



EU-Latin America: Cooperation in the Globalized World

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PISM, Warsaw, 19/02/2015

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Outline of presentation

- Historical context of EU-LAC relations
- Actual Structure of EU-LAC relations
- Some trade tendencies
- Current challenges

Historical Context of EU-LAC relations

- **Regions drifting apart: the Postwar and the Cold War**
 - Geopolitical context since 1945
 - Triangulación with USA is indispensable to understand the relationship
 - Cuba y Nicaragua related to Central Europe and the URSS
 - Each in their own corner...
 - Europe, introvert and in decline
 - Latin America, relative isolationism
- **The beginning of a relationship: 1980s**
 - The San José Dialogue (1984-)
 - Spain as LAC's entry point to the EEC: The “europeanisation” of Spain's relations with Latin America
- **Liberal convergence: 1990s**
 - Europe: Maastricht Treaty, 1992
 - Latin America: The Washington Consensus

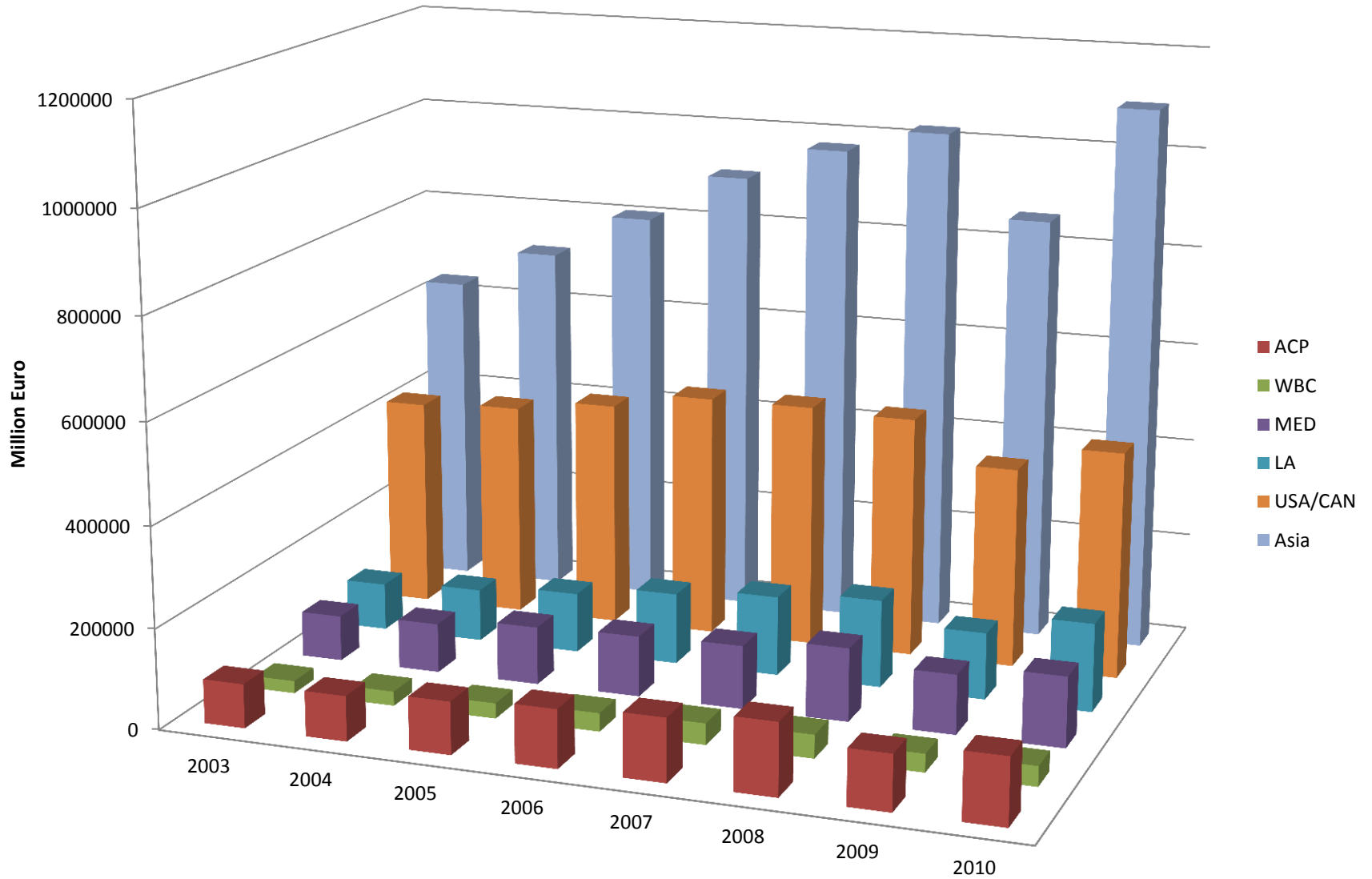
Current structure of EU-LAC relations

- **The 'Rio process', 1999: the Bi-regional Strategic Partnership**
 - Summits of Heads of State and Government every other year
 - 7 summits so far, little to show for
- **EU and regional groupings in LA: the failure of a policy**
 - Only agreement: EU-Central America in 2010
 - Andean Community disintegrated in 2006
 - Negotiations with MERCOSUR stalled
- **EU Association Agreements with LA countries**
 - Mexico (2000), Chile (2002), Peru and Colombia (2013)
 - 3 pillars: FTAs+ investment, with cooperation and political dialogue
- **The EU's 'strategic partners' in LA**
 - Brazil and Mexico (2008)
 - Political dialogue, sectoral dialogues

Some trade tendencies

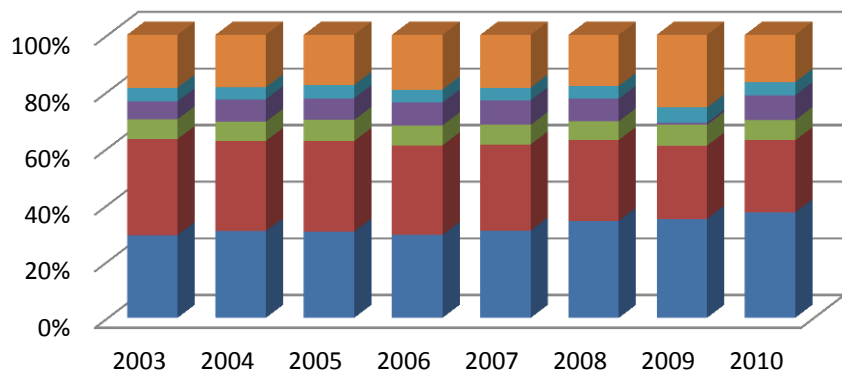
- Partners concentrated in certain countries:
 - Europe: Germany, Spain, Italy, Netherlands, France
 - Latin America: Brazil, Mexico, Argentina, Chile, Colombia
- LA occupies a marginal, but fast growing proportion of the EU's external trade
- The EU is 1st or 2nd partner for LAC countries
- The EU is being replaced by Asia, especially China
- EU Investment is most important to open economies of LA

EU total trade with main regional parnters, 2003-2010



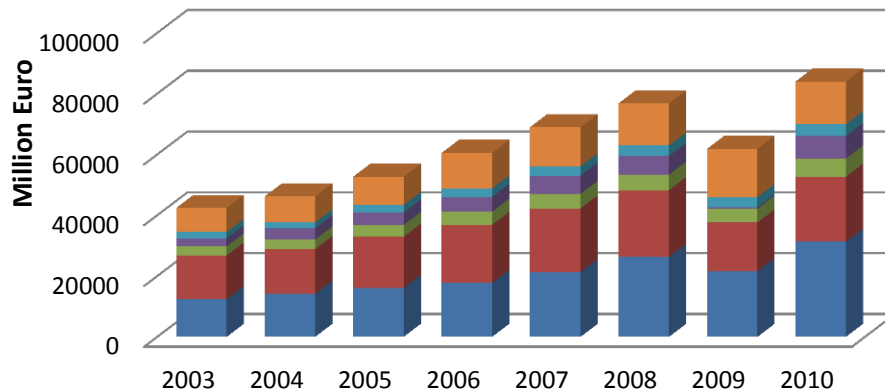
Source:
Eurostat

EU exports to Latin America 2003-2010 (%)



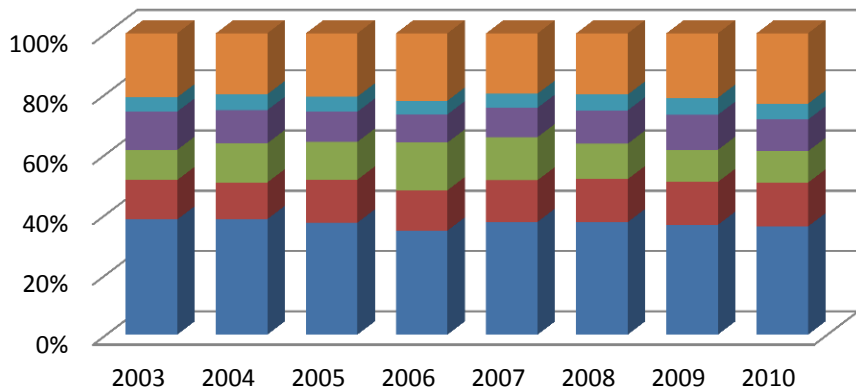
■ Brazil ■ Mexico ■ Chile ■ Argentina ■ Colombia ■ Rest of LA

EU exports to Latin America 2003-2010



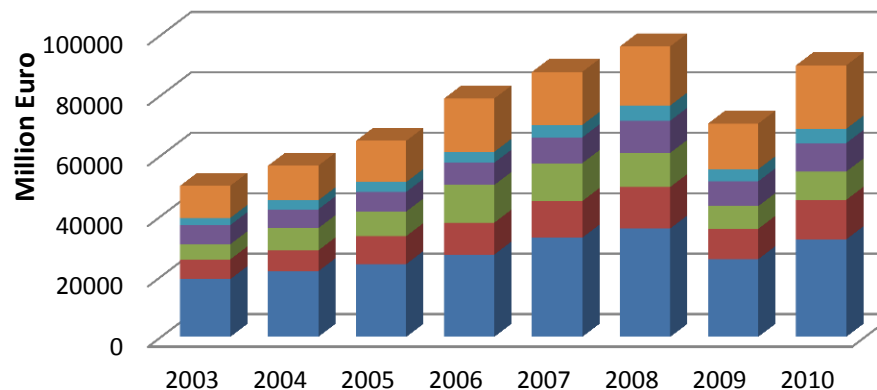
■ Brazil ■ Mexico ■ Chile ■ Argentina ■ Colombia ■ Rest of LA

EU imports from Latin America 2003-2010 (%)



■ Brazil ■ Mexico ■ Chile ■ Argentina ■ Colombia ■ Rest of LA

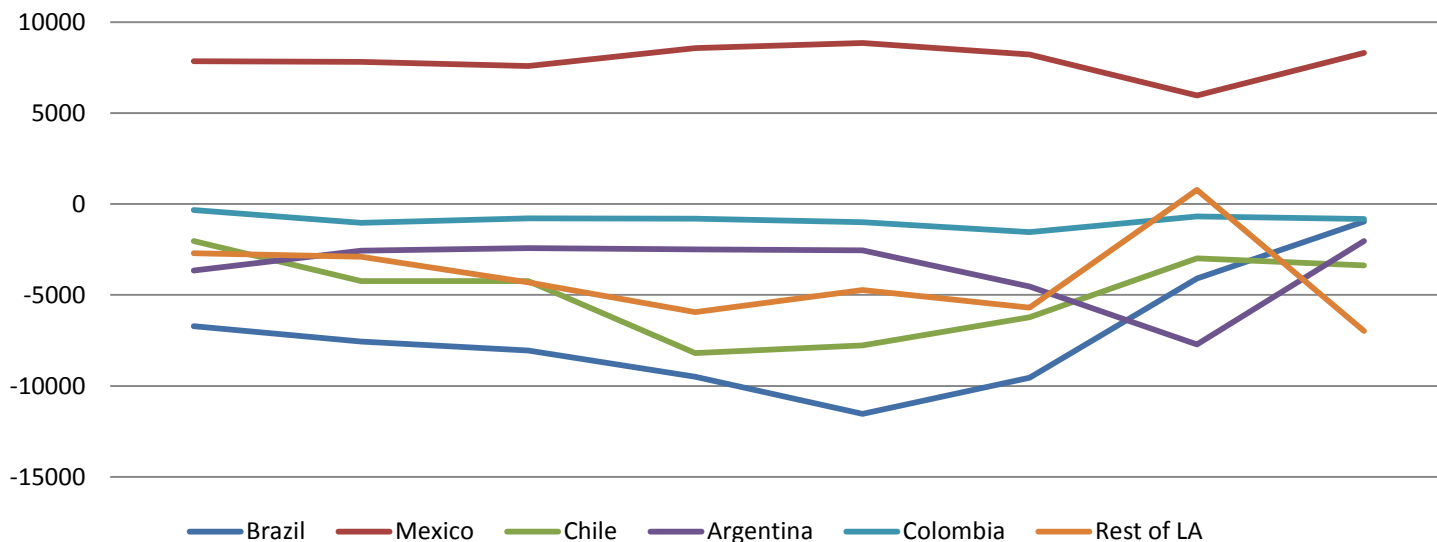
EU imports from Latin America 2003-2010



■ Brazil ■ Mexico ■ Chile ■ Argentina ■ Colombia ■ Rest of LA

Source:
Eurostat

EU trade balance with Latin America 2003-2010



Rank	EU-27 Exports to Latin America	EU-27 imports from Latin America
1	Road vehicles	Metalliferous ores and metal scrap
2	General industrial machinery and equipment	Petroleum, petroleum products & related mat
3	Medicinal and pharmaceutical products	Vegetables and fruit
4	Machinery specialized for particular industries	Feeding stuff for animals
5	Electrical machinery and appliances	Non-ferrous metals
6	Power generating machinery and equipment	Office machines and automatic data-processing machines
7	Other transport equipment	Coffee, tea, cocoa, spices
8	Petroleum products and related materials	Oil-seeds and oleaginous fruits
9	Organic chemicals	Road vehicles
10	Iron and steel	Pulp and waste paper

Source: Eurostat

Current challenges

- **Revision of EU external relations**
 - Return to bilateralism and concentration on Strategic Partnerships with great powers at the expense of bi-regional relations
 - Revision of EU cooperation policies and ‘graduation’ of most LA countries
- **Enlargement and economic crisis have redistributed power within the EU**
 - Weakening of Spain, main sponsor relations with LA
 - Will a more German (and Polish) EU care about LA
- **Latin America is being re-configured**
 - Growing cleavages between a protectionist and a liberal camp: Mercosur+ALBA vs. Pacific Alliance
 - Erosion of Washington consensus
- **Growing attraction of Asian markets and investments**
 - TPP and China