

The EU, Latin America and the Caribbean Strategic Partnership – Working Together in a Globalised World

The Strategic Partnership between the European Union (EU) and the countries of Latin America and the Caribbean (LAC) was founded in Rio de Janeiro in 1999 to foster and strengthen political, economic and cultural links between the two regions.

This EU-LAC Strategic Partnership encompasses not only political dialogue, cooperation and economic relations but it also allows both regions to affirm more effectively their positions on global issues and to better assert them in the multilateral context

Since its foundation, the EU and LAC regions have made progress on dealing with a wide range of issues including addressing climate change; migration, fight against illegal drugs; human rights; education; cooperation on cultural issues and in science and technology.

A vast number of agreements have been reached between the EU and LA sub regions (with the Caribbean, Mercosur, Andean Community, Central America) or individual countries (Chile and Mexico).

At the same time, the volume of trade between the EU and Latin America has doubled reaching almost €180 billion in 2008. The EU has become the second largest trading partner and the most important investor in the LAC region, with over €25 billion of Foreign Direct Investment (FDI) flows and more than €260 billion of FDI stock as of 2007.

Over the past decade, the EU has provided over €3 billion in development assistance to the region, chiefly under the Development Cooperation Instrument (DCI) for Latin America - €2,690 million for the 2007-2013 period - and a further €760 million covering 2008-2013 under the 10th European Development Fund for the Caribbean managing to reduce poverty and social inequality.

More than 40% of our present cooperation with Latin America is concentrated on the promotion of social cohesion (that is, the fight against poverty, inequality and exclusion), and an important support for regional integration, trade, as well as environment is included.

During these years, the LAC region has continued to consolidate democracy and to improve the protection of human rights, peace and stability has been preserved, considerable advances have been made in terms of integration of the LAC region into the world economy, with increased trade and diversification and sound macro-economic policies and proper management of public finances have resulted in many countries better addressing the economic crisis. However, the LAC region is still confronted with old and new challenges: poverty and social differences, security threats resulting from organized crime, energy and climate change, among others.

In order to respond to these challenges, the 2009 Communication by the European Commission “Global Players in Partnership” looks ahead at the future of this bi-regional alliance. It addresses the challenges posed by the global economic and financial, climate change and migration and suggests:

- More dialogue on macro-economic and financial issues, environment and energy or science and research, intensifying our cooperation in these fields.
- More regional integration and interconnectivity (through, for example, a new instrument, the Latin America Investment Facility whose main objective is to mobilize additional financing to support investment in Latin America.
- Deepening bilateral relations with LAC partner countries while complementing EU support for regional associations through specific agreements.
- Adapting aid programmes to the needs of the countries beyond the areas covered by traditional development cooperation.
- Involving civil society in the Strategic Partnership, including through the creation of an EU-LAC Foundation.

EU-LAC Summits

The 1999 founding Summit of Rio de Janeiro has been followed by several bi-annual Summits held in Madrid, Spain (2002); Guadalajara, Mexico (2004); Vienna, Austria (2006); and Lima, Peru (2008). Each of these events has facilitated further deepening of the EU-LAC relations. This trend will be continued on the occasion of the VI EU-LAC Summit to be held, once more, in Madrid¹.

VII EU-Latin America and the Caribbean Summit web site

http://ec.europa.eu/external_relations/lac/index_en.htm

¹ See IP/10/XXX. *Latin America and the EU towards a new stage in their Strategic Partnership – VI EU-LAC Summit.*