Basic information

2005/2241(INI) INI - Own-initiative procedure	Procedure completed
Stronger partnership between the European Union and Latin America **Subject** 6.40.10 Relations with Latin America, Central America, Caribbean islands	

Key players

European Parliament

Committee responsible	Rapporteur	Appointed
AFET Foreign Affairs	SALAFRANCA SÁNCHEZ-NEYRA José Ignacio (PPE-DE)	19/10/2005

Committee for opinion	Rapporteur for opinion	Appointed
DEVE Development	MARTÍNEZ MARTÍNEZ Miguel Angel (PSE)	25/01/2006
INTA International Trade	The committee decided not to give an opinion.	

Council of the European Union

Council configuration	Meetings	Date
General Affairs	2706	2006-01-30
General Affairs	2711	2006-02-27

European Commission

Commission DG	Commissioner
External Relations	

Key events

Date	Event	Reference	Summary
08/12/2005	Non-legislative basic document published	COM(2005)0636	Summary
15/12/2005	Committee referral announced in Parliament		
30/01/2006	Debate in Council		
22/02/2006	Vote in committee		Summary

27/02/2006	Resolution/conclusions adopted by Council		Summary
13/03/2006	Committee report tabled for plenary	A6-0047/2006	
26/04/2006	Debate in Parliament		
27/04/2006	Decision by Parliament	T6-0155/2006	Summary
27/04/2006	Results of vote in Parliament		
27/04/2006	End of procedure in Parliament		

Technical information	
Procedure reference	2005/2241(INI)
Procedure type	INI - Own-initiative procedure
Procedure subtype	Initiative
Legal basis	Rules of Procedure EP 55
Stage reached in procedure	Procedure completed
Committee dossier	AFET/6/32401

Documentation gateway

European Parliament

Document type	Committee	Reference	Date	Summary
Committee draft report		PE367.748	19/01/2006	
Amendments tabled in committee		PE369.840	06/02/2006	
Committee opinion	DEVE	PE367.871	21/02/2006	
Committee report tabled for plenary, single reading		A6-0047/2006	13/03/2006	
Text adopted by Parliament, single reading		T6-0155/2006	27/04/2006	Summary

European Commission

Document type	Reference	Date	Summary
Non-legislative basic document	COM(2005)0636	08/12/2005	Summary
Document attached to the procedure	SEC(2005)1613	08/12/2005	Summary

Stronger partnership between the European Union and Latin America

2005/2241(INI) - 08/12/2005 - Non-legislative basic document

PURPOSE : to strengthen the partnership between the European Union and Latin America.

CONTENT : this communication sets out a series of recommendations aiming to further consolidate the links between the EU and Latin America. Bearing in mind the next EU-Latin America/Caribbean Summit to be held in Vienna in May 2006, the Commission analyses the current challenges and makes practical recommendations to revitalise the partnership. In particular, its proposals include stepping up political dialogue between the two regions, stimulating economic and commercial exchanges, encouraging regional integration, tackling inequality and tailoring its development and aid policy more closely to real conditions in Latin America.

The Commission proposes to give a fresh impetus to the EU-Latin America partnership which currently faces a number of challenges. Its main objectives for the coming years aim to:

- establish a strategic partnership through a network of association agreements (including free trade agreements) involving all the countries of the region and liable to contribute to the integration of the region as a whole;

- have genuine political dialogues which increase the influence of both regions on the international scene;

- develop effective sectoral dialogues (e.g. on social cohesion or the environment) with a view to the sustainable reduction of inequalities and promoting sustainable development: the Commission proposes holding a social cohesion forum and a meeting of environment ministers every two years to prepare for the EU-Latin America/Caribbean Summits;

- contribute to the development of a stable and predictable framework to help the Latin American countries attract more European investment, which will eventually contribute to economic development: the Commission encourages the European Investment Bank to set up a Latin American Facility to provide loans in support of interconnectivity of infrastructure networks;

- tailor aid and cooperation more to the needs of the countries concerned;

- increase mutual understanding through education and culture: the Commission will prioritise the creation of a common higher education area and undertakes to ensure that Latin American teachers and students are invited to visit European universities;

- sustaining the Commission’s commitment to supporting the countries of Latin America in the fight against drugs and corruption.

The Commission recommends:

- conducting a needs-based political dialogue with the appropriate Latin American partners at biregional, bilateral or subregional level, on carefully chosen topics (such as UN reform, peace-keeping, conflict prevention and crisis situations in certain countries of the region);

- selecting a restricted number of topics;

- preparing political dialogue at meetings of senior officials (using the troika format);

- regularly organising meetings at senior official level with a few countries, as and when necessary, for the purposes of political dialogue.

Strengthening the strategic partnership should contribute to establishing a favourable climate for economic exchanges between the two regions: in Latin America this could mean technology transfers, improvements in productivity, the development of its infrastructure and diversification of its markets. It is in the EU’s interest on the other hand to develop and consolidate its market positions and to pursue a dynamic investment policy.

With a view to modernising the government, the Commission aims to step up cooperation operations which will strengthen governance and encourage inclusiveness, of poorer citizens in particular; involve civil society in its operations and promoting the involvement of citizens (particularly women) in political projects, notably through political parties and support the EP’s desire to set up an EU-Latin America Transatlantic assembly.

Lastly, the Commission intends to strengthen the transfer of know-how and good practice regarding cultural cooperation, both between Latin American countries and between the region and the EU. Therefore, it recommends organising a Europe week every year around 9 May in all Latin American countries in which it is represented, in close collaboration with the embassies of the Member States.

Stronger partnership between the European Union and Latin America

2005/2241(INI) - 27/04/2006 - Text adopted by Parliament, single reading

The European Parliament adopted a resolution based on the own-initiative report drafted by José Ignacio **Salafranca Sánchez-Neyra**(EPP-ED, Spain) in anticipation of the Fourth EU-LAC Summit, which will take place in Vienna on 12 and 13 May 2006 . Parliament congratulated the Commission because it had submitted a new strategy communication that serves to identify the challenges and extraordinary opportunities likely to arise as a genuine bi-regional strategic partnership is translated into reality. (Please see the summary of 08/12/2005.) Parliament endorses the Austrian Presidency’s commitment to strengthening EU-LAC relations, and reaffirmed its intention of playing a constructive role in support of the Commission and the current Presidency.

A comprehensive approach to the bi-regional strategic partnership: Parliament emphasised that it was absolutely essential to have an overall strategic vision of the partnership, which ranged beyond isolated proposals and pursued the ultimate goal of establishing a genuine political, social, cultural, environmental and security partnership. Such a partnership must be built on a Euro-Latin American Charter for Peace and Security, to enable practical expression to be given to policy, strategy, and security proposals of interest to the two regions, on the work of a bi-regional conflict prevention centre and on new institutional machinery. Parliament supported the Commission's recommendation that the political dialogue be adjusted in line with the needs of the different partners. The dialogue should also encompass European Security and Defence Policy (ESDP) matters as a whole and be organised around the Euro-Latin American Charter for Peace and Security and the work of a bi-regional conflict prevention centre. The purpose of the

bi-regional conflict prevention centre should be the early detection of causes of potential violence and armed conflicts, with a view to preventing such conflicts or their possible escalation at an early stage.

Parliament applauded the Commission for coming out in favour of setting up the Euro-Latin American Transatlantic Assembly at the Vienna Summit and proposed the Euro-Latin American Transatlantic Assembly (EUROLAT) be made the parliamentary body of the strategic partnership and be provided with certain advisory and review powers. Parliament also called for a Euro-Latin American entrepreneurial forum, consisting of representatives of employers' organisations and of European and Latin American small, medium-sized and large enterprises, to promote trade and encourage investment of every kind in the two regions. Parliament went on to state that a Euro-Latin American area of global interregional partnership should be set up in the medium term. There must also be a genuine partnership in the social field and in the spheres of knowledge and joint action to bring about sustainable development, employing various measures and resources, including a generous development cooperation policy and opening up EU markets step by step, in keeping with the aims laid down in the association agreements. It was essential, too, to give a generous new boost to the Union's development cooperation policy towards Latin America, in which poverty eradication and measures to combat social inequality should become a key element.

Parliament went on to applaud the Commission's proposal that an 'EU-LAC common area of higher education' be established as a matter of priority, but regarded as insufficiently ambitious the aim of welcoming no more than about 4 000 Latin American students and teachers to European universities in the period from 2007 to 2013. To produce a real impact on the cultural and political mores of such a vast region, the above figure should be at least trebled. Special attention must also be paid to basic education, in order to meet the needs of the poorest sectors of Latin American society.

Parliament pointed out that the growing rise in the production, trafficking and use of drugs – and especially cocaine – all over the world and in Europe itself, with its familiar consequence (namely the spread of organised crime, illegal arms trafficking,corruption and money-laundering) was severely damaging all the Euro-Latin American partners. It demanded a resolute strategy to tackle its pernicious effects through encouragement for alternative crops, although without penalising small-scale farmers manipulated by drug traffickers. It called on the Commission to include the European Code of Conduct on Arms Exports in the 'political dialogue' chapter of the bi-regional agenda.

The Vienna Summit: revitalising the bi-regional strategic partnership: Parliament recommendedthat the Vienna Summit make a limited number of verifiable clear-cut commitments serving to lend new impetus to the strategic partnership in four main areas:

- joint action to bring about effective multilateralism;

- a decisive boost to regional integration processes in Latin America; and

- specific commitments regarding social cohesion and migration and human interaction.

A) **Joint action to bring about effective multilateralism**: Parliament pointed to the excellent opportunities for joint action afforded in multilateral fora. At present the role of the two regions on the international stage was not commensurate with their political and economic weigh. Parliament looked, therefore, to all the partners to make a much more purposeful effort to harmonise their positions among themselves and in relation to the outside world. The association agreements in force or about to be concluded offer exceptional opportunities for intensifying relations of every kind between the Union as such and its Latin American partners.

B) **A decisive boost to regional integration processes in Latin America**: Parliament welcomedthe fact that the Commission was continuing to view regional integration as a priority area for development assistance to Latin America, and supported its proposals aimed at strengthening regional integration processes. It noted that the prospect of an association agreement with the Union had already been instrumental in inducing the Andean and Central American countries to press ahead with the various aspects of economic integration. It called on the Commission to draw up a broader strategy to promote integration above and beyond trade commitments, laying emphasis also on non-trading aspects such as regional security and democratic governance, movements of persons and workers, joint management of ecosystems and river basins, and physical integration and infrastructure. Parliament also called on the Commission to launch a multi-annual programme for cooperation with the SEGIB, funded by the necessary budget, in order to tap the full potential to be gained from mutual cooperation by pursuing institutional cooperation, technical assistance, exchange and training programmes relating to regional integration, and policies concerning development cooperation.

C) Specific commitments regarding social cohesion: Parliament unreservedly endorsed the Commission proposal to encompass the aim of social cohesion in an ongoing, coherent and practical fashion within all the initiatives undertaken in partnership with Latin America. It called on the partners to pursue joint initiatives and to hold more frequent social forums ringing together the business world, workers, consumers and civil society, on the one hand at the level of the EU and Latin America as such and on the other within the different countries. Parliament repeated that a bi-regional solidarity fund should be set up for the purpose of financing sector-based programmes relating to the eradication of social exclusion and extreme poverty and to health, education and infrastructures in the countries and regions where per capita income is lower and social inequalities are greater, and subsequently covering the Latin American countries as a whole. A modest injection of funds for Latin America, to be contributed from, or reallocated from within, the Union budget and not constituting an additional allocation, could act as a catalyst which, if combined with the budgetary resources earmarked by other bodies (the EIB, the Inter-American Development Bank, the Andean Development Corporation, the Central American Bank for Economic Integration, the World Bank, etc.) and the countries concerned, could provide the budgetary support needed to create sufficient critical mass to help alleviate the problems.

D) Verifiable clear-cut commitments regarding migration and human interaction: migration and human interaction were a key area of the Union's relations with its Latin American partners. The approach must encompass policies to combat illegal migration and at the same time, in collaboration with the countries concerned, emphasising the advantages of legal migration. Parliament deplored the Commission's failure to produce specific proposals for the Summit. It proposed that the Council should, as soon as possible, adopt specific priority measures for Latin America along the lines of the conclusions reached at the Brussels European Council as regards Africa and the Mediterranean. These measures should cover a range of matters, including regulation of migration, by strengthening bilateral agreements and including the fight against illegal migration and the mafias that exploit it and against people-trafficking, especially where vulnerable groups are concerned.

Stronger partnership between the European Union and Latin America

2005/2241(INI) - 27/02/2006

The Council adopted the following conclusions on strengthening the partnership between the EU and Latin America. In particular, it :

- reaffirms the importance of the EU's strategic partnership with Latin America and is determined to further strengthen the alliance in the mutual interest of both regions;

- underlines the EU’s objective to continue to cooperate closely with Latin America to promote our common values and interests, and to contribute jointly to peace and security, protection and promotion of human rights and the strengthening of citizens’ participation and democracy. Social cohesion, sustainable development including the protection of the environment and the strengthening of international environmental governance within the UN system, and support to regional integration and stability, are key objectives of our strategic partnership with the region;

- recognises the need to support efforts to reinforce democratic institutions, good governance and the rule of law, to combat drugs and organised crime including human trafficking, to promote gender equality, children’s and indigenous rights, and to address migration issues and human security in all its dimensions;

- recalls the EU and Latin American countries’ commitment to an effective multilateral system, with a central role for the United Nations, to meet global threats and challenges;

- welcomes and supports the important role of the OAS in providing support to regional stability in Latin America and the Caribbean;

- welcomes initiatives to develop effective sectoral dialogue, including on social cohesion and environment. In this respect, it especially welcomes the recommendation to hold meetings on environmental policy at ministerial level;

- acknowledges the need for a genuine, well-tailored, political dialogue with the region as a whole, with the various sub-regions, as well as with individual countries, making the most of existing structures. Such political dialogue should focus on strengthening the bi-regional capacity for cooperation on global issues of common concern;

- considers it beneficial to both regions to share views on current international or regional issues, to support each other in a multilateral framework and exchange experience and knowledge on peace-keeping, crisis prevention, counter-terrorism and response to natural disasters. In particular, the growing participation of Latin American countries in peacekeeping efforts deserves support and proves that the countries of the region are determined to play a crucial role in ensuring regional stability;

- recalls that development cooperation with the region will be implemented in accordance with the Joint Statement on the European Consensus on Development defining the objectives and principles for the Community’s development cooperation;

- underlines that Community cooperation in Latin America for the period 2007- 2013 should have as its primary objective the eradication of poverty, sustainable development and the pursuit of the Millennium Development Goals. It further highlights the importance of policy coherence for development and that development cooperation should follow a differentiated approach based on Latin American countries' own needs, strategies, priorities and assets, and be implemented in accordance with the commitments in the Paris Declaration on Aid Effectiveness, aiming at improved donor coordination and harmonisation and alignment to recipient country systems. Resource allocation to the countries of the region should reflect the principles in the Joint Statement on the European Consensus on Development and take into account the importance accorded by the EU to Latin America. The Council welcomes the willingness of several countries to voluntarily explore and implement innovative mechanisms of financing for development such as the International Finance Facility, the International

Finance Facility for immunisation, or a contribution on airline tickets. In this framework, remittances are also an important tool for development;

- believes that more effective cooperation and an increased mutual understanding between both regions can be developed through the fields of education, scientific research and culture. The building of an EU-LAC Common Area of Higher Education by 2015 will be a decisive step in this direction;

- acknowledges the importance of reinvigorating economic and commercial relations. It further recognises the importance of a favourable climate for the promotion of business and investment opportunities between the two regions in order to make optimal and mutually beneficial use of their existing potential;

- welcomes the recommendation to step up regulatory dialogue, including on issues such as barriers to trade and investment, as well as the organisation of the first EU-LAC Business Summit on the occasion of the forthcoming EU-Latin American and Caribbean Summit in Vienna;

- recognises that the promotion of inter-connectivity is an integral part of effective regional integration. Furthermore, the Council welcomes the European Investment Banks’ continued support for Latin American countries.

- while reiterating its attachment to ongoing multilateral negotiations in the WTO under the DDA, the Council recalls the EU’s strategic objective of enhancing the EU-Latin American bi-regional partnership through a network of association agreements, involving all the countries of the region and aimed at promoting the integration of the region as a whole;

- reaffirms its call to finalise negotiations on a balanced and ambitious EUMercosur association agreement as soon as possible. It also expects that appropriate decisions can be taken regarding the opening of negotiations on association agreements, including free trade agreements, with the Andean Community and Central America;

- looks forward to the upcoming IVth EU-Latin American and Caribbean Summit that will take place in Vienna on 12 May 2006, involving Heads of State and Government, civil society and the business community from both regions. The Council also considers that the Vienna Summit should reaffirm policy priorities and confirm the importance of the partnership by strengthening it through tangible outcomes;

- considers that a dialogue should take place with all relevant stakeholders, notably with Latin American partners, to ensure that both regions share a common commitment on the way forward. The Council invites all relevant parties to ensure effective follow-up of the recommendations of the Communication and of these Conclusions.

Stronger partnership between the European Union and Latin America

2005/2241(INI) - 08/12/2005 - Document attached to the procedure

COMMISSION'S IMPACT ASSESSMENT

For further information regarding the context of this issue, please refer to the summary of the Commission's Communication to the Council and the European Parliament: A stronger partnership between the European Union and Latin America – COM(2005)0636 of 8 December 2005.

1- POLICY OPTIONS AND IMPACTS

1.1- Option 1: the Commission has chosen a politically, economically and socially consistent approach which anticipates the possible development of certain countries (that might become regional powers) and sub-regions.

The opportunities that a partnership with Latin America offers should be fully exploited. It is important, in particular, to point out a number of challenges:

- firstly, the existing political dialogue between the two regions must be made more relevant and effective: currently, the role of both regions on the international scene does not fully reflect the political and economic weight they have as regional groups;

- secondly, a practical means of stimulating economic and trade relations between the two regions needs to be found: despite a significant increase in trade and investment flows over the past 15 years, their growth potential has been under-utilised;

- to avoid jeopardising long-term stability in Latin America, the EU needs to support its efforts, in particular, in the following areas: social inequality, poverty and exclusion; migration; democratic governance; illicit drugs and organised crime and the environment;

- the EU needs to adapt its policies to take greater account of Latin American diversity.

To meet these challenges the Commission proposes:

- stepping up and focusing political dialogue with Latin American partners;

- creating a climate favourable to trade and investment;

- supporting the efforts of countries in the region to contribute to stability and prosperity;

- cooperating more effectively and increasing mutual understanding.

1.2- Option 2: another option would have been not to have proposed a new strategy for the moment and to continue pursuing existing policy, in spite of the changes that have occurred in both regions and at international level over the past ten years. This would have sent a negative signal to our Latin-American partners. There has been a perception that Europe has been ignoring the region: this may reflect the fear that the EU is too absorbed by its own enlargement, its immediate neighbours or problems elsewhere in the world.

CONCLUSION: given the general nature of the Communication, it has not been possible to analyse how the positive and negative impacts could have been compared for each of the recommendations of the chosen option (Option 1).

IMPACTS

Given the general and political nature of the Communication and the number of interested parties, it has not been possible to undertake a quantitative analysis of the economic, social and environmental impacts. Nevertheless, certain trends can be discerned.

If the recommendations are implemented by all the parties concerned, the proposed strategy should have positive political, economic, social and environmental impacts.

The expected results would be:

- improved understanding between the two regions allowing the development of real alliances on subjects of mutual strategic interest;

- a strengthening of the basic values shared by both regions;

- a stronger voice for the EU and Latin America on the international political scene, thanks, in particular, to the improved follow-up of recommendations from the Summits held between the two regions;

- a strengthening of multilateralism and improved world governance;

- an increase in trade and investment flows between the two regions;

- new opportunities for economic operators;

- higher levels of economic growth;

- improvement in the standard of living of those people concerned;

- practical measures to work together to fight climate change and follow a path of sustainable development;

- improved consistency in the EU's cooperation and development policy in the Latin American region.

Impact on the EU would be both political and economic. It is intended that the EU will further develop its influence in the world arena, forge new alliances within international organisations and increase its visibility. From an economic point of view, there would be a revival in its exports to and investment in Latin America. New jobs could thus be created.

Impact for Latin America: given that this Communication relates to foreign affairs, the impact is expected to be greatest on the third countries concerned. The long-term objective is to arrive at a better distribution of wealth, fairer tax policies and the greater access of the general public to public and social services. What advantages are to be expected of greater sub-regional integration in Latin America? The EU considers that regional integration is essential to increase the economic attractiveness of the region, to reduce its vulnerability and to increase its influence in international bodies. Lastly, the Commission wants to play a more active role in crisis prevention and reduce potential sources of conflict. It wants Latin American citizens to regain their confidence in their countries' political institutions and confirms the choice of democracy made in the 1990s. This should result in a more stable region in the long term.

2- FOLLOW-UP

The Commission will ensure that the guidelines laid down in this Communication are incorporated in the programming phase when Country and Regional Strategy Papers are being drawn up, and, in particular, that priority is given to social cohesion aspects.