# Latin America



#### June 2023

In recent years, geopolitical challenges, notably Russia's war of aggression against Ukraine, the pandemic, the deepening planetary crisis, and the rise of China have affected the EU's relations with Latin America and the Caribbean (LAC). In response, as part of its 2023 work programme, the European Commission adopted a joint communication on a new agenda for the region on 7 June 2023, ahead of the EU-CELAC summit scheduled for 17-18 July 2023, 8 years after the last bi-regional summit was held. The communication reflects the need for the closer cooperation in the context of new geopolitical reality, worsening climate emergency and other global developments. It is promotes the objectives of a just, green and digital transition.

The first EU-Latin America and Caribbean Summit took place in Rio de Janeiro in June 1999, establishing a strategic partnership. After the creation of the Community of Latin American and Caribbean States (CELAC) in 2011, it became the entity representing 33 countries from the Latin American and Caribbean (LAC) region in the dialogue with the EU. In 2023, Saint Vincent and the Grenadines holds the Pro Tempore Presidency of the CELAC. Through its designated delegation (D-LAT), the European Parliament participates in the Joint Euro-Latin American Parliamentary Assembly (EuroLat), the parliamentary wing of the strategic partnership that serves as a forum for debate, monitoring and review of all issues relating to the partnership, established in 2006.

The LAC region was among the worst affected by the <u>COVID-19 pandemic</u> (more than 1.6 million deaths). Russia's invasion of Ukraine has also <u>impacted</u> the region in various ways, including rising prices of food, fertilisers, energy and transport and supply-chain obstacles. Other knock-on effects have been the tightening of global financial conditions (to rein in inflation) and increased financial volatility. At the same time, the war and sanctions have brought new <u>opportunities</u> for the region, which has been able to play a part in filling the gap in exports of wheat, oil and gas.

#### Legislative trains

**EU-Mercosur Association Agreement** 

Modernisation of the trade pillar of the EU-Chile Association Agreement

Modernisation of the trade pillar of the EU-Mexico Global agreement

New Agenda for Latin America and the Caribbean

**EPRS publications (region- and country-specific)** 

**Region-specific publications** 

After Cotonou: Towards a new agreement with the African, Caribbean and Pacific states

Briefing by Eric Pichon, April 2023

The partnership agreement between the EU and the African, Caribbean, and Pacific states (the 'Cotonou Agreement') was due to expire in February 2020, but was extended until the end of June 2023, pending the conclusion of negotiations on a 'post-Cotonou' agreement. The new agreement now needs to be signed, and undergo legal procedures before it can be provisionally applied or enter fully into force.









#### Mapping threats to peace and democracy worldwide Normandy Index 2022

EPRS study, July 2022

Chapters on Bolivia, Brazil, Colombia, Costa Rica, Mexico, Venezuela

### <u>Democracy and human rights in Latin America: Is democratic erosion gathering pace?</u>

Briefing by Enrique Gómez Ramírez, January 2022

As the 'most democratic emerging-market region in the world', over 80 % of the Latin American population enjoy democracy. The tide may be turning for the successful 'third democratic wave' in Latin America, as many countries are suffering democratic erosion or even backsliding.

#### The informal economy and coronavirus in Latin America

Briefing by Enrique Gómez Ramírez, May 2021

The pandemic has resulted in Latin America's worst economic and social crisis in decades, with a disproportionate impact on informal workers. Although it is on the decline in Latin America, the informal economy still accounts for slightly over half of all jobs in the region.

#### **Amazon deforestation and EU-Mercosur deal**

'At a glance' note by Gisela Grieger, October 2020

In July 2020, the EU and the founding members of Mercosur reached agreement on the political dialogue and cooperation parts of the EU-Mercosur Association Agreement.

#### **EU trade with Latin America and the Caribbean: Overview and figures**

In-depth analysis by Gisela Grieger, December 2019

The EU maintains close cooperation and political dialogue with Latin America and the Caribbean, and has concluded trade agreements with two Latin American groupings (Cariforum and Central America) and some other Latin American countries.

#### The trade pillar of the EU-Mercosur Association Agreement

Briefing by Gisela Grieger, August 2019

The EU policy-makers and international environmental groups have become increasingly vocal in expressing concerns about the potential environmental and climate change implications of the EU-Mercosur FTA.

## South-South and triangular cooperation in Latin America

Briefing by Enrique Gómez Ramírez, March 2019

Over the past few decades, south-south and triangular cooperation among developing countries has been acquiring increasing importance.

#### **Migration from Central America**

Briefing by Enrique Gómez Ramírez, October 2018

Although not a new phenomenon, migration flows from Central America, in particular from El Salvador, Guatemala and Honduras, have grown exponentially since 2014.

#### **Country-specific publications**

#### **Political turmoil in Peru**

'At a glance' note by Marc Jutten, April 2023

Peru is suffering a deep political crisis, which started after Congress removed the President, Pedro Castillo, on 7 December 2022, after his self-coup attempt. His Vice-President, Dina Boluarte Zegarra, became Peru's sixth president in five years. Violent protests have since erupted.









#### **Brazilian democracy in the aftermath of 8 January**

Briefing by Angelos Delivorias and Elena Lazarou, February 2023

On 8 January 2023, a week after the inauguration of Luiz Inacio Lula da Silva as President of Brazil, far-right supporters of former president Jair Bolsonaro stormed the presidential palace, the Supreme Court and the Congress. The EU has condemned the anti-democratic acts of violence, reiterated its full support for President Lula Da Silva, and for the Brazilian democratic system.

#### Modernisation of the trade pillar of the EU-Chile Association Agreement

Briefing by Gisela Grieger, January 2023

In December 2022, 20 years after the signature of EU-Chile Association Agreement, the parties reached an agreement in principle on a new EU-Chile Advanced Framework Agreement, which comprises modernised trade and political and cooperation pillars.

#### Brazil's economy - Challenges for the new president

Briefing by Angelos Delivorias, October 2022

Relations between the EU and Brazil are multi-faceted: they work together in a number of sectors, and have strong trade relations. Recent estimates show inflation and unemployment are falling in Brazil, but many challenges remain, including high income inequality and a rise in poverty.

#### Brazil's climate change policies – State of play ahead of COP27

Briefing by Henrique Morgado Simões and Angelos Delivorias, October 2022

Brazil was responsible for 2.2 % of global greenhouse gas emissions in 2019. Its per capita emissions of 5 tonnes CO<sub>2</sub> equivalent were below both EU and world levels.

#### **Chile: Economic indicators and trade with EU**

'At a glance' infographic by Györgyi Mácsai and Igor Tkalec, May 2022

Trade relations between the EU and Chile are imbalanced not only in terms of trends in export and import of goods, but also in the diversity of trade products and in their ranking in the list of main trade partners.

#### Situation in Colombia ahead of crucial elections

'At a glance' note by Bruno Bilguin, February 2022

Some five years after the conclusion of the peace agreement between the Colombian government and the Revolutionary Armed Forces of Colombia (FARC), the political, economic, health and general situation in the country remains fragile, with a divided society, drugs-fuelled conflicts and weak governance.

#### Haiti's political and humanitarian crisis

'At a glance' note by Enrique Gómez Ramírez, January 2022

One month after the assassination of President Jovenel Moïse in July 2021, a 7.2-magnitude earthquake hit Haiti, affecting over 800 000 people. The national and regional elections were postponed indefinitely, the insecurity increased, and the repatriation of thousands of Haitians has complicated situation further.

#### Modernisation of the trade pillar of the EU-Mexico Global Agreement

Briefing by Gisela Grieger, October 2020

In April 2020, negotiations on the modernised trade pillar of the EU-Mexico Economic Partnership, Political Coordination and Cooperation Agreement were formally concluded after the only outstanding item – EU access to sub-federal public procurement contracts in Mexico – was agreed upon.

#### Peace and Security in 2019: Evaluating EU efforts to support peace in Colombia

Study by Isabelle Ioannides, May 2019

This study evaluates EU engagement during the 50-year conflict in Colombia.









#### The Venezuelan migrant crisis - A growing emergency for the region

Briefing by Enrique Gómez Ramírez, December 2018

Migration away from Venezuela has reached massive levels, creating an unprecedented humanitarian crisis in the region.

#### **EU-Cuba Political Dialogue and Cooperation Agreement**

Briefing by Enrique Gómez Ramírez, June 2017

Between 1996 and December 2016, relations between the EU and Cuba were governed by the 1996 Common Position, which subordinated cooperation and the conclusion of any bilateral agreement to the achievement of visible progress in the field of democracy and human rights on the island.

# The effects of human rights related clauses in the EU-Mexico Global Agreement and the EU-Chile Association Agreement

Study by Isabelle Ioannides, February 2017

The study explains that rather than the EU FTAs per se impacting on ensuring the respect of human rights in Mexico and Chile, it is the cumulative effect of the liberalisation of trade, the EU-Mexico Strategic Partnership, and cooperation with international players that have encouraged reform.

#### Institutions in continental democracies

#### **Argentina's Parliament and other political institutions**

Briefing by Enrique Gómez Ramírez, September 2021

#### **Brazil's Parliament and other political institutions**

Briefing by Enrique Gómez Ramírez, January 2021

## **Mexico's Parliament and other political institutions**

Briefing by Enrique Gómez Ramírez, January 2021

Overview of main EU-LAC agreements governing trade relations

Trade partner(s)	Agreement containing a trade pillar / Trade agreement	Year of entry into force	(Related) political agreement
Andean Community (Peru, Colombia, Ecuador)	Trade Agreement between the EU and Colombia and Peru + Protocol of Accession to the Trade Agreement to take account of the accession of Ecuador)	Provisional application: Peru, Colombia (2013), Ecuador (2017)	Joint Declaration political dialogue (1996); to be replaced by the Political Dialogue and Cooperation Agreement (2003, not yet in force)
<u>Argentina</u>	Framework Agreement for trade and economic cooperation between the EU and Argentina	1990	N/A
<u>Brazil</u>	Framework Agreement for cooperation between the EU and Brazil	1995	N/A
<u>Cariforum</u>	Economic and Partnership Agreement between Cariforum and the EU	2008 (except Haiti)	Cotonou Agreement
Central America	EU-Central America Association Agreement	Provisionally application (2013)	N/A
<u>Chile</u>	Association Agreement between the EU and Chile	2003	N/A









Cuba	Political Dialogue and Cooperation  Agreement	Provisional application (2017)	N/A
Mercosur	Interregional Framework Cooperation Agreement between the EU and Mercosur	1999	N/A
<u>Mexico</u>	Economic Partnership, Political Coordination and Cooperation Agreement between the EU and Mexico (the 'Global Agreement')	2000	N/A
<u>Paraguay</u>	Framework Agreement for cooperation between the EU and Paraguay	1992	N/A
<u>Uruguay</u>	Framework Agreement for cooperation between the EU and Uruguay	1994	N/A

# EU trade with LAC groups/states and ranking in 2022<sup>1</sup>

LAC countries/sub- regional groupings	EU total trade (exports and imports) in goods, value in € billion	Ranking of EU as trading partner EU
ACP-Caribbean	11.67	2
Andean Community	39.1	3
Central America	14.07	3
Chile	18.21	3
Cuba	2.0	1
Mercosur	116.97	2
<u>Mexico</u>	80.96	3
Chile	18.21	3

Source: EPRS/Eurostat, DG TRADE; Mercosur excludes data for Venezuela.

eprs@europarl.europa.eu | www.europarl.europa.eu/thinktank (Internet) |
www.eprs.ep.parl.union.eu (Intranet)

You can access this Topical Digest online at the websites below <a href="http://www.europarl.europa.eu/EPRS/TD">http://www.europarl.europa.eu/EPRS/TD</a> Latin America June 2023.pdf or by scanning the QR code: <a href="https://epthinktank.eu/topical-digests/">https://epthinktank.eu/topical-digests/</a>







