

EUROPEAN COMMISSION



UNITED NATIONS



MEMORANDUM OF UNDERSTANDING (MoU)

Between the European Commission (the Commission) and the United Nations Economic Commission for Latin America and the Caribbean (UN-ECLAC) concerning the strengthening of cooperation

1. Considering the Communications of the European Commission to the European Council and Parliament “Building an effective partnership with the United Nations in the fields of Development and Humanitarian Affairs”¹ and “The European Union and the United Nations: the choice of multilateralism”²;
2. *Considering* the recent Communications of the European Commission on a stronger partnership between the European Union and Latin America³ and on an EU-Caribbean Partnership for Growth, Stability and Development;⁴
3. *Considering* Resolution 106 (VI) of the Economic and Social Council adopted on 25 of February 1948 that established the United Nations Economic Commission for Latin America, which subsequently by resolution 1984/67 of 27 July 1984, decided to change its name to the Economic Commission for Latin America and the Caribbean (ECLAC); the Spanish acronym, CEPAL, remaining unchanged;
4. *Considering* the Financial and Administrative Framework Agreement between the European Community, represented by the Commission of the European Communities and the United Nations which entered into force on 29 April 2003;
5. *Considering* the various programmes and existing arrangements for cooperation between UN-ECLAC and the European Commission;
6. The European Commission and UN-ECLAC hereby agree to deepen their collaboration with the aim of strengthening dialogue and enhancing the effectiveness of their efforts to achieve their common goals and objectives in the fields of mutual interest. Both parties share a number of priority areas and desire to reinforce their current collaboration in Latin America and the Caribbean in those areas.

A. PRINCIPLES AND OBJECTIVES

7. Through this Memorandum, the European Commission and UN-ECLAC express their wish to mutually benefit from and develop their cooperation in areas of common concern, decide to working together to establish solid foundations for the fight against poverty, to promote the Millennium Development Goals, to foster regional integration and, particularly, to strengthen social cohesion in the Latin American and Caribbean (LAC) region.

¹ COM (2001) 231 final, 2 May 2002

² COM (2003) 526 final, 10 September 2003

³ COM (2005) 636 final, December 2005

⁴ COM (2006) 86 final, March 2006

8. Our cooperation will be based on respect and mutual understanding of the respective strengths, organisational structures, mandates, institutional capacities, and policies of both our institutions.
9. Our cooperation will aim at enhancing country ownership and the overall effectiveness of our two organisations in the areas covered by the partnership.
10. The objectives of our cooperation are:
 - a. to foster coordination and collaboration on shared policy approaches;
 - b. to enhance collaboration with a view to fostering coordination and synergies in the field, and to help support best practice;
 - c. to build on each other's comparative advantages;
11. These objectives will be achieved through:
 - a. Policy dialogue between the European Commission and UN-ECLAC;
 - b. Enhanced collaboration at all levels between the European Commission and UN-ECLAC including global, regional and country levels; and
 - c. Cooperation, possibly in the form of support for UN-ECLAC's activities in the areas covered by the Memorandum in accordance with existing arrangements and procedures and where there is added value, relevant impact, common interest and adequate capacities.
12. The Parties recognise the already existing cooperation between the European Commission and UN-ECLAC in areas of common interest.

B. SCOPE

13. The geographical scope of the Memorandum is limited to those countries of Latin America and the Caribbean that are classified as 'developing countries' according to the OECD-DAC list of aid recipients⁵.
14. The Memorandum's thematic priorities will be placed on the areas of macroeconomic convergence, regional integration, social cohesion and statistics. This does not rule out other areas of possible cooperation such as migration. Social cohesion along with gender issues will also be dealt with as a cross-cutting issue under the other thematic areas.

⁵ DAC List of Aid Recipients as of 1 January 2003

15. In regions/countries where the parties have common interests, the European Commission and UN-ECLAC could work together under their respective framework or cooperation strategies.

C. AREAS FOR POLICY DIALOGUE AND COOPERATION

16. Linking governance, peace, security, and development in a holistic and effective way, taking into account country ownership and compliance with the multilateral framework, is an overarching theme and ambition of the Memorandum in the areas for policy dialogue and cooperation.
17. With a view to contributing to the fulfilment of the Millennium Development Goals, the European Commission and UN-ECLAC have agreed to concentrate their collaboration on the following areas of shared priority:
 - A. Social Cohesion and Poverty alleviation
 - B. Macroeconomic Convergence and Regional Integration
 - C. Statistics
18. Particular attention will be paid to the challenges of social cohesion and gender issues, including the empowerment of women (their participation in political and economic life), as cross-cutting issues when developing cooperation in these areas.

Social Cohesion

19. Cooperation in the area of social cohesion, meaning the fight against poverty, inequality and exclusion, will aim to help countries develop public policies, institutions and capacities that will help to foster social pacts and to eradicate poverty. This includes fostering political systems that respect human rights, adhere to public policies, ensure the participation of all segments of society so as to foster democracy, decentralise power, offer equal access to the law, remove gender and minority discrimination, and promote governance. Social Cohesion cooperation will also support policies that enforce clear and predictable rules, guarantee property rights, provide equitable access to credit and land, and provide adequate budgetary support for social public policies in promoting development with equity.
20. Cooperation in the field of social cohesion will also include such areas as:
 - Consensus building and dissemination of good practices regarding public policies conducive to a better distribution of income and wealth;
 - Support for the development of social policies (in fields such as health, education, employment, or security sector reforms), the promotion of decent work, the development of social protection mechanisms and the promotion of justice and the rule of law;

- Organisation and strengthening of the institutional framework in the social sector including the promotion of the social dialogue and of private-public partnerships for social cohesion;
- Monitoring and evaluation of the Millennium Development Goals in Latin America including development of social cohesion indicators.

Regional Integration

21. Cooperation in the area of regional integration and macroeconomic convergence will address notably:
- Macroeconomic and fiscal coordination;
 - Energy market integration, related to all energy sources and sectors, promotion of energy efficiency and renewable energies; social programmes based on renewable energies; bio fuels;
 - Regional harmonisation of regulations, including Policy and regulatory dialogue on Information Society (e.g. regarding investment, infrastructure, transport and labour) with activities designed to help countries develop policies, capacities and approaches through appropriate and timely initiatives. Scientific and socio-economic research which is of importance for LAC governments and regional bodies to assess and formulate social, economic and regional integration policies.
22. Cooperation will be pursued at regional, sub-regional and country levels and will consist of coordination, dialogue and initiatives to promote regional integration in the LAC region, as well as the integration of LAC countries into the world trading system. Efforts will be made by both parties to promote shared approaches and frameworks for cooperation with other donors.

Statistics

23. Cooperation in the area of statistics will aim at promoting statistical coordination between both parties in their respective fields of competence, in particular to support the other areas of shared priority in this Memorandum. It will focus on:
- Harmonisation of statistical methodologies and enhancing of data comparability;
 - Strengthening the exchange of data, metadata, methodologies and other statistical tools via compatible information systems;
 - Exchange of experiences and cross fertilisation in ongoing and future statistical cooperation activities at regional level;
 - Cooperation in the field of statistics, essential for monitoring progress towards the Millennium Development Goals in the region.

24. Cooperation will also seek to:
- Promote cross-fertilisation via EC driven statistical cooperation projects in the region;
 - Enable UN-ECLAC and its subsidiary bodies like the Statistical Conference of the Americas, to identify priority needs for regional statistical developments and regional integration;
 - Foster good practices in statistics.
25. This Memorandum will be further developed if necessary, in the framework of the country and regional strategy programming of the European Commission for the period 2007-2013.

D. WORKING PRINCIPLES

26. In all the areas covered by the Memorandum, cooperation will include efforts to develop and/or strengthen the following:
- Exchange of information and consultation, through high level contacts, comprehensive coordination meetings, ad-hoc desk-to-desk consultations and foster coordination between the European Commission Delegations and UN-ECLAC representatives at field level, particularly in Santiago de Chile and Mexico;
 - Collaboration in seminars, research analysis and studies;
 - Shared approaches, analysis, tools, indicators, performance reviews, assessments, and methodologies for mainstreaming;
 - Improved Headquarters and Field coordination;
 - Building of links with Non State Actors in the areas covered by the Memorandum.

E. ARRANGEMENTS

27. The Commission and UN-ECLAC agree that the following arrangements will apply.
28. In addition to the existing high-level contacts for dialogue on the region, the Commission and UN-ECLAC will hold coordination meetings on strategic policy matters of common interest, in accordance with an agenda agreed in advance by both parties.
29. These Coordination meetings will be held once a year between the Directorate responsible for Latin America within the Commission's Directorate General for

External Relations (DG RELEX) and the geographic service responsible for the Caribbean in DG DEV at the Commission, possibly with the participation of other Commission services concerned by the specific area of the cooperation, or representatives designated by DG Relex, and UN-ECLAC representatives appointed by the Executive Secretary, to review progress of work in the priority areas of cooperation and to discuss policy, technical and operational issues related to furthering the objectives of the Memorandum. Coordination meetings may take the initiative of proposing to review and adjust the Memorandum to incorporate emerging issues that both Parties consider important.

30. Further policy dialogue will be established on an ad-hoc basis as deemed necessary by both Parties to address issues, to exchange information or to engage in policy debate on matters of common interest regarding priority themes. This dialogue may take the form of workshops or seminars.
31. Where one of the Parties is organising a meeting with external participation at which policy matters relating to the aims of the Memorandum will be discussed, the Party will, as appropriate, invite the other to participate. UN-ECLAC will provide adequate visibility when implementing activities which involve EU contributions.
32. Representatives of the UN-ECLAC and the relevant services of the Commission will maintain a dialogue on the implementation of the Memorandum and will meet when necessary to assess the progress made and difficulties encountered in achieving the objectives of the Memorandum and, if necessary, to review the policy, organisational and technical aspects of the cooperation.
33. A focal point for the Memorandum will be designated within DG RELEX at the Commission with a view to ensuring coordination with other Commission services concerned and with the partner on the implementation of the work programme. For UN-ECLAC, the Office of the Executive Secretary will be the focal point.

F. DURATION

34. The Memorandum enters into force on the date of its signature and will remain in effect for a five-year period, which could be renewed by mutual consent in writing by both parties. The content of the Memorandum may be reviewed by agreement between the parties under the arrangement established in this Memorandum.
35. This Memorandum may be terminated by either Party upon giving six (6) months' prior written notice to that effect to the other Party. Unless the Parties agree to another course of action, any-specific agreement deriving from this Memorandum and entered into before the termination of the Memorandum will not be affected by such termination.

G. SETTLEMENT OF DISPUTES

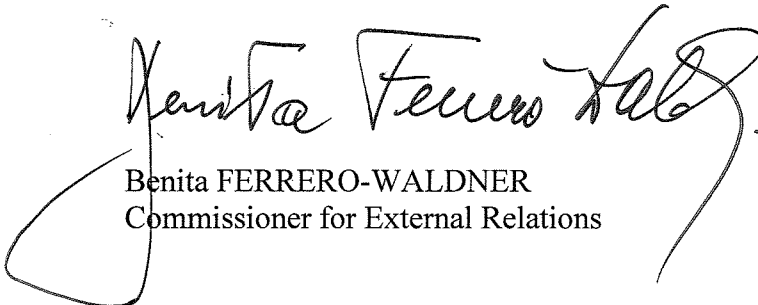
36. The Parties will endeavour to settle amicably any dispute or complaint relating to this Memorandum or any specific agreement deriving there from.
37. Nothing in this Memorandum may be interpreted as a waiver of any privileges or immunities accorded to either Party by its constitutive documents or international law.

At Santiago (Chile)

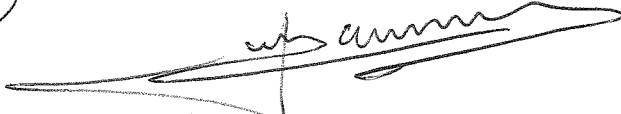
Date: 7 November 2006.

For the European Commission

For the United Nations Economic
Commission for Latin America and the Caribbean



Benita FERRERO-WALDNER
Commissioner for External Relations



José Luis MACHINEA
Executive Secretary