

ECONOMIC AND POLITICAL RELATIONS BETWEEN EUROPE AND LATIN AMERICA AHEAD OF THE 1ST EU-CELAC SUMMIT IN SANTIAGO DE CHILE

Martin F. Meyer / Winfried Jung

Since 1999, the European Union, Latin American and Caribbean heads of state and government have met almost every two years for a joint summit in order to discuss the state of relations between both regions and to set specific areas for future cooperation. The seventh such summit is to be held on 26 and 27 January 2013 in Santiago de Chile, although this time it will bear a new name. Following the creation of the Community of Latin American and Caribbean States (CELAC) in 2010, the summit has been announced as the 1st EU-CELAC summit.¹ Meetings of leaders of industry and academic institutions from both regions will take place in parallel in the Chilean capital city.

It is not easy to make any clear predictions regarding the EU-CELAC summit. Although politicians from both sides of the Atlantic always stress the historical and cultural links between the two regions, it cannot be neglected that the mutual interest has eroded on both sides in recent years. It is not just Europe that has re-assessed its priorities in times of the ongoing Euro crisis and the democratic awakening in the Middle East. Latin America has also increasingly looked towards other regions of the world, in particular the booming markets of Asia and the Pacific. Moreover, Latin



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1 | The Comunidad de Estados Latinoamericanos y Caribeños (CELAC) is made up of 33 Latin American and Caribbean countries and is designed to act as a counterweight to the U.S.-dominated Organisation of American States (OAS). Neither the USA nor Canada are members of the new grouping.

America's economy itself is thriving at the moment, which makes it paradoxical that Europe's presence in the region has been so neglected recently.



Founded in 2010, CELAC is going to meet EU representatives on the 1st EU-CELAC summit | Source: Gobierno de Guatemala (CC BY-NC-SA).

It is not unlikely that the result of the so-called Strategic Partnership that was agreed between the EU and Latin American and Caribbean states at their first summit in Rio de Janeiro in 1999 will ultimately be disappointing. One of the EU's original goals for this partnership was that it would operate on a bi-regional level, thus acting to bolster Latin American regional integration. However, negotiations to conclude sub-regional association agreements – for example with Mercosur or the Andean Community – have proven a tough endeavour (a fact for which the EU is certainly also responsible). In spite of the continuous creation of new alliances such as ALBA, UNASUR and the CELAC itself, recent years have made clear that it remains difficult to move the Latin American partners towards a serious debate on regional integration. One reason for this are the large ideological differences between the Latin American countries, but also the decreasing influence of European integration as a role model in the region in light of the EU's political and economic difficulties, such as the failure to ratify the EU constitution and the current debt and financial crises.

Assessed realistically, the next summit, which was meant to take place this year and was postponed because of June's Rio+20 summit, promises only marginal improvement. Furthermore, it remains unclear how many of the two regions' more than 60 heads of state and government will make the trip to Santiago. If the Rio conference, where among others the German and British leaders were absent, is any indication, then participation will probably be limited. This is lamentable, particularly because there is a great deal to be discussed.

More so because the specific topic chosen by the Chilean hosts – "Promoting Investment for Sustainable Development" – is a highly relevant one. After all, at 43 per cent the EU remains Latin America's largest foreign investor, and market leader in the sector of "green" technologies. There is still hope that both regions' political decision makers will realise the enormous importance and potential of the recently neglected relations between the EU and Latin America, and agree to closer cooperation and, above all, concrete measures in significant policy areas at the Santiago de Chile summit. This would be the only way to help breathe new life into the "Strategic Partnership".

The EU remains Latin America's largest foreign investor. There is still hope that both regions will realise the importance and potential of the recently neglected relations between the EU and Latin American.

OVERVIEW OF THE STRATEGIC PARTNERSHIP

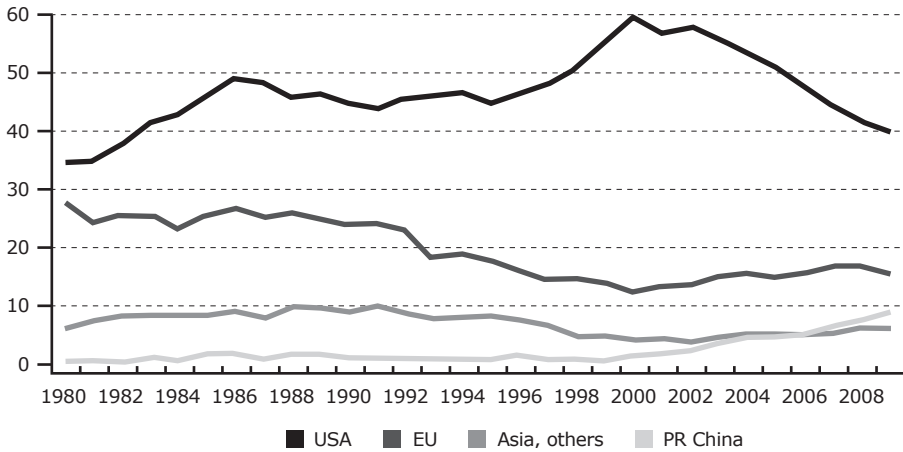
The Strategic Partnership, which was institutionalised in 1999, has three pillars: First, economic and trade relations, second, cooperation in development policy, and third, political dialogue. As regards the first pillar, the EU is currently Latin America's second largest trading partner (behind the United States of America), although it has consistently lost ground to China and other aspiring developing countries in Asia since the 1980s (fig. 1).

The United Nations Economic Commission for Latin America (ECLAC), based in Santiago de Chile, forecasts that China will replace the EU as the region's second largest trading partner by the middle of the current decade.² At the same time, the Commission complains that in the aftermath of the recent economic and financial crises, trade with Europe

2 | ECLAC, *En busca de una asociación renovada entre América Latina y el Caribe y la Unión Europea*, Santiago de Chile, 2011, <http://www.eclac.cl/cgi-bin/getProd.asp?xml=/publicaciones/xml/0/43260/P43260.xml> (accessed 8 Nov 2012).

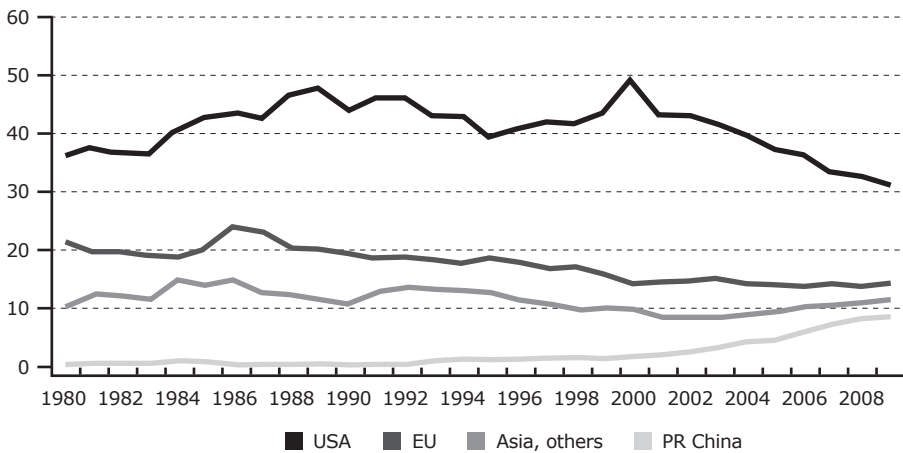
has recovered considerably more slowly than with other regions of the world. Finally, trade in goods between the two regions is highly asymmetrical. Latin America primarily exports agricultural products and raw materials to Europe while the EU exports traditional industrial goods.

Fig. 1
Exports (in per cent)



Source: ECLAC, 2011.

Fig. 2
Imports (in per cent)



Source: ECLAC, 2011.

The picture is somewhat more favourable regarding investments. According to the ECLAC, over the last two decades the EU has grown to become the largest source of foreign direct investment (FDI) in Latin America.³ Especially the major waves of liberalisation and privatisation in the region in the early 1990s resulted in a flow of European capital into sectors such as banking, telecommunications and other services. In this regard Spain was the largest European investor in the region, accounting for almost 50 per cent of the EU's share. However, the ECLAC's study also points out that European investment has recently been marked by lower growth and increased volatility. In particular, when the global economic and financial crisis reached its highpoint in 2008 and 2009 investment from Europe slowed more sharply than from other parts of the world, e.g. the USA.

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Furthermore, for many years Latin American and Caribbean countries have received financial and technical aid from both the European Union's institutions and its individual member states. At last count, the EU was the region's largest development aid donor, accounting for just under 50 per cent of the total.⁴ According to OECD figures, Germany is the second largest donor behind Spain among the individual EU member states. As a supranational entity, the European Union (and above all the European Commission) has granted more than 2.7 billion euros to the region in the 2007-2013 period via the so-called "Development Cooperation Instrument" (DCI).⁵

3 | Ibid.

4 | OECD, *Development Co-operation Directorate. Aid Statistics, Donor Aid Charts ODA*, 2012, <http://www.oecd.org/dac/aidstatistics/42139289.pdf> (accessed 30 Nov 2012).

5 | Furthermore, the EU awards customs advantages to many countries in the region under the Generalised System of Preferences (GSP). Moreover, it provides additional special preferences to most member states of the Central American Integration System (SICA) and the countries of the Community of Andean Nations (CAN) Bolivia, Ecuador, Columbia and Peru, via the GSP+, enabling most products to be imported into the EU without paying tariffs. However, the provision of tariff reductions and waivers via the GSP+ is subject to respecting certain international conventions on human and labour rights protection, environmental protection and good governance.

The third pillar of the Strategic Partnership is the political dialogue. The summits of heads of state and government from the two regions are the most important tool in this area.⁶ These meetings act as a forum to exchange ideas and

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opinions at the highest level, where both global issues and bilateral topics are discussed. In the past, the summits have addressed a very broad spectrum of subjects, such as combating poverty, the consequences of the economic and financial crisis, fighting drug trafficking, legal and illegal migration and the consequences and reduction of climate change. The most recent summit in Madrid (2010) was officially hailed a particular success because of the many specific decisions and measures agreed upon.⁷

In parallel with the various summits, a number of political institutions have also been established. For example, at the fourth summit in Vienna (2006), the political dialogue was expanded through the establishment of a joint parliamentary assembly, called the EuroLat. The assembly, composed of 75 European and 75 Latin American members met for the first time in Brussels in November 2006 and aims to provide practical support and consolidation as the parliamentary wing of the bi-regional partnership. Also worthy of note is the agreement at the most recent summit in Madrid (2010) to found a joint EU-LAC foundation. This body began its work in Hamburg in November 2011 and intends to give further impetus to the bi-regional relations, among other by also involving more fully members from civil society.

6 | Six summits have been held to date: Rio de Janeiro 1999, Madrid 2002, Guadalajara 2004, Vienna 2006, Lima 2008 and Madrid 2010. Furthermore, before and after each EU-LAC summit, regular meetings of ministers, leading civil servants, civil society, and business representatives from both regions are also held.

7 | The summit's specific successes include, for instance, the EU-SICA association agreement, the free trade agreements with Peru and Colombia, the resumption of negotiations with Mercosur and the establishment of the EU-LAC foundation. Finally, a structural fund for the Caribbean, a mechanism to support investment in Latin America and a joint action plan with specific measures and instruments in fields such as education, technology, sustainable development, social cohesion, migration and combating drugs were also agreed upon.

Table 1

Agreements between the EU and Latin America/the Caribbean (selection)

	Type	Status
Chile	A	In force since 2005
Mercosur	A	Under negotiation
Central America	A	In force since 2011
Bolivia	F	Consultation
Ecuador	F	Consultation
Colombia	F	Signed 2012
Peru	F	Signed 2012
Andean Community	K	Signed 2003
Argentina	K	In force since 1991
Brazil	K	In force since 1995
Mexico	K	In force since 2000
Paraguay	K	In force since 1992
Uruguay	K	In force since 1994
Cariforum	W	Signed 2008

A – EU association agreement

An EU agreement pursuant to article 217 of the Treaty on the Functioning of the European Union (Treaty of Lisbon) on extensive cooperation with one or more third countries or one or more international organisations, with whom reciprocal rights and responsibilities, a common means of proceeding and specific procedures are agreed.

F – EU free trade agreement

EU free trade agreements are bilateral EU agreements pursuant to articles 207 and 218 of the Treaty on the Functioning of the European Union (Treaty of Lisbon) in the area of trade. The agreements must conform to World Trade Organisation (WTO) rules.

K – cooperation agreement

EU cooperation agreements, pursuant to articles 207, 209 and 352 of the Treaty on the Functioning of the European Union (Treaty of Lisbon), establish a partnership on relevant political or security topics via political dialogue and the gradual liberalisation of trade until a free trade area is achieved.

W – Economic partnership agreement (EPA)

Negotiations for an economic partnership agreement (EPA) were concluded in 2000 with the partnership agreement (Cotonou Ag-

reement) between the European Community and the African, Caribbean and Pacific States (ACP). The agreement foresees a review of the EU's economic and trade cooperation with the ACP countries, in order to place trade relations on a WTO compatible basis. EPAs combine aspects of development and trade policy. Trade barriers must be removed and regional cooperation strengthened.

Source: Germany Foreign Ministry.

AGREEMENT BETWEEN EUROPE AND LATIN AMERICA/THE CARIBBEAN

The Strategic Partnership is complemented by numerous association and free trade agreements, and independent partnerships with sub-regions and individual Latin American countries (Table 1). These agreements are primarily designed to boost economic interaction between these countries and the European Union. The EU initially set itself the goal of signing agreements with the four major sub-regional alliances in Latin America and the Caribbean: Mercosur, CAN, SICA and CARIFORUM, also in order to provide support to the Latin American endeavours towards greater sub-regional cooperation and integration. However, in light of numerous differences of opinion, it quickly became clear that this approach would not be easy to pursue. This is why the EU has now extensively turned away from that strategy and has chosen to strengthen the relations on a bilateral or multi-party treaty basis.⁸

In 1999 negotiations began for an association agreement with Mercosur. This group – the most advanced economic integration organisation in the region – is composed of

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Argentina, Brazil, Uruguay, Paraguay (currently suspended) and Venezuela, which became a full member at the end of July 2012. However, because of disagreements on free market access it has not yet been possible to sign a joint agreement: from the Latin American perspective Europe continues to block the access to its agricultural sector, while Mercosur (in particular Brazil) is not willing to remove trade barriers in the services and industry sectors. Although an agreement was reached at the last EU-LAC summit in Madrid (May 2010) to resume

8 | Susanne Grätius, "Europa und Lateinamerikas internationale Neupositionierung: Chancen für eine gleichberechtigte Partnerschaft", *Internationale Politik und Gesellschaft*, Feb 2009.

the negotiations (which had been suspended since 2004), no agreement is yet in sight.⁹

The negotiations since 2007 to sign an association agreement with the Community of Andean Nations (CAN), composed of Bolivia, Ecuador, Columbia and Peru, have proven equally difficult, above all because of the anti-globalisation and free trade positions held by the Bolivian and Ecuadorian governments of Evo Morales and Rafael Correa respectively. For this reason Columbia and Peru have favoured bilateral negotiations, which were concluded successfully this year with the signing of independent free trade agreements with the EU. Officially, however, the EU continues to insist on reaching an agreement with the whole CAN in the future.

From an integration policy point of view, the negotiations with the Central American Integration System (SICA) were far more successful. After the timetable was hit by delays in 2009 in the aftermath of the coup d'état against the former Honduran president Manuel Zelaya, the negotiations regarding an association agreement were completed successfully on the fringes of the most recent Madrid summit. The agreement formally came into force in 2011 and constitutes the first agreement between the EU and another regional organisation.

The EU also managed to deepen its relations with Mexico and Chile, neither of which are full members of any of the regional groupings mentioned above. In Mexico, this took the form of a cooperation agreement signed in 2000, which was upgraded into a Strategic Partnership in 2008. Meanwhile, Chile signed an association agreement in 2005, which in addition to aiming to reduce trade barriers, foresees closer political, cultural, scientific and educational cooperation. Finally, in 2008 the EU also signed an economic partnership agreement with the Cariforum countries, intended to strengthen relations between the two blocks and Caribbean integration in general.¹⁰

9 | In the meantime, an independent Strategic Partnership was signed in 2007 with Brazil, the region's largest country and most important trade partner.

10 | Cuba was not a party to the negotiations and Haiti has yet to sign the agreement.

PROBLEMS WITH THE STRATEGIC PARTNERSHIP

The numerous agreements signed in recent years between the EU and individual Latin American and Caribbean countries are symbolical for the fact that despite the EU's initial interregional approach, relations between the two blocks increasingly run on a bilateral basis.¹¹ There are many reasons for this development, which impact both on the specific implementation of the Strategic Partnership and on the bi-regional relations in general. Without a doubt, at the top of the list are the vast ideological differences in Latin America. The sub-continent's governments are currently implementing widely varying forms of public policy. On one side there are governments who are forging ahead very successfully with open market policies and a high degree of integration in the world market (e.g. Chile, Columbia and Mexico), whereas on the other there are just many governments who are attempting to revive state-centred economic concepts (Venezuela, Bolivia, Ecuador, Argentina). Most other Latin American countries can be found somewhere in-between these two extremes.

Given these considerable differences it is not easy at this time to have a unified and coherent integration debate with the countries in the region. The newly founded alliances – such as the Bolivarian Alliance for the Peoples of the Americas (ALBA), the Union of South American Nations (UNASUR) and the Community of Latin American and Caribbean States (CELAC) – are proof of this.

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These alliances are first and foremost political groupings that are heavily influenced by the region's political circumstances. Whereas the European integration process began in selected economic areas such as coal and steel and only later developed into political integration, Latin Americans seem to want to reverse the process.

An important exception to this rule is the Pacific Alliance, which was formed this year by four like-minded countries: Chile, Columbia, Mexico and Peru. Among other things,

11 | Karsten Bechle, "Der VI. Gipfel zwischen EU, Lateinamerika und der Karibik: Strategische Partner im Wartestand?", *GIGA Focus*, No. 5/2010, http://giga-hamburg.de/dl/download.php?d=/content/publikationen/pdf/gf_lateinamerika_1005.pdf (accessed 30 Nov 2012).

these countries have signed free trade agreements with the USA and the European Union.¹² The new alliance's long-term goal is not just the free movement of goods between the four member states (which is already anchored in bilateral agreements), but above all the free movement of services, capital and people. Furthermore, it aims in particular to expand economic relations with the Asian and Pacific countries. In light of the economic difficulties in the USA and Europe and the sustained demand for raw materials from the Asian economies, analysts consider this initiative to be of particular importance in the future.

Although the Pacific Alliance does not present itself as an exclusive group and, formally speaking, is open to other countries, observers agree that it should be viewed as a counterweight to the populist, left-leaning countries and alliances. According to some experts, the new alliance also intends to act as a strategic counterweight to Mercosur, the region's most integrated economic block to date. Above all, the four countries hope to gain a stronger footing against the up-and-coming economic might of Brazil. In recent years Mexico in particular has lost ground to Brazil and now aims to re-assert itself.

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On the other hand, Mercosur has been mired in a deep existential crisis for many years. Taking a look at its economic integration goal (customs union, creation of common markets) we can see that, twenty years after its formation, the block is far from meeting expectations. The reasons for this lie "in the enormous asymmetries between its member states, a lack of macro-economic coordination and in prioritising national interests at the expense of partners".¹³ Criticisms have also been voiced against a recent rise in protectionism within Mercosur – the most recent example of which is the reintroduction of import restrictions and the nationalisation of foreign companies by Cristina Kirchner's government in Argentina. Such anti-market

12 | Peru's new president, the left-leaning Ollanta Humala, whose predecessor Alan García was the driving force behind the Pacific Alliance, has decided not to retract from the path set by the previous government.

13 | Karsten Bechle, "Kein Auslaufmodell: 20 Jahre Mercosur", GIGA Focus, No. 3/2011, http://giga-hamburg.de/dl/download.php?d=/content/publikationen/pdf/gf_lateinamerika_1103.pdf (accessed 30 Nov 2012).

measures illustrate that Mercosur is far from being a true customs union or free trade area – a development that is not only having a negative impact on the alliance itself, but also makes it more difficult to reach an agreement with Europe. In addition to all of this, Paraguay was temporarily excluded from Mercosur this year. This arose because of the controversial decision taken by the Paraguayan Congress in June 2012 to impeach the former president Fernando Lugo. The three remaining Mercosur member states, Argentina, Brazil and Uruguay, took full advantage of the situation and offered full membership to the socialist Venezuela (Paraguay’s conservative dominated Congress had blocked Venezuela’s admission for years).



After the impeachment of President Fernando Lugo (photo) by the Congress in June 2012, Paraguay was excluded from Mercosur. | Source: Fernando Lugo Méndez (CC BY-NC-SA).

Given these developments in Latin America, it is not surprising that little remains of the EU’s initially planned concept of genuine “interregionalism”. Wherever the EU’s drive for integration has reached its limit or where major differences have existed between the individual countries, bilateral relations have gained in importance. The message Europe has sent out to Latin America – interregional rhetoric on the one hand and bilateral practice on the other – certainly does not “contribute to the EU’s credibility as an exporter of integration, but fits the varying profiles of

our Latin American partners and their stagnant economic integration".¹⁴ In addition, one needs to recognise that the various free trade and association agreements signed with individual countries in the sub-continent have been thoroughly successful in general.¹⁵ However, it should also not be forgotten that this new approach has distanced the relations between the EU and Latin America from the initial concept of a community of common values, and pushed it towards the concept of a community of common interests.¹⁶

But it is not just the most recent developments in Latin America that have impacted on the bi-regional relations. Events in the old world have also taken their toll. Geopolitically speaking, due to the EU's current problems with the debt crisis and its focus on other regions – such as the democratic awakening in the Middle East and the rise of the Asian economies – Latin America has been relegated further down the list of Europe's priorities. Moreover, the fact that the individual EU member states have vastly diverging political and economic relations with Latin America also plays a role, given that the new EU member states are traditionally far less present in the region than countries such as Spain, Portugal and Germany.

After decades of a rather paternalistic relation, it has been hard for the EU to recognise Latin America's new role and take advantage of the region's immense potential. Meanwhile, the sub-continent has developed a great deal of self-esteem that must be taken into account. For example, the region's countries have dealt with the latest global economic and financial crisis far more successfully than other parts of the world, let alone the European nations. In fact in 2010, just one year after the crisis reached its peak, Latin America returned to growth of approximately six per cent.¹⁷ This was despite the fact that many countries in the region are tightly integrated into the world economy and dependent on global economic circumstances – for instance Chile is the country with most free trade agreements in the

14 | Gratius, n. 8, 84.

15 | For example, immediately after signing the agreement with Chile and Mexico, volumes of trade with these countries jumped by 60 and 40 per cent respectively.

16 | Günther Maihold, "Europa – Lateinamerika: Von der Wertezur Interessengemeinschaft", *Lateinamerika im Aufbruch: Eine kritische Analyse*, Oberhausen, 2009, 180-181.

17 | CEPAL, n. 2.

world and highly dependent on the export of raw materials, particularly copper.

In the years leading up to the international economic and fiscal crisis numerous countries of Latin America were also able to build up considerable foreign currency reserves and pay down their debts.

One important factor for the sub-continent's low susceptibility was the reorientation of Latin American exports towards China and other rising Asian markets. The remarkable resistance of this region, which for decades was marked by economic mismanagement and inflation, can also be attributed to the many reforms undertaken in the last two decades, which ushered in prudent monetary and fiscal policies and strict financial controls. In the years leading up to the international economic and fiscal crisis numerous countries of Latin America were also able to build up considerable foreign currency reserves and reduce their debt levels. Thus the region now finds itself in a far better budgetary position and with far lower levels of debt than many European Union countries. These developments have increasingly undermined the European model of regional integration as an example to follow that guarantees growth and competitiveness, especially as Latin American countries have always found it difficult to accept a loss of sovereignty to supranational institutions and have continued to base their relations on an intergovernmental model.

Europe's relative loss of power, the progress in Latin America and, above all, the rise of Brazil as the new regional powerhouse with global ambitions have radically altered the relations between the EU and Latin America.¹⁸ Once the participants at the Santiago summit have taken this new starting point on board, they will be able to make an important contribution towards intensifying relations between the two blocks.

PERSPECTIVES: THE 1ST EU-CELAC SUMMIT IN SANTIAGO

In light of the prevailing conditions set out at the beginning of this paper, the focus of the next summit of the heads of state and government from the EU and Latin America/the Caribbean needs to be not only a fundamental rethinking of the general approach used for bi-regional relations, but also on endowing the Strategic Partnership with specific content and concrete measures. Given this backdrop, it would

18 | Gratius, n. 8, 80.

be advisable to adhere to the current strategy of signing association agreements with individual sub-regions (e.g. Mercosur) or with individual countries such as Ecuador or Bolivia, while at the same time attempting to solve certain problems together, despite the differences of opinion that may exist. This would not necessarily need to take place under existing agreements. Certain select areas could also be tackled based on formal or informal "coalitions of the willing". Europe itself also has many mechanisms, such as the Schengen Agreement and the Euro, that are only applied to some of the member states.

It would also be positive to build on the various specific targets set out in the action plan approved at the Madrid summit. The topic chosen by the Chilean organisers – Investment for sustainable development – is perfect in this regard. As already stated, the EU is currently the largest source of foreign direct investment in Latin America despite the fact that it has been falling since 2008. Reversing this trend should be one of the crucial starting points for the discussions in Santiago. Given the EU's stagnant growth, Latin American markets represent a major opportunity for European exporters and investors. Additionally, Latin America is a market of great interest for Europe because of its immense raw material reserves.¹⁹

From the ECLAC's point of view there is great potential to strengthen the development of bi-regional relations and investments. In its most recent report, the UN agency laments the fact that, to date, investments have concentrated on a small number of countries and only on a limited range of specific sectors (banking, telecommunications and other services).²⁰ At the same time, in the past, investments concentrated on acquiring national companies thus generating only limited numbers of new jobs. In the ECLAC's eyes, Europe's small and medium sized companies should play a larger role. Conversely, although Latin American firms are making progress in Europe, their market share is still very low. Of particular importance is that the European partners are given sufficient guarantees should

19 | For example, along with Chile, the German government is currently planning to establish a so-called "Raw Material Partnership" to ensure strategic access to the raw materials that will become increasingly scarce in coming decades.

20 | CEPAL, n. 2.

they decide to invest in the sub-continent. The latest developments in Argentina, for example, could discourage European companies from investing in the corresponding countries for a long time. These are all issues which should be prioritised during the summit's discussions. Concrete decisions and measures that could expand and diversify mutual investments would certainly increase the value and meaning of the Strategic Partnership.

To reach the goal of sustainable development renewable energies should be pushed particularly hard. In this domain Latin America has much room for improvement, and must considerably increase the share of renewable energies in its energy matrix over the coming years in order to lay the foundations for sustainable economic growth and greater independence from fossil fuels. However, the region has great potential in this area. In many ways, because of its geographical characteristics, Latin America is an ideal pilot region to develop and test new and innovative technologies. Owing to their role to date as pioneers and market leaders in green technologies and energy efficiency, the European Union's member states could considerably expand their role in the region. Germany in particular enjoys a strong reputation in Latin America, and the German know-how in the field of sustainable environmental policies is in high demand. And although several European companies are already involved in renewable energies in Latin America they have principally concentrated on wind and water power until now, paying little attention to energy sources such as bio and solar power.

Politicians should actively support these possibilities by encouraging intense knowledge and experience exchanges between companies, research institutions and universities from both regions. It would also be positive to intensify relations between companies, investor associations, chambers of commerce and existing initiatives (such as the SEGIB business forum or the EU-Mercosur forum). Results-focused cooperation in a small number of key initiatives would be the right path to make the importance of the Strategic Partnership between the European Union and Latin America patent to both sides. This way, the relations between both regions would also be seen as an important cornerstone of international cooperation in the future.