



INTERNATIONAL COOPERATION IN A NEW ERA:



THE EU'S QUEST FOR
LIKE-MINDED PARTNERS –
LATIN AMERICA AND THE
CARIBBEAN



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1. FOREWORD

Author: Markus Ferber

The new geopolitical environment, Russia's war in Ukraine, and China's growing assertiveness and influence worldwide have necessitated Europe to take greater diplomatic action on the geopolitical stage and form closer relationships with regional partners. Its strategy of strengthening ties with "like-minded partners" aims to advance rules-based international order, democracy, peace and security, and closer economic cooperation. Within this framework, enhanced relations with Latin America can be seen as one of its key elements.

In the Commission's new agenda for the EU-LAC-relations dated June 2023, both regions are considered natural partners and allies connected by unique historical and cultural links, deep economic and social ties, and a joint commitment to peace and multilateralism. With a view to the EU-LAC-Summit on 17 and 18 July, a renewal of the bilateral regional partnership was proposed. This included deepened political, economic, and societal cooperation, promoting human rights, justice, and people-to-people partnerships. In short, Europe's concept of like-minded regional partnership is comprehensive. It aims to achieve unprecedented economic cooperation by creating the largest free trade zone worldwide with some 700 million people. Already, Europe is the leading partner in foreign direct investment to Latin America and ranks third – behind the US and China – in trade relations. But the new agenda also consists of a vast investment initiative in the framework of the EU's Global Gateway program, which will provide 45 billion euros to Latin Americans in the next four years.

In contrast to these positive developments, concluding negotiations on the EU-Mercosur agreement have stalled – due to opposition of EU member countries against the free flow of agricultural goods and that of the LAC countries against a clear commitment to preserving the rainforest. At least both parties agree to continue working for a joint solution for the disputed sections and are committed to concluding the mutual agreement by the end of this year. Still, even if this ambitious timeline is kept, the complicated and unpredictable ratification process in the EU member countries threatens to delay implementation further.

On the other hand, the announced investment under Global Gateway has indicated the path to successful cooperation in a future partnership of equals. Other than China's neo-colonial strategy of the Belt and Road initiative, the underlying concept is building sustainable relations and creating a win-win situation. It promotes establishing local jobs and value chains and thus makes sure that the "added value for a common future will remain in Latin-American", as Commission President von der Leyen phrased it. This new and future-oriented proposal should be the basis for continued work on the thematic issues. If we adhere to the new spirit of cooperation that prevailed at the Summit, I am optimistic that we will achieve further gains and benefits for both sides and will eventually be able to live up to the ambitious goals of the new agenda for EU-LAC-Partnership.

Some of the core topics of this envisaged comprehensive partnership are presented in detail in this publication, which includes expert views and analyses from both partner regions. It comprises articles on the promotion of democracy and the youth, the EU-Mercosur agreement, and the climate and energy partnership between the regions. Recommendations and key findings are summarized in the final section. With this publication, we hope to contribute to an open dialogue on the EU LAC strategy and its opportunities for both sides.

ABOUT THE AUTHOR

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2. REACHING THE BREAKING POINT: TIME FOR LEADERSHIP IN EU-MERCOSUR NEGOTIATIONS

Author: Luis Blanco

ABSTRACT

After more than two decades of negotiations, the EU-Mercosur association agreement is reaching the breaking point. The clock is ticking, and the window of opportunity for the agreement gets smaller every day. The coming weeks will be crucial for this agreement's prospects, which have been challenged by several EU member states and civil society organizations despite its vast potential and relevance from an economic and geopolitical perspective. This article argues that the best solution to reach a deal that could fulfill at least partially the economic and geopolitical goals of the association agreement is to "split" the agreement and focus on the implementation of its trade chapters as soon as possible.

2.1 INTRODUCTION

The association agreement between the European Union (EU) and Mercosur is one of the best examples of the complexities and challenges associated with EU trade and foreign policy. It is the tragic tale of an agreement that, despite its vast potential, might become another major failure for both the EU and Mercosur.

In a post-Covid 19 era, where both EU and Mercosur member states struggle to recover pre-crisis economic output, the EU-Mercosur association agreement could potentially create a market of approximately 780 million consumers and save the Europeans around 4 billion EUR in tariffs every year (Jeger, 2022, p. 191). According to an impact assessment study commissioned by DG Trade, even in a conservative scenario, the implementation of the trade pillar of the agreement would generate significant GDP growth in the EU and Mercosur (Mendez-Parra et al., 2020, p. 12).

It is undeniable that in the last decades, Latin America has become less of a priority for the EU. The fact that from 2015 until 2023 no EU-CELAC Summit has taken place is a case in point. After several crises - the financial crisis, the Greek debt crisis, the migration crisis, the Covid-19 crisis, and the Ukrainian crisis - and increasing concerns with the surrounding neighborhood, with Russia and China, as well as with the solidity of the transatlantic alliance, the attention

paid to Latin America in Europe has been progressively fading away. This led to an erratic and often distant approach to the region, which has caused a significant loss of political influence of the EU in Latin America as a whole. Today, even though the EU is still the main foreign direct investor in Latin America, China is the main trade partner for the region. The lack of progress during several years in the negotiations with Mercosur, Chile, and Mexico, as well as the lack of commitment from many Latin American countries to the Ukrainian cause, show that the EU and Latin America are drifting apart and a change of course in EU's approach towards the region is desperately needed. The association agreement between the EU and Mercosur could potentially fulfill this purpose, becoming a significant tool for the EU to partially contain China's growing influence in Mercosur and Latin America as a whole, to obtain economic gains and reaffirm the EU's position as a global player. Instead, it has become another symbol of the EU's struggle to act consistently for its benefit and present itself as a natural economic and political leader on the international chessboard.

The announcement in June 2019 of an agreement in principle of the trade pillar of the association agreement was followed by a wave of criticism from many EU member states and civil society organizations. It became clear that concluding the negotiations and guaranteeing the deal's approval would not be easy. Four years later, it is still difficult to forecast a positive outcome for the negotiations. In fact, the window of opportunity for saving the agreement is rapidly closing and might be shut indefinitely very soon.

This article aims to reflect upon the possibilities for concluding the deal's negotiations in this challenging scenario. It will be argued that the coming weeks will be crucial for the success or failure of the negotiations and that the possibility of agreeing on a final text and guaranteeing its approval by the European Council, the European Parliament, and EU member states is very low. Hence, the best solution to reach a deal that could fulfill at least partially the economic and geopolitical goals of the association agreement would be to execute a so-called "split" of the agreement and focus on implementing its trade chapters as soon as possible.

2.2 THE AGREEMENT HIT THE CLIMATE WALL: HOW POLITICS OVERRULED STRATEGIC INTERESTS.

The news about the agreement in principle on the trade pillar of the association agreement reached in 2019 was a positive surprise for many following EU-Mercosur relations. Even though, at that moment, governments with a more liberal economic profile were ruling Brazil and Argentina, the announcement caught many off guard, considering that many previous attempts at reaching a compromise had failed and there were no special reasons to believe this time would be any different. The great effort of the negotiators from both sides showed results, though. From the trade point of view, the agreement's terms were beneficial for the European Union. Brazil and Argentina made significant compromises despite the fears that the agreement could harm their less competitive industrial sector, focusing on other potential long-term gains. For countries like Uruguay and Paraguay, which have systematically complained about the inability of Mercosur to close deals with other countries and trade blocs while impeding them from negotiating and pursuing their trade deals independently, this announcement brought excitement and hope as it was the guarantee for a significant boost for its export sector. It was a win-win situation. However, it was too soon for celebrations. What followed was the attempt of several actors, especially in Europe, to throw cold water on the agreement.

From the content point of view, the EU Mercosur agreement formally ticks all the boxes. It even includes a trade and sustainable development (TSD) chapter, which commits the parties to implementing the Paris Climate Agreement and is compatible with the EU Green Deal. Despite that, the reception to the announcement of the successful negotiations was poor, and criticisms started to pile up. Signing a free trade agreement, even more of an association agreement does not, and should not, depend exclusively on purely economic considerations. However, it is a problem when it becomes almost impossible for the EU to close beneficial trade deals negotiated for several years because some actors decide to block them due to political shortsightedness or ideological reasons. The Walloon parliament's blocking of the EU-Canada Trade Agreement (CETA) is another good example of this phenomenon at the European level. Even more irritating is that there are no homogeneous criteria to justify why some agreements face resistance while others do not get any attention. It is remarkable that while the Mercosur agreement was received with appalling rejection by some member states and European civil society organizations, the EU free-trade agreement with Vietnam, a non-democratic one-party system Socialist republic with a long track record of human rights violations, was adopted in 2020 without any significant opposition or public outcry.

It is not the goal of the present article to discuss in detail all the arguments used to criticize or question the viability of the EU-Mercosur agreement. But it is a fact that several of the arguments used by those who oppose the agreement can be easily debunked. For instance, it is often claimed that the agreement's implementation would significantly negatively impact European beef producers, especially in Ireland and France. Nolte (2021) reminds us that the tariff rate quota of 99,000 tons of beef per year that would be allowed by the agreement accounts for just 1.25% of total EU beef consumption and is dwarfed by the entire beef production of the EU, which accounts to over 7 million tons. Moreover, the author reminds us that even though the ever-expanding beef production in Brazil and Argentina is concerning from an environmental perspective, 75% of Brazilian meat production and 71.1% of Argentinean meat production are consumed domestically. Furthermore, a much more significant volume of Mercosur beef exports is currently being directed to China, meaning that "[w]hen it comes to exported beef, it is China, not the EU, that is eating up the rainforest."

Whereas former Brazilian President Jair Bolsonaro's disregard for climate policy was indeed regrettable and very detrimental to Brazil's international image, especially in a European Union where the climate agenda has turned into one of the top concerns of the citizens and a priority for the Von der Leyen Commission and several member states, it is also difficult to see it as a sufficient reason to dismiss the EU-Mercosur association agreement in its entirety, throwing away decades of negotiations. This is even more difficult to understand when the EU constantly closes deals on migration management, energy, and other strategic areas with countries much less compliant with European values than the Mercosur countries.

In 2019, less than a month after the announcement of the agreement in principle of the trade pillar, the Irish Parliament voted a motion to ask the government to dismiss the deal with Mercosur. Declarations from French President Macron, also opposing the deal, followed suit, and an agreement was approved in the Austrian Parliament, obliging this country's government to vote against the agreement.¹ Some months later, the Walloon Parliament in Belgium approved a resolution against the agreement. After the announcement in the summer of 2020 of the agreement in principle of the partnership in cooperation chapters, even the German government, whose powerful industrial lobby was keen to close the deal as soon as possible, started to doubt the agreement. This toxic and highly politically driven perception of the agreement culminated in a resolution of the European Parliament on the the implementation of the common commercial policy that opposed the agreement in principle in its current form. The Polish government and the Dutch parliament have also expressed their reservations about the

¹ For the Austrian Green Party, which is a member of the ruling coalition in the country, the fact that the Mercosur countries are huge producers of meat, soy, and other agricultural products, which cause deforestation and increase emissions of greenhouse gases, makes the agreement undesirable. In France, which is known for its protectionist trade approach, President Macron was very vocal against the agreement because it could reduce his support basis and hurt his ambitions to pursue re-election, besides his feud with Brazilian President Bolsonaro.

agreement. Hence, it became evident that some European concerns with the text would have to be addressed to move forward in the negotiations.

One of the ideas that emerged to save the deal was to agree upon some sort of additional interpretative protocol to the main text. In fact, a proposal from the European negotiators, which included provisions on, among other things, deforestation and labor rights, was sent to the South American counterparts. The draft, leaked in March 2023, was immediately criticized by civil society and environmental groups for not going far enough. Unfortunately, it became clear that any effort to try to address environmental and other concerns from European political and civil society groups would not be taken by these actors as sufficient, as their ultimate goal is, for several reasons, to block the negotiations indefinitely.

2.3. CAN THE EU-MERCOSUR ASSOCIATION AGREEMENT BE SAVED?

While visiting China in April, Brazilian President Lula da Silva declared that the EU-Mercosur agreement should have priority over any agreement with China. His ambition was to agree with the Europeans by the end of the first semester 2023. Unfortunately, that did not happen. Likewise, the EU-CELAC summit held in July in Brussels, where many expected a breakthrough or some meaningful announcement about the agreement, was followed by the mere promise from Lula that in some weeks the Mercosur counterproposal to the additional interpretative and non-binding annex to the agreement drafted by the Europeans would be sent out in the following weeks.

Currently, the main course of action remains the negotiation of this side letter, even though the pressure from the European side to negotiate such an additional instrument has never been well received by the Mercosur countries and still endangers the conclusion of the negotiations. It must be noted that Uruguay is currently negotiating a trade agreement with China. Meanwhile, in his visit to Beijing in April, Lula signed bilateral sectoral agreements with the Chinese government. The fact is that Mercosur countries are in desperate need to open more markets, and if the EU tries to impose terms that are deemed unacceptable, Mercosur countries will not wait forever and move on. Both Argentina and Brazil have put pressure by stating that they would also like to revise the text. For instance, Brazil is concerned that the text, in its current form, foresees the opening of Mercosur countries' public procurement sector to European companies, which could be disadvantageous to Mercosur national companies. According to sources in the European institutions, both sides will do what they can to avoid re-opening negotiations of any substantial sections of the text, as it would lead to further delays in the conclusions of the negotiations that could extend to months or even years. In turn, the parties will most likely keep working on the additional interpretative instrument to have a chance to conclude the negotiations in the coming months. The last round of negotiations took place in mid-September.

The problem is that the clock is ticking very fast, and pressure is rising. Even though it is entirely in the EU's interest to close the negotiations as soon as possible, and it is clear that the European Commission and the Mercosur countries are still politically invested in this mission, all those involved know that the window of opportunity is closing. Lula has been trying to keep the spirits high by stating after the EU-CELAC summit in July that he was optimistic about a successful conclusion of the negotiations in 2023. In her State of the Union address in early September, Commission President Von der Leyen declared that she aimed to complete the deal with Mercosur by the end of 2023. But the current context is challenging. This semester, Spain holds the rotatory EU Presidency, and considering the critical role that this country plays in the Latin America agenda in the EU, this could have been a perfect opportunity to seal the deal. Unfortunately, ongoing political uncertainty in Spain has affected the capacity to deliver by the current EU presidency. The early departure of President Sanchez from the EU-CELAC summit shows that the Spanish government is only partially focused on the Presidency compared to the coalition negotiations at home.

Amid such an uncertain scenario, Paraguay's President Santiago Peña has recently made a public ultimatum, saying that in case the negotiations are not concluded by 6 December 2023, when Paraguay will take over the Mercosur Presidency, he will not further pursue negotiations with the European counterparts, focusing on closing deals with other regions of the world instead. This could be seen as a mere threat to pressure the European negotiators, but it should not be underestimated. Felix Peña (2023) and Detlev Nolte (2023) argue that the EU and Mercosur are approaching a decisive breaking point that could define the political viability of the agreement. They are right. After over 20 years of negotiations, this is the "make it or break it" moment for the association agreement. Firstly, it is unlikely that a country other than Spain, even when distracted by internal political developments, can be the broker of such a highly politicized agreement. Secondly, it is essential to remember that Belgium will take over the EU Presidency after Spain. In this country, the agreement is seen through very negative lenses, which will make unlikely any special effort to push through with the negotiations. Thirdly, according to current analysis and projections, it is expected that the upcoming European elections, scheduled to take place in June 2024, will bring essential changes in the composition of the European Parliament. As the pro-European and economic liberal camp loses more ground to more nationalistic, populist, and protectionist political forces, the chances to agree on a final text that could be approved by the European Parliament after the summer of 2024 and finally be ratified by the member states are very low.

As time passes by, there are fewer reasons to remain optimistic. Should there be a real breakthrough in the negotiations in the coming weeks, some time could be bought to allow the conclusion of the deal to occur by the end of the year or in early 2024 at the latest. But even in this scenario, success is not guaranteed. Even if the deal is concluded and the text of the association agreement is

signed by the Council this year, the procedures of legal revision and translation, the discussion and vote by the European Parliament, and the ratification by the member states would take place during the Belgium Presidency and the campaign for the European elections, a moment where political parties and governments are less prone to make concessions on more contentious and polarizing dossiers. In any case, it is a fact that failure to show progress in the negotiations by the end of November will most likely be the political death of the association agreement.

Does this mean that this is the last chance for an EU-Mercosur agreement? It does not have to be, as long as there is a path change. Brussels has discussed the possibility of splitting the agreement for several years. Since the EU-Mercosur association agreement is a mixed agreement, which includes EU exclusive competencies and exclusive and shared competencies of the member states, it is legally possible for the Council to split the agreement, meaning that the trade pillar of the negotiations, upon approval of the agreement by the Council and the European Parliament, could enter into force provisionally. At the same time, the cooperation and partnership pillars await ratification by all European member states. This possibility is strongly criticized by those who are against the agreement, but it could be argued that it is the best way to save it.

Suppose the EU is serious about “open strategic autonomy” and wants to remain an actor capable of pushing a trade liberalization agenda, as well as the principles of democracy, carbon neutrality, and defense of human rights while protecting Latin America from the dangers of Chinese influence. In that case, it must be open to a change of approach. In 2022, after several years of paralysis, the modernization of the EU-Chile agreement was also split into a free trade agreement and an advanced framework agreement. The precedent exists and will most likely allow the application of the new free trade provisions agreed by the European Commission and Chile in the coming months. The same model should be applied to facilitate the conclusion of EU-Mercosur negotiations.

2.4. TIME FOR LEADERSHIP

In a non-paper approved by the Presidency of the European People's Party (EPP) in December 2020, it was argued that

“[w]e in the EU should not now, at the final step, renege on an agreement made in line with our negotiating mandate; if we do, we will send a bad signal of our ability, as a democratic Union, to deliver both for EU citizens and strategically at multilateral level. We may lose an invaluable opportunity; for China and others will certainly only seize the chance to exert greater influence. We must seriously, and urgently, it is true, address the issue of rising deforestation in the Amazon; but we should take

this opportunity to deepen our partnership with Mercosur (...) We call for urgent attention to the EU-Mercosur deal on the table: to strengthen climate protections against deforestation, yes — but not to miss this moment to forge closer ties with a vitally important region. This is in our interest. It is also in line with our values.”

Similar language would later be included in the position paper *For a Powerful, Targeted EU Global Trade Policy* approved by the party's Political Assembly in June 2021, which also defended the need to find a solution to close the deal. It summarizes well what is at stake for the EU.

As the tensions escalate between the democratic West and the authoritarian block led by China, the European Union must step up to this geopolitical challenge. Today, the EU is clearly losing the battle in Latin America, as it is losing in Africa and Asia.

European societies have changed and evolved, as well as their interests and priorities. And the EU should lead the world in policies aimed at protecting the environment and promoting carbon neutrality. But this agenda should be an added value for the EU and the world, not an instrument for some to pursue an ideological or protectionist agenda and hinder the EU's potential. The EU-Mercosur association agreement has the potential to build one of the largest free-trade areas in the world, capable of not only promoting economic growth and prosperity for the citizens on both sides of the Atlantic but also strengthening an axis of for the defense of democracy and freedom in the world.

It is time to stop playing games. The political window of opportunity for the agreement in the EU is closing fast. And this time, it might not open again once it is shut. The European Commission has understood it but cannot complete the deal alone. There is a need for a political push from the EU member states. There is a need for leadership. And here, the European center-right has a vital role to play.

In the same way, it is already pushing inside the European Commission; it is time for countries led by center-right governments, especially those who in the past helped to block the negotiations, to give the necessary political push. This is the only way for the agreement to remain viable. By splitting the agreement and focusing on its trade chapters, EU and Mercosur countries could finally put behind over twenty years of negotiations, unlock the vast potential of bi-regional trade, and build up political momentum towards the construction of a stronger value-based partnership capable of pushing for more prosperity, peace, environmental protection and democracy in the world.

ABOUT THE AUTHOR

Luis Blanco holds a Ph.D. in Political Science from Bielefeld University (Germany), a Bachelor's degree in International Relations, and a Master's degree in International Politics from the Pontifical Catholic University of Rio de Janeiro (Brazil). He specialized in EU relations with third countries, focusing on the EU's strategic partnerships. In 2018, after several years working with Konrad-Adenauer-Stiftung in Latin America, Asia, and Europe, he joined the European People's Party in Brussels as the chief of cabinet of the EPP secretary general, a position he held until June 2022. In October 2021, he was appointed general coordinator of the Centrist Democrat International (IDC-CDI), the world's biggest alliance of centre-right political parties.

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3. THE IMPORTANCE OF YOUTH POLITICAL PARTICIPATION AND SOCIAL INCLUSION FOR DEMOCRACY – NEW POTENTIAL FOR COOPERATION BETWEEN THE EUROPEAN UNION AND LATIN AMERICA

Authors: José Francisco Lagos, Jorge Sandrock

3.1. INTRODUCTION

Latin America is a young region. The youth represents 160 million people in the continent - one out of every four in Latin America is between 15 and 29 years old (ECLAC, 2023). For this reason, this age group constitutes a relevant target group when discussing and defining policies and programs related to democracy and its promotion in the region, including when it comes to cooperation with the European Union (EU). This group's perception of democracy and its commitment to and identification with its institutions are crucial for the stability and sustainability of the democratic system in the region.

In this context, there are vital signs that should be noted. According to the Latinobarómetro 2021 Report, a study carried out in 18 countries in the region, only 50 percent of those under 25 years old assert that they support democracy. On the other hand, 31 percent say they are indifferent to the type of government. And lastly, 18 percent say they prefer an authoritarian government (Latinobarómetro, 2021).

This indifference of young people expresses their disappointment with the results of democracy. Almost a third of young people express disaffection because they consider that democracy has not been able to respond appropriately to social demands and the need for greater equality in Latin American societies. Within this group, particular attention should be given to the acceptance of widespread authoritarianism, meaning that support is given to a non-democratic government as long as it can resolve problems. At the same time, there is a perception that government decisions do not consider the general interests of the population but rather those of certain privileged groups.

The study indicates the urgency of addressing political participation and social inclusion of youth as priority objectives of an agenda that seeks to recuperate the support for democracy and trust in its institutions. This agenda should consider the age group between 15 to 29 years old not only as its target but also as relevant actors and actors of change.

In the EU, youth supports democracy, but participation is limited. According to the 2022 Eurobarometer on Youth and Democracy (European Commission, 2022a), young people consider voting in local, national, or European elections to be the most effective action for making their voices heard by decision-makers. In second place follows engaging in social media, with participation in political movements, parties, or unions as well as in student or youth organizations listed as further, yet less effective, actions. However, EU election studies show high voter absenteeism, especially among the youngest eligible voters, with abstention from voting at the EU level at over 70 percent among those under 25 and only slightly below 70 percent among 25-29-year-old young adults, although youth participation in national elections is higher (European Parliament, 2023). This suggests that in the EU, too, trust and willingness to participate in traditional political institutional processes are limited. On the other hand, the European Parliament Youth Survey 2021 found that across the EU27, 56 percent of those aged 16-30 consider protecting human rights and democracy the most critical value. EU youth, therefore, support democracy.

Both regions should undertake greater efforts to ensure youth participation and inclusion in democratic processes. In June 2023, the European Commission proposed a strategy for renewing its agenda and cooperation with the region of Latin America and the Caribbean. It considers the role of the

young generation in various ways, especially when it comes to enhancing people-to-people contacts, for example, through initiatives such as country-level Youth Sounding Boards or Erasmus+. Efforts in this regard can be essential in strengthening democracy and providing a basis for the EU and the countries to interact as like-minded partners.

3.2. THE CHALLENGES OF POLITICAL PARTICIPATION AND SOCIAL INCLUSION

In recent decades, young people have become relevant social and political actors in Latin America through social mobilization, a form of citizen action. Indeed, a large part of public debates and transformation processes that society is currently undergoing result from acts of young people, such as regarding efforts on climate change. However, this scale and relevance of youth mobilizations have been accompanied by limited interest in traditional forms of political participation, such as voting or party membership, demonstrating a significant level of disinterest or dissatisfaction with institutional politics.

The participation of young people in institutional spaces implies a relationship of equality and intergenerational democratization, which is not always accepted or fostered through traditional political structures. In this sense, and in the face of dissatisfaction or disinterest in conventional politics, young people express a participation that has shifted towards non-traditional forms. For this reason, measuring

youth participation only through voting is a limited approach to the diverse formats in which they tend to be present today. Young people participate by voting and expressing their opinions in social networks or through other collective expressions in public spaces. Therefore, participation implies innovation and transformation processes that political institutions must recognize and understand (Torres and Ponce, 2021).

Dissatisfaction is also connected to young people's struggle to participate effectively in political parties and increase their representation levels. Although progress has been made in recent years, there are still high rates of underrepresentation based on gender and age. Therefore, actions are required to promote access and strengthen the representation of these groups in political parties and the parliaments.

In Europe, the limited involvement of young individuals in institutional politics is due to a shift in their citizenship norms, evolving political perceptions, and the outdated nature of rigid liberal democratic ideas regarding membership and methods of political engagement. For example, social media is highly popular, especially among youth. Young individuals are not apathetic or disinterested in politics or democratic processes but tend to lack sufficient information and empowerment. Governments and political organizations can address these issues through greater investments in youth, more education, and adjusting institutional frameworks (European Commission, 2022a).



Title: Youth Demonstration in Santiago | Image copyright: Instituto Res Publica

The lack of progress in including young people in educational and employment opportunities generates discontent, frustration, and distrust in the democratic system, constituting risk factors for the stability and sustainability of democracy. Latin America continues to present structural shortcomings regarding quality and equal access to education. Many young people do not have access to comprehensive education. UNICEF estimates that while Latin America and the Caribbean have made progress in the last decades, significant gaps remain. Approximately 12 million children and adolescents aged 7 to 18 are out of the educational system (UNICEF, 2023).

For this reason, a significant proportion of those who enter the labor market are forced to work in precarious conditions, with low wages and no social security. The lack of specific policies and programs addressing the needs and challenges of youth contributes to this phenomenon. The prospects are not always promising. This drives many young people to drop out of school and universities. Many do not enter the labor market. It is estimated that around 20 million young people between the ages of 15 and 24 in Latin America are neither studying nor working. This situation has led to “young NEETs” (Not in Education, Employment, or Training).

At the same time, significant gender gaps remain. Young women face additional challenges in terms of social inclusion and development opportunities. They are often affected by gender discrimination, violence, lack of access to resources, and economic opportunities. Two-thirds of “young NEETs” are women. Overcoming these challenges requires comprehensive attention and multifaceted approaches. In addition, it is critical to address the structural and social barriers that contribute to the situation of young NEETs and combat the stigma associated with their status.

3.3. RECOMMENDATIONS

Political participation and social inclusion of youth are critical challenges for the stability and sustainability of democracy in Latin America. These two aspects are connected and mutually reinforcing. To address these challenges, it is necessary to implement comprehensive policies that encourage youth political participation, strengthen their social inclusion, and provide fair opportunities for further development. This implies creating spaces for participation, strengthening civic and political education, promoting gender equality, generating opportunities for decent employment, and strengthening mechanisms for dialogue and collaboration between young people, governments, and civil society. Regional cooperation and the exchange of best practices among Latin American countries can be valuable in addressing these common challenges and promoting a more inclusive and sustainable democracy. However, closer cooperation with international partners, particularly the EU, can also play an important role.

In this context, the “Youth Action Plan in EU External Action 2022-2027” (European Commission, 2022b), as a political framework for strategic cooperation with youth, presents an essential opportunity for collaboration between Europe and Latin America, allowing to generate synergies and expand the impact of the individual efforts of both regions. Based on this initiative’s three pillars of action, “cooperate to dialogue, cooperate to empower, and cooperate to relate”, this action plan offers opportunities to implement new programs and deepen existing joint efforts. The European Commission also aims to intensify cooperation on education and research, such as exchange programs, such as Erasmus+, and promote circular mobility, as suggested by the new EU-Latin America strategy.

To successfully design and implement cooperation programs, the EU and Latin America must exchange experiences and best practices in promoting youth political participation. This implies sharing lessons learned, successful strategies, and innovative approaches that have been effective in both contexts. In this regard, future programs and initiatives should consider the following aspects:

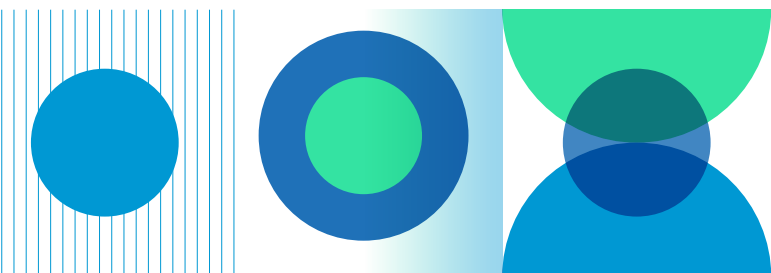
- Dialogue between the EU and Latin America should be strengthened through youth. For instance, the EU-LAC Youth Days provide a platform for constructive dialogues that involve young people from both regions in reflecting on the future of bi-regional relations between the EU and LAC. Such initiatives should be continued and expanded (EU-LAC, 2022).
- Programs must understand and succeed in channeling youth’s diverse expressions of participation. Alternative forms of political participation give young people a voice in public affairs. They can be especially effective in overcoming institutional barriers and negative stereotypes that limit their participation in traditional political channels.
- The participation of young people should be promoted from the different territories and regions where they come from, implementing political training programs that reach provinces and remote areas.
- Programs should be designed and oriented according to the profile and characteristics of the targeted groups.
- The development of school syllabuses should include the early encouragement of participation and civic responsibility of pupils, thus generating awareness of civic involvement and commitment from the beginning of their education.
- Syllabuses should provide theoretical knowledge on democratic principles and practical knowledge to enable pupils to successfully engage in political, student, or social activities.

- Strategies should consider social networks and technologies valuable tools to engage young people in politics. Digital technologies facilitate the diffusion of young people's information, mobilization, and political activism, allowing them to connect with their peers and amplify their message nationally and internationally.
- Strategies should prioritize the promotion of gender equality in the political participation of young people. Specific programs to encourage the involvement of young women in politics should be implemented. The elimination of gender barriers and stereotypes in political participation should be supported.
- Training programs should consider the migratory phenomenon affecting Latin America. Young immigrants should be offered training in civic issues. They should be provided with accurate and understandable information about local and national politics, political parties, electoral processes, and the different public institutions and actors.
- To reduce the risk of populism and promote youth political participation, it is essential to foster critical thinking. Young people should be equipped with skills to analyze and question information, understand political mechanisms, and evaluate leaders' proposals.

the global economy. Curricula should focus on developing relevant skills for the future and fostering adaptability and the capacity for continuous learning, as the future labor market will require workers to adapt to new technologies and job roles.

Concerning education models that promote the early incorporation of young people into the labor market, the European experience with dual education may be of particular relevance. The dual model combines theoretical training in the classroom with practical training in the workplace, providing students with relevant work experience during their training. This form of professional training allows students to acquire concrete and applicable technical skills in a natural work environment. At the same time, it will enable students to network and establish links with employers and professionals in the field where they wish to work, providing a network of support and opportunities for future employment. Dual education can be especially beneficial for disadvantaged groups, such as young people in vulnerable situations, students with low economic resources, or those from underprivileged backgrounds.

Finally, cooperation between the EU and Latin America should encourage joint research and the development of indicators to monitor and evaluate the social inclusion of young people. This allows solid data and evidence to guide policies and programs and measure progress in achieving common social inclusion goals.



3.4. CONCLUSIONS

Political participation and social inclusion of young people present a strategic challenge for the countries in Latin America but is also a factor worth considering in Europe. This vital part of the population is often affected by apathy. It also faces particular barriers to making its voice heard, broadening its participation in public institutions, and fully incorporating the benefits of social and economic development.

Addressing the challenge of social inclusion of youth requires a comprehensive approach that involves not only economic and social policies. It is essential to promote educational and labor strategies, including accessible education and professional training programs, career guidance programs, labor policies that encourage hiring young people, and support programs for youth entrepreneurship. Likewise, social inclusion policies and specific programs should be implemented to address the particular needs of young people, especially those in vulnerable situations.

In this regard, cooperation and exchange of experiences between the EU and Latin America should especially consider the modernization of curricula and the implementation of education models that promote the early incorporation of young people into the labor market.

The reform of school curricula should be geared towards preparing students for a labor market that is constantly evolving due to technological advances and changes in

The political participation of the youth is fundamental to guarantee the representation of their interests in political decisions. On the one hand, the exclusion of young people from democratic processes generates a gap between public policies and the needs of this group, which undermines the legitimacy of the political system. On the other hand, social inclusion and participation in society's social and economic progress reinforce youth's commitment to democracy and its institutions.

Europe and Latin America share democratic values and face shared challenges in protecting and strengthening democracy. In Europe, there are concerns about the growing influence of populist movements and the rise of anti-democratic positions in some countries. In Latin America, further strengthening of democratic institutions is required, as well as the guarantee of rights and social inclusion of all citizens. In both cases, this represents an opportunity to look closely at shared experiences and detect the region's particularities to face these new challenges.

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4. LATIN AMERICA AND THE CARIBBEAN AS AN ENERGY AND CLIMATE PARTNER FOR THE EU

Authors: Victor Hagemann, Dietrich John, Michelle Wiesner

4.1. INTRODUCTION

Climate change and the transition to renewable energy are among the most pressing challenges facing the global community today. While there is widespread recognition of the need for urgent action, progress has arguably been slow. Since February 2022, Russia's war against Ukraine has fundamentally disrupted global energy markets and has sped up the green transition as countries have sought alternatives for increasingly expensive fossil fuels. According to the International Energy Agency (2023), in 2022, the amount of renewable power capacity added worldwide rose by about a quarter.

Latin America, the Caribbean (LAC), and the EU share several essential characteristics that make them natural allies on climate and energy issues. In recent years, both regions have taken important steps in developing renewable energy resources, such as wind, solar, and hydropower. They have also, in general, demonstrated a strong commitment to international cooperation on this issue. LAC is rich in critical raw materials like niobium and lithium, for which the EU can be a reliable consumer, representing a significant export market. At the same time, the EU can, for example, provide crucial infrastructure investments and facilitate technology transfer to LAC to support the green transition.

Although LAC as a region does not contribute overall very strongly to global greenhouse gas emissions, it is a particularly vulnerable region regarding climate-related disasters such as hurricanes, droughts, floods, and related economic losses. Annual costs due to energy and transport infrastructure disruptions are equivalent to 1 percent of regional GDP and up to 2 percent in some Central American countries. Therefore, more decisive climate action, which the World Bank has called for, is clearly in the region's interest (World Bank, 2022). While the EU and LAC have emerged as key actors and partners in the global effort to combat climate change, there is still significant potential to strengthen the cooperation and unlock mutual benefits. This paper discusses the state of play of EU-LAC cooperation on climate and energy issues, identifies challenges and opportunities in that context, and makes several recommendations.

4.2. STATE OF PLAY AND CURRENT COOPERATION

With the 2019 EU Green Deal, the EU's ambitious flagship policy, which aims to achieve net zero emissions and become the world's first climate-neutral bloc by 2050, the EU has established itself as a global climate leader. In its external dimension, this requires more decisive climate diplomacy, implementing an ambitious climate target of 30 percent in the EU's external financing through the "NDICI – Global Europe" instrument, and a greater focus on climate issues in EU international partnerships.

However, with the EU representing only a relatively small proportion of total global CO₂ emissions, it is clear that Europe must join forces with like-minded partners to achieve globally effective climate outcomes. At the political level, the EU and LAC are working closely together through regular policy dialogue and in international forums to advocate for ambitious climate policies. They also coordinate positions regarding the implementation of the Kunming-Montreal Global Biodiversity Framework and the Paris Agreement.

In its New Agenda for Relations between the EU and Latin America and the Caribbean (European Commission, 2023c), the European Commission expressed its interest in strengthening cooperation in the fight against climate change and creating climate-neutral, clean, and nature-positive economies. Cooperation in this policy domain was also reinforced at the regional summit between the EU and the Community of Latin America and Caribbean states (CELAC), which took place in Brussels on 17 and 18 July 2023 (European Council). For instance, the EU stepped up its energy cooperation with Argentina and Uruguay with two Memoranda of Understanding. The former highlights the renewable energy, hydrogen, and socially just energy transition as crucial areas of collaboration. The latter focuses on renewable energy, energy efficiency, and hydrogen. However, it also became clear that various challenges remain, such as the complaints of CELAC members concerning elements of perceived paternalism and disequilibrium in the relations between the two regions. Furthermore, CELAC is much more heterogeneous and less integrated than the EU, resulting in the necessity of signing agreements and treaties with individual countries or subregions rather than

with the region as a whole, to a certain extent undermining the group's integrity.

In recent years, the EU has been a key funding source for renewable energy projects in LAC, providing vital support for developing renewable energy infrastructure. For example, the European Investment Bank's (EIB) main priority in the region is facilitating projects contributing to climate change mitigation and adaptation. This also involves investing in regional funds such as the Emerging Market Climate Action Fund (EMCAF), the GEF Latam Climate Solutions Fund, or the Latam Energy-Efficient Housing Fund. Overall, green financing is a crucial pillar of EIB investments in the region, having made up 40 percent of total lending in 2021 (European Investment Bank, 2021). Cooperation on renewable energy projects is very fruitful since LAC's overall electricity generation mix has the largest share of renewables in the world, amounting to 61% in 2021 (OECD et al., 2022).

The EU's Regional Multiannual Indicative Programme (MIP) for the Americas and the Caribbean for 2021-2027 (European Commission, 2022) strongly emphasizes climate policy and sustainable development, its priority area being the green transition. The MIP highlights actions to reduce greenhouse gas emissions, protect the region's rich biodiversity (which amounts to around half of global biodiversity), promote energy efficiency, and foster renewable energy sources in the region. It also focuses on stimulating sustainable land use and forest management through conservation and restoration of terrestrial and marine ecosystems, as well as supporting adaptation measures to address the impacts of climate change. Moreover, the MIP seeks to strengthen regional cooperation and dialogue on climate and energy issues and facilitate the transfer of clean technologies. Overall, the EU's MIP thus demonstrates its strong commitment to supporting LAC's climate actions.

Numerous initiatives have already been launched or implemented in the context of these priorities. A good example is EUROCLIMA (2023-2028), an EU-funded €35-million flagship program that aims to integrate climate change strategies into public policies and planning processes in LAC, based on cooperation between the EU and 18 countries in the region. The program provides financial and technical support to help countries implement policies and plans that reduce greenhouse gas emissions and increase resilience to climate change impacts. Specifically, EUROCLIMA focuses on five priority areas by implementing specific projects: (1) sustainable and resilient cities, (2) climate-smart agriculture, (3) biodiversity and ecosystems, (4) access to climate finance, and (5) education and climate

change awareness. The program works with governments, civil society organizations, and other stakeholders to advance climate action in the region. Regarding technical cooperation, the EU also supports climate action through the sub-regional program for Central America or technical cooperation investment programs under the Latin America Investment Facility (LAIF) and the Caribbean Investment Facility (CIF) (European Commission, 2023b).

With the Team Europe Initiative on Green Hydrogen development in Chile, the EU and its member states aim to boost investment opportunities in green hydrogen in Chile by strengthening the enabling environment, supporting technological development, providing concessional financing, and fostering business cooperation. This cooperation is mutually beneficial since Chile is the LAC front-runner for cheap green hydrogen. The initiative will support the decarbonization of the Chilean economy, create employment, and generate business opportunities for Chilean and European companies while at the same time meeting Europe's demand for the import of green hydrogen (Team Europe, 2023).

The EU partnered with Chile on sustainable raw materials value chains under the Global Gateway investment strategy in July 2023. It will cover the entire value chain and ecosystem and aim to develop a competitive and sustainable industry for processing raw materials. This cooperation will likely benefit both since Chile is a leading producer of critical raw materials, including copper and lithium, essential to Europe's green transition (European Commission, 2023a).

4.3. STATE OF PLAY IN LAC AND OPPORTUNITIES

Under the so-called "pink tide," politically, LAC has continuously shifted to the left in the past two decades. After recent elections in Brazil, Chile, and Colombia, 92 percent of the region's people are now represented by left-wing governments (The Economist, 2023). As the presidents range from progressive center-left democrats such as Gabriel Boric in Chile to autocratic demagogues like Nicolas Maduro in Venezuela, this poses both opportunities and challenges to EU-LAC cooperation in the field of climate and energy. On the one hand, left-leaning governments tend to agree on the importance of combating the climate crisis and protecting the environment. Colombia's Gustavo Petro pledged to end new oil exploration, while Brazil's Lula da Silva was already celebrated as the Amazon's savior at COP27 before taking office. This gives European actors new potential entry points for cooperation projects.

However, democracy and the investment environment of numerous LAC countries have been weakened. In the last 15 years, Latin America has seen the greatest drop in The Economist Democracy Index rating of any region worldwide (Eiu report, 2022). Furthermore, Latin America is now competing in a generally less favorable international investment climate, which, coupled with rising interest rates, the US Inflation Reduction Act (IRA), and NextGenerationEU, poses challenges to the region and possibly its cooperation with the EU.

CHALLENGES – THE EXAMPLE OF BOLIVIA

A closer look at Bolivia, a seldom mentioned country regarding EU-LAC relations, will highlight exemplary obstacles and challenges that need to be addressed and overcome in many countries in the region. The Andean state is the only country in South America to be ranked among the top 10 countries worldwide most affected by climate change (Germanwatch, 2021). It possesses the world's largest lithium reserves and suffered the third-highest primary rainforest loss worldwide in absolute terms behind Brazil and DR Congo in 2021 (Global Forest Watch, 2022). Nevertheless, smaller economies like Bolivia are often overlooked, as the focus usually lies on the region's six largest economies of Brazil, Mexico, Argentina, Colombia, Chile, and Peru.

Bolivia has Latin America's highest share of indigenous people who place great value in honoring "Mother Earth" (Pacha Mama). The core principles of the governing MAS (Movimiento al Socialismo) party are strengthening indigenous rights and living in harmony with nature (Buen vivir). However, when faced with trade-offs, priorities can quickly shift, and fiscal dependencies on neo-extractivism lead to environmental promises often losing out. Illegal but tolerated mining activities, including the intense use of mercury, poison tributaries of the Amazon River, and threaten ecosystems and indigenous communities in Bolivia and throughout the rainforest basin in South America.

Raúl Velásquez, energy analyst for the Bolivian Fundación Jubileo, points out the complexity of dealing with rural communities across the Altiplano as well as the Amazon Basin: On the one hand, small-scale decentral renewable energy installations could electrify over 200.000 households for the first time in Bolivia alone. On the other hand, thousands of unskilled workers in the gas and mining sector and indigenous communities receiving payments for extractivist activities on their ancestral lands could lose their livelihood in an overhasty transition process (Velásquez Guzmán, 2023). The same issue occurs in the lodging industry in Brazil when looking at President Lula's plans for curbing deforestation.

Like most left-wing governments in the region, Bolivia's MAS favors bigger government with state-owned firms, a high level of market intervention, and a high degree of protectionism, including against foreign exploitation of

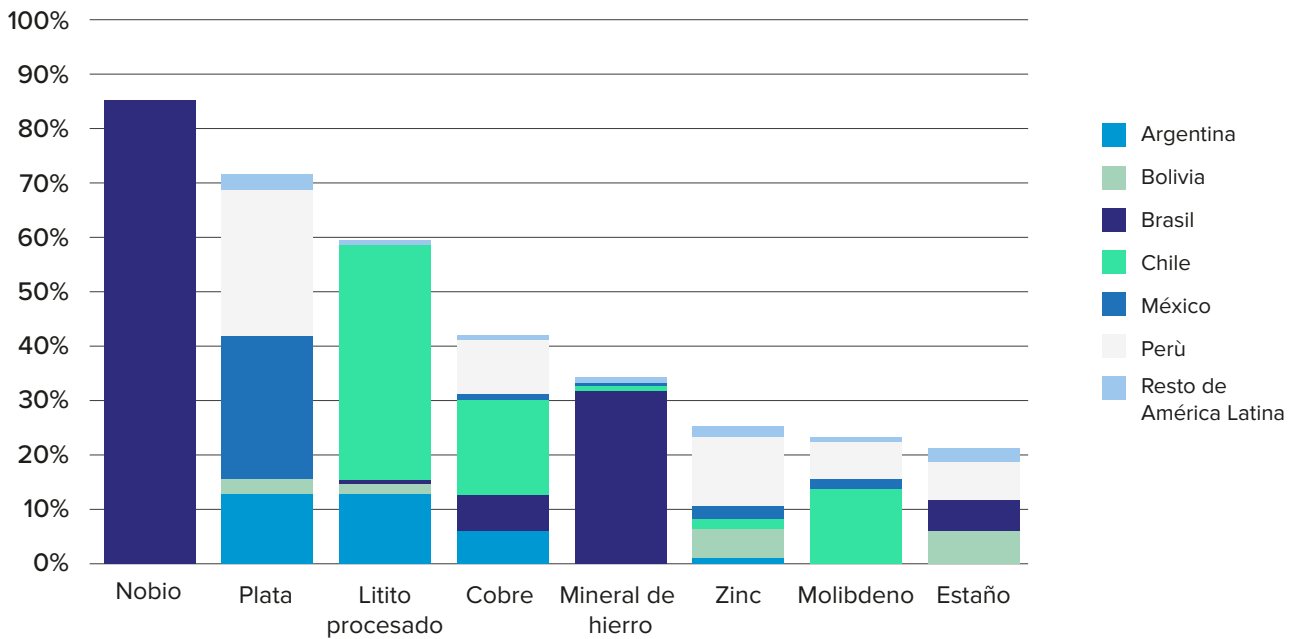
resources. State subventions of gas and oil present the biggest challenge to the market entry and development of e-mobility firms. In May 2023, Venezuela (US\$0,004), Bolivia (US\$0,54), Ecuador (US\$0,63), Colombia (US\$0,69), and Argentina (US\$0,96) all had gasoline octane-95 liter prices of under 1 US-Dollar. In comparison, the cheapest gasoline in the EU was sold in Malta at US\$1,44 (GlobalPetrolPrices, 2023). Consequently, the transport sector has no economic incentive to transition. This is especially damaging in countries like Bolivia, where transportation accounts for 55 percent of total energy consumption (Balance Energético Nacional, 2021).

Furthermore, the fiscal and electrical dependency on gas poses a fundamental obstacle to change in Bolivia. State-owned monopolies are reluctant to change the status quo, state budgets rely heavily on fossil fuel revenues, and even the national grid, industry, and private households are technologically dependent on natural gas. Across the region, left-wing governments are falling short of their green promises: Despite negative environmental impacts, Colombia and Germany signed a deal to export coal from the largest open-pit mine in Latin America in 2022; last year, Mexico's President López Obrador opened a large oil refinery in his home state of Tabasco, pursuing a more nationalistic and non-green energy policy. According to Señor Velásquez, the entire state and economic model need to change in countries like Bolivia to fully benefit from and contribute to partnerships with the EU and related climate action.

OPPORTUNITIES

Why should the EU cooperate with countries such as Bolivia despite many challenges and obstacles? Firstly, the potential for improvement is very high in a country that currently relies on fossil fuels to generate 93 percent of its primary energy and has one of the highest global primary forest loss rates. Bolivia and similar countries must be convinced to join in to combat the climate crisis effectively (Balance Energético Nacional, 2021).

Secondly, the geological requirements for stronger cooperation are clearly in place due to an abundance of natural resources as well as rare earths. Due to the proximity to the equator, the desert-like arid climate, and the extremely high altitude of around 4,000 meters above sea level, the flat planes of the Altiplano in Peru, Bolivia, Chile, and Argentina are the region with the most significant solar potential in the Americas. Additionally, strong winds and sparsely populated planes in the Gran Chaco of Bolivia, Paraguay, and Argentina and the already deforested parts of the Amazon Basin provide great potential for wind-energy parks. The rare earths needed for the green transition in the EU, with the lithium triangle in Argentina, Bolivia, and Chile leading the way, are a substantial potential benefit for the EU in the context of mutually beneficial cooperation.



Source: European Commission (2020), 'Study on the EU's list of Critical Raw Materials'

Figure 1 – Imports of selected strategic minerals from Latin America as a total of the EU's supply in 2019 (%)

Thirdly, the timing is suitable as the commodity boom has faded in LAC, revealing weaknesses and doubts in the neo-extractivist model. Now that many economies are stagnating, satisfaction levels with democracies are generally decreasing, and many crises overshadow environmental topics, it is paramount to provide alternatives to China's and Russia's worldview to their growing diplomacy efforts and programs with few social and environmental conditions. It is essential to highlight that these will not necessarily benefit LAC countries long term. For the EU, working together on a green and just transition to win over like-minded partners can thus create opportunities for cooperation in other economic, political, and social domains.

4.4 RECOMMENDATIONS

How should the EU cooperate with a region characterized by the abovementioned ambiguities and challenges? Large-scale projects such as those promoted by the Chinese Belt and Road Initiative can bring rapid change and progress to individual regions but are usually solely negotiated with the national government. These projects are often prone to corruption, cause disruption, may neglect local concerns, cause severe environmental damage, and create long-term dependencies.

The EU should thus further support the implementation of green investment projects under the EU investment initiative Global Gateway, Team Europe, and the NDICI Global Europe instrument. While the EU stays focused on its approach of high social and environmental standards within its grants and projects, procedures and requirements during project

implementation need to be kept as simple as possible to remain attractive to partner countries in the context of growing competition in the region from actors such as China.

The EU is currently in talks with the Bolivian government to invest roughly half a billion euros in renewables. This is highly laudable but needs to include a lot of layers if it is to be successful and genuinely green and just. According to Lorena Terrazas, an internationalist and expert on climate change, gender, and indigenous communities in Bolivia, a just energy transition must focus on dialogue and awareness-raising efforts. She emphasizes that the most affected local governments and municipalities must be heard and included to generate engagement and ownership. To guarantee this, she proposes that the EU organize energy summits in the countries of cooperation, including both the national and subnational levels. Furthermore, it is vital to ensure acceptance among the wider population. This arduous but crucial task involves awareness-raising of relevant and affected groups and including their needs in decision-making processes (Terrazas, 2023).

Raúl Velásquez goes one step further and advises the inclusion of various sectors of international cooperation. He underlines the importance of economic diversification and holistic societal development to create new job opportunities, a more profound understanding, new visions, and a social consensus of a greener and more just future. Especially in regimes with democratic deficits, state actors alone, both the EU and the LAC governments, will not be sufficient. Therefore, NGOs, political foundations, and civil society actors have a fundamental role.

4.5. CONCLUSION

This paper discussed EU-LAC cooperation in the field of climate and energy. Both regions have emerged as critical actors and partners in the global effort to combat climate change. Collaboration can be mutually beneficial. While the EU can benefit from Latin America's essential critical raw materials like niobium and lithium, it can provide crucial infrastructure investments and facilitate technology transfer to LAC with programs such as EUROCLIMA. The EU should also work with and support countries like Bolivia, which rely heavily on fossil fuels and have a high forest loss rate, to fight the climate crisis together and tap into unused potential. In the upcoming months and years, it will be crucial to intensify further EU-LAC relations in the field of climate and energy.

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5. CONCLUSION

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The EU's relations with Latin America and the Caribbean (LAC) are of growing importance. LAC states are potential suppliers of raw materials and energy, target markets, key allies to strengthen the rules-based international order. They are considered like-minded partners closely aligned in terms of interests and values. Given a changing geopolitical order this partnership has gained additional significance to the EU.

The EU-CELAC Summit in July 2023, preceded by the EU Commission's new agenda for intensified EU-LAC relations of June, marked a fresh start after an eight-year break and succeeded in its aim to renew the partnership and enhance bi-regional cooperation. For instance, President Ursula von der Leyen announced that Team Europe had committed over 45 billion euros to support the reinforced partnership with LAC via Global Gateway until 2027. However, some disagreements remain – in particular, on the subject of Russia's war against Ukraine. Only 59 of the 60 countries agreed on language in the summit communiqué that expressed "deep concern on the ongoing war against Ukraine" without mentioning Russia as the aggressor.

This publication aimed to analyze concrete opportunities and challenges of some of the core topics of the comprehensive EU-LAC relationship. This was done by experts from the Wilfred Martens Centre and the Hanns Seidel Foundation. Their contributions reflect ideas from both sides of the Atlantic.

The articles' main findings and recommendations are presented below.

- The Mercosur agreement is of economic and significant geopolitical importance given the ongoing global confrontation between Western democracies and authoritarian supra-regional and regional powers. Rapid progress towards the conclusion of the agreement is crucial since the window of opportunity for the EU-Mercosur association agreement is rapidly closing, and the chances for a positive outcome are very low. The EU should "split" the agreement and focus on implementing its trade chapters as soon as possible.
- Political participation and social inclusion of young people present a strategic challenge for the LAC countries and the EU since one out of every four people in Latin America, and one out of six in the EU is between 15 and 29 years old. Moreover, youth participation can be essential in strengthening democracy and is fundamental to guarantee

the representation of their interest in political decisions. The EU and LAC should look closely at shared experiences and improve dialogue. Therefore, initiatives like EU-LAC Youth Days and Erasmus+ should be continued and expanded.

- EU-LAC relations are also crucial for dealing with climate change and the transition to renewable energy. While the EU can benefit from Latin America's essential critical raw materials like niobium and lithium, it can provide crucial infrastructure investments and facilitate technology transfer to LAC with programs such as EUROCLIMA. Working together on a green and just transition to win over like-minded partners can create opportunities for cooperation in other economic, political, and societal topics. The EU should also strengthen cooperation with and support countries like Bolivia, which rely heavily on fossil fuels and have a high forest loss rate, to tap into unused potential.

The articles have shown that the EU is searching for "like-minded partners" in Latin America and the Caribbean and has recently taken concrete steps to do so. Despite positive steps, much work remains to ensure the EU-LAC relationship can reach its full potential. Will the Mercosur agreement be completed? Will Global Gateway projects be implemented quickly? Can both regions work together in upholding the rules-based international order despite differences of opinion on Russia's war against Ukraine and China's growing influence? Answers to these questions are still to be found. The Spanish presidency of the Council in the second half of 2023 presents an opportunity to strengthen the relations further and conclude recent initiatives and negotiations, such as the Mercosur agreement. As President Ursula von der Leyen said at the EU-CELAC Summit, "These are times of great geopolitical change and like-minded friends like the EU and Latin American and Caribbean partners need to get closer"

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