



The European Union and Latin America



Proyecto europeo (Nicaragua).

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EUROPEAN COMMISSION
External Relations



DG RELEX / G1

A partnership between two regions



- 41 countries
- 1 billion people
- More than 25% world's GDP and trade

EU and LA: natural allies

Common commitments

Democracy Multilateralism Human Rights

- Historic, cultural and linguistic ties
- Being close allies on the international scene is in the **mutual interest**



Why does Latin America matter to the EU?

- The EU needs **allies** on the international stage who share its values
 - *E.g. Both regions are in favor of a strong multinational system based on the UN organisations*
- The EU has great interest in working for **security and stability** in LA
 - *E.g. Fight against drugs, better trade environment*
- LA is a market of great potential for **EU trade and investment**
 - *E.g. Numerous opportunities for new technologies*



The EU in Latin America

- EU is the **main aid donor** to the region
 - Expected EUR 2.7 billion (programming period 2007-13) from Commission budget only (without Member States)
- Second source of **foreign direct investment**
 - Total European investment in the LA and Caribbean region stood at EUR 124 billion in 2004
- Second **trading partner**
 - 2004 imports from the LAC region were EUR 63.1 billion
 - 2004 exports to the LAC region were EUR 55.4 billion
- The EU is Mercosur's **main trading partner** and **biggest investor**
 - Accounts for 23% of Mercosur's trade



Guiding principles

2005 Commission strategy paper ("*A stronger partnership between the EU and LA*") demonstrates EU's revitalised commitment to Latin America

Four primary objectives:

- Stepping up and focussing **political dialogue**
- Creating a climate favourable to **trade and investment**
- Supporting LA countries in efforts to stimulate **stability and prosperity**
- More effective and increased **mutual understanding**



How to achieve these objectives?

- Establish a network of Association Agreements (including FTAs) contributing to the integration of the region as a whole
- Genuine political dialogues
- Sectoral dialogues (e.g. social cohesion/environment/energy)
- Contribute to stable and predictable framework to help LA countries attract more EU investment
- Tailor aid and cooperation to needs of the countries concerned
- Increase mutual education through education and culture



Political relations

Interregional mechanisms:

- EU-Latin America and Caribbean Summits (every 2 years)
- Business Summit
- Meeting of Foreign Affairs Ministers from the EU and the Rio Group (every 2 yrs)
- Inter-parliamentary Conferences EP-PARLATINO (every 2 yrs)

Dialogues with subregions:

- San José process with Central America (every 2 yrs)
- EU-Mercosur Dialogue (annual)
- EU-CAN dialogue (irregular)

Bilateral dialogues:

- EU-Mexico (annual)
- EU-Chile (annual)



The EU/LAC Summit process

- History
 - 1999: Rio de Janeiro
 - 2002: Madrid
 - 2004: Guadalajara
 - 2006: Vienna
 - 2008: Lima (16-17 May)
- What? Meeting of 60 Heads of State and Government
- Why? Gives impetus and renewed focus to the partnership
Opportunity for concrete achievements (e.g. signing of EU-Chile AA in Madrid, launch of negotiations with Central America in Vienna)



The IV EU/LAC Summit



- Vienna, 12 May 2006
- Launch of AA negotiations with Central America
- Very high attendance of Heads of State and Government
- The Vienna Declaration: 12 key themes
- EU's increasing role as a mediator



Progressive achievements

Summits	Documents	Results
1. Rio de Janeiro 1999	Final declaration of 69 points, Action Plan with 55 priorities	Strategic interregional association, opening of EU-Mercosur negotiations
2. Madrid 2002	Three independent declarations	Announcement of EU-Chile AA, creation of ALBAN programme
3. Guadalajara 2004	Final declaration of 104 points	Thematic summit: social cohesion and effective multilateralism, creation of Eurosocial programme
4. Vienna 2006	Final declaration of 12 themes	Opening of EU-Central America negotiations for an AA; decision to negotiate during 2006 a process leading to negotiations of an AA between the EU and the CAN; sectoral dialogues



http://ec.europa.eu/comm/external_relations/la/

