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JOINT COMMUNICATION TO THE EUROPEAN PARLIAMENT AND THE COUNCIL

A New Agenda for Relations between the EU and Latin America and the Caribbean

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Introduction

The European Union (EU) and Latin America and the Caribbean (LAC) are **natural partners**. United by unique historical and cultural links, deep economic and social ties and a joint commitment to peace and multilateralism, the EU and LAC have created a strong relationship underpinned by a large network of agreements. Characterised by cooperation and dialogue, this enduring partnership is built on shared values and mutual interests.

In a **fast-changing global context**, the EU-LAC relationship warrants a renewal. Increasing geopolitical challenges, a devastating pandemic, the global climate and environmental crises, technological changes and rising inequalities all underscore the case for intensifying dialogue and enhancing cooperation among close, trusted partners.

As partners of choice, the EU and LAC should work together to harness their collective strength, defend common interests and jointly address global challenges. This Joint Communication sets out the EU's proposal to develop together an ambitious and forward-looking agenda for a new era of cooperation between equal and like-minded partners.

This Joint Communication makes the case for a renewed **strategic partnership** and proposes a set of priorities and concrete actions in key areas.

First, the EU and LAC are **key allies to strengthen the rules-based international system and step-up joint action to promote peace, security, democracy, the rule of law and human rights**. Representing together one third of the membership of the United Nations (UN), the EU and LAC play an important role in upholding international law and defending the principles of the UN Charter, including by standing up to the Russian aggression against Ukraine. The EU and LAC also share the objective to make the multilateral system more effective and representative.

Second, the EU and LAC are close **trade and investment partners with a shared interest in promoting sustainable growth and enhancing economic resilience**, while reducing excessive dependencies and diversifying trade relations. The two regions are connected by one of the densest networks of trade agreements, which should be completed, while its further potential is unleashed. The EU is the top investor in the LAC region, the third largest trading partner¹ and the leading contributor of development cooperation.

Third, both regions aspire to **build inclusive and sustainable societies**, based on a joint commitment to the 2030 Agenda and its Sustainable Development Goals (SDGs).² The LAC region is vital to the ecological balance of the planet, in addition to being a major food producer and a renewable energy powerhouse. The EU and LAC should together **lead a fair green and digital transition**, including by rolling out the **Global Gateway investment strategy**.

¹ Eurostat. Total EU Foreign Direct Investment stock in LAC stood at EUR 693 billion at the end of 2021.

² As well as the Paris Agreement, the Kunming-Montreal Global Biodiversity Framework and the High Seas Treaty on Marine Biodiversity Beyond National Jurisdiction.

1. A renewed political partnership

A strong EU-LAC partnership requires **renewed political engagement** at all levels: between the two regions, with individual LAC countries, with sub-regions and in multilateral fora. **Open and regular high-level political dialogue** is key to provide focus and impetus to the relationship, to understand each other's interests, agree on priorities and joint actions and to address challenges and differences in our relationship as they arise.

EU-LAC relations are based on a **multi-layered and flexible approach**, taking into account the diversity and changing dynamics of the region. The EU will continue to support regional integration while also deepening engagement on shared goals with interested countries. At biregional level, the Summit between the EU and the Community of Latin American and Caribbean States (CELAC) in July 2023, the first since 2015, offers a unique opportunity to reinvigorate the partnership.

To drive forward this positive agenda, both sides should commit to regular meetings at the level of Heads of State and Government, Foreign Ministers' meetings in alternate years and other ministerial and senior officials' meetings as appropriate. A permanent coordination mechanism between the EU and CELAC should be set up to ensure continuity and follow-up, matching the evolution of CELAC to set up its own structures. Its goal would be to build common ground on the full range of issues of the agenda, respond to emerging developments and promote specific sectoral dialogues and joint initiatives as necessary.

A regular bi-regional dialogue with CELAC will complement **enhanced engagement with individual LAC countries as well as with (sub-)regional groups** such as Mercosur, the Central American Integration System (SICA), the Andean Community, the Pacific Alliance or the Alliance for Development in Democracy.

A distinct sub-region with its own specificities, the **Caribbean merits increased political attention and structured dialogue**. In this regard, cooperation between the EU and the Organisation of African, Caribbean and Pacific States (OACPS) should be reinforced. The EU should also continue to engage with international organisations, such as the UN, including its Economic Commission for Latin America and the Caribbean, the Organisation of American States as well as the Ibero-American General Secretariat.

More effective use can also be made of the EU's bilateral or regional frameworks, which encompass almost all LAC countries. Together with its partners, the EU will continue to upgrade existing political, trade and cooperation agreements, as relevant. The conclusion of the EU-Mercosur agreement would mark a step change in strengthening EU-LAC relations. Bilateral engagement with individual countries, tailored to specific interests and needs, will remain at the core of the EU-LAC relationship. EU presence in LAC through four outermost regions³ as well as the Overseas Countries and Territories⁴ is an asset to this partnership.

At **multilateral level**, the well-established cooperation between the EU and the UN Group of Latin America and Caribbean Countries (GRULAC) could be reinforced, including through more regular issue-based dialogue and timely and continuous engagement of EU and LAC diplomatic networks in capitals and multilateral hubs.

³ French Guiana, Guadeloupe, Martinique, Saint Martin.

⁴ Aruba, Bonaire, Curaçao, Saba, Sint Eustatius, Sint Maarten, Saint Barthélemy.

Areas for cooperation include the implementation of the 2030 Agenda and of global commitments on climate change and the environment, global health and the Global Digital Compact, and support to the UN Secretary General's 'Our Common Agenda'. Both regions also have an interest in ensuring that the multilateral architecture is more representative and fit to tackle the challenges of the 21st century.

EU and LAC should strengthen their collaboration at the International Monetary Fund (IMF), the G20, multilateral development banks (MDBs) such as the World Bank Group and the Inter-American Development Bank (IDB), and in regional development banks.

The EU and LAC share a strong interest in working together to enable the global financial system to better respond to the needs of the countries most vulnerable to climate change, notably through MDBs reform. This includes joining efforts to ensure a successful Summit for a New Global Financing Pact and following up on its outcomes, taking into account proposals such as the Bridgetown Initiative.

The EU and LAC should continue to cooperate on tax good governance. The two regions have a shared interest in implementing the international standards on transparency and exchange of information, fair taxation, and the minimum standards against Base Erosion and Profit Shifting. The EU will continue to support the accession of LAC candidate countries to the Organisation for Economic Co-operation and Development (OECD)⁵ or encourage their membership in relevant international/multilateral fora.

Proposed Key Actions:

- Enhance EU-CELAC dialogue: organise regular Summits alternating with meetings of Foreign Ministers, and establish an EU-CELAC permanent coordination mechanism;
- Strengthen EU-Caribbean political engagement, including with the Caribbean Community (CARICOM). An EU-Caribbean Leaders' Meeting, to be organised in the margins of the 17-18 July 2023 EU-CELAC Summit, will be an important signal, complemented by organising regular meetings at Foreign Ministers' level;
- Sign the EU-Organisation of African, Caribbean and Pacific States (OACPS) Agreement and work towards the ratification of the EU-Central America Association Agreement;
- Relaunch bilateral summits with strategic partners Brazil and Mexico;
- Where appropriate, modernise the existing network of Political and Cooperation Agreements and establish bilateral political dialogue mechanisms with LAC countries that do not currently have them;
- Strengthen cooperation between LAC and the EU outermost regions, as well as the Overseas Countries and Territories situated in the LAC region in areas of common interest;
- Work closely with LAC countries in the run-up to the SDG Summit and the Summit of the Future in 2024, with a view to putting the 2030 Agenda back on track and achieving a transformative and forward-looking 'Pact for the Future';

⁵ Argentina, Brazil and Peru.

- Establish regular consultations between EU and GRULAC, and reinforce coordination including through joint proposals in key multilateral institutions and bodies, exploring opportunities for ambitious exchanges and partnerships on specific topics;
- Enhance cooperation for a new Global Financial Pact;
- Identify opportunities for support of well-qualified candidates for multilateral leadership positions from each other's regions.

2. Strengthening a common EU-LAC trade agenda

EU-LAC trade and investment ties are based on a **network of bilateral and regional trade agreements** that has increased two-way trade by 40% since 2018⁶. These agreements are a key driver for growth as they provide preferential access and offer a stable framework for sustainable trade.

Trade agreements facilitate exports from small and medium-sized enterprises (SMEs), promote transparency in public procurement, strengthen intellectual property protection, and support investment and innovation. Through trade agreements and related investments, both regions diversify trade and build sustainable supply chains, including those for clean energy and critical raw materials. These agreements are catalysts for sustainable and inclusive development, giving a voice to civil society on both sides, and providing a platform to advance the respect for human and labour rights, the protection of the environment and regional integration.

Concluding the **EU-Mercosur** agreement is a priority for the EU, as this would bring the two regions together in a win-win partnership that creates opportunities for further growth, supports jobs and boosts sustainable development.

The EU and **Chile** have negotiated a modernisation of their current agreement that improves access to each other's markets, contains ambitious commitments on trade and sustainable development (including on gender and sustainable food systems) and facilitates the transition to renewable energy and sustainable use of raw materials.

The EU and **Mexico** are engaged in the modernisation of their existing agreement with a view to deepen and broaden their political and economic ties. In addition to tearing down most of the remaining barriers to trade, the modernisation will, among other elements, strengthen EU and Mexico's commitments to high trade and sustainable development standards and improve investment conditions.

Once the agreements with **Central America** and **Colombia, Peru and Ecuador** have been ratified by all EU Member States, the strengthening of their sustainability provisions should be considered. The two agreements have contributed towards the stability, diversification and predictability of the trade and investment environment between both regions⁷. They have also set up well functioning dialogue structures to discuss and work on labour and environment. Ratification of the new EU-OACPS agreement is also important for the EU-CARIFORUM Economic Partnership Agreement (EPA) as its political framework.

 ⁶ ESTAT Comext: Total trade in 2018: EUR 209.44 billion; in 2022: EUR 293.09 billion. Growth 39.9%.
⁷ See DG TRADE website, ex-post evaluation of the trade agreements: https://policy.trade.ec.europa.eu/analysis-and-assessment/ex-post-evaluations_en

Sustained implementation efforts are also necessary to realise the full potential of the trade agreements for both regions. This requires the involvement of all relevant actors, including businesses of all sizes and civil society. Dialogue on green transition policies in the framework of the agreements should enhance the contribution of trade to sustainability goals. The ongoing joint five-year review with CARIFORUM will identify operational conclusions and recommendations for better implementation of the agreement, contribute to a full operationalisation of all key provisions and help unlock the full economic potential of the agreement.

The EU will continue to work with LAC partners to help **create the conditions for sustainable investment**, including through Global Gateway and the support of open, stable, and predictable legal frameworks, the removal of discriminatory barriers, and the implementation of investment facilitation.

Trade agreements contribute to a commercially-based, transparent and stable legal framework for trade and investment in raw materials between the EU and LAC countries. Building on the partnerships being developed with individual LAC countries, the EU will work with interested LAC partners on establishing a global Critical Raw Materials Club to strengthen sustainable supply chains and diversify sourcing, bringing consuming and resource-rich countries together to jointly address the shared challenges⁸.

The EU and LAC share an interest in a **strong, rules-based trading order and in a reformed World Trade Organisation (WTO)** with a dispute settlement mechanism applicable to all members, whether large or small. Both regions have an important role to play in the negotiation of plurilateral initiatives, such as e-commerce. The EU will promote and support the application in LAC of the WTO Investment Facilitation Agreement which, once concluded, will further increase investments in LAC.

The attention to the **sustainability agenda** between the EU and LAC should also jointly address the impact of EU legislation, in particular related to the European Green Deal (deforestation policy, the Carbon Border Adjustment Mechanism and other instruments promoting the green transition) and those aiming to ensure human, animal and plant health. The discussion should also include support to facilitate trade in products subject to these pieces of legislation.

Proposed Key Actions:

- Finalise procedures for the signature of the EU-Chile Advanced Framework Agreement and interim Free Trade Agreement and proceed with their ratification;
- Make decisive progress towards the signature and ratification of the EU-Mexico and EU-Mercosur agreements;
- Complete EU Member States' ratification of the agreements with Central America and Colombia, Peru and Ecuador and jointly consider targeted updates;
- Ensure effective implementation of all the trade agreements between the EU and Latin American and Caribbean partners including through technical assistance and business involvement;

⁸ COM(2023)165, 16.3.2023: 'A secure and sustainable supply of critical raw materials in support of the twin transition'.

- Complete the EU-CARIFORUM Economic Partnership Agreement review process in order to identify operational tools, conclusions and recommendations for its better functioning;
- Step up dialogue on EU and LAC respective green transition policies and jointly address the impact of EU legislation, including providing support to facilitate trade;
- Strengthen the EU-LAC collaboration in the WTO, in particular on the reform of the organisation and on negotiations of plurilateral agreements;
- Work with interested LAC countries on the future Critical Raw Materials Club.

3. Global Gateway and supporting partnerships for a fair green and digital transition

EU-LAC cooperation requires **innovative approaches based on equal partnerships at all levels**. The LAC region is made up mostly of middle-income countries and is rich in natural resources; however, large inequalities and structural challenges remain⁹, further exacerbated by overlapping crises. As a leading donor and investor in the region, the EU can draw on a wide array of policy tools, instruments¹⁰ and the Team Europe approach, which associates Member States and EU financial institutions, to address both challenges and opportunities, and work with LAC towards a fair and inclusive green and digital transitions and sustainable development, in line with the SDGs.

Through Global Gateway¹¹, the EU can leverage **quality investments to help address LAC's infrastructure needs**, support the development of human capital, including empowerment of people, especially women, youth and the most vulnerable, and strengthen the enabling business and regulatory environment, with the aim of creating local added value, growth and quality jobs. Global Gateway is a **positive and values-based investment offer**, respecting high international standards. It proposes a choice for a shared economic, social, and regulatory path based on a human-centric approach and the principles of sustainability, openness, inclusiveness, accountability and respect for fundamental rights.

Global Gateway will boost and leverage private sector investments with concrete projects. LAC has a strong baseline for Global Gateway cooperation: there are already substantial EU investments, and both regions have policy agendas based on shared values. The Global Gateway investment agenda will therefore identify **fair green and digital investment opportunities** in LAC, which will benefit from the open and non-discriminatory environment generated by trade and investment agreements.

a. Cooperating for a fair green transition

The climate emergency represents an existential challenge for humanity. The EU and LAC can make a major contribution to global cooperative efforts to meet this challenge.

⁹ In 2022, 32.1% of the population in LAC (201 million people) lived in poverty and 13.1% (82 million) in extreme poverty (an increase of 12 million in extreme poverty compared to the pre-pandemic situation in 2019). ¹⁰ The Neighbourhood, Development and International Cooperation Instrument–Global Europe (NDICI–Global Europe) offers a framework to engage with all LAC countries at regional and sub-regional levels to support the green transition through flagship cooperation programmes such as EUROCLIMA+, the Amazon Basin programme or the EU Caribbean Resilience-Building Facility.

¹¹ JOIN(2021) 30 final, 1.12.2021: 'The Global Gateway'.

The LAC region has **unique potential** in terms of biodiversity, natural resources, sustainable renewable energies, agricultural production and strategic critical raw materials. It contains 50% of the planet's biodiversity that is vital for its ecological balance, notably in the Amazon.¹² The region is key to achieving global climate and environmental objectives, including the implementation of the Paris Agreement, the Kunming-Montreal Global Biodiversity Framework, the High Seas Treaty on Marine Biodiversity Beyond National Jurisdiction (BBNJ) and the resolution for a Global Agreement on Plastic Pollution.

There is significant potential for cooperation towards **climate neutral, clean and nature-positive economies**. Both regions are committed to protecting biodiversity, halting deforestation, promoting more circular economies, improving waste and water management, increasing resource productivity, tackling pollution¹³ and investing in climate resilience.

To meet these objectives, the EU and LAC should strengthen their partnership on the **green transition**, including through Global Gateway investments, increased dialogue and cooperation on policies and regulatory frameworks, and through the implementation of trade agreements and promoting relations with regional organisations¹⁴. The EU will engage with LAC partners on the impact of its legislation and instruments implementing the European Green Deal.

In the **energy** sector, LAC's overall electricity generation mix has the largest share of renewables in the world, amounting to 61% in 2021¹⁵. Several avenues of joint work can be pursued to reduce reliance on fossil fuels, by ramping up deployment of renewable energy sources¹⁶ and improving energy efficiency (involving energy savings). Moreover, Global Gateway investments contribute to ensuring secure supply of affordable and clean energy. There is potential for joint investments in e-mobility, increasing safe and sustainable air connectivity, and upgrading public transport systems and infrastructure, making them cleaner, more energy efficient and innovative.

In addition, the EU and the LAC region are further strengthening their energy cooperation and collaboration in energy matters, both on bilateral basis, as in multilateral fora¹⁷, including through Memoranda of Understanding on green transition including hydrogen¹⁸.

Several LAC countries being highly vulnerable to climate change, the EU will continue to support effective national climate change adaptation strategies and support at bi-regional level communities against damages caused by natural hazards, building on existing initiatives¹⁹. The EU remains committed to continue supporting **disaster preparedness** programmes, as well as to step up the overall cooperation in the area of disaster risk management, and exchange best practices.

¹² UNEP (2016) Biodiversity in Latin America and the Caribbean.

¹³ For example, Brazil is reactivating the Amazon Fund to support sustainable development, forest protection and human rights.

¹⁴ Such as the Amazon Treaty Cooperation Organisation.

¹⁵ OECD/ECLAC/European Commission/CAF (2022) Latin American Economic Outlook 2022: Towards a green and just transition.

¹⁶ Including water, wind and solar, also offering opportunities to produce renewable hydrogen as energy carrier.

¹⁷ Such as the OLADE (Latin-American Energy Organisation).

¹⁸ Promoting the development of rules-based, transparent, and undistorted global hydrogen markets based on reliable international standards and certification schemes, including through the European Hydrogen Bank.

¹⁹ Such as the Caribbean Disaster Risk Reduction Programme and the EU LAC Dialogue on Wildfire Management.

Closer cooperation with LAC on the effective implementation of the **UN Convention of the Law of the Sea** and its implementing agreements would create conditions for sustainable ocean management, including the designation of a representative system of marine protected areas in Antarctica, the implementation of the BBNJ and safety of navigation. Enhanced cooperation is also needed in the fight against illegal, unreported and unregulated fishing, as well as in regional and multilateral organisations related to oceans, including on fisheries, and for the development of scientific knowledge and advice.

The LAC region is developing a framework for **sustainable finance taxonomy**, which is key to supporting efforts for regional and global interoperability and attracting international investors, as is developing credible green bond frameworks.

Support for **decarbonisation** policies worldwide, particularly among major emitters, is a priority to achieve global climate neutrality by 2050. The EU has long been supporting carbon-pricing policies. Based on the emissions profile of LAC, there is a clear interest to jointly focus on mitigation actions in agriculture, transport, forestry and energy.

As the transition towards a green economy picks up pace, the demand for **critical raw materials** (CRMs) is projected to rise exponentially. Long-term access to a secure and sustainable supply is emerging as a shared challenge for the global community. LAC is rich in CRMs and will play a pivotal role in securing a timely transition that improves its productive and export capacity, adding value to natural resources through innovation and technology²⁰ and high environmental, social and governance standards.

Both regions would benefit from closer cooperation, dialogue, diversification and investment in order to meet growing demand, ensure reliable access to resources, develop and improve the resilience of value chains and ensure high environmental and social standards. In line with the 2023 CRM Communication²¹, the EU will pursue mutually beneficial strategic partnerships with a view to promoting LAC countries' economic development in a sustainable manner and support value chain creation.

The EU and LAC should cooperate bilaterally and multilaterally in view of full and swift implementation of the Paris Agreement, the Kunming-Montreal Global Biodiversity Framework, and the BBNJ Treaty.

Proposed Key Actions, including under Global Gateway:

- Jointly drive forward, as part of the Global Gateway investment agenda, the implementation of green investment projects²² and reinforce cooperation under regional Team Europe Initiatives²³;
- Step up the fight against forest and biodiversity loss and forest degradation, in particular in the Amazon and the Five Great Forests of Mesoamerica, through dedicated Team Europe Initiatives;

 $^{^{20}}$ For instance, Argentina, Bolivia and Chile alone hold 60% of identified lithium reserves

²¹ COM(2023)165, 16.3.2023: 'A secure and sustainable supply of critical raw materials in support of the twin transition'.

²² Such as on the production of renewable hydrogen in Chile, Argentina, Uruguay and on sustainable urban mobility in the Dominican Republic.

²³ Such as the Team Europe Initiative on Green Transition.

- Conclude Memoranda of Understanding on energy and explore mutually beneficial partnerships as envisaged under the EU's new Critical Raw Materials strategy;
- Reinforce dialogue through regular bi-regional ministerial meetings and dialogues on environment and climate change; explore the establishment of a dialogue on energy transition and step up bilateral dialogues on climate, environment and energy;
- Strengthen cooperation towards ambitious outcomes at future Conferences of Parties, in particular of the United Nations Framework Convention on Climate Change and the Convention on Biological Diversity;
- Promote the development of interoperable sustainable finance frameworks, including taxonomies, and the development of green bond markets to attract investors and support the transition to a low carbon economy;
- Advance cooperation on circular economy²⁴ in the relevant fora, including G20 and UN Environment Agency;
- Promote exchanges and actions in favour of green energy transition, including renewable hydrogen;
- Conclude Memoranda of Understanding on cooperation on disaster preparedness and disaster risk management between EU and competent bodies in LAC²⁵;
- Strengthen actions in relation to digital transition and cooperation on early warning and monitoring systems for forest degradation/deforestation and wildfires²⁶.

b. Joining forces for an inclusive and human-centric digital transformation

The EU and LAC have a joint interest in pursuing digital policies that **empower people and businesses** to seize a human-centric, sustainable, and more prosperous digital future. In line with the goal of the EU's Digital Compass²⁷ to establish international digital partnerships, the **EU-LAC Digital Alliance** was launched in March 2023 as an informal framework based on shared values and principles²⁸ to develop bi-regional dialogue and cooperation across the full spectrum of digital issues. The Alliance builds on a set of flagship projects implemented in a Team Europe approach²⁹ and complements the digital policy dialogues with individual countries.

Digital transformation and connectivity are major challenges for the region. Through Global Gateway, the Alliance will promote investment in the rollout of secure and resilient digital infrastructure, and support partners in addressing digital divides, including through the

²⁴ Such as the LAC Circular Economy Coalition, the Global Alliance on Circular Economy and Resource Efficiency.

²⁵ Including Coordination Centre for Disaster Prevention in Central America (CEPREDENAC), Caribbean Disaster Emergency Management Agency (CDEMA), Andean Committee for Disaster Prevention and Care (CAPRADE) and Meeting of Ministers and High Authorities for Integral Management of Disaster Risk (RMAGIR).

²⁶ As in the Team Europe Initiative on the Amazon Basin.

²⁷ COM(2021)118 final, 9.3.2021: '2030 Digital Compass: the European way for the Digital Decade'.

²⁸ As reflected in the Iberoamerican Charter of Digital Rights and Principles whose values are very much aligned with the European Declaration on Digital Rights and Principles.

²⁹ The establishment of a bi-regional digital policy dialogue, the expansion of the BELLA programme (BELLA II), the implementation of a regional Copernicus strategy, and the EU-LAC Digital Accelerator to foster entrepreneurship and innovation.

provision of public services such as education and healthcare. An enhanced engagement from European financial institutions, in particular the European Investment Bank, on digital connectivity will be important to achieve this goal.

Regulatory dialogue is important to boost digital compatibility. Both regions will engage regionally and bilaterally across areas of joint interest, including secure 5G rollout, digital markets and services regulation, Artificial Intelligence (AI) for the public good, high performance computing, data governance and cybersecurity.

Another area where convergence can bring benefits to the two regions is the promotion of free and safe **data flows**. This includes actively engaging with partners to reach an 'adequacy finding', as it is already the case with some LAC countries. Such arrangements can amplify the benefits of trade agreements and boost cooperation in other areas such as, for example, research or law enforcement cooperation. As several partners in the region have adopted or are implementing modern data protection laws, this presents new opportunities to facilitate data flows. Both regions should step up their dialogue in regional organisations and networks that are playing an increasing role in shaping common data protection standards.

The EU and LAC should join forces to promote their vision of a digital transformation in **multilateral fora**³⁰, guided notably by the European Declaration on Digital Rights and Principles for the Digital Decade³¹, the eLAC Digital Agenda 2024³² and the Declaration for the Future of the Internet³³. This digital transformation should also be leveraged to increase digital skills, in particular for youth and children.

Space also offers opportunities for collaboration. Space-based data, services and applications can contribute positively to the delivery of the objectives related to the green and digital transition and sustainable economic growth. In 2021, CELAC agreed to establish the Latin American and Caribbean Space Agency (ALCE), which could benefit from Europe's expertise in multi-country space governance. Collaboration is already ongoing in the context of the EU's Copernicus Earth Observation programme, and there is potential for more cooperation under Copernicus and the EU's Galileo satellite navigation programme. Both regions should reinforce ongoing cooperation on the development of information systems to support evidence-based policies and adaptation measures, including on disaster management.

Proposed Key Actions, including under Global Gateway:

- Jointly develop, as part of the Global Gateway investment agenda, investment projects for an inclusive digital transition³⁴;
- Develop joint actions³⁵ under the EU-LAC Digital Alliance, enhance regional and bilateral dialogues on digital policy and promote regulatory convergence;

³⁰ Including in the context of the WTO e-commerce Joint Statement Initiative.

³¹ <u>https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:32023C0123(01)&from=EN</u>

³² <u>https://www.cepal.org/en/projects/digital-agenda-latin-america-and-caribbean-elac2024</u>

³³ <u>https://digital-strategy.ec.europa.eu/en/library/declaration-future-internet</u>

³⁴ Such as on the digital economy package, in support of the peace process in Colombia, deployment of 5G in the Dominican Republic, Amazon connectivity in Brazil, and digital connectivity initiatives in Jamaica and Costa Rica.

³⁵ Including expansion of the BELLA programme and its use cases, and the roll-out of a regional Copernicus strategy.

- Drive forward the extension of the sub-sea BELLA fibre-optic cable (BELLA II) to reach Central America and the Caribbean³⁶;
- Roll out a regional Copernicus strategy including the two regional Copernicus data centres in Panama and Chile;
- Explore new adequacy decisions with LAC countries and other arrangements to ensure the free and safe exchange of personal data;
- Foster contacts and support between the EU and ALCE to collaborate on space activities and contribute to the peaceful and sustainable use of outer space.

c. Promoting sustainable economic growth for human development

People on both sides of the Atlantic aspire to live in **inclusive and prosperous societies**, leaving no one behind. The COVID-19 pandemic and the Russian war of aggression against Ukraine have exacerbated existing structural challenges and inequalities, leading to increasing levels of poverty, debt, and food insecurity³⁷.

It is in both regions' interest to step up joint efforts towards a **robust and sustainable recovery** that promotes equality and social inclusion. The EU and LAC should intensify cooperation to address persistent macroeconomic challenges, diversify and modernise the economies and increase their resilience to future shocks.

The EU can contribute to LAC's **diversification** into higher value-added sectors, seizing the potential of emerging green, blue, creative and digital economies. Increased policy dialogue, a strengthened EU-LAC trade agenda and Global Gateway can contribute to scaling up sustainable bi-regional investments and resilient supply chains that benefit the people. Increasing productivity, innovation, and job creation, in particular for LAC SMEs, and promoting smart specialisation and innovation policies, the transition to circular and sustainable production and consumption systems as well as sustainable and deforestation-free value chains are important objectives.

LAC has made its mark on the innovation landscape in recent years, with a growing number of Latin American companies achieving 'unicorn' status.³⁸ Higher education institutions have a key role to play notably in supporting innovation and entrepreneurship in their surrounding communities by building bridges with local entrepreneurs, SMEs, research institutes, and civil society.

In line with the Global Approach to Research and Innovation³⁹, increased cooperation in **research and innovation**, including through making full use of opportunities under the

³⁶ The first phase of BELLA built a direct fibre-optic link between Europe and Brazil, Argentina, Chile, Ecuador and Panama. BELLA II aims to extend the connection to Peru, Costa Rica, Guatemala, El Salvador, Honduras, the Dominican Republic and Trinidad and Tobago.

³⁷ According to ECLAC (2021, 2022) LAC is the region with the largest external debt relative to GDP (56.3%) and the highest external debt service relative to exports and growth (59%). In 2020, the prevalence of undernourishment reached 9.1%, a level not seen in the region since 2005.

³⁸ https://www.bbva.com/en/latin-americas-roadmap-to-innovation-the-most-enterprising-cities

³⁹ COM(2021)252 final, 18.5.2021: 'The Global Approach to Research and Innovation Europe's strategy for international cooperation in a changing world'.

Horizon Europe programme⁴⁰, is essential for finding and delivering the solutions needed for a fair twin transition. The EU-CELAC Strategic Roadmap for Research and Innovation⁴¹ provides a framework to strengthen researcher mobility and cooperation in areas such as ocean research, circular economy, clean energy, research infrastructures, biodiversity and access to vaccines and medicines⁴².

Advancing **human development** is a shared priority. Joint work to promote social cohesion and tackling inequalities should be accelerated, focusing on the economic empowerment and inclusion of women, youth, indigenous peoples, LGBTIQ+ persons and persons with disabilities. Cooperation on access to quality education for all children and youth, vocational training and skills development that align with employment needs will be key to provide opportunities to all.

Both regions should prioritise standards, **corporate social responsibility**, and responsible business conduct. The EU and its Member States can share their experience in strengthening social protection systems and fostering effective social and tripartite dialogue. The EU will continue to work with LAC partners to use trade agreements as instruments for sustainable and inclusive economic development.

Joint efforts to develop One Health actions and to strengthen **health security** have become more relevant, in line with the new EU Global Health Strategy⁴³. For example, the 'EU-LAC Partnership on manufacturing vaccines, medicines and health technologies and strengthening health resilience in Latin America'⁴⁴ complements and supports regional efforts, notably the CELAC Health Self-Sufficiency Plan⁴⁵.

As major food producers, both regions share a responsibility for **global food security**⁴⁶. To mitigate the vulnerability of production systems to climate and other shocks and minimise negative impacts on the planet's ecosystems, both regions should step up cooperation on sustainable food systems including on antimicrobial resistance, pesticide use, soil health, livestock emissions, agro-forestry and food waste.

Proposed Key Actions, including under Global Gateway:

- Jointly develop, as part of the Global Gateway investment agenda, investment projects to support sustainable economic growth for human development⁴⁷;

⁴⁰ https://research-and-innovation.ec.europa.eu/funding/funding-opportunities/funding-programmes-and-opencalls/horizon-europe_en

⁴¹ <u>https://commission.europa.eu/system/files/2021-07/eu-celac_strategic-roadmap-2021-2023.pdf;</u> to be reviewed and updated by Senior Officials in 2024.

⁴² COM(2021)252 final, 18.5.2021: 'The Global Approach to Research and Innovation Europe's strategy for international cooperation in a changing world'.

⁴³ <u>https://ec.europa.eu/commission/presscorner/detail/en/ip_22_7153</u>

⁴⁴ https://ec.europa.eu/commission/presscorner/detail/en/ip 22 3890

⁴⁵ https://www.cepal.org/en/publications/47253-plan-self-sufficiency-health-matters-latin-america-and-

caribbean-lines-action-and

⁴⁶ The LAC region account for 14% of global food production and 45% of net international agri-food trade. Agri-food systems in LAC account for close to half of total employment and 30-40% of GDP (FAC, 2021).

⁴⁷ Such as on health system resilience in Barbados and Mexico and water and sanitation management in Ecuador and Guatemala.

- Mobilise the regional Team Europe Initiative on Inclusive Societies, including a new enhanced EUROsociAL programme also covering education, as well as country Team Europe Initiatives for social inclusion, with a particular focus on women and youth;
- Boost Erasmus+ for EU-LAC academic cooperation in higher education and vocational training and SOCIEUX+ on social protection, labour rights and employment;
- Jointly develop further actions under the EU-LAC Health partnership, including support for Global Gateway investments in, *inter alia*, vaccine and medicines manufacturing, digital health, health technologies and health system strengthening;
- Reinforce the participation of LAC in the Horizon Europe programme and work towards EU-LAC Research & Innovation ministerial meeting;
- Enhance exchanges on macroeconomic developments and the appropriate policy strategies to secure strong, sustainable, balanced and inclusive global growth;
- Strengthening cooperation activities on smart specialisation and place-based innovation policies.

4. Joining forces for justice, citizen security and the fight against transnational organised crime

The EU and LAC face common challenges around **security and justice**, which call for strengthening the bi-regional partnership and cooperation at all levels. Security is a major concern for LAC citizens. Organised crime, including trafficking in human beings, in particular women and children, drugs and arms trafficking, illicit wildlife and timber trade, as well as corruption, financial crime, and environmental and cyber-crime remain insidious threats to people, societies and economies.

LAC countries are changing the way they address security challenges, focusing increasingly on preventive approaches, such as police and judicial reforms, community and proximity policing, and youth and gender violence reduction. This tallies with the concept of human security and the EU approach to citizen security. There is scope for EU-LAC cooperation, combining the fight against crime with a preventive dimension based on addressing its root causes.

Bi-regional political initiatives and programmes already provide a solid basis to facilitate cooperation on transnational organised crime, building bridges between justice and security institutions based on the rule of law and on a high level of protection for fundamental rights including data protection. The strengthening of programmes and Team Europe Initiatives will significantly contribute to the operationalisation of EU-LAC cooperation in this area, by building institutional capacity and promoting common standards. Another critical element of our shared agenda on justice and security would be the conclusion of agreements and arrangements with LAC countries on cooperation with Europust and Europol⁴⁸.

The EU should also step up its **engagement with regional organisations**, such as Ameripol, which play a growing role in establishing joint principles and approaches. Both regions should

⁴⁸ The Council has authorised the opening of negotiations for Eurojust cooperation agreements with Argentina, Brazil and Colombia; and has also authorised the opening of negotiations for Europol cooperation agreements with Bolivia, Brazil, Ecuador, Mexico and Peru.

promote the ratification and implementation of the relevant international conventions to facilitate international judicial and law enforcement cooperation.

Proposed Key Actions:

- Strengthen the EU-LAC Partnership on Justice and Security, building on programmes⁴⁹ and the regional Team Europe Initiative;
- Support further capacity development and cooperation with the Latin America Internal Security Committee (CLASI) and the Police Community of the Americas (AMERIPOL);
- Further develop the close cooperation on drugs policy between both regions and step up efforts to address drugs demand and supply reduction, including through high-level dialogue under the EU-CELAC Coordination and Cooperation Mechanism on Drugs and strengthening the resilience of logistical hubs;
- Step up efforts to prevent and combat trafficking in human beings, and protect and support the victims of this crime;
- Step up the cooperation between asset recovery offices and financial intelligence units by facilitating the exchange of information;
- Conclude further international agreements and working arrangements with Europol and Eurojust;
- Enhance cooperation on cybersecurity and cybercrime expertise to support Latin American and Caribbean countries, including through the regional Cyber Competence Centre LAC4 in the Dominican Republic.

5. Working together to promote peace and security, democracy, rule of law, human rights and humanitarian aid

Democracy and human rights are at the heart of the EU-LAC partnership. The EU works together with LAC to protect and promote human rights, both civil and political and economic, social and cultural, through a wide range of mechanisms, including bilateral dialogues, capacity building for civil society and education⁵⁰. Both regions are committed to strengthening the multilateral human rights system, and to cooperating regionally.

EU and LAC should intensify their dialogue and cooperation in the fight against discrimination, promoting gender equality, and upholding the rights of the child and of vulnerable persons, minorities, indigenous peoples, LGBTIQ+ persons, persons with disabilities, migrants, and refugees, as well as those affected by conflict and violence.

The protection of human rights defenders and journalists should be addressed more prominently, as should the new challenges posed by digital technologies, including through boosting digital and media literacy. Environmental rights defenders have been under particular threat in parts of the region. EU and LAC share a vision of the equal role of women in society and should join forces to promote it and eradicate gender-based violence.

A critical joint task will be to strengthen democracy, including accountability, electoral resilience, respect for the rule of law and judicial independence, and building resilience against

⁴⁹ Notably El PAcCTO 2.0, COPOLAD, EUROFRONT and the Global Illicit Flows Programme.

⁵⁰ For instance, through the Global Campus on Human Rights and its hub in Argentina.

disinformation and emerging hybrid threats as well as greater participation of youth and women and meaningful space for civil society. EU and LAC should discuss these issues as well as best practices in relation to, for instance, rights of victims, witnesses and prisoners. EU Election Observation Missions and their recommendations are key tools to help bolster the capacity of independent government institutions⁵¹. The EU will continue to cooperate with LAC countries to promote the universality of the Rome Statute and support the International Criminal Court (ICC).

The EU's lifesaving assistance can contribute to making societies in LAC more resilient. The EU will continue to work with key actors in LAC for the implementation of **humanitarian aid** programmes and **emergency response**, including through civil protection cooperation. Health, protection, education in emergencies and food security remain key areas of work. The EU will continue its support and advocacy efforts for the humanitarian crises impacting LAC, including by co-hosting donors' and solidarity conferences.

Through its different peace, stability and security instruments, the EU will continue to contribute to peaceful and democratic solutions, including the peace process in Colombia, the International Contact Group on Venezuela, mediation efforts in Bolivia and addressing Haiti's crisis.

The EU and LAC should also partner to **promote global peace and security**. In line with the EU Strategic Compass⁵², the engagement of the two regions could be deepened, for instance through the conclusion of Framework Participation Agreements⁵³ (FPAs) and participation in EU operations in third countries. **Cooperation on security and defence**, including maritime and space, as well as counterterrorism, cybersecurity and tackling hybrid threats, non-proliferation and disarmament are also important areas for joint action.

Both regions should also explore cooperation on **combatting foreign information manipulation and interference** through new tools aimed at identifying, analysing, assessing and countering information manipulation.

Proposed Key Actions:

- Reinforce cooperation to enhance respect for human rights for all, including economic, social and cultural rights, rights of the child, as well as to promote non-discrimination and gender equality; intensify consultation and cooperation with the Inter-American Human Rights System; contribute to reinforcing democratic principles, peace and the rule of law, including through inclusive dialogue and mediation;
- Step up efforts to empower women and girls and eradicate gender-based violence⁵⁴ as well as violence against children;
- Enhance cooperation on accountability for international crimes, including through joint initiatives in support of the ICC;

⁵¹ Since 2019, the EU has deployed eight Election Observation Missions and six Election Expert Missions to LAC countries, at their request.

⁵² A Strategic Compass for EU Security and Defence, Council of the European Union, 21.3.2022.

⁵³ FPAs have already been signed with Chile, Colombia and Peru.

⁵⁴ Such as the LAC component of the Spotlight Initiative, as well as a variety of national and regional actions in support of legislative changes, implementation capacities, etc.

- Continue political and financial support in the response to human-induced crises and natural hazards, including on migration and displacement crises;
- Support the implementation of the innovative Regional Agreement on Access to Information, Public Participation and Justice in Environmental Matters in Latin America and the Caribbean ('Escazú Agreement'), notably through El PAcCTO 2.0;
- Explore possibilities for new tailored partnerships in security and defence;
- Enhance cooperation, identify joint actions and share best practices with LAC partners to counter foreign information manipulation and interference, including in electoral processes.

6. Building a vibrant EU-LAC people-to-people partnership

People are at the centre of our partnership and all actions should aim at delivering **tangible benefits for citizens**. The relationship between the EU and LAC includes unique human and cultural links that should be nurtured and intensified. **Youth** is key for the future of EU-LAC relations. Closer connections between younger generations can be fostered through cultural initiatives and mobility programmes, in line with the first-ever EU Youth Action Plan⁵⁵.

The EU and LAC have a common stake in **developing the human capital** needed to match the demands of rapidly changing technologies, and the fair, green and digital transition. In the area of mobility, most LAC countries already enjoy short stay visa-free access to the EU's Schengen Area. LAC citizens can also benefit from existing legal migration opportunities to the EU. Furthermore, Erasmus+ and Horizon Europe, and in particular the Marie Skłodowska-Curie Actions, provide a framework for cooperation to step up research and innovation, as does the Research Mobility Pillar under the EU-CELAC 2021–2023 Strategic Roadmap, including researchers and students mobility.

Both regions should work together to maximise the potential of their **diverse cultural expressions**, heritage, vibrant creative industries for sustainable development and intercultural dialogue.

Parliamentary diplomacy is a key component of the bi-regional relationship, including through the Euro-Latin American Parliamentary Assembly (EuroLat). Other institutions such as the European Economic and Social Committee, the Committee of the Regions and their LAC counterparts can mobilise regional and local authorities as well as economic and social partners to enhance people-to-people contacts.

The EU and LAC should foster close engagement with **civil society** and **think tanks**, including through the EU-LAC Foundation, which has established itself as a relevant actor in the biregional relationship.

Both regions share a responsibility to better and pro-actively inform their citizens and stakeholders about **mutual benefits** of their partnership.

⁵⁵ JOIN(2022) 53 final, 4.10.2022: 'Youth Action Plan (YAP) in EU external action 2022–2027. Promoting meaningful youth participation and empowerment in EU external action for sustainable development, equality and peace'.

Proposed Key Actions:

- Increase engagement with youth in LAC through initiatives such as country-level Youth Sounding Boards;
- Intensify collaboration on education and research under Erasmus+, including Jean Monnet Actions, Horizon Europe, including 'Marie Skłodowska-Curie' Actions, as well as the European Institute of Innovation Technology;
- Step up cooperation on mobility of people between the two regions⁵⁶ and foster mutually beneficial mobility arrangements with partners promoting circular mobility and countering brain drain, drawing on the Skills and Talents package;
- Deepen bi-regional cultural relations and encourage intercultural networks and joint initiatives⁵⁷;
- Foster the active participation of civil society and building of bi-regional networks, including of women and youth in business, politics, science and other fields;
- Strengthen the role of the EU-LAC Foundation in the bi-regional dialogue;
- Work towards a joint approach for communication and public diplomacy.

Conclusion

The proposed New Agenda for EU-LAC relations calls for a **closer and modernised strategic partnership** between both regions, with people at its centre.

By strengthening the partnership between two regions that are among the world's most closely aligned in terms of interests and values, EU and LAC will be better placed to confront global challenges and seize **opportunities for mutual benefit**. In a world of giants, the EU and LAC together represent 14% of the world's population and 21% of global GDP. To ensure peace and prosperity for their respective citizens and exert influence over the future international rules-based order, forging a closer partnership that bolsters their collective strength is a strategic imperative.

Achieving this goal will require more **cooperation** on both sides, including through **reinforced political engagement, boosting trade and investment, and building more sustainable and inter-connected societies, in particular with Global Gateway**. The EU will strive to mobilise its policies, instruments and resources in a Team Europe approach. The upcoming EU-CELAC Summit offers a great opportunity to build trust and inject momentum into the EU-LAC relationship to become **partners of choice**.

The European Commission and the High Representative of the Union for Foreign Affairs and Security Policy call on the Council and the European Parliament to endorse the New Agenda presented in this Joint Communication and to work together with Latin America and the Caribbean for a renewed strategic partnership on the basis of this proposal.

⁵⁶ Including on regular channels of migration, compliance with Schengen visa waiver requirements and

reciprocal facilitation of visa issuance, including for students and researchers.

⁵⁷ Such as the EU's participation as guest of honour in the 2023 International Book Fair in Guadalajara, Mexico.