

REX/488 EU-CELAC strategic relations

# **OPINION**

European Economic and Social Committee

The new context for EU-CELAC strategic relations and the role of civil society (Own-initiative opinion)

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Plenary Assembly decision 30/03/2017

Legal basis Rule 29(2) of the Rules of Procedure

Own-initiative opinion

Section responsible REX

Adopted at plenary 21/09/2017

Plenary session No 528

Outcome of vote

(for/against/abstentions) 179/15/31

### 1. Conclusions and recommendations

- 1.1 For many centuries, the Latin American and Caribbean region now grouped together in the Community of Latin American and Caribbean States (CELAC) has shared Europe's principles and values, meaning that they have a common outlook on the world. Thus, forming a strengthened EU-CELAC bloc with a common strategy to tackle global challenges will give it a stronger voice on the international stage.
- 1.2 Europe and its Member States are the main investor and most significant partner for cooperation with LAC; political, economic, social, cultural and historical ties have been forged over the centuries, which are also reflected in the biennial Summit of Heads of State or Government, a parliamentary assembly, various types of agreement and, above all, an extensive social network.
- 1.3 New global challenges mean that we have to strengthen this bloc and above all develop a new strategy: one that goes beyond traditional conventions and grand declarations and asserts itself as a strong and decisive voice on the international scene. In the new geopolitical context, the Latin American region is cementing its status as a strategic priority of EU foreign policy.
- 1.4 The EESC is pleased to emphasise that the European Parliament's Foreign Affairs Committee is currently discussing a resolution on the same subject, which recognises that CELAC is a key partner for the EU and that the priorities of the EU's external action with CELAC should be to enhance political dialogue and cooperation in the field of migration, climate change, renewable energy, the fight against organised crime and the strengthening of political, cultural and socioeconomic relations.
- 1.4.1 The EESC hopes that the upcoming EU-CELAC Heads of State Summit on 26-27 October will be commensurate with the challenges currently facing humanity and the planet and will develop a strategy to strengthen the strategic, political, economic, social and cultural links between the two regions.
- 1.4.2 It encourages progress towards a comprehensive framework agreement between the European Union and CELAC, to include principles for action in terms of political dialogue, cooperation and sustainable development. This could form the basis for geopolitical action on a global scale and would strengthen the voice of our regions on the international stage.
- 1.4.3 The EESC calls on all political leaders in the EU and Latin America and the Caribbean to acknowledge and appreciate the value of civil society involvement. It is therefore important that
  - structured dialogue with organised civil society whose participation should be rooted in criteria governing the representativeness of organisations and balance between the various sectors represented is made a formal part of all negotiations; in the specific case of negotiations relating to free trade agreements, there should be guarantees that organised civil society can effectively participate at every stage of the negotiations, as well as during implementation and when results are being evaluated;
  - necessary and sufficient material resources are arranged from the outset for all participatory mechanisms set out in the agreements so that they can fulfil their tasks;

- transparency and formal and regular dialogue with the authorities is taken as the basis for trust in high-quality action by the stakeholders involved;
- both follow-up and monitoring of signed agreements are combined into a single –
  institutionalised and adequately funded structure, following the principle of "one
  agreement, one civil society body".
- 1.4.4 The EESC reaffirms that civil society's priority objectives include consolidating democracy, sustainable human development, justice and social cohesion; protecting natural resources and the environment; fully upholding human rights and labour standards; the future of decent work; and the fight against inequality.
- 1.4.5 It believes that part of its mission is to be actively involved throughout the entire process of building a world where people can, in all their diversity, live in peace through dialogue. A world where all countries and all peoples are able to find their own path towards development and to build on their culture to bring about a democratic, inclusive and prosperous society. The EESC wishes to lay claim to its part in this process.

## 2. A complex and evolving global context

- 2.1 Today's world is facing diverse challenges that are very difficult to solve: the acceleration of climate change; the proliferation of armed conflict, which then gives rise to thousands of refugees; the return of nationalism and a unilateral approach to conflict resolution; even the return of the nuclear threat.
- 2.2 Trade has developed across the world in such a way that while from a purely political point of view it could potentially lead to a better balance between the different parts of the world, it in fact maintains and in some cases has aggravated the gap between rich and poor, including within a single region or country.
- 2.3 Respect for human rights and international UN or ILO standards is under threat in many parts of the world, and the rights of women and children and ethnic, religious and cultural minorities continue to be violated; moreover, fundamental freedoms are still not fully upheld, which threatens people's security and quality of life.
- 2.4 The agreement on climate change reached in Paris enjoyed wide support even from countries such as the United States and China, traditionally reluctant to commit themselves in this regard. Today, the agreement is threatened by the new US administration, which has announced its intention to withdraw from the agreement; this puts the Clean Power Plan on hold, legislation that was launched in 2015 to reduce energy sector emissions and to increase the generation of renewable energy.
- 2.5 After a period in which the world was seemingly beginning to reach some kind of balance, the rampant financial crisis starting in 2007 brought home even in developed countries the social consequences of unregulated markets. Far from dying down, conflicts have worsened, and countries' and regions' differing interests have diverged even more.

- 2.6 In Europe, the re-emergence of stark differences affecting cooperation between the EU and Russia and between the EU and Turkey (a country that is still engaged in negotiations to join the Union) demonstrates that this delicate balance has been upset, or is at serious risk.
- 2.7 The election of the new US administration, and in particular its unclear and seemingly less friendly attitude towards the EU, will further complicate the international context. The suspension of the TTIP negotiations, the warning made to the United Nations that its actions will not always follow the UN's decision-making criteria, the non-ratification of the TPP, moves to change migration policies, and the challenging of established practices between allied countries are creating uncertainty and contributing to international instability.
- 2.8 Negotiated and realistic commitments are the only comprehensive solution to this and other threats and challenges. But these commitments must also be binding in order to constitute genuine solutions, which will inevitably be more complex and must be multilateral.

### 3. Europe: global player and strategic partnerships

- 3.1 In the EESC's view, for Europe to continue to play a leading role in the current complex international context, it needs partners and allies who are not only able to share in development and trade but who also have the same fundamental values and principles. This can and must constitute the European Union's added value.
- 3.2 Hitherto, Europe has had a Latin America and the Caribbean strategy that is based, inter alia, on the following elements:
  - promotion of social cohesion;
  - support for regional integration in Latin America;
  - promotion of "south-south" cooperation;
  - the signing of association, political dialogue and cooperation, trade or strategic partnership agreements (agreements with Mexico and Chile (2002), economic partnership agreement with the 15 Caribbean countries (2008), association agreement with Central America (2012), multilateral trade agreement with Peru and Colombia (2010) and Ecuador (2014), political dialogue and cooperation agreement with Cuba, strategic partnership with Brazil (2008))<sup>1</sup>.
- 3.3 The Summit of Heads of State or Government of Europe, Latin America and the Caribbean, and later CELAC and the Euro-Latin American Parliamentary Assembly (EuroLat), the parliamentary institution of the Bi-regional Strategic Partnership, are the political manifestations of this strategy.
- 3.4 At global level, Europe has made strong commitments to the UN Sustainable Development Goals (SDGs), the goals of the 2030 Agenda and the Paris Agreements. The EU has committed itself to
  - protecting social, labour and cultural rights;

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Negotiations with Mercosur with a view to concluding an association agreement resumed in 2016.

- promoting economically sound, sustainable and fairer development;
- preserving the planet and fighting against the adverse effects of climate change;
- respecting and fully upholding human rights;
- helping to preserve peace, maintain multilateralism and resolve existing conflicts by means of negotiation.
- 3.5 In this respect, a robust EU-CELAC bloc would have more weight on the international stage and would play a key role in preserving these values, which both the EU and CELAC, as a whole, share thus it seems that the moment has come to ask whether this strategy, which has certainly brought achievements and valuable results, is enough to tackle the global challenges faced by both regions.
- 3.6 The EESC believes that it is essential to have a serious interregional debate: one that openly points out not only the successes that have been achieved but also the continuing weaknesses or limitations; draws lessons from past measures; responds to the challenges of the present and upholds shared values and principles; and thereby forges a relationship based on renewed and broader cooperation and legitimacy for the future.

### 4. A new impetus for EU-CELAC relations

- 4.1 The international situation provides a new opportunity to forge stronger and more effective LAC-Europe links, which it would be worth enshrining in the future EU-Mercosur agreement<sup>2</sup>. This agreement represents a major challenge for the EU in that if adopted the entire Latin American region, with the exception of Bolivia and Venezuela, would enter into a close political and economic relationship with the EU. The renegotiation of the agreement with Mexico is also of the utmost importance for that country, while Europe has the possibility of increasing its presence due to the forecast decrease in Mexico-US trade.
- 4.2 The EU's relationship with Latin America and the Caribbean must demonstrate its usefulness for everyone for both European countries and Latin American and Caribbean countries and, above all, for these countries' citizens.
- 4.3 Productive investment in both regions is a key element in the interaction between the political, social, environmental and economic aspects of development. The EU and its Member States continue to be the main investor in the region. The Latin American and Caribbean countries are the EU's second largest trading partner and, taken together, CELAC and the European Union make up one third of UN Member States and around 25% of global GDP.
- 4.4 A deeper partnership between Latin America and the European Union would enable economic growth to be accelerated as well as progress in terms of structural change towards sectors

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Mercosur has a population of 250 million, making it the fifth largest world economy, with a GDP that amounts to USD 2 trillion. More than 5% of the EU's FDI is in Mercosur. The EU is the main investor in the region. In 2016, exports from the EU to Mercosur amounted to EUR 41.633 billion and EU imports from Mercosur were worth EUR 40.33 billion in the same period. It is the EU's tenth-largest export market.

making intensive use of knowledge; it would also enable poverty to be reduced, social inclusion fostered and the environment protected.

All of this can be achieved by

- deepening association agreements to open up space for investment, particularly in new activities making intensive use of knowledge and in high-quality jobs;
- stimulating small and medium-sized business start-ups by creating jobs in networks;
- investing in areas that facilitate sustainable growth, decent work, social inclusion and environmental sustainability;
- boosting innovation in, democratising and contributing to the widespread use of new technologies, in particular information and communication technologies (ICT);
- constructing inclusive and environment-friendly infrastructure that facilitates access to basic services under a new framework for urban development and that promotes territorial cohesion;
- promoting investments in technologies that mitigate global warming;
- increasing the use of environment-friendly energy, using non-conventional renewable sources to diversify energy consumption, and capitalising on the experience of European companies in this area to make progress towards a green economy;
- promoting and empowering business organisations and trade unions as key participants in social dialogue, so as to enhance the development of the local productive fabric as smoothly as possible, including reducing the informal economy.
- 4.5 This would benefit economic and social well-being in both regions, which would certainly have an effect on job creation, e.g. via
  - new business opportunities for enterprises in non-traditional areas, such as new technologies, the green economy and social networks;
  - the expansion of traditional markets in the telecommunications, automobile, pharmaceuticals, electricity and banking sectors, among others;
  - new markets being opened up for SMEs;
  - the supply of natural resources and food, while also helping to maintain biodiversity and environmental sustainability;
  - the promotion of the social and solidarity-based economy as a way to improve the socioeconomic fabric, bring the black economy into the open or reduce migration.
- 4.6 There are challenges for the EU and CELAC, but they also have opportunities for positive development with regard to issues that are key for both regions and that would be significantly enhanced by means of joint action, such as
  - high quality education and training for all;
  - decent employment for women and young people;
  - mobility and recognition of rights, especially by making good use of the proven strengths of the Erasmus programme for student exchanges.
- 4.7 The EESC believes that the goal of interactions between public measures and the private sector should be to promote economic development, improve business collaboration, and realise financial investments for growth; underlines the need to combat the informal economy, underdevelopment and SMEs' poor competitiveness; and calls for bi-regional mobility to be

facilitated and improved, ensuring mutual consistency of labour rights and encouraging the coordination of social security systems.

4.8 For the EESC, it is essential to overcome piecemeal views of relations between the two regions and to treat the economy, human rights and sustainable development as an indivisible whole. Cooperation and mutual support are vital if we wish to make progress on an action plan and a joint agenda to enable us to tackle the most important challenges of our world, such as poverty, climate change and armed conflicts.

## 5. Civil society participation: limitations and outlook

- 5.1 The value, role and active participation of both regions' organised civil society, and the fact that they exchange experiences, share projects, and actively participate in measures that are decided, must be acknowledged, recognised and taken on board as key elements in a new form of strategic relationship.
- 5.2 At the same time, the EESC is of the view that civil society in the two regions has an opportunity and a major challenge, as bi-regional relations need a renewed dimension one that does not undermine or neglect past achievements but moves forward with a keener political and strategic sense.

#### 5.3 Limitations

- 5.3.1 While the role of civil society has been increasingly recognised in recent years as being an essential element in strengthening a bi-regional strategy, in reality civil society continues to suffer from limitations that prevent it from participating more effectively and efficiently, in particular because
  - the participation of organised civil society is not on a sufficiently institutional footing;
  - there is a lack of economic resources to enable regular participation in activities and measures;
  - there are difficulties in terms of formal and open dialogue with the authorities;
  - there is a lack of transparency when (especially trade-related) agreements are being negotiated, which severely constrains the possibility of analysing these agreements and submitting society's proposals and demands to the appropriate authorities;
  - the proliferation of monitoring structures in the agreements that are signed makes monitoring them complex and difficult.

#### 5.4 Outlook

- 5.4.1 Overcoming these limitations requires an action plan and agenda that
  - reinforces the bi-regional partnership in a realistic, balanced and ambitious way, making all its stakeholders more confident and the process more transparent;
  - confers social legitimacy on participants, incorporating and developing issues that are of real importance to citizens of both regions;

- includes measures enabling EU-CELAC to act on the international stage, ensuring that the shared values and principles that distinguish them are upheld;
- recognises that asymmetries are a challenge to be overcome by putting forward transitional arrangements to overcome or remedy them.
- 5.5 The EESC emphasises that for negotiations of any kind between the EU and Latin America and the Caribbean to be successful, it is essential to formalise a structured form of dialogue with organised civil society so as to ensure that it can effectively participate at every stage of the negotiations, during implementation and when results are being evaluated. In this context, the EESC warmly welcomes the launch of the EU-Chile Joint Consultative Committee, which the EESC, alongside Chilean civil society organisations, helped to set up.
- 5.6 The EESC maintains that the priority objectives of relations between European and Latin American civil society are to strengthen democracy, sustainable human development, and justice and social cohesion; protect natural resources and the environment; fully uphold human rights; and ensure decent work is upheld.
- 5.7 European, Latin American and Caribbean organised civil society's lack of structured and broad access to information has been repeatedly highlighted as being a key problem in the monitoring of EU relations with Latin America and the Caribbean and one of the biggest obstacles preventing civil society from drawing up proposals in good time. The EESC reaffirms that access to information must be one of the priority areas with regard to relations between the two regions, meaning that it is essential to put in place clear rules and procedures governing access to and dissemination of this information.
- 5.8 If the parties to the agreements truly value the involvement of civil society, then the necessary and sufficient material resources must be arranged from the outset for all participatory mechanisms set out in the agreements so that they can fulfil their tasks.
- 5.9 The EESC welcomes the fact that the EU-LAC Foundation has become an international organisation, which can be an important element in reinvigorating the bi-regional partnership, and reiterates its proposal to EU and CELAC heads of state, made in its Santiago Declaration in 2012, that the Foundation's work programme should include a strong component of genuine and effective cooperation with institutions representing both continents' civil society organisations.
- 5.10 So as to ensure that the policies and measures that are decided are robust and relevant, and that the civil societies involved take ownership of them, the EESC urges that these policies and measures improve the consistency and positive impact of the relationship between the two regions.

## 6. **Proposals from civil society**

6.1 The Summit of Heads of State or Government of the European Union and the Community of Latin American and Caribbean States (EU-CELAC) will take place in El Salvador on 26 and 27 October 2017. Against a backdrop of cooling relations between the United States and Latin

America, the EESC believes that this summit should focus on strengthening strategic, political, economic, social and cultural links between the EU and Latin America and the Caribbean.

- 6.2 The EESC urges policy-makers from both regions to take increasingly effective action and play an increasingly effective role to encourage protection of the planet, combat climate change, preserve biodiversity and sustainable development, promote human well-being, contribute to eradicating poverty, ensure social and territorial cohesion, promote high-quality education and health for all, gender equality and local cultures, defend peace, value the role of global institutions, and sustain multilateralism.
- 6.3 The EESC believes part of its mission to be to actively participate throughout the entire process of building a world where people can, in all their diversity, live in peace through dialogue. A world where all countries and all peoples are able to find their own path towards development and to build on their culture to bring about a democratic, inclusive and prosperous society. The EESC wishes to lay claim to its part in this process.
- 6.4 The EESC calls on all political leaders in the EU and Latin America and the Caribbean to acknowledge and value the participation of civil society so as to involve the largest possible number of their citizens in the decision-making process. Without wishing to exclude anyone, the EESC believes that more structured and effective participation is enabled by institutional and institutionalised participation.
- 6.5 Promoting decent work should become a priority for the European Union's policy relating to cooperation with Latin America and the Caribbean; in this context, specific commitments should be made to respect and comply with the fundamental ILO conventions and all EU-LAC policies and negotiations should include mechanisms to check compliance, with social and trade union participation.
- 6.6 In the current geopolitical context, the EESC believes that association agreements, trade agreements, political dialogue agreements and strategic partnerships continue to be important tools, but they are no longer the only possible ones. At present, it is crucial that those who share cultural, historical and political values and visions are aware of the need to form a strategic bloc that is able to exert influence on the international stage. Agreements must be the result of this awareness, not a way of attaining it.
- 6.7 The EESC calls for progress to be made towards a comprehensive framework agreement between the European Union and CELAC that includes principles for action in the areas of political dialogue, cooperation and sustainable and economic development. This could lay the groundwork for geopolitical action on a global scale by defining how to act if the principles and values that we share come under threat.
- 6.8 The EESC believes that it is absolutely essential to recognise that the involvement of organised civil society contributes to creating a global awareness that enables, promotes and privileges global solutions for peace, sustainable development, fair trade and the well-being of all peoples and regions.

# Brussels, 21 September 2017

Georges DASSIS

The president of the European Economic and Social Committee