

**NOTE**

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From : Praesidium

To : Convention

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**Subject : Title IX: The Union and its immediate environment**

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**Principal elements**

Members of the Convention will find attached in Annex draft Article 42 (Title IX) on The Union and its immediate environment, accompanied by an explanatory note. The outline Treaty presented to the Convention in October 2002 contains a separate title on the Union and its immediate environment, and foresees that this should contain provisions defining a privileged relationship between the Union and its neighbouring states.

The attached draft sets out these provisions. The text provides for a loose but coherent framework bringing together the existing arrangements whereby the Union manages its relations through agreements with individual countries or groups of countries. It does not create any new obligations, but recognises for the first time the importance to the Union of its immediate environment.

**TEXT OF THE ARTICLE****Article 42**

1. The Union shall develop a special relationship with its neighbouring States, aiming to establish an area of prosperity and good neighbourliness characterised by close and peaceful relations based on cooperation.
2. For this purpose, the Union may conclude and implement specific agreements with the countries concerned in accordance with of Article X on Part Two of the Constitution. These agreements may contain reciprocal rights and obligations as well as the possibility of undertaking activities jointly. Their implementation shall be the subject of periodic consultation.

**COMMENTS****Paragraph 1**

*This paragraph sets out the Union's intention to establish a "neighbourhood" policy. There is no equivalent article/provisions in the current treaties, although the description in this paragraph could accurately be applied to the existing situation (the Union already has contractual relations with most of its immediate neighbours). The proposed text provides a loose but coherent framework for relations with its neighbours.*

**Paragraph 2**

*This paragraph sets out the policy instruments in slightly more detail. Its point of departure is existing article 310 TEC (Association agreements), although the text refers to Part II of the Constitution for the detailed provisions on the negotiations and implementation. The reference to rights and reciprocal obligations is drawn from TCE article 310 (existing text: "The Community may conclude with one or more States or international organisations agreements establishing an association involving reciprocal rights and obligations, common action and special procedure." The regular consultation foreseen in the last sentence is usually provided for under Association agreements through the creation of a structural relationship (e.g. Association Council/Committee).*

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