrik Söderbaum and Luk Van Langenhove (2008), interregionalism signifies “in the most general sense (…) the condition or process whereby two regions interact as regions”. Nevertheless, this definition is problematic, very specially in one aspect: how to delimit regions and their ways of behaving at the international level.

In fact, all international actors behave **their way**. So do regions and so do other actors inside the regions (as states, stakeholders, shareholders in multinational companies, trade unions, etc.) as well.

Is in this way that two concepts become particularly important to define the actions of regions: pure and hybrid interregionalism.

As it is presented by RigneretSöderbaum (2010), “the most institutionalised form of interregionalism” is the first one. “Pure interregionalism” is then used to talk about the relationship between “two clearly identifiable regions within an institutional framework” (RigneretSöderbaum, 2010).

“Hybrid interregionalism”, in contrast, refers to the dynamics that liaise one organized region with a country or a group of countries from another (unorganised or dispersed) region (Aggarwal& Fogarty 2004).

These two different ways of acting of regions are relevant to our analysis because, as we are going to see immediately, in the case of the UE-ACN cooperation for Latin-American integration they get combined. They form a sort of complex inter-regionalism.

In fact, it is important to remember that one of the most relevant topics of the European inter-regional strategy has always been “support of regional integrations”. The reason of this preference for the theme of regional integration is found in the different documents that form a corpus for “the European interregional strategy towards Latin-America”. This reason is development.

These documents are:

1. The UE in the world. The foreign policy of the European Union, (2007)

For LA:

1. A stronger partnership between the European Union and Latin America [COM(2005) 636](http://eur-lex.europa.eu/smartapi/cgi/sga_doc?smartapi!celexplus!prod!DocNumber&lg=en&type_doc=COMfinal&an_doc=2005&nu_doc=636)
2. European Commission – Latin America – Regional programming document 2007-2013
3. European Community - Andean Community Regional Strategy Paper 2007-2013.

SUPPORT TO REGIONAL BLOCS AS A PART OF THE EUROPEAN INTERREGIONAL STRATEGY

According to what, we can read in every one of these documents, the EU’s decision makers, deeply believe that economic integration, is the way for achieving development in the different regions of the world. If we observe, the panorama of the external action of the EU, we can find that this tendency of giving support to regional integrations is developed by the EU almost all over the world.

In the documents introduced above, we can find that regional integration is presented as a “priority” of the European action in Latin-America. And being a priority, this regional integration, receives special attention from the UE. A budget of **217.395.431** has been consecratedto this subject from 2002.

It has permitted the UE to become an actor of the Latin-American regional integration. According to the Decision number 723 of the Andean Community, in which a project called INTERCAN 1 (financed by the EU), has been approved, Europe is the only actor that finances regional integration (2009). EU is then the only external actor making efforts for strengthening this dynamics.

But there is a paradox with this European position towards regional integration in Latin-America.

SECOND PART: COMPLEX INTERREGIONALISM

1. PURE POLITICAL INTEREGIONALISM APPLIED

EU practices a sort of pure interregionalism when its actions take place at a political level and at the level of cooperation.

In this sense, we observe that a well-established region-to region dialogue, is possible between the UE and the different Latin-American regional actors.

The following graphic shows the way in which the “European Commission – Latin America – Regional programming document 2007-2013”, has been materialized in a set of bi-regional projects. All those projects have the particularity of been, about the theme of regional integration.

**Graphic n. 1**

total cost ALINVEST: 49.994.289

UE cost Alinvest: 39.995.431

@lis2: € 22 millions

UE Bubget 2007 – 2013: 189.995.431€

As illustrated in this graphic, three main projects traduce the European interest of strengthening Latin-American regional integration into facts. If we focus on the nature of those projects, we observe that they are projects of cooperation in different aspects: physical infrastructure and the consolidation of networks for both helping to the internationalization LA of SMC and obtaining a reduction of the LA information gap.

The bi-regional dialogue takes place directly with the Andean Community of Nations, too. The two following graphics contain the projects financed by the EU with the objective of stimulating the sub-regional Andean integration.

**Graphic n. 2.**

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| --- | --- | --- | --- | --- | --- |
| **Projects for “*ri”* financed by UE according to the EC - ACN Regional Strategy Paper 2007-2013** | | | | | |
| **Title** | **ID** | **Periode of time** | **Budget** | | **Objectives** |
| **UE** | **CAN** |
| UE-ACN cooperation in technical assistance to commerce | ATRC I | 11/05 - 10/07 | 4.000.000 € | 1.000.000  € | To contribute to the Andean integration and to the establishment of a common Andean market zone |
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| Technical assistance to commerce | CAN ATRC II – 1st part | 11/05 - 06/07 | 0.95 millions € | 0.265 millions € | To consolidate the institutional capacity (of GS of the Andean Community) for collection and treatment of information about the state of regional integration |
| UE-ACN Cooperation and technical assistance UE - CAN, about quality | CAN - quality | 11/02 - 11/05 | 2.300.000 € | 1.000.000  € | To reinforce harmonization in the Andean Community, European transfer of Know-how about it |
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| Harmonizationof the rules of concurrence in the Andean region | CAN-concurrence | 10/02 - 11/05 | 2.000.000 € | 1.500.000  € | To propose a law of concurrence |
| Reinforcement of the Andean Customs Union | CAN - GRANADUA | 05/2000 - 05/03 | 1.900.000 € | 2.200.000  € | To consolidate of the Andean Customs Union |
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| Total budget EU | | | 11.750.000 € |

Extrait de: COMMUNAUTE ANDINE DE NATIONS, Décision 723, Proyecto Intercan 1 de Apoyo a la integracioneconomica regional de la Comunidad Andina, 10 décembre 2009

**Graphic n. 3.**

total EU : 18.650.000

Andrea PARRA. Projets de stimulation à l’intégration financés par l’UE et qui ne figurent pas dans la programmation 2007, information extraite du UNION EUROPEENNE, UE – CAN 2010, Cooperacionregional, Publication de l’UE au Pérou, Lima, 2010, 50 pages.

The existence of all these projects implies a dynamic and sustained dialogue that permits a region-to-region exchange, in the format of very pure interregionalism. We can see again, that all the projects lay on the domain of cooperation. Even FAT COMMERCE II permits this bi-regional movement. This is because; it is cooperation for developing commercial structures in the Andean zone.

But, this reality changes when the two regions decide to become commercial partners. The fluid bi-regional dialogue is suddenly transformed into a region-to-country exchange.A sort of hybridinterregionalism seems totake the place in this interregional configuration.

1. HYBRID COMMERCIAL INTERREGIONALISM APPLIED

In fact the hybrid interregionalism appears, for the case of this EU-ACN interregional dialogue, as a sort of “solution in the urgency”.

In fact, UE accepted to negotiate a commercial agreement with two of the four Andean countries (Colombia and Peru) after the failure in the negotiation of a global bi-regional agreement. This global bi-regional agreement should have been composed by three pillars: a pillar of cooperation, a pillar of political dialogue and a commercial pillar.

The main causes of this failure can be associated to the following factors:

1. From the beginning, the commercial pillar concentrated the attention of the negotiating actors (ALAYSA, 2010).
2. Some Latin-American countries had just finished negotiating commercial agreements with the USA and EU was interested on obtaining from the Latin-Americans the same commercial advantages that they have given to the USA (interview M. FRONTINI, 2011).
3. Finally, deep political erosion inside the CAN blocked any possibility of good understanding among the Andean countries. It was then, impossible to achieve any agreement with any external actor.

In 2008, the governments of Colombia and Peru sent two identical letters to the UE negotiating team. By these letters, those governments asked the EU to finish with abandon the negotiation of the Global Agreement of Association and to start negotiating a commercial agreement. The EU accepted and a new hybrid interregional dialogue took the place that had been reserved, until that moment, to the pure interregional dialogue.

THIRD PART

RESULTS AND CONCLUSIONS:

We can identify two kinds of results.

The first is directly related to the commercial agreement and its influence in the ACN regional integration; the second is more global and related to the implications of this combination of interregionalism in the European interregional strategy towards Latin-America.

1. RESULTS OF THE COMMERCIAL AGREEMMENT

In 2010, the negotiation of a commercial agreement among EU (on a side) and Colombia and Peru (on the other side), was finished. Its results have been significant to ACN regional integration. They have been, in fact negative to this integration.

In general terms, at the end of the negotiation, the Andean countries, negotiating the agreement was reduced from 4 (at the beginning) to 2 at the end of it.

Additionally, the two Andean countries that continued the negotiation were not associated in the decisions that were taken. It means, in fact, that even between Colombia and Peru, there were no agreements. The different topics were discussed separately, in even separated rooms. So, the resulting text has a special format: only one text but different engagements for each actor.

In terms of regional integration, the negotiation of this commercial agreement has been definitely a bad strategy. It has not helped to improve this “ri” but has caused erosion in it.

If we take into account the assertion: “interregionalism, as practiced by the EU, has the purpose of building and consolidating regional orders, whereas the US regional activities rather have the purpose of preventing strong regional formations to grow” (Hetnne, 2007), we demonstrate that the European interregional behavior gets comparable to the US one. We have verified our hypothesis because we have observed that the consequences of the EU strategies have an effect comparable to the Nord American effect in Latin-American integration.

1. RESULTS AND CONCLUSION ON COMPLEX INTERREGIONALISM

The combination of pure and hybrid inter-regionalism opens the way to think in the existence of a complex interregionalism. This complex interregionalism would be helpful in that, it would imply a new point of view for the analysis of transatlantic relations among international actors and why not for defining new perspectives and new strategies in order to improve the effectiveness of interregional dialogues and actions towards development.

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