



## **GGI Commentary**

### **EU-CELAC partnership: make it real, make it political Overview of the second EU-CELAC Summit in Brussels**

Giulia Tercovich

#### **Abstract**

On 10-11 June 2015 in Brussels, the second EU-CELAC (Community of Latin American and Caribbean States) summit dedicated to “working for prosperous, cohesive and sustainable societies for our citizens” brought together 61 European, Latin American and Caribbean leaders to discuss the relations between the two regions. The Latin American and Caribbean region is a key partner for the EU. The EU’s foreign direct investment in Latin American and Caribbean States is more than the EU’s investment in Russia, India and China combined.

With more than €800 funds allocated, the upgrade of the European Union-Latin America and Caribbean Foundation (EU-LAC Foundation) to the status of an international organization, the discussions on the possible convergence of positions in multilateral fora, and with several agreements signed in the margins of the summit, the second EU-CELAC summit was more than a diplomatic get-together.

The GGI Commentary underlines the main issues and achievements of the second EU-CELAC summit and presents the future challenges of the EU-CELAC partnership, the other face of Transatlantic relations.

---

## **GGI Commentary June 2015**

## Introduction

On 10-11 June 2015 in Brussels, the second EU-CELAC (Community of Latin American and Caribbean States) summit dedicated to “working for prosperous, cohesive and sustainable societies for our citizens” brought together 61 European, Latin American and Caribbean leaders to discuss the relations between the two regions.

While the previous summit has mostly focused on socio-economic issues, the second EU-CELAC summit focused on assessing risks and opportunities that the two regions face and how bi-regional dialogue and cooperation can address the main challenges. Issues like migration, development, organized crime, extremism and regional conflicts have been discussed.

The EU was represented by the President of the European Commission, Jean-Claude Juncker and the President of the European Council, Donald Tusk. The EU’s High Representative and Vice-President of the European Commission Federica Mogherini and most EU Heads of State and Government were also present. On the CELAC side, Heads of State and Government of Latin American and Caribbean states attended the summit. The summit has been co-chaired by the Ecuadorian President, Rafael Correa, together with the President of the European Council, Donald Tusk.

With more than €800 funds allocated, the upgrade of the European Union-Latin America and Caribbean Foundation (EU-LAC Foundation) to the status of an international organization, the discussions on the possible convergence of positions in multilateral fora, and with several agreements signed in the margins of the summit, the second EU-CELAC summit was more than a diplomatic get-together. As the President of the European Council, Donald Tusk, stressed “the challenge of these meetings is always the day after”, but it is undoubtedly that the Brussels summit could be the first step of a new and reinvigorated partnership between the European Union and the Community of Latin American and Caribbean States.

### EU-CELAC relations: the other face of Transatlantic relations

The Latin American and Caribbean region is a key partner for the EU. The EU’s foreign direct investment in Latin American and Caribbean

States is more than the EU’s investment in Russia, India and China combined. Summits between the EU, Latin America and the Caribbean started to be held in 1999 and are held roughly every two years on a rotational basis: one in Europe, one in Latin America and the Caribbean.

Since 1999 and the first meeting in Rio de Janeiro, Brazil, the two regions have changed. The EU faced the enlargement, introduced the Euro as a single currency and adopted the Treaty of Lisbon. In the Latin American and Caribbean region most of the internal conflicts have been resolved and there has been a considerable growth in their economies.

The Community of Latin American and Caribbean States (CELAC) began to be the EU’s counterpart for the bi-regional partnership process in 2010. The first EU-CELAC was held in Santiago, Chile in 2013 and produced the EU-CELAC action Plan 2013-2015 that was mainly focused on trade collaboration and the promotion of investments of social and environmental quality<sup>1</sup>. The June 2015 summit was the second EU-CELAC summit and it took place in Brussels.

Re-launching the relationship with the Latin American and Caribbean region seems important for the EU. In 2015, HRVP Mogherini visited the LAC region three times. She attended the CELAC summit in Costa Rica in January, visited Cuba in March and attended the 7th summit of the Americas in Panama in April. As noted by Dita Charanzová, Czech Member of the European Parliament, today the EU has a stronger voice than it did at the last CELAC summit in 2013<sup>2</sup>. The EU is recovering from the economic crisis, while CELAC countries high growth rates have slow down, with Brazil facing recession, and Argentina and Venezuela experiencing increased inflation. The second EU-CELAC in Brussels represented the opportunity to renew the political dialogue and to project towards a strategic future outlook and a call to action that would make a genuine, strategic, robust and valued association a reality.

---

<sup>1</sup> EU-CELAC Action Plan 2013-2015, 27 January 2013, Santiago (Chile). Available online: [http://www.eeas.europa.eu/la/summits/docs/2013\\_santiago\\_summit\\_eu-celac\\_action\\_plan\\_en.pdf](http://www.eeas.europa.eu/la/summits/docs/2013_santiago_summit_eu-celac_action_plan_en.pdf)

<sup>2</sup> Charanzová, D., “Reaching greater summits”, EurActiv, 11 June 2015. Available here: <http://www.euractiv.com/sections/global-europe/reaching-greater-summits-315287>

## **EU-LAC Foundation: a new international organization is born**

The European Union-Latin America and Caribbean Foundation (EU-LAC Foundation<sup>3</sup>) was created in May 2010 by the 6th Summit of Heads of State and Government. The EU-LAC Foundation took up its activities in November 2011 in Hamburg, Germany, aiming at transforming the strategic partnership between the European Union, Latin America and the Caribbean, which was adopted in 1999, into a strengthened and visible reality in which the respective societies participate actively. Via its four programs (Explore, Venture, Connect and Communicate) the EU-LAC Foundation provides analyses of the bi-regional partnership, identifies new aspects of cooperation between the EU and Latin America and the Caribbean, and provides bi-annually funds with €24.300 researchers and consortia from both regions to propose research projects on topics relevant to the bi-regional partnership.

The EU-LAC Foundation has 62 members: the 33 states of Latin America and the Caribbean, the 28 members of the European Union, and the European Union institutions. The EU has been the main source of funding for the Foundation since the beginning. According the European External Action Service, ten countries, from both regions make financial contributions.

The second EU-CELAC summit upgrades the EU-LAC Foundation to the status of an international organization. The new international body will receive a further €3 million in EU funding over the next 2 years, to support the EU-CELAC partnership. Moreover, the new status is also expected to increase the ownership and support for the activities of the former Foundation.

## **Bi-regional cooperation: EU-CELAC action plan 2015**

The 2013-2015 Action Plan was updated and extended. The new 2015 Action Plan includes two new chapters on citizens' security and higher education were included.

### ***Trade and Development***

Latin America and the Caribbean remains the most unequal region in the world, with around 30% of its population living in poverty. On top of the €2.5 billion funds that the EU has already allocated to Latin America in the areas of education, information society, environment, support to SMEs; and the additional billion for the Caribbean countries to reduce the vulnerability to climate change, during the 2 days summit, the EU announced over €800 million in support to the region, including around €25 million for a new fibre-optic cable connecting Europe and Latin America, that is expected to bring the continents closer and boost education, research and innovation as well as business exchanges.

Despite the EU's increase of investment and business cooperation in the region, the mechanisms in place to monitor the impacts of European investments and, even more, to ensure that they contribute to poverty reduction, decent work and compliance with international obligations on human rights are still insufficient, as noted by the report published by the European Parliament from March 2012<sup>4</sup>.

The EU-CELAC summit gives also the possibility to Trade Commissioner Malmström to chair the Ministerial meeting with the five MERCOSUR countries: Argentina, Brazil, Paraguay, Uruguay and Venezuela. Although, discussions on the EU-MERCOSUR Free Trade Agreement have being ongoing since 2000, they remain stalled, due to the EU unwillingness to expose European farmers to competition and MERCOSUR countries' desire to shelter industry from high-quality imports. The Ministerial MERCOSUR meeting seems to give new impetus on the possibility to conclude a trade agreement by the end of 2015. The EU imports from MERCOSUR is declining and an FTA would help overcome the barriers between the EU and the five MERCOSUR countries.

### ***Democracy, Citizenship and Human Rights***

What was less discussed was the role the EU could and should play in ensuring that its relations with the LAC region are coherent with its objectives to promote human rights and to fight poverty.

---

<sup>3</sup> <http://eulacfoundation.org/en>

---

<sup>4</sup> Stevens, C., et al. "European Union: "Trade Agreement" With Colombia And Peru", European Parliament Study, March 2012

The commitment to democracy, human rights and the rule of law was the initial motivation and the cornerstone of the partnership between the EU and Latin America and the Caribbean since 1970s. Since the Río Summit in 1999 democracy and human rights lost relevance in the agenda, due to the normalization of electoral democracy in Latin America and the Caribbean, and the growing tendency of Latin America and the Caribbean to reject external guidance both from the Organization of American States (OAS), as well as a rejection of the EU's guidance, whose human rights track (REF) record and its democratic credentials were being called into question by CELAC countries<sup>5</sup>.

### **International and Regional Security**

For the first time, the EU and CELAC representatives have organized an exchange on international and strategic issues, such as migration, organized crime, extremism and regional conflicts. The Brussels summit also represented an opportunity for Chile and Colombia to sign agreements on their participation in EU crisis management operations.

The EU reiterated its support to the peace talks in Colombia and announced the creation of a EU trust fund to the implementation of peace agreement between the Colombian government and FARC rebels. Support to the process of modernization in Cuba was also confirmed.

Migration and the security of documents have been discussed. Visa waiver agreements have been signed with Colombia and Peru in the margin of the summit, and together with the ones recently signed with five Caribbean States, more than 80 per cent of citizens in the CELAC region will be able to enter the Schengen area without a visa.

### **Reinforced cooperation on the multilateral agenda**

EU and CELAC members represent together 1/3 of the UN membership and half of the G20 members; therefore a greater convergence of positions between the regions has been explored. The Brussels summit discussed possible convergences on three major global issues:

climate change, the post-2015 development agenda and the UN General Assembly Special Session 2016 (UNGASS) on Drugs. In order to assure an alignment of the positions, EU and CELAC Foreign Ministers will meet between summits to ensure a swift follow up of decisions made by leaders and to enable greater convergence of positions ahead of the respective multilateral meetings.

### **EU-CELAC: What's next?**

The European Union and the Community of Latin American and Caribbean States will hold their third summit in 2017. If the detailed 2015 Action Plan will drive initiatives in the next two years, the bi-lateral cooperation is likely to face several challenges.

First, the EU is not the only one interested in the Latin American and Caribbean region. In January 2015 the first China-CELAC Forum ministerial meeting was held in Beijing and consensus was reached on deepening political mutual trust, expanding cooperation and promoting development of the forum. China pledged \$250 billion (€222 billion) in investment over 10 years in the region. The EU risks to be marginalized in the CELAC region, which represents the fifth most important trading partner of the EU<sup>6</sup>.

Second, EU-CELAC countries still have different positions on current crises like Venezuela and Cuba. Although Venezuela was not placed on the official agenda, several leaders brought the topic into their meetings. Current President of CELAC and President of Ecuador, Rafael Correa in his closing remarks referred to the U.S. sanctions on Venezuela as 'absurd', while the EU avoided any explicit statement. On Cuba, whereas the EU welcomed the steps towards full normalisation of the relations between Cuba and the United States, the Latin American and Caribbean States call for the immediate end of the embargo, as well as the closure of the Guantanamo base.

Just few hours after the MERCOSUR Ministerial meeting, Bolivian President, Evo Morales, stated that if MERCOSUR insists on discussing a trade agreement with the European Union, Bolivia will have to withdraw its candidacy to MERCOSUR, because "we support solidarity and not

<sup>5</sup> Sanahuja, J.A. "The EU and CELAC: Reinvigorating a Strategic Partnership", Bi-regional relations/ Reflection Fora Series 2015, EU-LAC.

<sup>6</sup> Eurostat, News Release, 9 June 2015. Available here: <http://ec.europa.eu/eurostat/documents/2995521/6870839/6-09062015-BP-EN.pdf/ae4e41ed-f4c4-4cd1-829c-f498d8f19fef>

competitive trade” and “We prefer to expand our regional market by ourselves, rather than be accomplices of an inhuman policy which harms the majority of the people and only benefits a minority”.

Finally, the EU and CELAC partnership will succeed only with the creation of a sustainable socio-economic model that would guarantee the reduction (if not elimination) of poverty and the development of the two regions through dialogue and cooperation.

### **Key Documents**

Political declaration, EU-CELAC summit, 10-11 June 2015

Brussels declaration, EU-CELAC summit, 10-11 June 2015

Action plan, EU-CELAC summit 2015, 10-11 June 2015

### **About the authors**

**Giulia Tercovich**, GGI's Senior Analyst in the Peace and Security Section and Erasmus Mundus Fellow in the GEM PhD School in Globalization, the EU and Multilateralism, University of Warwick (UK) and Université Libre de Bruxelles (Belgium).