Latin America and the Caribbean



July 2023

The EU and Latin America and the Caribbean (LAC) countries together can make a difference: the two regions account for 60 out of 193 United Nations member states, include seven members of the G20 and are allies on many global challenges. However, they also face challenges resulting from rising geopolitical tensions, Russia's war of aggression against Ukraine, and China's emergence as a key actor in the LAC region, as well as political and ideological divisions and economic asymmetries within LAC countries. Some LAC countries also have concerns about EU legislation on the green transition and the EU's sustainability and human rights approach. In response, and as a signal of renewal of EU-LAC relations, 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 on 17-18 July 2023, 8 years after the last bi-regional summit. The theme of the 2023 summit, held under the Spanish Presidency of the Council of the EU in Brussels, is 'Renewing the bi-regional partnership to strengthen peace and sustainable development'. Strengthening and modernising the strategic partnership, reinforcing political engagement, boosting trade and investment, and bringing more sustainable investment through the Global Gateway connectivity strategy are key priorities of the EU strategy towards the region.

The first EU-LAC summit took place in <u>Rio de Janeiro in June 1999</u>, 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 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 <u>Euro-Latin American Parliamentary Assembly</u> (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.

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

EU trade with Latin America and the Caribbean. Overview and figures

Study by Gisela Grieger, July 2023

This publication provides an overview of the trade relations between the EU and LAC countries and groupings. It contains recent trade data and describes key features of the trade agreements.









Amazon deforestation and EU-Mercosur deal

'At a glance' note by Gisela Grieger, July 2023

President Lula faces an uphill battle in putting Brazil on a path towards zero deforestation by 2030 owing to fierce opposition from powerful lobby groups in a predominantly conservative Congress.

Strengthening ties: A new agenda for the EU's relations with Latin America and the Caribbean

Briefing by Marc Jütten, June 2023

To strengthen and modernise the strategic partnership, reinforced political engagement, boosted trade and investment, and more sustainable investment through the Global Gateway connectivity strategy are key priorities of the EU strategy towards the region.

Latin America Outlook 2023: EU-LAC relations at a time of geopolitical upheaval

In-depth analysis by Angelos Delivorias and Marc Jutten, March 2023

Latin America is high on the EU's agenda in 2023. Key developments in LAC include China's growing influence, Brazil's return to the international stage, political turmoil in Peru and three presidential elections.

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

Democracy and human rights in Latin America: Is democratic erosion gathering pace?

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.

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 Jütten, 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

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 condemned the anti-democratic acts of violence and reiterated its support for the Brazilian president.

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 CO₂ 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 Bilquin, February 2022

Some 5 years after the conclusion of the peace agreement between the Colombian government and the Revolutionary Armed Forces of Colombia (FARC), the situation in the country remains fragile.

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.

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.

EU-Cuba Political Dialogue and Cooperation Agreement

Briefina 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

EPRS multimedia and graphics

EPRS Chronicles, July 2023

The importance of Latin America

China's influence in Latin America

Critical raw materials and Latin America







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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)	<u>Cotonou Agreement</u>
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
<u>Mercosur</u>	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 Uruquay	1994	N/A

EU trade with LAC groups/states and ranking in 2022

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

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

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