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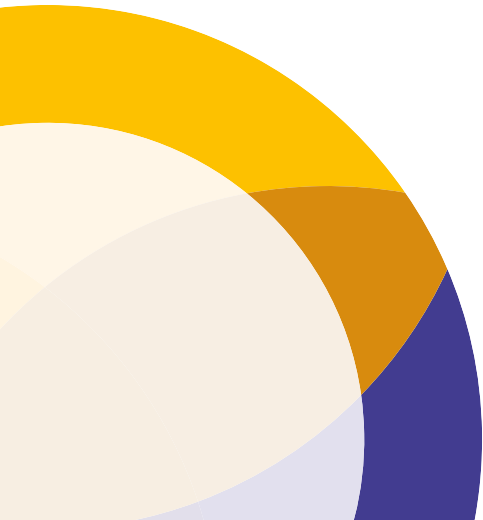
Revisiting bi-regional relations: The EU-Latin American dialogue and diversification of interregional cooperation

Coordinated by Wolfgang Haider and Isabel Clemente Batalla



This collective book presents the papers submitted to discussion at the panel “The Euro-Latin American dialogue and diversification of interregional cooperation” during the 9th Congress of CEISAL that took place in Bucharest in July 2019. The focus was on discussion of the evolution, state-of-the art and paradigmatic changes in EU-Latin American (and, to some extent, Caribbean) relations, and the identification of pathways for strengthening these collaboration efforts in the framework of the Sustainable Development Goals. The contributions approach these topics of EU-Latin American dialogue and cooperation from different perspectives, including the overarching bi-regional, multilateral framework, traditional bi-lateral cooperation, as well as alternative, sub-regional or even local (city-driven) networks.

Many current bi-regional processes are analysed and reflected throughout the book. For instance, the role of the social dimension in EU-Latin American and Caribbean cooperation and dialogue; general perspectives of EU-LAC cooperation and its evolution during a period of 30 years; the two Scandinavian countries, Sweden, an EU member state, and Norway, a member of the European Free Trade Area (EFTA), and their respective approaches to cooperation with Latin America; the contribution of the EUROsociAL and Sociex programmes as examples of EU-initiated development cooperation with Latin American and Caribbean countries; the role of subnational units in interregional cooperation; and some perspectives on Euro-Latin American dialogue and international cooperation about the necessary changes to jointly achieve the SDGs.



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PRESENTATION

Adrian Bonilla - Executive Director

The EU-LAC Foundation is pleased to present the publication „Revisiting bi-regional relations: The European Union-Latin American dialogue and diversification of interregional cooperation“, as part of the series of publications on bi-regional relations between the European Union, Latin America and the Caribbean.

This publication is the result of a series of essays prepared by experts and presented at the 9th Congress of CEISAL (International Congress of the European Council of Social Research on Latin America), held in Bucharest in July 2019, during the panel dedicated to the theme „The Euro-Latin American dialogue and the diversification of interregional cooperation“.

The Foundation’s interest in publishing this document is directly related to its mission and objectives, particularly „to contribute to the strengthening of the EU-LAC bi-regional partnership process with the participation and contributions of civil society and other social agents“. In this case the contributions of the academic community that participated in the drafting of the essays are compiled here.

The ideas expressed in each of the essays provide important analyses and ideas to be taken into account for the necessary reflection and debate on the challenges and opportunities facing the bi-regional strategic partnership in international cooperation issues.

The European Union, Latin America and the Caribbean are facing a world that has changed dramatically. The global health emergency resulting from the terrible consequences of the COVID 19 pandemic has definitely changed the architecture of relations within each region, and in their relations with other regions. In this sense, this compilation of essays can serve as a starting point for future bi-regional dialogues in a global context marked by uncertainty and changing times.

At a time of change, the opportunity is emerging for both regions to resume the path of political dialogue towards building a solid and sustainable bi-regional partnership.

Therefore, in line with its mandate to foster the debate on common strategies and actions to strengthen the bi-regional partnership, the EU-LAC Foundation has considered the publication of this compilation useful and timely.

The Foundation wants to thank former President Dr Leonel Fernández and former Executive Director Ms Paola Amadei for their time leading the organisation, period also when this compilation was made.

ACKNOWLEDGEMENTS

The authors would like to thank the EU-LAC Foundation for making this publication possible and for giving us the opportunity to present our research to a wider audience. We would like to express our appreciation of the work of Paola Amadei, who, in her term as Executive Director of the EU-LAC Foundation, has done so much to connect researchers from the EU and LAC and was supportive of the idea of this publication right from the beginning.

In general, we want to highlight the role of the EULAC-Focus project¹ for making this book project possible; without that project, this book would not have come into existence. Especially, we want to highlight the contribution of Dr. Ramón Torrent Macau, former Professor at the Universitat de Barcelona and coordinator of the EULAC-Focus project. Without the experience, wisdom and knowledge that he shared so candidly with us, the contributions to this book resulting from the EULAC-Focus project would not have been feasible. We also wish to thank Dr. Peter Birle from the Ibero-American Institute in Berlin for his continuous feedback and his contributions towards improving the quality of the research work that laid the foundations for some of the articles in this volume; as well as all other colleagues who discussed the contents of the book with us on numerous occasions.

Furthermore, we greatly appreciate the work of the organisers of the 9th edition of the CEISAL conference in 2019 (Congreso Internacional del Consejo Europeo de Investigaciones Sociales de América Latina) held in Bucharest, Romania. In the framework of that event, the authors of this book met together and came up with the idea of making their work accessible through a joint publication. Certainly, without the fruitful discussions that took place there, a publication such as this would not have been achievable.

We want to extend our gratitude to Dr. Bill Richardson, who took up the crucial task of editing and proof-reading this book and significantly improved the quality and readability of it. Last but not least, we want to thank everyone who contributed indirectly or directly to this volume, be it on a professional or a personal level.

¹ EULAC FOCUS was funded from the European Union's Horizon 2020 research and innovation programme under grant agreement No. 693781.

INTRODUCTION

Wolfgang Haider, Isabel Clemente Batalla

The conclusion of the EU-Mercosur interregional negotiations in 2019 was the culmination of a process of negotiations that started in 1992 with an agreement for inter-institutional cooperation between the European Commission and Mercosur. The purpose of that agreement was to share the European experience in regional integration and institutional development. From then on, several rounds of negotiation have taken place before the conclusion of the interregional agreement in 2019.

In that context, the 9th Congress of CEISAL took place in Bucharest in July 2019. This collective book presents the papers submitted to discussion at the panel “The Euro-Latin American dialogue and diversification of interregional cooperation.” The focus of this panel was on discussion of the evolution, state-of-the art and paradigmatic changes in EU-Latin American (and, to some extent, Caribbean) relations, and the identification of pathways for strengthening these collaboration efforts in the framework of the Sustainable Development Goals. The contributions approach these topics of EU-Latin American dialogue and cooperation from different perspectives, including the overarching bi-regional, multilateral framework, traditional bi-lateral cooperation, as well as alternative, sub-regional or even local (city-driven) networks.

First, Haider et. al² present their take on the role of the social dimension in EU-Latin American and Caribbean cooperation and dialogue, and uncover the juridical bases of cooperation between the two regions. The paper gives a detailed insight into the institutional architecture of EU-LAC relations in the context of regional integration processes. It begins by debunking the myth of a common EU social model and goes on to trace the evolution of different concepts that frame social policy in Latin America and the Caribbean. Moving on from this general assessment of the current context of social policies, the paper looks at the shape of the current situation from the perspective of political dialogue and development cooperation, and provides an understanding of the role that the social dimension plays in these relations. Furthermore, the contribution provides an assessment of the legal framework of EU-LAC cooperation, offering a detailed sketch of the conditions on which political dialogue and development cooperation are based. Thus, the paper enables us to identify new and effective pathways for cooperation based on the actual competences attributed to the EU as a regional actor, but also to go beyond that and to identify complementary soft law and strategic intervention approaches (Open Method of Coordination).

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2 Research for this contribution was made possible through the EULAC FOCUS project. EULAC FOCUS has received funding from the European Union's Horizon 2020 research and innovation programme under grant agreement No. 693781.

Tayar's paper considers the general perspective of EU-LAC cooperation and its evolution during a period of 30 years, the changing nature of interregional interactions, and the effects of the process of globalization. Framed within a theoretical discussion of Latin American regionalism and EU-Latin American interregional dialogue, the author discusses the effects of change from open-regionalism to post-liberal regionalism in the Latin American approach to interregional relations, as well as the emergence of new South American blocs with divergent views on EU-LAC interregionalism. Based on theoretical discussions of interregionalism, the author considers that, in the global context, marked by a crisis in global governance and an adjustment in the world's economic relations, the EU-Mercosur agreement may be a landmark, anticipating a scenario of renewal and broadening interregional relations involving new areas of cooperation as well as conflicting interests in the trade of goods. As to the global scenario, this paper offers a prospective analysis of change in Latin American regionalism and suggests a stronger position on the part of the EU towards further interregional convergence based on sustainable development in Latin America.

The paper by Pablo Marichal compares two Scandinavian countries, Sweden, an EU member state, and Norway, a member of the European Free Trade Area (EFTA), and their respective approaches to cooperation with Latin America, including their involvement in peace processes in countries affected by internal conflict. The analysis in this paper demonstrates a high level of coincidence in goals, priorities, and methods of these two states: a focus on sustainable development, enforcement of UN Millennium Development Goals, democracy and human rights, conflict resolution, peace and security, global health, and gender equality. The role of the state in public policy leaves room for participation of non-state actors such as political parties, non-governmental organizations, and private enterprises.

Focusing on existing multilateral cooperation efforts, Silvia Fernández and Wolfgang Haider³ look at two specific cases of development cooperation in the EU-LAC framework. Their contribution assesses the implementation and results of the EUROsociAL and Socieux programmes as examples of EU-initiated development cooperation with Latin American and Caribbean countries. The article investigates geographic and thematic cooperation patterns and identifies special areas of mutual interest, with the spotlight on the social dimension. In the framework of international cooperation, this paper contributes to the re-design and refinement of international development cooperation between the EU and LAC. In the light of recent changes in the discourse on development cooperation ("from graduation to gradation"), the paper suggests there be a complete re-design of development cooperation programmes in order to adequately represent a common, global effort to achieve the SDGs.

Isabel Clemente examines the role of subnational units in interregional cooperation, considering the activities of Mercosur municipal governments, border committees

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³ Research for this contribution was made possible through the EULAC FOCUS project conducted under the supervision of Prof. Ramon Torrent. EULAC FOCUS has received funding from the European Union's Horizon 2020 research and innovation programme under grant agreement No. 693781.

and the city network *Mercociudades*. The paper highlights the convergence of this city network and Eurocities as an experience of interregionalism at the local level. The analysis of the agreement concluded by the two city networks reveals the extent to which new initiatives may expand the interregional agenda of social cohesion, sustainable development, and decentralized cooperation.

Together, these different perspectives on Euro-Latin American dialogue and international cooperation show that in order to bring about the paradigmatic changes necessary to jointly achieve the SDGs, the traditional silos of policymaking have to be broken up. The contributions in this book already suggest some approaches as to how to do this, as they offer a sample of different cooperation mechanisms that are in place, assessing their strengths, weaknesses and potentials. This is based on the assumption that a strengthened relationship can help place the EU and LAC in a better position within the geopolitical arena, especially regarding the realization of the SDGs.

One major step that can be taken towards achieving this is the implementation of a policy-oriented research strategy, as is the case of this book, with its accounts of ongoing cooperation efforts, the identification of existing synergies in the cooperation framework, assessment of the different channels for dialogue and cooperation, and the contextualization of the outcomes and results achieved by these channels. This means also looking at different actors in bi-regional cooperation, such as projects embedded in EU-funded research programmes (DG Research), development cooperation programmes (DG Development Cooperation) and regional development initiatives (DG Regio), while also including consideration of cooperation frameworks outside this framework, for example on the city-network level.

While this book gives an overarching insight into these various channels (e.g. bi-lateral development cooperation, sub-national cooperation, etc.), and into the issues (the social dimension, the climate change dimension, etc.) and dialogues, and assesses them, it is necessary to complement this research with further evidence from these sectors in order to define clear pathways for transforming international cooperation for development. For example, the interaction of policy concepts such as Smart Specialization Strategies, Science Diplomacy or Responsible Research and Innovation has to be set in context with international cooperation efforts in the framework of EU-LAC relations. The synergies and potentials of these concepts need to be utilized and brought together with the traditional avenues of bi-regional dialogue and development cooperation. Docking points for these trans-sectorial policy-instrument mixes need to be identified by means of extensive study of the existing strategies that are in place and by further identification of territorialized cooperation potentials, for example via matchmaking of cities in both regions that face similar societal challenges.⁴

The formulation of the EU Multi-Annual Financial Framework provides a window of opportunity for re-organizing international cooperation for development in a just,

⁴ Already, specific calls for research and innovation projects in the framework of the EU-funded H2020 programme are partially tackling issues in this manner.

inclusive and sustainable way that leaves no one behind and that interacts with emerging markets on an equal basis. It is only by picking up on this window of opportunity that the pressing societal challenges at hand in both regions can be addressed properly and in the spirit of mutual learning that will benefit all partners equally. However, LAC countries and regional integration organisations also have to be pro-active in seeking targeted cooperation with the EU and with its respective Member States.

To achieve such a goal, the empowerment of Latin American citizens would be crucial, as well as the involvement of civil society organizations, working jointly with government agencies, academics and international institutions, to strengthen Mercosur institutional capacities in social development programmes and citizen participation in elections for the Parliament of Mercosur, following a path already advanced by Argentina. Additionally, borderlands should be a priority in the Mercosur agenda because, in spite of the advancement in cross-border cooperation and the establishment of the regular rounds of annual meetings of delegates of border committees, there is still a need for some formal arrangement for easy and regular exchanges between border local authorities and civil society representatives.

1. NEW PATHWAYS: FOCUSING ON EU-LAC COOPERATION IN THE FIELD OF SOCIAL POLICIES

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Abstract

The present contribution gives an overview of social realities in the EU and Latin America and the Caribbean. It reflects on the different realities of the social dimension of bi-regional relations and sets out the evolution, state of the art, and current debates about different social models and issues in the two regions. Special attention is focused on the social dimension in CELAC and the EU in their role as regional integration projects. The contribution sets out clearly where the competences in the realm of social policies are located and which specific trends and challenges in the two regions – both on a national and a supra-national level – are identifiable. Based on this exercise, conclusions are drawn regarding potential areas of mutual interest and pathways for upscaling cooperation.

1.1. Introduction

In this paper, the preliminary hypothesis is that the full potential of the European Union- Latin American and Caribbean (EU-LAC) relationship has not been exploited in the last decades, or, to put it in another way, that bi-regional relations have been

marked by relative ineffectiveness or, at least, by an inability to meet expectations. It is argued that this is especially true for social relations. This paper therefore attempts to provide a better understanding of certain aspects of the social dimension of EU-LAC relations, which ultimately shall feed into a renewed vision for EU-LAC relations. The research interest is focused mainly on the bi-regional level and not on the bilateral level of national interactions. While this defines a clear research objective on the one side (the EU), the picture is rather diverse on the other side, with the existence of many, but hardly well-established, regional integration organisations (CELAC, Mercosur etc.).

To understand the outcomes and the content of bi-regional relations, these different levels need to be scrutinised in terms of the capability they have to create norms and binding obligations for the parties involved. For this reason, the paper looks at the regional institutional and legal dynamics that shape the different aspects of the relations. Furthermore, the article tries to uncover which priority issues have been the focus of EU-LAC social relations, in order to get an understanding of the state of the art of relations in terms of actual cooperation as well as on the level of political dialogue. Finally, the paper also identifies common areas of interest that could be used as starting points to reinvigorate the relationship and strengthen the position of both the EU and LAC countries in the geopolitical arena. More specifically, the following research questions are addressed in the paper:

- What is the legal and institutional background that provides the ground for bi-regional EU-LAC relations?
- What have the priority issues in EU-LAC cooperation been so far, from a social perspective?
- Which further issues are of common interest to both regions and how could these issues be strengthened in the bi-regional dialogue and on a multilateral global level?

In order to address these questions, an extensive analysis of the existing scientific literature, legal documents, bi-regional cooperation agendas and social development indicators was conducted. The analysis starts with a rough approximation of the social dimension of the EU and of the institutional framework of EU social policy. The purpose is to highlight what distinguishes the EU social dimension in comparison to other regional social policy approaches as well as to highlight the limited competences in terms of social policy that are actually located at the supranational level in the EU. On the other hand, there is no comparable actor to the EU in LAC; nevertheless, the paper identifies some key trends and tendencies in the shaping of social policies in LAC.

Starting with an overview of the social situation in the two regions, the paper attempts to analyse the outcomes and the content of bi-regional relations, scrutinising them in terms of the capability they have to create norms and binding obligations for the parties involved. For this reason, the paper looks at the internal institutional and legal dynamics that shape the different aspects of bi-regional relations. The political dialogue between EU and LAC does have recourse to any binding norms but produces joint

declarations on supposedly equally relevant issues instead. Understanding the legal basis of bi-regional relations helps to re-focus the social cooperation agenda between the two regions and to identify paradigmatic shifts in the institutional and thematic setting.

1.2. The EU's "Social Model": myth or reality?

"European Social Policy" and "European Social Model" are terms widely used in the scientific literature. On the one hand, there is the ongoing debate about the national and the supranational level and the interaction between them ("Europeanisation of Social Policy") (Börzel 2003; Börzel and Risse 2007). On the other hand, the role of the different EU institutions is analysed, namely the European Council, the Council of the European Union (Council), the European Parliament (EP), the European Court of Justice (ECJ) and the European Commission (Lamping 2008; Geyer 2013;). Last but not least, there is discussion of how different approaches to welfare among the Member States reflect an ongoing struggle about how to shape social policy at an EU level (Manow, Schäfer, and Zorn 2004; Falkner 2010; Leibfried 2010).

In general, it is recognized that, up to now, welfare provision remains essentially in the hands of Member States, while various EU funds contribute to it, especially in terms of active labour market policy. Since the economic crisis in 2008 and ongoing low economic growth, challenges in the social realm all over European Member States are more pressing than ever, while social exclusion is not adequately addressed by traditional social security systems (Bonoli 2005; Gosta Esping-Andersen 2013).

Looking at the national level, approaches to welfare and the design of social security systems are based on very different definitions of social policy and thus build on differing normative concepts. These different understandings of welfare have been classified most prominently by Gosta Esping-Andersen (1990), who, in his initial classification, identified three "worlds of welfare" within Western European countries: The social-democratic (Scandinavian) model with a high level of de-commodification, the conservative (Continental) model with a medium level of de-commodification, and the liberal (Anglo-Saxon) model, with a low level of de-commodification, a low level of class solidarity and a strong reliance on private welfare provision.

In addition to the different national approaches to social policy and the different social models in the 28 EU Member States, there is also the debate about social policies at EU level, with different EU institutions contributing to it. The latest addition to this debate is the European Pillar of Social Rights (EPSR) launched by the EC and signed by the European Parliament and the Council of the EU in November 2017. Describing and identifying the main directions and drivers of EU social policy has become even more complex in light of the Eastern enlargement of the EU, involving even more varied histories and traditions in relation to Welfare State provision. At the supranational level, finding a common approach is greatly challenging, and analysing the EU social

dimension will become more complex (Majone 1993; Bonoli, George, and Taylor-Gooby 2000; Leibfried 2010).

Taking all of this into consideration, the assumption that a single “European Social Model” exists must be rejected. Different forms of welfare provision remain in existence in the EU, although there are some common denominators that are promoted not by the Member States but by the EU as a supranational institution. By way of conclusion, we can say that the institutional framework of EU social policy can be divided into 1) regulations, 2) financial instruments, 3) indirect pressures, and 4) soft law aiming at social policy harmonisation, as proposed by Falkner (2010). In the beginning of the EU integration process, achievements in the social dimension were focussed primarily on the mobility of workers and on measures to protect their health and safety as well as on anti-discrimination, particularly in a variety of matters such as employment, labour law, social security, etc. Progressively, the EU’s social policies have steadily increased since the Treaty of Rome in 1958. In 2017, the EU shares authority with the Member States in many fields of social policy. The most recent initiative in this regard is the European Pillar of Social Rights which was ratified in 2017 and, although not binding on Member States, it supposedly shifts new powers to the supranational level through defining goals and strategies for employment and social policy. However, a dominant social policy topic is labour market participation.

Still, the heterogeneity and complexity of the EU social dimension stands out. In the light of tensions between supranational and Member States’ interests, a common strategy on social policies seems difficult to achieve. For the social dimension of EU-LAC relations, this implies some difficulties in finding a common ground to start from. Nevertheless, in this paper we attempt to demonstrate that converging social trends between EU and LAC pave the way for intensified exchange on common challenges and good practice solutions. It is important to benefit from existing structures, services and instruments, which the EU has already developed in the social dimension and which can build a bridge to structures in the LAC region.

1.3. The social welfare project in Latin America and the Caribbean

If it is already difficult to speak about regional social policy approaches in Europe (EU), it is even more difficult in Latin America and the Caribbean (LAC) – a more fragmented region where the regional integration process is somehow still in its early stages. Due to geopolitical and socioeconomic processes, the configuration of international relations has experienced a significant transformation during the past number of years, particularly between EU and LAC. This has been reflected in discourses, policies and investment levels. Such transformation is the outcome of the dynamics of change experienced in Europe and Latin America and the Caribbean as part of their own strategies that aim to face, deal with, and adapt to a challenging and heterogeneous context that constrains human development and the expansion of capabilities, particularly among the most vulnerable groups.

As part of this new configuration, it is critical to understand the institutional dimensions of change. In this case, they relate to the relationships between the European Union (EU) and the Comunidad de Estados Latinoamericanos y Caribeños (CELAC) as the main institutions that promote horizontal collaboration between these two regions. On the CELAC side, the CELAC 2020 Planning Agenda Proposal⁵ includes as priority the following topics: (i) Reducing extreme poverty and inequalities; (ii) Education, science, technology, and innovation; (iii) Sustainable development; and (iv) Infrastructure and connectivity.

The CELAC approach is framed within a broader political and geographical context. In 2015, the General Assembly of the United Nations approved the 2030 Agenda for Sustainable Development by the 193 Member States. The Agenda is a response to new global challenges such as slow economic growth, social inequalities and environmental degradation. Its main proposal is a shift in the development paradigm set out in the Millennium Development Goals (MDGs) fifteen years before. This shift consists of an approach based on sustainable and inclusive development with long-term goals (CEPAL 2016: 7).

Despite their colonial and postcolonial history and a difficult social context, there has been developmental progress by the different LAC governments. In the Caribbean, the evolution of social policy was influenced by the historical legacies of different colonialisms, chattel slavery and indentured labour, local uprisings and eventual changes in constitutional status, and the agendas of former metropolises and international development partners. For the French and Dutch territories, social policy agendas were determined by their manner of incorporation into the French Republic and the Kingdom of the Netherlands in 1946 and 1954, respectively, and for Cuba, social policy was dramatically re-shaped along Socialist lines after the 1959 Revolution. In the English-speaking Caribbean, widespread riots in the 1930s led to the Moyne Commission Report (1940) which gave a graphic analysis of the poor social conditions across the region. Social protection began thereafter mainly in the form of welfare hand-outs. Political independence, enacted between the 1960s and 1980s, led to nationalist governments' efforts to improve the delivery of health care, of primary and secondary education and providing better working conditions (Thomas 1988; Ramos and Rivera 2001; Clegg and Pantojas Garcia 200). However, from the 1980s onwards, the trajectory of Caribbean social policy broadly follows the pattern of Latin America.

Arriagada (2006) provides an understanding of the evolution of social policies in the late twentieth century (see Table 1). This analysis suggests the changes in the underlying model, starting during the 1980s from a privatisation model expressed in a series of programmes exclusively targeting extreme poverty. However, during the 1990s, we witness an emphasis on promoting the expansion of social investment. Finally, during the 2000s, a relevant shift is observed towards the so-called "third generation" model, targeting new population groups, introducing a rights' approach and collaboration among governmental sectors.

⁵ <http://s017.sela.org/media/2087639/2020-agenda-en.pdf>

Table 1: Social Policies: Evolution of conceptual approaches in LAC

Privatisation model (80s)	Revised model (90s)	"Third generation" model
<ul style="list-style-type: none"> • Socially minimalist • Market centrality in goods and services assignment • Privatisation of policies • Policies oriented towards reduction of extreme poverty. Emergency programmes. 	<ul style="list-style-type: none"> • Expansion of social expenditure • Revised institutional organisation of the State. Regulatory role of the State in resolving and articulating different interests • New cross and comprehensive policies oriented towards poverty. Expansion of assets and capacities • Decentralisation of resources, coordination, and new management 	<ul style="list-style-type: none"> • State, market, community and families have to work together and in equilibrium towards social and economic development. • The State maintains importance and assumes new regulatory responsibilities, new network management and electronic government. • Expansion, restructuring and efficiency of social expanse. • New social policies in the frame of rights and autonomy, with comprehensive and multisector character and oriented towards poverty and inequality. • Active participation of the people involved in the kind and quality of the services received. • New social actors: women, children, young people, ethnic groups.

Embedded in this general geopolitical context, various regional integration projects in LAC tried to give coherence to the locally diverging development approaches. By the 1960s, the first attempts at continental integration were made, in an effort to secure a better position in their relations with global superpowers. The latest result of these efforts is the Comunidad de Estados Latinoamericanos y Caribeños (CELAC). Much has changed since the Cold War era and regional integration nowadays incorporates not only market liberalisation and economic cooperation, but also many aspects of regional governance including democratic consolidation, security management, and social policy. Addressing the creation of CELAC requires referring to the process of integration in Latin American and the Caribbean. CELAC is the latest stage in this process but the beginnings of this process date back to the 1980s.

Certainly, the MDGs have played an important role in shaping and defining the social agenda of CELAC Declarations. As usually happens, this has strengths and limitations.

Among the strengths are that a strategic orientation is provided to the agreements and commitments upon which member countries decide to take action. Among the limitations are that, despite the fact that MDGs were part of a comprehensive framework, this could have jeopardized the possibility of including issues relevant to the region that were not necessarily part of the MDG agenda—discrimination, gender violence, etc.

In general, there are four main thematic trends reflected in the policy agenda of CELAC:

- ***Relatively stronger emphasis on social-related topics.*** As compared to other regional agendas developed to establish a common path that have emphasised financial and trade measures (i.e., MERCOSUR, Comunidad Andina), the CELAC agenda has strongly emphasised issues relating to social development with an emphasis on poverty and education.
- ***Potential tension between productive and social goals.*** As part of Latin American policies, there has been a profound displacement between productive aims (i.e., economic growth as measured by GDP measures) and social aims (i.e., providing the vulnerable with greater and better-quality opportunities). Although this has not been highlighted, this tension might need to be made explicit in order for it to be targeted.
- ***Concern about poverty includes inequality.*** As opposed to several other initiatives concerned with poverty alleviation and reduction, CELAC Declarations have explicitly addressed the need to address inequality. This is a powerful difference that, from a human development approach, deals with the need to target the most vulnerable in order to expand the horizon of opportunities, capabilities and freedom.
- ***Cooperation as a bottom-up approach.*** Aside from the aspects that have been addressed throughout this chapter, South-South cooperation emerges as a feasible strategy. This reflects the intention to promote, for instance, cross-learning processes, information and experience exchange, etc.

Based on these four general trends in (CE)LAC and the general classification of the EU social policy dimension in the section above, the paper can now take a step further and look at the framework for actual cooperation in the social dimension.

1.4. Cooperation and Dialogue: The Social Dimension of EU-(CE)LAC Relations

Multiple examples show that internal or domestic regulations are of utmost importance in the context of EU–(CE)LAC relations. This is illustrated by the fact that one of the most prestigious development cooperation projects between the EU and LAC in the realm of social policies, the above-mentioned EUROsocial project, was implemented in

line with an internal EU regulation regarding development cooperation.⁶ Furthermore, this EU regulation on financial and technical assistance to, and economic cooperation with, the developing countries in Asia and Latin America is interesting in the context of this paper because it provides an orientation on the foundation that EU–LAC relations should have according to the EU. Article 2 of the regulation states the following:

“The aim of Community development and cooperation policies shall be human development. Aware that respect for, and the exercise of, human rights and fundamental freedoms and democratic principles are preconditions for real and lasting economic and social development, the Community shall give increased support to the countries most committed to those principles, particularly for positive initiatives to put them into practice.”⁷

To understand the outcomes and the content of bi-regional relations (e.g., political declarations, trade agreements) they need to be scrutinised regarding the capability they have to create norms and binding obligations for the parties involved (e.g., the EC; MS; CELAC; individual countries). This means that it is necessary to look at the internal institutional and legal dynamics that shape the different aspects of the relations. It should be noted that the LAC region has engaged in a number of regional integration projects – CELAC being the latest and most extensive one in terms of geographical coverage – with different levels of institutionalisation and relevance regarding relations with the EU.

Relationships between the EU and LAC take place on various levels and follow the different logics of supranational legislation, especially relevant in the case of the EU, since CELAC is the expression of a political interest to act under a common framework and is not a legal entity. Generally, the following levels can be distinguished (Gratius 2015: 5):

- I. Inter-regional relations: e.g., political EU–CELAC dialogue;
- II. Sub-regional relations with Central America, the Caribbean, the Andean Community and Mercosur;
- III. Bilateral relations, including cooperation between EU institutions and LAC countries, e.g., in development cooperation;
- IV. EU–LAC cooperation on global governance: social issues in this cooperation appear, if at all, in the context of the topics of migration, security, development or climate change.

To give a more specific framework to the multiple forms these relations can take, the categorisation in three pillars – political dialogue, trade, and (development) cooperation – is frequently used (Torrent 2005, Bodemer 2010, Coral 2014, Gardini and Ayuso 2015).

6 European Commission (2010): Decision on the Annual Action Programme 2010 in favour of the Latin America region to be financed under Article 19 09 01 of the general budget of the European Union. Action Fiche “EUROsociAL Programme”-DCI-ALA/2009/021-542

7 <https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:01992R0443-20051228&qid=1491408001478&from=de>

While this classification offers an analytical distinction between different forms of relations, the three pillars are not to be taken as equally powerful. In fact, in this context it is crucial to look at the three different pillars from a perspective of attributed competences as outlined in the previous chapter. While these three pillars can serve as an analytical guideline, it is crucial to be aware of the fact that cooperation evolves following the internal logics and legal provisions of the EU (Torrent 2005, Salidías 2013). This means that EU-(CE)LAC relations can only produce effects where competencies are attributed.

Therefore, from a social perspective, it is most promising to focus on bilateral relations, especially in the area of development cooperation, but it is also worth taking a look at the political dialogue on an inter-regional level. This is the case for several reasons: although the political dialogue on the bi-regional level does not create binding legal norms (e.g. it has no binding competencies), it still has a relevant role in the agenda-setting process and can potentially bring new (social) topics to the table. In terms of actual cooperation on social issues, the most important level is the bilateral one, since concrete exchange mostly takes place on this level. As the scope of the project does not allow the possibility of focusing on individual country-cooperation, the predominant area of interest is development cooperation between the EU and individual LAC countries.

1.4.1. The social dimension of EU-CELAC relations – Political Dialogue

The political dialogue between the EU and CELAC is characterised by the absence of mechanisms capable of creating binding norms for the participating states and institutions or instruments to sanction noncompliance (Weisstaub 2006: 230). The political pillar mainly consists of joint declarations on topics where the participating countries potentially have a common interest, reflecting not a common European approach but rather aligned interests of member states under a common umbrella (the EU) (Coral 2014: 68). The same holds true for the LAC counterparts at the EU-CELAC Summits where LAC States participate under the common framework of CELAC without attributing any relevant competences to the common institution.

Looking at the first two EU-CELAC summits, held in Santiago de Chile in 2013 and in Brussels in 2015, it became obvious that there are some clear limitations to this form of relationship (Gardini and Ayuso 2015: 16). Besides the missing legal and well-established institutional background, some of the topics of the summits, including areas regarding social issues, are highly delicate and produce significant dissent between different states and political groups, making common declarations even more difficult. Nonetheless, this format serves as a forum for addressing common interregional challenges in a coherent way that allows resources to be channelled and societal demands addressed (Gardini and Ayuso 2015: 16–17).

In the case of association agreements, the pillar of political dialogue can be considered as a product of internal power struggles between the Commission, the Council, and the Member States (Torrent, 2005: 34). By including them in the Agreements, the MS states are able to claim to be a vital part of the relations and the Commission was assured of its predominant role in trade-related issues. The same structure is reproduced in the bi-regional summit dialogue, even if on a weaker institutional basis than in the association agreements (Torrent 2005: 34-39). However, for a comprehensive understanding of the social dimension in EU-LAC relations, it is necessary to give at least a brief overview of the political dialogue and its topics. When the first EU-LAC Summit took place in 1999, the topics of democracy and human rights were of key importance. Other topics present were environmental protection, drug trafficking and security policy (Bodemer 2012: 26). Security, in particular, was of continued relevance for the subsequent Summits and was regularly mentioned as a key area in the action plans. The 2002 Madrid Summit added some interesting issues from a social perspective. It is worth mentioning that the political declaration associates the fight against poverty, its core topic, with a wide range of topics such as education and the information society, health, social integration, gender equality and non-discrimination policies (EC 2002).

While these topics are very broad, the third bi-regional summit held in 2004 in Guadalajara, Mexico, mainstreamed a new topic in the bi-regional relations that remains relevant until today. Social Cohesion was defined as a core issue and continued to be a core concept of EU-LAC relations although it was enriched with other social issues in subsequent action plans. The next Summit, held in Vienna in 2006, further strengthened these topics and continued to position social cohesion as a central concept in the bi-regional relations.

Another milestone in bi-regional relations that deserves to be highlighted was set with the Madrid Declaration of 2010. This declaration gave birth to the EULAC Foundation, an institution founded with the intention of fostering continuous dialogue on social and economic issues and as “a means of triggering debate on common strategies and actions as well as enhancing its visibility” (Council of the EU 2010: 9). Furthermore, the Madrid Summit marked a significant change in the bi-regional relations, since in 2011, the Community of Latin American and Caribbean States (CELAC) was founded.

The next two Summits, held in Santiago de Chile in 2013 and Brussels in 2015, were already conducted under the EU-CELAC framework, and covered a wide range of thematic areas, such as gender equality, drug trafficking, citizen security, regional integration to promote social cohesion, as well as inclusion and migration.

An innovative component of EU-CELAC relations is the civil society dialogue which is included in the framework of the summits and was administered by the European Economic and Social Committee. Through this dialogue, the formerly exclusively top-down oriented structure of the relations gets softened. This is an important step towards the inclusion of civil society in bi-regional relations and in agenda-setting. However, its effectiveness is limited by a lack of transparent ways of transferring

the results to the political declarations and by the absence of a legal or institutional framework to implement topics developed in this civil society dialogue.

While CELAC is an important instrument of integration in the LAC region, it is not the only one. Latin America and the Caribbean have had significant initiatives and examples of multilateral organisations looking forward to strengthening their development. Nonetheless, these initiatives were often born as mechanisms to incentivise trade and commerce or, on the other hand, to leverage the influence of the most powerful countries in the region. Among them are the Organisation of American States (OEA), the Common Market of the South (MERCOSUR), the Andean Community, Union of South American Nations (UNASUR), Caribbean Community (CARICOM), Pacific Alliance and the Asia-Pacific Economic Cooperation (APEC). However, they have very limited relevance for the social dimension of EU-LAC relations.

1.4.2. The social dimension of EU-CELAC relations – Development Cooperation

Unlike in the case of political dialogue, actions of development cooperation are based on non-exclusive competences that are implemented either by the EU or the MS. Topics in development cooperation are selected according to a European perspective and implemented mostly using European funding. Furthermore, the logic of this cooperation mode does not work according to the principles stated in international agreements but rather follows the course of European internal regulations, as is shown, for example, by the decision regarding the establishment of one of the most prestigious development programmes between LAC and the EU in the social dimension – EUROsociAL.

This decision does not refer to any of the agreements arrived at under international accords but has its basis in the Regulation (EC) N° 1905/2006 of the European Parliament and of the Council, of 18 December 2006, establishing a financial instrument for development cooperation⁸. This is certainly also true for other cooperation projects that have been developed in the framework of thematic agreements like the European Instrument for Democracy and Human Rights (EIDHR), the Instrument contributing to Stability and Peace (IcSP), Partnership Instrument (PI) or regional agreements such as the Instrument for Development Cooperation (DCI), European Development Fund (EDF) and the Instrument for Pre-accession Assistance II (IPA).⁹

Thus, agenda-setting regarding international development cooperation is taking place through cooperation between the European Commission, the European External Action Service and partner countries and regions. Looking at the priority areas of the EU, it becomes obvious that while different contexts produce different necessities, there are still

8 European Commission (2010): Decision on the Annual Action Programme 2010 in favour of the Latin America region to be financed under Article 19 09 01 of the general budget of the European Union. Action Fiche "EUROsociAL Programme"-DCI-ALA/2009/021-542

9 See also Fernández and Haider in this book.

some topics that have overarching relevance. These topics include conflict resolution, peace and security, youth and social inclusion, sustainable trade and investment, the fight against illicit drugs, effective education for employment, adaptation to climate change, democracy, participation and institutional strengthening of health.¹⁰ These topics show the broad range of social issues that are covered by development cooperation. One of the most prominent development cooperation programmes between LAC and the EU is the EUROsociAL programme¹¹ which deals with issues such as employment policies, social protection, health, democratic governance and social dialogue. In the framework of the EULAC Focus project the EUROsociAL project and its implications for EU-LAC social relations will be thoroughly analysed in another project report, which is why this report does not elaborate any further on EUROsociAL.

However, development aid cannot be considered as an equal forum of dialogue where positions on certain social issues are negotiated in a process of flat hierarchies; rather, they are realisations of European concepts in the Latin American context. While this tendency is also visible on a bi-regional level, it is much more dominant in the context of bilateral development cooperation.

Development cooperation between the EU and LAC is designed within the framework of some key instruments, such as the European Consensus for Development, the Development Cooperation Instrument (DCI), the EU's Agenda for Change and the EU-CELAC Action Plan.

According to the multiannual indicative regional programme, future cooperation shall have a stronger regional approach and shall "clearly demonstrate added value" (understood as, e.g., common solutions to challenges shared by several or all countries in the region). Regional programmes will therefore play a significant role in EU-LAC relations 2014-20.¹²

Five priority sectors for support are defined in the multiannual indicative regional programme for LAC for the period 2014-2020: (1) The security-development nexus (indicative allocation €70 million) which includes strengthening the rule of law, human-rights based drug policies and migration and border management. Specific objectives related to migration are the facilitation of labour migration, strengthening migrants' rights, control of irregular migration and promotion of the migration-development linkage. Human rights protection and gender equality are cross-cutting issues; (2) Good governance, accountability and social equity (indicative allocation €42M) which has a focus on high quality public services (including public policies for reduction of social inequalities); (3) Inclusive and sustainable growth for human development (indicative allocation €215M) which aims at poverty reduction through more inclusive and sustainable growth. This priority has a strong nexus to economic issues,

10 http://ec.europa.eu/europeaid/sites/devco/files/ebook_pdf.

11 The EUROsociAL programme was further analysed in other deliverables of the EULAC Focus project and is also the main focus of Fernández and Haider in this volume.

12 http://ec.europa.eu/europeaid/sites/devco/files/dci-multindicativeprogramme-latinamerica-07082014_en.pdf.

such as trade facilitation, SME competitiveness, employability and environmentally sustainable investments; (4) Environmental sustainability and climate change (indicative allocation €300M), and (5) Higher education exchange and cooperation (indicative allocation €163M).

According to the Directorate General for Development Cooperation, “support for the promotion of social cohesion is an important common thread running through these priorities” (EC 2015: 19). Social cohesion is considered to be a leitmotif in EU-CELAC relations and will therefore be addressed in all priority areas, while specific social cohesion targets will be defined during the implementation phase.

Besides, there is a specific sub-regional programme for Central America with an indicative budget of €120M for 2014-2020. In Central America, the EU is the main donor of regional cooperation. Meanwhile, new cooperation Agreements have been signed and new areas of cooperation (such as migration and counter-terrorism) were included. Currently, the security-development nexus is defined as a specific area of cooperation between the EU and Central America in the Development and Cooperation Instrument. The EU-CA programmes’ second focal sector for 2014-2020 is security and the rule of law. The implementation of the Central American Security Strategy (ESCA) is also supported by the EU. Other priorities covered in the CA Programme are regional economic integration and climate change and disaster management.

Recent global and regional developments have affected the role of Europe and LAC in the world and with it their strategic partnership and the orientation of development cooperation (Sanahuja et al. 2015). Traditional patterns of North-South cooperation or aid, with clearly defined roles of donors and receivers (under the premise of poverty reduction), are contested by global challenges (Manning, 2006). At the same time, the European recession has affected European development cooperation. As an example, Spain had concentrated its Official Development aid (ODA) in Latin America and cut it dramatically after the crisis. In this changing framework of a more global, bi-regional and bi-lateral orientation of development policies, South-South Cooperation (SSC) and triangular cooperation (TrC) gain relevance and partially replace the role of the EU as a classical donor (Manning 2006).

As indicated in the “Agenda for Change”, EU development policy is undergoing a change process resulting in a concentration of EU aid on a reduced number of topics and countries.¹³ Middle income or emerging countries are preferably seen as potential partners to tackle global challenges. Sanahuja et al. (2015) argue that the EU-LAC partnership can play an important role in shaping the post-2015 agenda by contributing their vision on and governance of democracy and social cohesion, complemented by pushing the topics of regionalism and integration, higher education and STI and climate change; all of which can have a positive impact on equity and social development.

.....
13 http://ec.europa.eu/europeaid/policies/european-development-policy/agenda-change_en.

The Global Partnership for Effective Development Cooperation, which is supported by the OECD and the United Nations system, promises to shift the focus from aid effectiveness to the broader concept of development effectiveness. The underlying High-Level Forums which led to the new partnership agreement reflected the new multi-stakeholder landscape in development cooperation with a stronger involvement of emerging economies and the private sector and more prominent climate change priorities.

These trends are also expressed in the establishment of the so-called Sustainable Development Goals by the United Nations. Equality and environmental sustainability are the main pillars of the Sustainable Development Goals, which is a project of renewed global partnership, with Europe and Latin America and the Caribbean having an equal stake. In LAC, CELAC and its subsidiary bodies have been recognized by its member countries as a platform for implementation and follow up of the 2030 Agenda for Sustainable Development.

The 2030 Agenda could give a new impetus to cooperation on social issues between the EU and CELAC. As a matter of fact, CELAC and the Government of Germany agreed in January 2016 that the new joint cooperation programme for the period 2016-2018 would be dedicated to supporting the implementation of the 2030 Agenda for Sustainable Development in the region.

Besides development cooperation, the commercial pillar of EU-(CE)LAC relations is the most important one – at least in terms of creating binding norms – and it therefore predominates over the development and the political pillars. This is true for specific association agreements that incorporate these three pillars, as well as for the general framework of EU-LAC relations, including bi-regional summits. Since the Treaty of Lisbon, the commercial area is a matter of exclusive competence of EU institutions, especially the European Commission. Therefore, EU institutions can engage in negotiations and sign binding treaties that imply the creation of norms for both regions.

So far, the EU has negotiated bi-lateral association agreements with Chile, Mexico, Peru and Colombia. While these Agreements mostly follow the framework of establishing the three pillars of trade, cooperation and political dialogue, their core is the trade-related area. Only in this area does the EC have exclusive competences and can it therefore directly implement regulations. Although these (free trade) agreements do not directly tackle social issues, they have an effect on social policy systems, for example, through regulations regarding labour standards. However, the relevance of these treaties for social issues is rather limited and therefore these treaties are not explained in detail here.

Bilateral relations, although an important factor of EU-LAC relations, are not in the centre of attention of EULAC Focus. However, as there is little evidence of well-established and well-functioning relations that can be considered as truly bi-regional, in the sense of two regional integration projects working together as juridical persons, this level needs to be taken into account as one of the most important instruments of EU-LAC

relations. This becomes even more obvious since agreements considered as bi-regional (e.g., EU-CARIFORUM; EU-Central America) are actually agreements between a group of LAC countries and Member States of the EU and the European Union.

1.4.3. A question of competences: Bi-regional relations and their capacity to create new pathways of cooperation

The analysis of the social dimension of EU-LAC relations has shown that it is crucial to identify the respective actors and parties that are involved in devising international treaties, agreements and declarations. Only in doing so can the social issues on the agenda be scrutinized in relation to the possible impact they can create in each of the two regions. Especially for the EU, it becomes obvious that different internal regulations and instruments rather than international agreements determine the shape and outcome of its international relations.

Development cooperation projects between the EU and LAC targeting social issues are implemented following internal EU logics and are not (legally) founded in any of the international agreements or declarations on social issues. This highlights the fact that social issues tackled in declarations of bi-regional summits or in the bi-regional dialogue on development cooperation are to be considered as declarations of will or as the expression of common interests and not as a foundation for the relations in general. Furthermore, it should be noted that social issues are in themselves treated as a cross-cutting issue in bi-regional relations, which means that they appear in various areas of the relations. They can be found, directly or indirectly, in all of the so-called “three pillars” of the relationship (political dialogue; development cooperation; commercial agreements). This is related to the specific structure of the European Union which evokes a conflict of competences in the social realm between the institutions of the Union and the member states themselves. Social issues remain to a huge extent under the competence of member states, while only some competencies exist at EU level.

This complicates the situation of EU-LAC relations as it inhibits the process of finding common, mutually beneficial objectives, and especially the translation of these common objectives into concrete and tangible actions and results, preventing common actions and the formation of a real “strategic partnership” in the social dimension. This is also due to the variety of interests, actors and social models both in the EU and LAC. The only area that stands out in terms of concrete results is the commercial area. Here, the exclusive competence of the EU allows concrete actions to be developed in (mostly) bilateral agreements with LAC states. However, this is the area where social issues are hardly tackled explicitly but remain as a subordinated by-product of economic growth and development, such as the attempt to acknowledge minimum labour standards.

While the interrelation of competences between the EU and its member states adds complexity to the relations, a similar phenomenon is visible in the case of LAC, although on a different level. Regional integration projects in LAC are hardly equipped with

the legal or institutional background to create binding norms through international agreements or contracts. Thus, the specific states have to be part of these documents and pose as the main legal representatives in the treaties. One conclusion, therefore, is that even though considerable efforts have been made to strengthen LAC integration projects, often under strong reference to the EU model, the main channel of the relations remains the bilateral one when it comes to the creation of binding norms. A consequence of this lack of a legal and institutional framework of LAC integration projects is that soft-law instruments are predominant in the area of bi-regional social relations. Looking at the declarations of the EU-CELAC summits, for example, it is obvious that no legally binding norms are created through them. However, through instruments of soft law, the participating states commit themselves to the achievement of set goals and objectives, and signatories can thus be held accountable, at least in political terms.

In spite of their limitations compared to binding legal instruments, soft-law approaches seem to be the most promising perspective for the social dimension of EU-LAC relations, especially taking into account the lack of competences regarding social issues on a regional level in LAC (in CELAC as well as in other integration projects), but also in the EU. Thus, the growing importance of soft law in the EU context (see, e.g., the Open Method of coordination described in Chapter 2) is connectable to the commitments of, for example, CELAC, to fostering cooperation on social issues. Therefore, a common procedure for soft law implementation should be found that focuses on social issues in the two regions and on strategies and concrete actions to tackle them. In doing so, a transcontinental learning process would be enabled, and a mutually beneficial bi-regional relationship could be fomented. While these bi-regional soft-law procedures could take as an example the implementation of the OMC in the EU, it should also be based on LAC experiences regarding social challenges and south-south cooperation. Thus, the reproduction of patterns of one-sided power-asymmetries that often shape EU-LAC relations as a way of exporting EU concepts to LAC could be avoided.

Another important factor on the way to an equal relationship could be to strengthen the role of civil society and social partners in the framework of the relations. In the case of the EU, social dialogue has already been included as a principle of primary law (from the Treaty of Rome onwards). These procedures could serve as a point of departure for further strengthening the role of social dialogue in the bi-regional relations. Nonetheless, it must be stated that at EU level the understanding of social dialogue is a very narrow one, reducing social partners to employers' and employee associations. While the EU-CELAC summits already encompass meetings of civil society representatives, a way to properly include them in the framework of the relations has yet to be found. A transcontinental soft-law approach could strengthen the position of civil society actors and additionally help to create leverage for EU-LAC relations in the broader public. Only by acknowledging the significance of civil society can the EU-(CE)LAC dialogue produce substantial outputs that garner the support of the population in both regions.

1.5. Concluding remarks

Because social policy is traditionally a controversial topic, social relations between the EU and LAC are less actively promoted. Nevertheless, social systems in both regions are under major stress (often for similar reasons or with similar consequences). It is important to ask how social issues can be better positioned within the EU-LAC agenda. This article has tried to identify some areas in social policy where each region has important experiences that could enrich bi-regional relations. We showed that the EU has, e.g., outstanding experiences in soft law and good governance, in active employment policy, equal opportunities or workers' rights. LAC historically has a lot of experience with poverty reduction, ethnic discrimination and intercultural approaches, as well as with minority rights.

The analysis has also highlighted that it is crucial to identify actors and institutions that are involved in the bi-regional relations in order to understand where and how impact can be created. Particularly in the case of the EU, it is important to point to the fact that internal regulations shape and frame the relation towards LAC and that the EU context is characterized by the tensions between different competences attributed to EU institutions and member states. In LAC, on the other hand, we are confronted with different regional integration projects with very weak institutional and legal backgrounds. It is distinctive to EU-LAC relations that the only area where binding agreements have been developed is the commercial one. Although this area indirectly tackles social issues, a strengthened position of the social dimension in EU-(CE)LAC relations would entail positioning this topic independently of economic issues and not considering them as a mere by-product of economic growth.

We saw that the **Sustainable Development Goals** (SDG) offer one direction towards the renewal of the social dimension of EU-LAC relations. The MDGs and the SDGs were inspired by Amartya Sen's perspective that the social development dimension is very decisive once it refers to the process of people's increasing opportunities and freedoms, such as recognising cultural differences when reducing inequality and discrimination sustainably. In order to increase opportunities and freedoms, people need access to material goods (food, housing, etc.) and to services like education, health, social protection, inter alia. Good employment may provide access to all of this, but should not be the only way, since children, old and/or disabled persons and vulnerable persons require different options or specific types of working conditions. People's opportunities and freedoms are related to the cross-cutting topics of (1) **mobility** – freedom to move around physically but also social mobility; (2) **inequality** – not only in an economic sense but also in a social and legal one, including human-rights (3) **interculturalism and diversity** – human diversity has a unique richness, therefore conflicts and violence arising from differences must be overcome; different cultural backgrounds can enrich people's experiences and outlook – and (4) **social policies and dimensions**, which must provide permanent stability to support sustained human development.

The EU-CELAC partnership could have a decisive role in shaping the post-2015 development agenda if it manages to develop its own vision and coordinated actions for the joint implementation of the 2030 Agenda. The EU-CELAC summits could facilitate a multi-stakeholder discussion on more sustainable and social futures based on a **human development** approach. By doing so, the EU-LAC partnership would stand out as the only bi-regional partnership which discusses the transition to a regime of lower production and consumption under the major premises of ecological justice and socio-ecological transition and based on active citizenship.

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2. THE SCANDINAVIAN ICD AGENDA AND ITS INCIDENCE IN LATIN AMERICA: CHANGE AND CONTINUITY

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Abstract:

International cooperation for development (ICD) has experienced a substantive transformation. In the last decade, actors, areas of action and mechanisms for its implementation have changed to an extent that, at present, the themes that set the agenda, as well as the beneficiaries, are totally new. For example, the Scandinavian countries (Sweden, Norway and Denmark) have occupied a significant place in international development cooperation in Latin America. However, empirical evidence seems to confirm that at present, priority has been directed towards other countries as members of partnership to carry out their foreign policy agenda in the field of cooperation.

In this respect, the hypothesis in this paper is that Scandinavian countries have changed the status of cooperation in their agenda in foreign policy towards Latin American countries. This paper attempts to examine changes and continuity in the agenda of Scandinavian countries' international cooperation for development, focusing on Sweden and Norway, with a view to analyzing the underlying motives in this change of orientation in foreign policy. It aims to assess how this new approach affects relations between Scandinavian countries and Latin America.

To make these ends meet, this paper examines data collected in a review of the literature on the main guidelines of the Scandinavian countries' policy of cooperation with Latin America, and in official documents from Scandinavian government institutions responsible for implementation of foreign policy in the area of cooperation.

2.1. Introduction

2.1.1. Scandinavian countries

Let us start by pointing out that Scandinavian countries form a group of States situated at the North of Europe in the area that Ancient Romans called *Scania*, known now as the Scandinavian peninsula and located in front of *Germania*. It should be noted that Norway and Sweden share the territory of the peninsula, while Denmark is located on the opposite side of the coast, as a part of continental Europe. Consequently, the term “Scandinavian peninsula” refers in an imperfect manner to the geographical position, to the Germanic roots of Scandinavian languages, a shared history, and political approach on the subject of the role of the State, and insertion into the international system. Iceland and Finland are not included in the category of Scandinavian, but they make up part of the Nordic Council which sets common positions in several aspects of public policy, including cooperation.

It should be noted that Denmark as well as Sweden are member states of the EU which has an effect on the ways in which both countries carry out official development aid. On the other hand, Norway is a member of the European Free Trade Association (EFTA), a group made up of Iceland, Liechtenstein, Switzerland, and Norway, which, even if its main goal is free trade, has a plan for international cooperation which is not examined in this paper.

Finally, it is important to point out that in 2019, the EU, as well as EFTA, concluded agreements on free trade with Mercosur which include a section regulating aspects of cooperation for development.

2.1.2. Latin America

This name makes reference to a region in the American continent where languages that derive from Latin prevail (Spanish, Portuguese and French) and includes Argentina, Belize, Bolivia, Brazil, Chile, Colombia, Costa Rica, Cuba, Ecuador, El Salvador, Guatemala, Haiti, Honduras, Mexico, Nicaragua, Panama, Paraguay, Puerto Rico (an associated State in the US), Peru, Dominican Republic, Uruguay, and Venezuela.

As Lais Abramo, Director of the section on Social Development in the Economic Commission for Latin America and the Caribbean (ECLAC), argues, Latin America is still the most unequal region in the world, despite important advancements made in several countries during the first decades of the 21st century¹⁴.

This fact not only affects social development but also long-term sustainable development. Indeed, at the High Level Political Forum on Sustainable Development, which took place in July 2019, the General Secretary of ECLAC, Alicia Bárcenas, pointed out that

14 <https://www.cepal.org/es/comunicados/cepal-pese-avances-recientes-america-latina-sigue-siendo-la-region-mas-desigual-mundo>

in relation to compliance with Agenda 2030 and the Sustainable Development Goals (SDG), several countries in the region have engaged, even creating special resources of public funding to carry out a follow-up, particularly in relation to social needs. It is a matter of concern, however, that the Latin American region is growing less than expected, and that inequality and poverty are growing. Consequently, on the one hand, Latin America is a region that has made a great effort to reduce poverty and inequality, but, on the other, since the year 2015, poverty and inequality are growing again¹⁵.

The Secretaryship of ECLAC points out that by 2030 some sustainable development goals (SDGs) could already be achieved (for instance, reduction of infant mortality), while others could advance favourably (such as access to internet), although there is a group of goals which will not be accomplished, such as access to clean water. Bárcenas's comments reveal the difficulties that persist in the region. In this respect, a recent report by the Organization for Economic Cooperation and Development (OECD) presents what they call a "strategy for development in transition" (DiT)¹⁶ (OECD 2019) to help Latin America. The document recommends which concept of development should support each proposal, the strategies that the countries should adopt and the role of international cooperation in facilitating the effort. It must be borne in mind that Latin American countries participate in the OECD with different degrees of involvement, as shown in the following table.

DEGREE OF INVOLVEMENT	COUNTRY
Members	Chile and Mexico
In process of association	Colombia and Costa Rica
Programme Country	Peru
Key Partners	Argentina and Brazil
Members of Centre of Development	Argentina, Brazil, Chile, Colombia, Costa Rica, Mexico, Panama, Paraguay, Peru, Dominican Republic and Uruguay

The OECD, in its document, *DiT*, recommends strengthening cooperation as a tool for inclusive development of the region and points out that the system of cooperation in which a multiplicity of actors participate should be innovative in order to be able to adapt to a complex and multipolar world. To that end, it proposes:

- To promote alliances among countries with different levels of development that would participate as partners.
- To place national strategies at the centre of debate and strengthen the internal capacities of countries to carry them out.

15 <https://www.cepal.org/es/comunicados/agenda-2030-objetivos-desarrollo-sostenible-escenario-incierto-cumplimiento-america>

16 *Perspectivas económicas de América Latina 2019. Desarrollo en transición.* Available at: <https://www.oecd.org/dev/americas/overview-SP-Leo-2019.pdf>.

- To include a battery of tools, forms, and instruments of international cooperation, incorporating specialized knowledge from a broad range of sectors, promoting a coordinated and integrated transversal government approach. This battery of tools should incorporate the exchange of knowledge, multilateral dialogue on politics, development of capacities, access to technology and innovation.

These recommendations propose public policy strategies aimed at overcoming new setbacks in development and transforming them into “opportunities for progress”¹⁷. If these proposals were to be followed up on, ICD would help the region to place itself in a better position in the world economy and to advance in sustainable development, reducing the impact of climate change, bringing about a diminution in poverty and fostering the growth of the middle class as central aspects.

2.2. Evolution of international cooperation for development (ICD)

In this section, we intend to present a general analysis of the characteristics of ICD, reviewing it in periods of ten years, based on the research paper by Carlos Tessara.

At the end of the 1950s, it was noticed that the actors in international relations as well as cooperation were States as well as international organizations. Likewise, it is possible to observe that the prevailing paradigm was economics, which implied that reaching development would result from evolution in successive stages in a manner that was comparable to the biological development of human beings. According to this approach, ICD was applied to the productive sector in less-developed countries in order to increase their capacity for production and reach economic growth. The main tool in ICD was the allocation of loans (either bilateral or international) or foreign direct investment (FDI) under orientation by the lending party, usually a Northern country, which created an asymmetric and hierarchical relation between donors or creditors and debtors.

The first non-governmental organizations of cooperation for development that were founded in this period were linked to religious congregations, and to incipient civil society organizations, based on a kind of social sensibility, moral values, or political parties that could be identified with particular ideological visions of society.

The decade of the 1960s was marked by a new international scenario in which States were the main actors and Third World countries organized themselves into the Movement of Non-Aligned countries, and the G-77 group which would represent them in United Nations organisms, with a view to gaining further capacity for concerted action and influence in international politics. In this context, the number of international organisms grew, including either those identified with the Third World vision (for example, the Organization for the African Union) or those that promoted new standards for development aid, as was the case of the OECD.

¹⁷ http://oecd.org/dev/americas/Overview_sp-Leo-2019.pdf

With regard to ECLAC, it introduced the analysis of underdevelopment together with proposals framed into the perspective of the South, new concepts in the analysis of underdevelopment as the theory of deterioration of terms of trade, and the theory of dependence. Consequently, the prevailing approach in economics during the previous decade was sharply criticized, particularly for having neglected the role of the structural nature of asymmetries between the industrialized North and the south as the supplier of raw materials. To overcome the inability of developing countries to generate significant changes in the economy and society, ECLAC's proposal was industrialization for import substitution.

During this decade also, cooperation agencies emerged as new providers of aid to development, and as agents in political negotiation, which allowed the establishment of direct relations between providers and receivers of aid to development. A second generation of non-governmental organisms for development became relevant, in the centre as well as in the periphery of the international system, because of their capacity to influence public opinion.

Lastly, it should be remembered that the World Bank presented the Pearson report which introduced the human dimension, a paradigmatic change in international cooperation to development.

The main characteristic of the 1980s was that States, international organizations and non-governmental organizations for development were the central actors, but the new fact was that this was based upon arguments from the Development Assistance Committee (DAC) and that it happened with the support of relevant institutions like the World Bank, the European Economic Community, and the United Nations Programme for Development.

In this context, policies of international cooperation for development were the object of criticism for the first time. One important issue at stake was the neoliberal paradigm which rejected programmes of cooperation on the ground that they interfered with free market policies which, together with programmes for structural adjustment, if effectively implemented, were seen as the solution to the problem of underdevelopment. Another influential detractor was DAC which adopted a vision that reflected the views of non-governmental organizations for development. Their criticism pointed to the vertical character of cooperation, the absence of coordination between co-operators, recipients and non-governmental organizations of development, the low level of participation of civil society, absence of appropriation (a concept that would later be adopted in programmes and projects of cooperation) on the part of local actors, the high costs of transaction and the absence of coherence between economic policy and development policy.

The concept of partnership, which became a structuring principle in the development of programmes and projects of cooperation, was coined in meetings of groups of consultancies. In this decade, Non-Governmental Development Organizations

(NGDOs) gained prestige due to their innovative approach and their institutional autonomy with respect to Official Aid for Development (ODA) and international agencies, which allowed them to secure resources from civil society.

During the 1990s, new international actors emerged: firstly, firms that created the concept of social corporate responsibility which found its counterpart in the idea of “marketing of social extension”, along with the increasing contributions from firms, at a time when states experienced difficulties in providing ODA (Ausborn, B. 2007). Institutions of education, universities and centres for applied research on development adopted a perspective that included the environmental dimension and the contributions of scientific research on the ozone layer and climate change in the analysis of governance. The Human Development Index constituted a paradigmatic change and was associated with new approaches to policies intended to overcome poverty, enhance flexibility in the role of the State, and support the idea that only an integrated set of policies for different areas could make development feasible.

Another characteristic of this decade was convergence in the dialogue among international organizations, national agencies, local governments, and non-governmental organizations for development. It aimed to include participation by civil society, coherence between economic and development policies, and compatibility between donors and local processes of development management.

Decentralized cooperation involving sub-state units was first developed in the EU and soon after adopted in Latin America. According to Dubois (2002), this is a new approach to cooperation that makes possible decentralization of initiatives, inclusion of a variety of new civil society actors and even the participation of actors in countries of the Third World in development projects. An example was Brazil as leader of the UN operation for peace in Haiti.

During the first decade of the new millennium, the participation of States of the South increased. The idea of territorial development and the concept of social cohesion opened the way for protagonism of local communities as recipients of cooperation. Firms’ participation in the framework of social enterprise responsibility broadened the field of action and dialogue with different actors as seen in the participation of some of them in Monterrey in 2002. The regional economic and financial crisis in 2002 caused a decrease in resources and funding (including in cooperation for development).

2.3. ICD in the Framework of the EU

As has already been pointed out, Sweden and Denmark are members of the EU, so that their international development cooperation is inserted in but not limited to the EU guidelines. It should be noted that development cooperation is an area of shared competences between member states and the EU, an arrangement that is different to that of trade policy which is led exclusively by the EU (Sanahuja; Sandoval, 2019, 4).

The ICD provided by Sweden and Denmark gained importance in the framework of the EU, considering that in 2018 the EU destined more than €86 million to aid to development (0.47% of GDP) and became the major donor (with 56.5%) to the Committee of Aid in the OECD. EU international cooperation for development would have more impact if there were a common strategy and agreement on collective criteria for determining priorities, mechanisms for funding allocations, and thematic lines of action around which to act according to each member-state's comparative advantage; this is the three-C rule: complementary approach, coordination and coherence.

It is important to observe how this region's ICD is organized, because EU cooperation for development is undergoing an important process of reform in the context of budgetary programming for the period 2021-2027. This reform seeks to endow the EU with the resources and tools needed for making compatible values and interests, in the face of a more complex, disputed and interconnected scenario, while at the same time contributing to effective cooperation in order to achieve the goals of sustainable development and the 2030 Agenda (Sanahuja; Sandoval, 2019: 1).

It is possible to identify the chronologically interconnected facts that have an influence on the design of EU international cooperation for development:

2017-2018: New European Development Council (EDC)

May 2019: Election of authorities of the European Parliament

December 2019: Beginning of process of negotiation for the Pluriannual Financial Framework 2021-2027 and its financial instruments for determining the proposal for external action.

The EDC is the tool that the Treaty on the Functioning of the EU identified to develop different interconnecting levels of governance and the international insertion of the member states, according to the organization's mission and vision of regional integration. To sum up, the EDC tries to accommodate national policies into a common framework which is European and multilateral at the same time.

This tool emerged in 2002 after the adoption by the UN of the Millennium Development Goals (2001), later revised in 2005 to include the inputs produced with the Monterrey Consensus on funding of ICD (2002) and the Paris declaration on the subject of efficacy of aid (2005). Based on this revision, the ECD received a mandate to promote better coordination and complementarity among donors, based upon joint programming and each member state's specialization and comparative advantages in sectors and regions, according to the Code on the conduct of division of labour (European Commission, 2007).

It should be highlighted that the EU, its Member States, and the Scandinavians in particular (as will be shown later) have consistently developed the idea of strengthening cooperation in areas where they have comparative advantages, creating a division in international cooperation for development. Despite these considerations, the ECD does not define priorities, goals, instruments or criteria of allocation of aid to

development: hierarchically, the Treaty of the European Union establishes values and goals for the organization of international action while the Treaty on the Functioning of the EU definitively establishes the concrete objectives in development policy and budget procedures. Based on this general framework, goals, geographical and sectoral priorities, and the criteria for allocation of aid are set by the Ministry of Financial Programming in the annual budget (European Commission, 2011).

The instrument of cooperation for development is the main mechanism by means of which international cooperation for development is geographically distributed. Cooperation with Latin America is inserted in international cooperation for development through two thematic programmes which are present in all development countries. These programmes are as follows: “Challenges and World Public Goods” and “Civil Society Organizations and Local Authorities.”

During the period 2014-2020, international cooperation for development was the object of revision between 2016-2017 and the result was the establishment of a criterion for differentiation that amounted to a significant change, because aid was destined to a lower number of political and geographical priorities: the so-called fragile states.

The establishment of this criterion in International Cooperation for Development, and the fact that some Latin American states were upgraded to the status of high middle-income countries affected the flow of funds for development aid. It is important to note that, as Sanahuja and Sandoval (2019) argue, the term “upgrading” is used to refer to the moment when a country is no longer eligible to be a recipient of aid since it has reached a certain level of per capita income. The EU, development banks and donor countries have their own graduation criteria, but it is inside the DAC of the OECD where a country is graduated according to general criteria of graduation, and consequently resources received from other sources are not considered as official aid to development. This criterion affected the aid to development that some developing countries of Latin America received in the framework of international cooperation for development. Thus, Cuba, Colombia, Ecuador and Peru will receive aid up to 2020, while Chile and Uruguay have been excluded on account of being considered countries of medium-high income.

According to the OECD, countries of medium-high income are those emergent countries that begin to play a different role in international cooperation for development. This is why the aid they receive is a tool to confront new regional and international challenges in a partnership which includes the financial donor (a country of high income), the technical co-operator, the technical cooperant country (a medium-high income country), and the beneficiary (a low-income country).

The synthesis of revision of criteria was presented in the Joint Declaration of the European Development Days (held in Brussels on 7 June 2017) and involves three areas of action: the 2030 agenda, the means of implementation, and adaptation of the EU and its State members to diversity of situations and actors involved. In this respect,

to reach the sustainable development aid, the European cooperation for development tried to make them compatible with certain thematic areas, such as the following: youth, gender equality, mobility and migration, sustainable energy, climate change, good governance (rule of law and human rights), investment and trade, mobility and the use of national resources.

2.4. The case of Sweden: Cooperation for development

As has been mentioned in the Introduction, international cooperation for development is one dimension in the foreign policy of the State, and the State's different departments make decisions in response to their own goals and mandates, as well as to ideas about international insertion, their action in that sphere and foreign policy priorities.

In the case of Sweden, the body responsible for public policy in the matter of international cooperation for development is the Swedish International Development Cooperation Agency (Styrelsen för Internationellt Utvecklingsamarbete). This agency (SIDA, its acronym in the Swedish language) is an organism of the Swedish Ministry of Foreign Affairs, and its mission is to organize Swedish aid to development offered by Sweden to developing countries. Its agenda is based on four concepts¹⁸:

- Creation of opportunities for income: By means of economic development (increasing trade and strengthening of industry), countries in processes of development generate opportunities for residents. In this respect, Sweden promotes the suppression of trade barriers.
- Strengthening of democracy: When people gain political rights, they may have an influence on social development.
- Response to the needs of beneficiaries of International Cooperation for Development: The underlying idea is that it is essential that projects be in the hands of the beneficiaries to secure sustainable development.
- Attention to the needs of the beneficiary of ICD.

It is important to note that in 2019 SIDA destined 42.3 thousand million Swedish crowns (approximately US\$4.443 million) which amounts to 1% of GDP. 1.3 million Swedish crowns account for the cost of SIDA administration, which includes foreign missions in the field.

Also, other budgetary funds of the state may be characterized as humanitarian aid: in 2019 there were a total of 6 billion Swedish crowns. This sum includes the cost of asylum reception.

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18 <https://www.sida.se/English/how/we/work/about-swedish-development-cooperation/>

2.4.1. Application of SIDA's international cooperation

Sweden has bilateral cooperation with 36 countries in Africa, Asia, Latin America and Europe¹⁹. In 2018, the Scandinavian country carried out a total of 2,997 activities amounting to US\$2737 million destined to a total of 105 countries, 17 of them in Latin America; this region represents only 0.6% of the foreign action of Sweden.

In this respect, it should be emphasized that no Latin American country was in the first ten places of recipients of Swedish aid for development. Colombia, Guatemala, and Bolivia were in the 19th, 21st, and 23rd positions respectively, with an average of US\$30 million each, approximately (almost 20% of the sum destined to Afghanistan, the country that has received the biggest part). Latin American countries occupy between position 23 and 49 in the table, the latter corresponding to Venezuela, with an investment of US\$3 million, and with Argentina closing the table with an investment of 10% of the total invested in Venezuela²⁰.

2.4.2. Thematic areas

The areas in which international cooperation concentrates its efforts in cooperation for development are:

- Humanitarian aid: it is destined to emergency measures in countries affected by armed conflicts, epidemics, and natural disasters.
- Democracy, human rights and freedom of speech: more than a quarter of SIDA's aid is destined to this sector (it being the sector that receives the majority of the aid), because Sweden considers it is substantial in the area of development. It may be inferred that the influence of social democracy in Sweden, which started in the 1960s and achieved momentum with the agenda introduced by Olof Palme, determines to a great extent the importance that this country assigns to democracy, human rights, and freedom of speech, as indicators of a society's development.
- Environment and climate: it is assumed that poor people in less developed countries in general terms depend mainly on natural resources, so that they are especially affected by climate change.
- Health: It is understood as a human right, but also as a condition for development, so that SIDA assigns priority to supporting health systems, mother and child health, and programmes of health and sexual and reproductive rights.
- Market development: to reduce poverty in the world, economic growth is necessary, and this implies the need to promote development of a country's production and access to the international market: this goal implies backing development of the private sector, trade, financial systems and employment of associated countries. This position has been defended by Sweden in various international fora.

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19 <https://www.sida.se/Svenska/Om-oss/Budget/>

20 <https://openaid.se/aid/sweden/all-countries/all-organisations/all/2018#>

- Agriculture and food safety. This has become a relevant topic in the last decade after there emerged an estimate of population growth to in excess of nine billion by 2050.
- Education and Research: It is assumed that a peaceful, egalitarian and democratic society needs education and research.
- Sustainable construction of the community: This would be a condition for the construction of basic social services, to take into account the environmental impacts, climate change and loss of biodiversity.
- Conflict resolution, peace, and security: a great number of countries associated with SIDA find themselves in a situation of conflict or post-conflict, and to promote peace and security is crucial in cooperation for development²¹.

2.4.3. Some peculiarities

We have presented information that describes the foundations of cooperation, the recipient countries and the thematic axes of international cooperation for development in Sweden, as this is implemented by SIDA. However, besides the publicly known agenda, there exists another agenda which represents the interests of political actors, civil society, or private interests. This section aims to discuss this latter agenda. Some examples will help us identify Sweden's priorities.

Production of sustainable textiles

The firm Stora Enso is developing research on the new uses of wood in view of a reduced demand for paper, the subsequent reduction in profit margins and the need for new alternatives based on sustainable materials. In this context, a scheme of cooperation with the Swedish textile industry and one of the main actors of the forest industry has been organized, in conjunction with their branches in different parts of the world and centres of research in the countries where they are present.

On the other hand, the Swedish firm H&M is developing an initiative in which its products are based on textile fiber from other clothes that its clients deposit in its shops.

High Level Chemistry Alliance

This initiative was initiated during the tenure of Minister Isabella Lövin and seeks to achieve responsible and sustainable management of chemical waste. As it is a question of relative interest for some States, Sweden sees as a challenge the need for strengthening promotion of the visibility of the Alliance. In this respect, the Swedish Company KEMI has recently opened a branch office in Brazil.

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 21 <https://www.sida.se/Svenska/sa-arbetar-vi/vara-verksamhetsomraden/>

Global Deal

The Swedish Prime Minister, Stefan Löfven, met the Secretary General of the OECD, Ángel Gurría, in Paris, in order to transfer the coordination of the Global Deal Initiative²².

This initiative was proposed by Löfven in 2016 as an agreement for the “decent work and inclusive growth” which involves an association of multiple parts interested in social dialogue and in better conditions in the world labour market. Since its launch, the initiative has grown to include around 100 actors all over the world including governments, firms, trade-unions and organizations like OECD and the International Organization of Labor (ILO).

2.5. The case of Norway: Cooperation for development

The Norwegian foreign policy organism responsible for ICD is the Norwegian Agency of International Cooperation for Development (NORAD). It should be pointed out that Norway started participation in ICD as a donor in the 1950s and 1960s. From then on, it has broadened its ways of action as part of an increasing global engagement. Nowadays, it concentrates its efforts with a view to eradicating extreme poverty, guaranteeing inclusive and sustainable development, and promoting prosperity, peace, and justice all over the world by 2030, within the framework of sustainable development goals. Norway has carried out activities in a broad variety of geographical and thematic areas, but, with a view to guaranteeing favourable and long-lasting results, it has reduced the number of areas of action and of cooperating partners. In this respect, the initiative of the partner country is strategic to attract Norway’s aid.

2.5.1. Destinations of NORAD development cooperation

In 2018, Norway’s development aid amounted to 34.6 thousand million NOK (some 4 thousand million US dollars), and it was geographically distributed in the following manner:

Regions	Amount Allocated ²³
Total	34,631.6
Africa	6,414.5
America	1,552.2
Asia	2,268.4
Europe	5,951.0

²² <https://www.uniontounion.org/vinsten-med-social-dialog-nar-fack-och-foretag-samarbetar-en-fungerande-tremtid>

²³ All figures in millions of Norwegian Crowns

Regions	Amount Allocated ²³
Middle East	3,190.5
Oceania	14.1
Not geographically distributed:	20,596.8

In the case of Latin America, allocation of funds in 2018 was carried out in the following manner:

Country	Amount Allocated	Country	Amount Allocated
America	1,552.2	Haiti	71.6
Bolivia	26.5	Honduras	2.2
Brazil	685.6	Nicaragua	31.1
Colombia	408.1	Paraguay	3.7
Cuba	11.9	Perú	65.9
Ecuador	80.5	Venezuela	31.3
El Salvador	4.4	America regional	14.2
Guatemala	41.6	North and Central America	11.9
Guyana	28.1	South America	33.8

Available at: <https://norad.no/en/front/>

2.5.2. Thematic areas

Norway's cooperation efforts lie in the following areas:

- **Climate change and Environment:** these are the main areas in the Norwegian approach to development policy.
- **Democracy and good government:** the fight against corruption and for good governance are a priority area in aid policy.
- **Education:** has an outstanding place as it is a fundamental human right for access to and practice of rights inherent in the human condition.
- **Energy:** not only as the right of use but also as the need for sustainable production.
- **Global health.**
- **Higher education and research.**
- **Macroeconomics and public administration.**

- **Oil for development:** the goal of this programme is to reduce poverty by means of promotion of economic, environmental, and socially responsible management of oil resources²⁴.

2.5.3. Some Peculiarities

Reform of Norwegian aid for development

Since the beginning of Prime Minister Erna Solberg's tenure (January 2018), the government has established as a priority reform of the structure of the management of development aid. The purpose of such restructuring is to make of aid a pillar of the country's foreign policy in the world. In fact, after the process of reform, which started to be implemented after the first trimester of 2019, NORAD would be responsible for management of the Norwegian official aid for development while the Ministry of Foreign Relations would have specific responsibility for carrying out the policy of international insertion, the selection of the main areas for official aid for development allocation, and representing Norway in different international fora.

Funds destined to official aid to development are under the constitutional responsibility of the Ministry of Foreign Relations, at present under the remit of Minister Ine Eriksen S oreide. After the restructuring process, many of the resources allocated to specific projects will be transferred to the ambit of Norad, even though allocation of resources destined to humanitarian aid and human rights will continue to be under the control of the Ministry of Foreign Relations.

For this reason, the management of this agency has been left in the charge of diplomats who report to the Ministry of Foreign Relations. It should be noted that the Ministry of Foreign Relations is headed by two Ministers, one of them responsible for Foreign Relations, and the other for International Cooperation for Development.

The reform is aligned to the political platform of the government which establishes that the government would reform the management of development policy in order to put together, maintain and strengthen Norway's international experience in development policy, avoiding duplication of efforts and ensuring that Diplomatic missions and Norwegian consular offices keep their autonomy and specific agendas.

International cooperation for development as well as the Norwegian case are changing priorities: some evidence of change is the increase in the budget for official aid to development, for the framework of the sustainable development goals, and the 2030 agenda. As of the moment of writing, the Prime Minister of Norway, Erna Solberg, has announced her intention to transfer official aid for development funds to the climate change programme. In this respect, the question of Oceans is central in the agenda of the second Solberg administration, as shown by the Prime Minister's presentation in

²⁴ <https://norad.no/en/front/thematic-areas/>

the Davos forum of January 2018. Likewise, another proof in this direction was the organization of the sixth “Our Ocean” conference which took place in Oslo on 23-24 October 2019, the purpose of which was to establish voluntary commitments on the part of the private sector and the States in preventative care and palliative action, to combat plastics in the seas, contamination, acidification of water, and loss of oceanic biodiversity. Additionally, the forum aimed to generate inputs for the United Nations World Conference on Oceans which would be held in Lisbon, Portugal, in 2020.

Given the importance of this subject, despite the cabinet reshuffle of January 2019 that saw the appointment of a new Minister for International Development, and even though this area lies within the competence of the Ministry of Climate and Environment, the organisation of the “Our Ocean” Conference was entrusted to the Ministry of Foreign Relations.

NORAD, under the direct leadership of the Minister of International Development, Dag-Inge Ulstein, pursues the goal that international cooperation for development should reach the poorest and most vulnerable countries and that aid funds should be administered effectively. The new structure has a clearer division of responsibilities between the Ministry and NORAD.

The Ministry of Foreign Relations will have responsibility for deciding on the strategic approach to Norway’s official aid to development and for producing policy documents as well as an action plan. It will also have as a priority function to represent Norway on the international scene and within the structures of international bodies. On the other hand, evaluations, quality assurance, project implementation, follow up, control, and presentation of reports are the responsibility of NORAD.

The second phase in the process of institutional reform started in the second semester of 2019. During this period, division of responsibilities and tasks would be considered in detail and a plan for implementation would be designed. This stage would be completed by September 2019. The deadline for the establishment of the management strategy and its implementation was 1 January 2020.

“OUR OCEAN” Conference, Oslo, 23-24 October, 2019.

Prime Minister Erna Solberg presented this initiative at the Davos Forum, at the beginning of 2018, as a first manifestation of priorities in her administration, along the lines of a specific strategy. The sixth “Our Ocean” conference is part of this strategy and points to an exchange on the effects of climate change, pollution and loss of biodiversity, as well as unsustainable use of Oceans and compliance with sustainable development goals (SDG), particularly those from 1 to 17. Additionally, the conference attempted to impose the idea that production and protection were linked to reaching the goal of the re-establishment of clean and healthy oceans.

New plan for national action on women, peace and security

At the end of January 2019, the Norwegian government presented a plan to guarantee that the rights, needs and priorities of women and men would be safeguarded in all Norwegian efforts for peace and security. By this means, Norway confirmed its engagement with those goals. The Ministry of Foreign Affairs would coordinate this plan which included four objective areas: processes of peace and reconciliation; implementation of peace agreements; operations and tasks, and Humanitarian effort. The action plan also highlighted working for the long run to promote women's rights and equality in countries affected by armed conflict. This plan covers the period 2019-2022. It pointed to a reinforced commitment in areas where Norway is highly qualified to contribute, based on its experience in inclusive peace processes and support of women's rights.

The action plan committed to continuing to work in Afghanistan, Myanmar, Nigeria, Palestine and South Sudan. Colombia was the only Latin American country included in this group. Philippines, Mali, and Syria would be incorporated in the system of follow up.

The white book of ICD

According to this document, Norwegian efforts have been directed towards contributing to implementation of the 2030 Agenda, and to the achievement of 17 sustainable development goals, adopted by world leaders at the UN summit of 2015.

Consistent with its strategy of integrated development, Norway pursues the goal of achieving better results in its partner countries in order that the latter may cease to be dependent on aid in the long run. For this purpose, Norway's efforts should be aligned with partner countries' own priorities and plans and considered together with the efforts of the other parties that are involved. Dialogue among members of partnership with Norway must include the political dimension in bilateral issues such as development, good governance and human rights, trade and investment. Norway's international development cooperation strategy concentrates on a strong entrepreneurial sector which is vital for the creation of employment, economic growth, the reduction of poverty and an increase in state revenue.

Based upon a strategy framed into an integrated approach, Norway pursues the goal of getting better results in partner countries that are capable of becoming independent from aid in the long run. Consequently, Norway's efforts should be in line with partner countries' own priorities and plans and should be considered together with the actions of other interested parties. Strengthening the international legal order and the protection of democracy and human rights are key dimensions in the Norwegian idea of governance. Part of Norway's strategy of cooperation for development relies on a strong entrepreneurial effort seen as vital in employment creation and economic growth to reduce poverty and increase state inputs.

The Norwegian strategy of partnership is based on dialogue with national authorities that prove to have a genuine will to build state structures according to national priorities. NORAD has set up the so-called bank of knowledge which promotes exchange of knowledge and transference among programmes with a view to strengthening experience and capacities of the public sector. There are two categories in associations led by Norway: cooperation for development in the long run, and gender equality and human rights.

2.6. Conclusions

Latin American countries have been a suitable counterpart for the reception of official aid to development from member countries of the OECD. Examples of this association are the transformations mentioned by the General Secretary of ECLAC, even if, as the Director of the Social Development section argues, Latin America is still the most unequal region in the world. For this reason, taking into account the strategy of DiT that the OECD recommends, Latin America will have to focus on a new approach to deal with the new traps of development, but considering at the same time that there is a map of emergency in international cooperation for development within which this region does not appear as a priority. This fact is not only related to the graduation criteria, which, according to the standards established by the Development Assistance Committee (DAC), some countries in the region had reached, but also to new issues in the global agenda.

In this respect, there has been an evolution in the agenda of international cooperation for development as well as the emergence of new realities that affect the Latin American region. For example, in the emergence of international cooperation for development, the official aid to development was destined to the States' productive apparatus, but the Pearson report assigned a relevant role to the human dimension of cooperation and the Human Development Index (HDI). The analysis of development processes has become more complex in the beginning of the new millennium, and the agenda of cooperation has included climate change as a central goal to such an extent that it has been included in the agenda of Sweden and Norway in their respective candidacies for positions as non-permanent members of the UN Security Council.

Concerning the EU, there are several issues to highlight. First, the need for alignment in the ways official aid to development is implemented as it relates to the comparative advantages of each member country. In the cases of Sweden and Norway, the environmental issue, gender (in its various dimensions), as well as human rights and democracy, are central.

Furthermore, these actors share the criteria that DAC had established for evaluating participants in cooperation and for establishing the mechanisms for official aid to development (ODA). Consequently, the recent graduation of countries in the Latin American region has placed these countries outside of the EU priorities, as well as outside those of Sweden and Norway.

The revision of ICD by CED reflected a political will that was in line with the 2030 agenda: the means of implementation and the adaptation of the EU and its member countries to diversity of situations and actors. In this respect, to reach the SDGs it was necessary to coordinate actions around the following axes: youth, gender equality, mobility and migration, sustainable energy and climate change, good governance (Rule of Law and human rights), investment and trade, and finally, mobilization and use of national resources.

It is important to highlight the relevance that the EU assigns to the environmental agenda and migrations, the latter being a very relevant subject for the region and a fact that has led to changes in the way resources are managed.

Even if the EU is the major donor of ODA, resources are limited and there are a number of new issues that have gained relevance (climate change, gender equality, among others) according to the importance that the donor States assign to old or new problems that attract new interest (such as the migrations question) so that the allocation of funds is being affected. The analysis presented in this paper indicates that Latin America does not appear on the map of urgent international cooperation for development, not only because of its own achievements, but also because of new demands coming from other members of the international community.

As has been pointed out, Sweden organizes its ICD based upon three pillars: creation of income opportunities, strengthening democracy and attention to the needs of beneficiaries of ICD. The first two criteria make clear the priorities in their agenda while the third considers the needs of their counterparts.

Consequently, it is possible to observe, on the one hand, the EU priorities in international cooperation for development, and on the other, the definite position of ICD with respect to other issues. Following the decline of dictatorship in several countries of Latin America by the end of the 1980s, Swedish cooperation focused on the objective of re-establishing confidence in democratic institutions in countries of the region.

To conclude, it should be noted that in 2019 SIDA destined approximately US\$4,443 million to aid to development which amounted to 1% of Sweden's GDP, the main beneficiaries being Colombia, Guatemala, Bolivia, Venezuela and Argentina.

In the case of Norway, it is possible to identify changes which encompass issues in the agenda of international cooperation for development, and procedural matters in the ways of administering the official aid to development. Evidence of this change is the Plan of Action on women, peace, and security, the White Book on ICD, the new strategy for humanitarian aid, and the restructuring of NORAD.

Likewise, as was already mentioned, Norway is putting forward the categories of association in partnership: one for cooperation for long-term development and another

for stabilization and the prevention of conflicts. The only country in the Latin American region that is referred to in the priorities related to some of these categories is Colombia.

Finally, Norway assigns great importance to visibility of the environmental agenda as it is part of international cooperation for development priorities.

To sum up, it is possible to conclude that the ICD agenda on the part of Sweden and Norway has followed its traditional axes, which is consistent with its geopolitical priorities, and has explored in new areas, due to the relevance that emergent problems such as climate change have and the dramatic effects it has on public opinion.

On the other hand, Latin America has lost some relevance as a beneficiary of international cooperation for development in Scandinavian countries, marked not only by changes in the international agenda but also because it has reached a degree of relative development in specific thematic areas, as well as on account of its being upgrading according to the criteria established by the OECD.

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3. THE EU AND LATIN AMERICA: RESULTS AND PROSPECTS OF INTERREGIONAL COOPERATION

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Abstract

This paper looks at the European model of cooperation with Latin America, which for twenty years has been moving in the direction of ensuring long-term cooperation and towards applying a differential approach. The links between Europe and Latin America (LAC) are studied from the perspective of concepts of regionalism. A deep insight is given into European inter-regionalism with respect to the Latin American region. Bi-regional trade dynamics and investments are also examined in this article. The conclusions about the perspectives of EU-LAC cooperation are based on an analysis of factors relating to transatlantic interaction.

3.1. Introduction

In 2019, the strategic interregional dialogue between the European Union (EU) and Latin America and the Caribbean countries (LAC) marked the twentieth anniversary of the beginning of negotiations. At this point, it is possible to attempt an appraisal and to assess the European model of interaction with the Latin American region, which is based on a long-term line of cooperation and a distinctive approach.

In the 21st century, economic and political interaction between the two regions has taken on a qualitatively new character in the context of relevant processes of globalization, regionalization, and structural transformations that have taken place in Latin America and the Caribbean countries, as well as in Europe. The outlook for transatlantic relations between the EU and the US has changed: the negotiations for an EU-US mega-transatlantic agreement of cooperation were dismissed by the latter, and the transition to “trade wars” and protectionism led by the Trump administration may lead the European Union to rectify its strategy in transatlantic relations at a moment when it is possible that promising options for European business interests could be opened up in the Latin American region.

3.2. Theories of Latin American Regionalism and Dialogue with the EU

When examining the current interaction between big regional actors such as the EU and LAC, it is not possible to ignore the concept of regionalism that defines to a certain extent the character of mutual relations. In this respect, it is evident that in Latin America there has been evolution in regard to different conceptions of regionalism. During the last decade of the twentieth century and the beginning of the twenty-first, the prevailing model of regional integration was the so-called new regionalism also known as *open regionalism*, which was based on opening the economy up for cooperation in the context of neoliberal reforms, including elimination of tariff and non-tariff barriers to trade. At the same time, the European Commission adopted new cooperation guidelines that implied deepening political dialogue and broadening trade exchanges, while at the same time supporting processes of integration in the LAC region as well as technical and financial cooperation. During the period of *open regionalism*, Latin American countries made clear their agreement with building sub-regional integration according to the European model.

In the 21st century, particularly since the mid-2000s, we can witness a gradual transition towards the approach of *post-liberal regionalism*. The new policy implied not just cooperation in trade relations but also in policy-areas of security, as well as reaction against common domestic and external threats. Most Latin American states chose a line of independent regional policy and distanced themselves from the US. In some cases, the political trend turned to the left and differences emerged. Furthermore, the process of integration in Latin America and the Caribbean region entered a new stage due to the creation in 2004 of two new regional blocs, namely the Union of South American Nations (UNASUR) and the Bolivarian Alliance for the Peoples of Our America (ALBA). During this period, a deceleration in the interregional dialogue between the EU and some sub-regional Latin American blocs could be perceived. It should be noted that, in the political and economic dialogue with the LAC region, the EU follows a course according to long-established guidelines and differentiated levels (inter-parliamentary, regional, sub-regional, and interregional). In the history of Latin American regionalism, one important policy feature is to secure the strategic position of national economies of member countries as well as of the region as a whole. Post-liberal regionalism provided the ideological foundation for the creation of one of the major associations in the Western Hemisphere: the Community of Latin American and Caribbean States (CELAC) which worked towards strengthening dialogue with the EU at the interregional level.

Most academics assume that the end of LAC post-liberal regionalism coincided with the mid- 2010's. From then on, the Latin American region entered a new phase in the development of regionalism, which was related to the downfall of left-wing regimes in several Latin American countries, a fact that had consequences in terms of a new formulation of strategies and approaches to regional integration.

The creation of the Alliance for the Pacific in 2012 by Mexico, Colombia, Peru and Chile amounted to a return of open regionalism, which meant the resurgence of basic ideas of this model of cooperation and served to articulate the Pacific Alliance's aspiration to be included in the processes of trade liberalisation.

By the end of the second decade of the 21st century, LAC regionalism has begun to present a series of new characteristics. Among the main changes, it is possible to point out the crisis of regional organizations (UNASUR, ALBA), the polarization in CELAC, the revision of MERCOSUR strategies, and the increasing strength of organizations related to the hegemony of the US (Organization of American States, Alliance of the Pacific). Furthermore, in recent years, there has been a process of transformation of foreign policy in the LAC region (collaboration of Colombia with NATO, enforcement of a blockade on Venezuela, changes of government in Brazil and Argentina). Several researchers apply the term *strategic regionalism* to describe the present stage, taking into account the Region's aspiration of being included in a more pragmatic relationship with external partners (Tajina Ojeda Medina 2017). Consequently, there is evidence that Latin American regionalism is at the present time in a period of transition. It is possible that the movement towards *strategic regionalism* with policies of open economy will gain strength, or regional integration could experience paralysis or fragmentation.

3.3. Interregionalism at work

The reaction of Latin American and EU countries against globalization is not limited only to processes of regionalization. In its relations with foreign partners, the EU takes advantage of an additional level of international relations which is *interregionalism*. Bjorn Hettne defines interregionalism as institutionalized relations among regional actors (Andrea Parra Santamaría, 2010). According to another theory put forward by Heiner Hänggi, interregionalism may manifest itself in three different ways. Firstly, as relations among regional groups; secondly, as bi-regionalism or trans-regionalism, that is, as dialogue between regions which include not only relations among regional blocs, but also bilateral relations among some countries belonging to two or more regions; thirdly, as relations between one association of integrations plus some countries (Hänggi 2000). According to various European researchers, European interregionalism emerges in a context of the crisis of global governance and adjustment in the system of world economic relations. According to official documents of the European Commission, Latin America and the Caribbean is incorporated within the interregional dialogue by the EU. It should be noted that the European - LAC inter-regionalism is multilevel and is implemented by means of specific institutional mechanisms (Ayuso, 2015). The first of these is based on the dialogue that takes place during the bi-regional EU-LAC Summits. The second mechanism aims to reach an association agreement in which the parties define their reciprocal interests, achieve agreements in the trade sector, and establish political dialogue, incorporating into bi-regional cooperation parliamentary institutions and civil society. The third mechanism is based on bilateral trade agreements.

Interregional cooperation started in 1999 on the occasion of the first interregional EU-LAC summit in Río de Janeiro. The practice of a permanent dialogue between the EU and CELAC has been adopted at the Summits since 2013. However, the interregional political forum reveals delays: an EU-CELAC summit that had been planned for the autumn of 2017 was postponed indefinitely because of the economic and political crisis in Venezuela and the lack of consensus on this subject. In July 2018, the Ministers of Foreign Relations of the EU and CELAC met in Brussels to discuss issues of migration, climate change, sustainable development and regional integration, along with problems in trade policy and investment. This meeting, chaired by Federica Mogherini and the Minister of Foreign Relations of El Salvador, Carlos Castañeda, agreed on a declaration on the importance of coincidence of interests of the EU and LAC.

Relations between the EU and Mercosur which, since 1995, consist of bi-regional dialogue are an integral part of European inter-regionalism. In 1999 the framework agreement of cooperation entered into force. It created an inter-regional forum to consider questions of access to markets, trade on services, intellectual property rights, government procurement, investment, and competitiveness. The conclusion of the EU-MERCOSUR free trade agreement could signal a landmark in interregional relations for several reasons. The EU already had free trade agreements in Latin America with some countries and sub-regional associations such as CARIFORUM (which includes the Caribbean Community and the Dominican Republic), with Mexico, Central America (Panama, Costa Rica, El Salvador, Guatemala, Honduras and Nicaragua), and in South America, with Colombia, Chile, Ecuador and Peru. Only Bolivia, Cuba and Venezuela would be out of EU-Latin American Agreements. According to ECLAC experts, once the EU-MERCOSUR agreement enters into force, thirty countries in the Region would participate in trade relations with the EU, enjoying preferential conditions in trade, investment, services and government procurement (CEPAL 2017).

In October 2015, the European Commission presented a new strategy which summarized the common European vision of international trade. In the framework of this strategy the Commission started the negotiation process in order to update, modernize, and deepen its trade agreements, particularly with LAC where the first steps in that direction concerned Mexico and Chile. The plan aimed to establish with both countries agreements comparable to the standards of the Comprehensive Economic and Trade Agreement (CETA) concluded by the EU and Canada. In May 2016, negotiations to update the agreement with Mexico started in three areas: cooperation, political dialogue, and agreements including the liberalization of trade on agricultural goods as well as the rules relating to their origin. The agreement also provided support for reforms in telecommunications and the energy sector. For Mexico, it was an important strategic alternative in the face of US protectionism and the revision of the NAFTA agreement transformed into USMCA, concluded on 30 November 2018.

In 2015, the EU-Chile group started negotiations in order to update the bilateral treaty of 2003 which included political dialogue, cooperation, trade in goods and services,

intellectual property rights and government procurement. It should be noted that the 2003 agreement strengthened bilateral Chile-EU relations.

In 2016, the EU became Chile's second biggest partner in foreign trade. Additionally, the EU became the main foreign direct investor in Chile. The European inputs represent almost 50% of the total amount of foreign investment coming into the country. Chilean imports from Europe are related to transport, electrical equipment, maritime transport and machinery; Chilean exports to Europe are mainly copper, fruit, food, wine and tobacco. In November 2017, the officially-renewed bilateral agreement contained other spheres of cooperation, such as sustainable development, support of small and medium business, and anticorruption measures. According to ECLAC, the updated EU-Chile agreement could enhance the position of both parties in the face of possible protectionist pressures (Luz María de la Mora Sánchez, 2018: 63-64.)

In January 2017, the EU-Ecuador commercial agreement entered into force. It was similar to the treaties already concluded with Colombia and Peru. In the case of the Andean Community, of which all three countries are member states, there was no bloc-to-bloc treaty but just bilateral agreements with its member countries.

The EU-Mercosur interregional negotiations recommenced in 2017 as a response to the protectionist trade policy of Donald Trump. Liberalization of trade on agricultural goods was still the main obstacle to the negotiations. Mercosur countries (Argentina, Brazil, Paraguay, and Uruguay) expected that the European market would be open to their agricultural products, particularly meat. Additionally, Argentina and Brazil expected to get preferential access to their ethanol exports. However, among EU member countries, particularly France and Ireland, contradictory views persisted, because their interest consisted not just in open markets but also in protection for their agricultural sector against Latin American competitors. Most Latincariforum American exports to the EU are food, beverage, tobacco, soya, coffee, meat and other products from cattle raising. Exports also include raw materials such as minerals, wood and paper. Mercosur imports from the EU consist of machinery and equipment, cars and autoparts, chemical products, and pharmaceuticals. The EU is an important foreign investor for this South American economic bloc.

It should be noted that those countries of the LAC region that have already concluded commercial agreements with the EU have clearly improved their access to the European market, but less in relation to trade in agricultural goods than in the case of trade in industrial goods. All kinds of goods exported by those countries to the EU are charged with an average custom duty from 0 to 2%, that is much lower than the tariff of the most favoured nations, according to which custom for every kind of goods is 6.3% while for agro-industrial goods it reaches 14%.

While industrial products from LAC countries that have concluded trade agreements enjoy free access to the European market, agricultural exports of these countries are charged with an average duty from 4% (in the case of Peru) to 8.9% (in the case of

Chile Members of CARIFORUM are an exception: their agricultural products are almost free from duties in trade with the EU. The EU maintains high levels of customs tariffs on milk products, sugar and meat, which usually are goods excluded from the liberalization stipulated in trade agreements. For this reason, the present situation does not allow for Latin American countries to fully benefit from the potentialities of trade in agricultural and agribusiness products, so that exports from LAC to the EU form a relatively reduced and little-diversified group of goods.

3.4. Commercial exchange and investments

In interregional trade dynamics, rates of economic growth resonate on both sides of the Atlantic. Consequently, considering the 2017 results, the EU rate of total GDP was 2.4%, which surpassed the indicators for the period 2013-2016. At the same time, in Latin America and the Caribbean, the end of the biennial cyclical economic downturn (2015-2016) was evident. The rate of GDP growth increased by 1.2%, according to ECLAC (ECLAC 2018). The main factors behind the economic instability and vulnerability in Latin American economies were their dependence on the dynamics of raw material prices and the weak position of industrial products in the world market. According to ECLAC experts, the opening of new markets and looking beyond the North American market are *sine qua non* conditions for the Region in the face of the protectionist policy of the Trump administration.

For Latin American nations, the EU is an important partner and an investor that competes with the US as well as with China. In fact, in the first half of the 20th century, LAC was at the centre of a geopolitical triangle and has since transformed itself into an independent and active agent in the South-South line (with China) as well as a partner in cooperation with the West (US and the EU). In the period extending from 2000 to 2017, the Chinese participation in Latin American trade increased from 1% to 10% in exports and from 2% to 18% in imports. Consequently, since 2014, China has become the second most important trading partner for the Latin American region (after the US), displacing Europe into third position. According to ECLAC data, in 2017, China's participation in Latin American foreign trade amounted to 14% of the regional external trade, taking into account imports and exports as a whole (while the EU portion was 12%). For EU producers, China's competition for Latin America was evident mainly in the supply sector of electronics, television and radio technology.

In the period from 1999 to 2017, the commercial exchange between the EU and LAC increased 2.8 times from US\$85.8 thousand million to US\$245.2 thousand million. However, in the years 2014-2016, bilateral trade fell to 23% with respect to the maximum of US\$278 thousand million registered in 2013. The inadequate dynamism in the economy of both regions was the cause of that fall, which also affected reciprocal supplying. In the case of Latin America and the Caribbean, the decline in the price of commodities particularly affected exports to the EU. According to several estimates, Latin American trade with the EU was sufficiently balanced up to 2011, when the

commercial deficit of Mexico, Central America and the Caribbean was compensated for by the positive commercial balance of South America with Europe. But, soon after the year 2012, South American countries and the Latin American region as a whole presented a huge deficit in trade with the EU in a context of reduction of supply, both in exports and imports. For example, in the period 2013-2017, LAC-EU commercial exchange fell by 13% from US\$282.3 thousand million to US\$245.2 thousand million. In that period, there was a negative balance in EU-LAC trade: in 2017 imports amounted to US\$138.1 thousand million and exports US\$107.05 thousand million. In general terms, the negative dynamics in foreign trade with the EU was due to the fall in prices of Latin American commodities which made up the bulk of the region's exports to the EU, as well as to the specific structure of the Region's trade. According to 2017 data, the main importer of European goods was Mexico to an amount of US\$48.8 thousand million, which amounted to 35.4%, while the main Latin American exporter was Brazil whose exports amounted to US\$34.9 thousand million (32,65%).

On the whole, the portion of exports to and imports from the EU (excluding intraregional trade) from 2002 to 2012 attributable to Latin America and the Caribbean stayed almost unchanged at the 5.5-6% level. According to estimates, in trade in services in the years 2010-2015, the Latin American region became for the EU a more important partner than China.

It must be pointed out that the long-lasting *asymmetry* that persisted in bi-regional trade and investments between the EU and LAC was the principal factor that delayed the conclusion of a strategic alliance between the two regions. In commercial relations, *asymmetry* presents in the structure both in imports and exports (Tayar 2018). As has been mentioned before, Latin American and Caribbean countries still continue to import mainly industrial products from the EU, while European imports from LAC are basically made up of raw materials and semi-finished goods. Another factor that characterizes mutual trade is a concentration of reciprocal supply in a reduced number of countries on both sides of the Atlantic, particularly in just six countries: Mexico, Brazil, Chile, Argentina, Colombia, and Peru, four of which have free trade agreements with the EU. In 2017, they represented 82.5% of imports and 81.7% of exports in EU-LAC interregional trade. Furthermore, the relevance of Latin American giants such as Mexico and Brazil is obvious, as these countries concentrate more than 50% of the turnover in export-import operations between the EU and LAC. Brazil and Mexico are involved to a great extent in intrafirm trade and logistics. At the same time, seven European countries, Germany, Spain, the Netherlands, Belgium, Great Britain, France, and Italy, are the main exporters and importers of LAC goods and represent more than 80% of mutual supply in export-import exchanges. Among them, the leading architects of European policy towards Latin American and the Caribbean are Spain and Germany (Ruano 2012).

The EU has had a special role as an investor in LAC since the end of the 1990's, when firms with European capital participation took an active part in the privatization processes carried out in most Latin American and Caribbean countries. During the

period 2010-2017, European firms led the implementation of new investment projects amounting to 39% of total investment, outstripping American and Canadian firms. It should be emphasized that European investments in extractive industry in Latin American and Caribbean countries reduced in total volume from 43% in 2005 to 14% in 2017, leaving room for new investment projects in other sectors of the regional economy where a promising sector was Energy, particularly the renewable energy sector. In this same period, European investment flow to the telecommunications sector in Latin America rose from 7% to 14% and was mainly concentrated in Brazil (39%), Argentina (13%) and Chile (9%). The main investors in telecommunications were firms from Spain (48%), Italy (16%), France (10%) and Great Britain (10%). An important sector for European capital investment in the LAC region was the automobile industry: it represented 12% of total European investment in the years 2005-2017. The leaders in this sector were German firms: their projects received 54% of the total amount of European investment in the automobile industry in Latin American and Caribbean countries, followed by projects of firms from Italy (19%) and France (12%).

Furthermore, during the years 2007-2017, European firms led projects of research and development in LAC countries, having concentrated around 70% of investment on the Region. Brazil, Mexico and Chile were the main recipients. An example of cooperation in the R+D sector was the activity of the European association of applied research, Fraunhofer, which has branches located in Chile and Brazil.

It is important to state that cooperation in technology and innovation between the EU and LAC actively develops by means of specific *mechanisms*. They are: firstly, inter-state cooperation and official aid to development; secondly, joint programmes of scientific research and innovation (R+D+i) carried out either in the framework of bilateral agreements, or based upon programs of research and development; thirdly, European penetration in LAC via experimental pilot projects. In government-supported programs in science, technology and innovation, European-Latin American consortiums are formed. Important joint projects have been implemented to assist in LAC small and medium enterprises: an example is the MIPYME Project. Some projects are carried out with the objective of increasing internationalization of Latin American firms for better access to global markets (Project AL-Invest 5,0).

3.5. Determinants of Transatlantic cooperation

After 2017, different options for development of transatlantic EU-LAC cooperation appear to have emerged, which would undoubtedly produce direct effects on *institutional and structural factors*. Not only did the characteristics of inter-American relations (between the US and LAC) change, but the traditional trans-atlantic relations (between the EU and the USA) also experienced a metamorphosis (Birle 2017:10).

Researchers identify a reinforcement of protectionism in world trade and investments, which in the most extreme form adopts the characteristics of *economic wars*. The

declared American protectionism may lead the globalization process to deceleration and uncertainty in the development of global economic relations. While, during the Obama legislature, there was an attempt to structure the world system by the creation of two mega-associations, the Transatlantic and the Transpacific, with the change of administration in Washington, megaprojects and multilateral agreements came under rigorous scrutiny. The Trump governance attempted to redirect the international economic process towards American national interests and announced the abandonment of the ambitious megaproject of Trans-pacific association.

It is worth stressing that the protectionist course of the Northern neighbour generates serious concern among US-Latin American partners in the American market (primarily Mexico), which creates for them the alternative for diversification or reorientation of economic relations in the South-South format and/or North-South cooperation, mainly with the European Union. It is important to note that so-called “translatinas” of Mexico became investors in the European market, particularly in Spain. In this new segment of transnational Latin American corporations there is an increasingly visible trend of gradual relocation from the traditional spheres (oil extraction, mining, energy, commerce and finances) towards new business activities (telecommunications, informatics and technology, software development).

It is obvious that at the present moment the EU is looking for a suitable new model of leadership in the Latin American region. The “Trump factor” may help the EU to fill the niche that the nationalist and protectionist policy of the Washington administration might produce in LAC. However, despite its potential for influence in Latin America (comparable to that of the US), the EU has gradually resigned its position, opening the way to new agents such as China. China’s rise has led to a displacement of economic dynamics from the Atlantic to the Pacific area. The “China factor” in Latin America has consequences in transatlantic relations because the powerful Asian state does not want to reduce its economic presence in the LAC area. It is vital for China to import from Latin America such strategic resources as oil and food; for Latin America, Chinese investment in industry and infrastructure is also crucial.

An additional structural factor that will affect transatlantic international relations in the short term is Brexit. Possibly the EU will respond to new challenges via a structural “re-Europeanization”. In that scenario, an activation of traditional economic and financial links between the US and Great Britain could be expected, but such a “play of interests” could entail some dangerous risks for the EU in trade and investment sectors.

Commercial agreements between LAC and the EU is another factor that will have an influence in the short run upon transatlantic multilateral relations. It is evident that negotiations between the EU and Mercosur will stay on the agenda, to be dealt with pragmatically and to be directed towards liberalizing trade and strengthening the transatlantic ties of the *Cono Sur* with Europe. Mercosur countries, mainly Argentina and Brazil, are interested in rapprochement with the EU and trade liberalization. According to declarations by the Brazilian President, Jair Bolsonaro, his country’s

foreign policy is based upon pragmatism and defence of the national interest in the international arena. Brazil's willingness to agree with the EU, at the interregional as well as the bilateral level, will be determinant. We cannot exclude the possibility of a reform in Mercosur with the purpose of achieving more flexibility in the bloc in relation to undertaking bilateral negotiations with third parties, in a similar way to the experience of the Andean Community. Colombia, Peru, and Ecuador agreed to transform the bloc into a free-trade zone abandoning the structure of a custom union, in order to carry out bilateral negotiations with the EU separately.

According to some experts, the time has come for the European Union to strengthen its economic position in the Latin American continent, and the agreement with Mercosur could help to make this idea materialize. The European Commission has made known that it is important to avoid hasty decisions and to reach a prudent *last generation* agreement with Mercosur which should include, besides economic and trade questions, chapters relating to the Agenda of sustainable development, dialogue with civil society and the 2016 Paris agreement under the United Nations Framework Convention on Climate Change. It is important to note that, during the G-20 Summit in Osaka in June 2019, negotiations between the EU and Mercosur for the creation of a free-trade zone were concluded. The agreement will enter into force once the parliaments of all the parties that are signatories to it ratify it.

3.6. Conclusions

To sum up, it should be noted that, at the end of the second decade of the 21st century, the EU found itself in a period of transition in the interregional partnership as well in search of new leadership in Latin America in the context of competition with the US and China. The evolution of conceptions of regionalism in Latin America and the Caribbean reflects changes in geopolitical and economic reality which dictate a frame of reformulation and rectification of the EU approach to the LAC region. European *interregionalism* with respect to Latin America is *multilevel* and is implemented in the context of increasing interdependence which is not limited to commerce but is also supported by investments and financial connections.

It is possible to demonstrate that Europe and LAC are maintaining their interregional cooperation in the context of reciprocal economic interests. Among these interests, according to ECLAC estimates, appear: defence of the multilateral trade system, the search for synergy between trade policy and the Agenda of sustainable development up to 2030, as well as the reform of international regulation of foreign direct investment. In the context of restrictions and commercial sanctions on the part of the USA, the EU and LAC have an opportunity to devise a *pragmatic partnership* and to stand up as the main defenders of international economic integration. Multilateral relations as well as bilateral links between European countries and their LAC partners will preserve their differentiated condition. Much will depend on processes of regionalization and integration in LAC countries, and the characteristics of EU-Mercosur negotiations. However, in the

short run, a deceleration can be expected in Latin American regionalism trends, and its fragmentation. Possibly, the development and strengthening of regional integration in LAC could contribute to the defence of the national interests of southern Latin American countries in the case of intensifying transatlantic cooperation with the European Union.

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4. REVISITING TRADITIONAL COOPERATION MECHANISMS: THE CASE OF EUROSOCIAL AND SOCIEUX

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Abstract

This contribution gives insights into the background, context and implementation of development cooperation programmes between the EU and Latin America and the Caribbean. To do so it looks specifically at two cooperation programmes, EUROSOCIAL and SOCIEUX. The article describes specific cooperation patterns in these two programmes, assesses the results achieved and elaborates on the question of key areas of interest for LAC and EU countries in the social dimension of cooperation. Furthermore, the specific instruments in use in these cooperation programmes are researched and interlinked with a thematic analysis of the observed priority areas. The research shows that, regarding cooperation programmes, even though the interest of LAC countries in the EU welfare experiences has declined in the last ten years and LAC countries are more and more interested in South-South cooperation, EU cooperation in the field of social inclusion and welfare reforms promoted by the EU in LAC are well appreciated. The common conclusion is that a bi-regional dialogue on social issues between the EU and LAC is useful and should be promoted. However, this requires abandoning on both sides the traditional approach according to which the EU and its member states place themselves on the already-developed, upper, nothing-to-learn side and LAC states remain confined to the developing, lower, nothing-to-teach/all-to-learn opposite side.

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²⁵ The research was conducted while the author was still affiliated to the IILA (Organizzazione Internazionale Italo-Latino Americana), which was a consortium member of the EULAC Focus project.

4.1. Introduction

Cooperation between the EU and LAC countries takes place on various levels and through different channels, as explained by the previous articles in this book. However, since there are no specific bi-regional measures on social policy cooperation between LAC and the EU, in order to analyse the mutual interest in social policy transformations and welfare reforms, it is necessary to look at development cooperation programmes in the social area promoted by the EU. The legal basis for cooperation programmes is founded on articles 209 and 212 of the Treaty on the Functioning of the European Union (TFEU), two articles on the EU's development and international cooperation, not on social policy (even less on social policy with LAC). These provisions of the TFEU are oriented to the world, not in order to develop "bi-regional" relations, but in order to define and implement an EU policy. However, in their implementation, some of these programmes, for example EUROsocial, have been designed and have worked as instruments for bi-regional relations and for that reason their analysis is insightful if one wants to re-assess the efficacy and adequacy of ongoing cooperation measures. Therefore, this paper, carried out within the H2020 project EULAC-Focus²⁶, will take a closer look at three of the most prolific examples of bi-regional cooperation on social policy issues.

More specifically, two of the EU-LAC programmes (EUROsocial and SOCIEUX) that were analysed show how cooperation on social policy issues, especially related to social inclusion, take place. This analysis also allowed the possibility of identifying EU social policy areas which are of interest for LAC countries. The focus of the analysis was on:

- (a) the main fields and topics of interest for LAC governments around the potential EU contribution regarding social cohesion policies;
- (b) the implemented plans and reforms of LAC governments in which EU public contribution has had a direct influence, and
- (c) the evaluation of the cooperation programmes with respect to the value and usefulness of the learning and experience exchanges between EU and LAC institutions.

These programmes are designed, among other objectives, to make EU welfare experiences available to LAC policy makers with the aim of contributing to their own social policy reform process. For this reason, they are a privileged observatory for analysing the social dimension of EU-CELAC relations. The paper first introduces the methodological underpinning of the study before it delivers a detailed analysis of the programmes and draws some concluding remarks in relation to overarching policy frameworks.

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²⁶ EULAC FOCUS has received funding from the European Union's Horizon 2020 research and innovation programme under grant agreement No. 693781.

4.2. Methodological Foundation

The first step of this methodological design was the analysis of the EUROsocial and SOCIEUX programmes. EUROsocial²⁷ involves only Latin American (LA) countries (and not the Caribbean) and is a demand-driven programme whose objective is to contribute to changes in public policies that improve social cohesion through peer-to-peer learning and experience exchanges between counterpart institutions in the two regions.

SOCIEUX is a technical assistance facility conceived to support partner countries and institutions to better design and manage inclusive, effective, and sustainable employment policies and social protection systems. SOCIEUX provides access to short-term high-quality European expertise from peers to peers.

The analysis of these programmes included the compilation of information regarding their objectives, operation mechanisms, activities and results.

EUROsocial: The period considered was between 2011-2015, corresponding to the second phase of the programme (the third phase started at the end of 2016). For the analysis, the database of the Programme was used. The database contains all the information about the programme. This information is contained also in the SIA Information system²⁸. The information about the characteristics of the programme was collected and systematised.

In order to verify whether trends identified in EUROsocial II regarding the main fields and topics of interest for LAC governments are continuing, an additional analysis of the requests received in the third phase of EUROsocial up to May 2018 was conducted. This third phase (EUROsocial+) is currently being developed, so there are no final results available yet.

Using this information, concrete results (both achieved and expected) were identified, considering the EU contribution. In the official terminology used by the EUROsocial programme, a result is any contribution to the reform of public policies, or the institutions that apply them, that can be measured and documented, and which aims to improve social cohesion in LA.

Subsequently, this group of results was classified with the aim of identifying which areas of public policy (out of a range of ten possibilities: decentralisation, education, public finances, employment, social dialogue, democratic institutionalism, justice, citizen security, social protection, health) have received more EU contribution by combining expert advising, analytical work, seminars, working meetings, training

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²⁷ The one with the broadest scope for the purpose of the present research.

²⁸ The SIA is a database with information, documentation and publications on the activities of the programme
<http://www.sia.eurosocial-ii.eu/>

courses and exchange visits. As EUROsociAL is a demand-driven programme,²⁹ the aim is to identify those areas in which the demand and the interest in EU experiences has been higher.

Moreover, a list has been created of the EU countries that have contributed significantly to the results of EUROsociAL (by sending an expert for a seminar or a meeting in a LA country, by receiving exchange visits from LA countries, etc.). Along with that, a list was also created of the LA countries that have made the most applications to EUROsociAL. In order to complete the information provided by the database and by the SIA Information system and to obtain a better understanding of data and enrich the interpretation of the first findings, it was decided to conduct key informant interviews with the coordinators of the different macro work areas of EUROsociAL. The coordinators are “privileged observers” and have a deep knowledge and understanding of EUROsociAL; therefore, they can provide useful insights into a better interpretation of the available information about the results of the programme. The coordinators of the different macro work areas are: Mr. Ignacio Soletto, FIIAPP – Coordinator of the Inclusive Tax System and Democratic Governance area (C1); Mr. Xavier Cousquer, Expertise France – Coordinator of the Justice and Security area (C2) and Mr. Francesco Maria Chiodi, IILA – Coordinator of the Social Policies area (C3). A complete version of the interview guidelines can be found in Annex 1. Interviews were also conducted with the LA senior officials responsible for the four case studies selected (see Annex 2).

The methodology that we used was structured expert interviews³⁰. The interview guideline was prepared after having analysed the data available in the database and in the SIA information system in order to compare the opinion and the vision of the coordinators. The questions were open, so that each respondent was free to express his own views. The structured interview allowed us to compare the answers of the different interviewees by inserting them into a matrix. Every interview was recorded and data were collected and stored following strictly the ethical assignments prepared within the EULAC Focus project. For this study, it was decided to protect research participants and to honour trust between the interviewer and interviewees and follow the European Code of Conduct for Research Integrity 2011, as well as the Guidance Note for Researchers and Evaluators of Social Sciences and Humanities Research 2010. An internationally-recognised and globally-accepted standard (such as ISO/IEC 27001:2005) was applied by the Social Sciences and Humanities team engaged in the implementation of the study (European Commission, 2009).

The interviews were systematically analysed, immediately after being conducted, in order to identify any other issues to be investigated. When all the interviews were

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29 To support processes of reform already envisaged or underway, determined by beneficiary countries and which are relevant, and in which EUROsociAL can contribute some added value through the exchange of experiences. In this sense, EUROsociAL does not place issues on the agenda or impose exogenous models but rather presents cases and transfers other policies which might serve as inspiration.

30 The structured interview consists of a set of open questions that are submitted to all respondents in the same sequence. The interviewee is left free to respond in the way he thinks is best (Cfr. Corbetta, P. (2003), *Social Research. Theory, Methods and Techniques*, SAGE Publications).

completed, these were reviewed as a single group, comparing the answers of all respondents to each single question by including them in a table in order to facilitate the analysis. The preparation of a table allowed us to better identify the similarities and dissimilarities among the different officers interviewed.

SOCIEUX: The period taken into consideration was between 2013 and 2016 (the period corresponding to the first phase of SOCIEUX). However, the applications received during that period that continued into the new phase of SOCIEUX+ were also considered and an overview of that phase was prepared. A similar methodology used to analyse EUROsociAL was also applied to the SOCIEUX programme, in order to examine the applications for support received by SOCIEUX from the LAC region. To complete the information available in the website of the programme and sent by the staff of SOCIEUX, a key informant interview was conducted with SOCIEUX Team Leader, Mr. Adélio Fernandes Antunes (C4).

Interviews with the LA officials responsible for the four studies selected were also conducted (see Annex 3). All data were collected and stored following strictly the ethical assignments prepared within the EULAC Focus project and the international standards already mentioned.

4.3. Re-assessing collaboration: the cases of EUROsociAL and Socieux

4.3.1. EUROsociAL

The legal basis for the implementation of EUROsociAL II is the chapter on development cooperation of the TFEU. At the time of its adoption, the basic act that regulated development cooperation was Regulation (EC) N° 1905/2006 of the European Parliament and of the Council, of 18 December 2006, establishing a financial instrument for development cooperation,³¹ based on article 179.1 of the Treaty establishing the European Community (EC Treaty).

The second phase of the EUROsociAL Programme, EUROsociAL II, was implemented between 2011 and 2015 and it is the phase that is analysed in depth in this paper. According to the Annual Action Programme 2010, which also includes the “Latin America Investment Facility 2010, LAIF”, the maximum contribution of the EU to the Annual Action Programme was set at €64 million, to be financed from budget line 19.09.01 of the general budget of the European Union for 2010.³² The total EU budget for EUROsociAL II was €40 million for 48 months.³³ The estimated costs were: €10 million

31 <https://eur-lex.europa.eu/legal-content/EN/ALL/?uri=CELEX%3A32006R1905>

32 Title 19 External Relations. Chapter 19 09 Relations with Latin America. Budget line 19 09 01 Cooperation with developing countries in Latin America.

33 European Commission (2010): Decision on the Annual Action Programme 2010 in favour of the Latin America region to be financed under Article 19 09 01 of the general budget of the European Union. Action Fiche “EUROsociAL Programme”-DCI-ALA/2009/021-542

for Coordination (programming, logistics, annual seminars, visibility, monitoring and evaluation) and functioning of the Steering Committee, and €30 million for Implementation activities (exchanges of experience, technical assistance, advice, etc.).

EUROsociAL II emphasized the demand-driven approach, already present in the first phase. This feature, together with the flexibility of the programme, facilitated the participation and a greater ownership of the processes by LA countries (Cerritelli and García, 2010). Peer to peer exchange of experiences is, by definition, a flexible instrument that is based on dialogue in order to develop a joint analysis of the problems and search for solutions based on the lessons learned from EU countries. The objective is to avoid the transposition of the EU models without taking into consideration the social, political and institutional reality of LA countries. Due to its flexibility, peer-to-peer exchange has enabled EUROsociAL to work in “sensitive” areas where countries are particularly careful to keep their freedom to act independently.³⁴ Although many institutions involved in its first phase were reluctant about sharing more “sensitive” areas of their policies and reforms, this situation evolved progressively later on as the programme continued to be impactful and the peer-to-peer exchange continued to be convincing and accredited as a useful and productive tool. This has allowed EUROsociAL to have considerable political significance (Chiodi, 2013).

The second phase of Eurosocial³⁵ aimed at making the experience exchanges it promoted a transformational learning experience. These experiences have been materialised into actions oriented towards bringing a change in public policy, which will probably eventually contribute to improving social cohesion. The main characteristics of EUROsociAL II are:

- **Demand-driven:** EUROsociAL supports processes of change that are already in the agenda of the countries and that are considered as the most urgent reforms by governments in order to reach social cohesion in LA. EUROsociAL does not place issues on the agenda or impose exogenous models but rather presents cases and transfers other policies which might serve as inspiration. The programme has supported the drafting of policies, strategies, laws and regulations; likewise, with aspects of their implementation.
- **Strategic focus:** the programme supports strategic policies within the government agendas of the countries of the region, attempting to avoid excessively administrative issues and isolated requests for technical assistance.
- **Results-oriented:** the programme pursues clear and precise results, necessarily linked to the expected results of the public policies it supports.

34 EUROsociAL, *Documentando buenas prácticas*, 2010. http://biblioteca2012.hegoa.efaber.net/system/ebooks/18413/original/EurosociAL_Documentando_Buenas_Prcticas.pdf?1302603353. In this document it is possible to consult some examples of the specific policies implemented during the first phase of EUROsociAL.

35 The Action Principles of the Programme described below are those presented on the website of Eurosocial II. <http://eurosociAL-ii.eu/en/pagina/principios-de-actuacion>

- **Regional dimension:** Although public policy reform takes place at the national level, EUROsociAL promotes the creation of common deliverables and the establishment of practice communities or networks.
- **Intersectoral:** EUROsociAL promotes interaction between different thematic areas by assuming the role of a catalyst in coordinating stakeholders within countries.
- **South-South and triangular cooperation**³⁶: the programme fosters cooperation between the government agencies of the different LA countries by exploring paths of mutual learning and creating incentives for the establishment of stable networks and relationships between Latin American institutions.
- **Complementarity:** to optimise resources by seeking partnerships with other initiatives already underway, of both bilateral and multilateral donors, and, especially, of the European Commission.

Participation patterns

EUROsociAL is a results-oriented program. In this sense, EUROsociAL works as a facilitator, placing knowledge of analogous experiences in other LA and EU countries that can contribute with innovative elements in these reforms at the disposal of institutions immersed in these processes.

According to the database of the EUROsociAL programme, the programme has participated in 301 results.³⁷ Policy support activities promoted by EUROsociAL could take advantage of EU and/or LA experiences, even if the main objective of the programme is to mobilise EU experiences. As the scope of this investigation was to identify whether there is an interest from LA countries in EU social policies, the focus was placed on the results in which EU member states had participated.

In some cases, the database shows that the results were directly related to EU contributions. In other cases, although EU experts had participated, their contribution was not reflected in the database, which made it necessary to check the results case by case. In some cases, the data available was incomplete; for example, for some, the description of the result was missing or there was no indication of the countries that had participated. In other cases, they were not classified as results with EU contribution even if EU member states had participated. The interviews with coordinators of EUROsociAL were very useful to clarify these problematic cases. After comparing the data contained in the database with the information provided by the coordinators, the

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³⁶ Triangular co-operation involves at least one provider of development co-operation or an international organisation and one or more providers of South-South co-operation (i.e. pivotal countries) to promote a sharing of knowledge and experience or to implement development co-operation projects in one or more beneficiary countries (OECD, Triangular co-operation. What is the literature telling us?, 2013 <https://www.oecd.org/dac/dac-global-relations/OECD%20Triangular%20Co-operation%20Literature%20Review%20June%202013.pdf>).

³⁷ Last access May 2017.

conclusion was that from the 301 results contained in the database of EUROsociAL II, 116 involved EU contributions,³⁸ translating to about 38.5% of the total results.

There is a high number (116) of EUROsociAL results that have received EU contribution. This demonstrates that there is an interest among LA countries in EU experiences. Nevertheless, the majority of the contributions (185) emerge from collaborations among LA countries only, which arises from the tendency to prefer to learn and benefit from more similar experiences that share a similar context. Particularly, in accordance with scientific publications about EUROsociAL, LA countries are interested in those EU member states, particularly eastern ones, that have emerged in recent years and that are considered models at regional level (Chiodi, 2013).

Furthermore, coordinators of the different macro work areas of EUROsociAL confirmed that there is and has been an LA interest in EU experiences in the field of social policy beyond the programme. However, even if this interest exists, the coordinators stress that in most cases it is general. According to one of the interviewees (C3), in most instance, LA countries do not have a detailed knowledge of EU experiences in the field of social policies; accordingly, their interest regards EU social policies as a whole. Indeed, according to interviewee C1, LA countries usually believe that EU social protection systems follow only one specific model. Nevertheless, there is not a single EU social model³⁹ but different ones. The most common classification distinguishes four models: Continental, Mediterranean, Nordic and Anglo-Saxon.⁴⁰

According to coordinators interviewed, there are different reasons that explain the interest of LA countries in the EU experiences. According to interviewee C2, the EU social protection system has a very broad and recognised path in LA because it is the most developed model in the world. According to C3, even if there are important problems of inequality and imbalances in social protection systems, LA countries are still looking at the EU as a reference, although the EU may not be the only example that these countries look at when they want to reform their social policies. Moreover, all the coordinators agree that similarities in culture and sharing the same inherited values are other factors that explain LA countries' interest in the EU.

Although there exists a general interest in EU social policy as a whole, however, one of the interviewees (C3) stressed that LA countries are focused on specific experiences

38 According to the database of EurosociAL II, the total number of activities promoted by the programme was 497. Thus, 60.65% of the activities produced a result.

39 The former President of the European Commission, Jacques Delors, was the first to speak, in the mid-1980s, of the European social model as an alternative to the neoliberal model of US policies. In synthesis, the European social model is a set of systems that aim to achieve a balance between economic development and social cohesion, between market economy and solidarity (White Paper on Social Policy, 1994). In broad terms, the European social model implies a market economy with a stable and important set of social policies guaranteed by the State.

According to Sanahuja, the European social model "seeks to combine the economic efficiency derived from the liberalisation of markets, with redistributive policies based on the principle of solidarity, so that both are reinforced in a 'virtuous circle' of growth and job creation. This requires regulatory mechanisms to correct market 'failures', a universal social protection system, and ensure social dialogue".

40 G. Esping-Andersen, *The Three Worlds of Welfare Capitalism*, Cambridge, 1990 and M. Ferrera, The Southern model of welfare in social Europe, *Journal of European Social Policy*, 6 (1), 1996.

and not on the macro design of social policies, because LA countries have the capacity of self-management in this area and do not need to copy foreign models. Moreover, the interest of LA countries is focused, particularly, on some countries such as the Nordic ones, and not on the EU in broad and general terms.

All the coordinators came to the conclusion that LA countries' interest in the EU experiences in the field of social policy had declined. Undoubtedly, all authors that have investigated EUROsociAL in depth mention that we are witnessing a process of deterioration of the image of the "European social model" among LA countries (Chiodi, 2013, among others). Indeed, the fact that EUROsociAL has promoted a higher number of results without EU contribution could confirm this assumption. It seems that, although the programme proposes to consolidate an area of the Euro-Latin American dialogue on public policies for social cohesion, it is the intra-regional cooperation which generates more interest among LA countries (Chiodi, 2013).

This decline of interest is also related to the economic situation of LA countries, which has changed since the beginning of EUROsociAL II. According to interviewee C1, when the second phase of EUROsociAL began, LA countries were in a phase characterised by economic growth, and social cohesion policies were an important part of the political agenda. This situation has changed radically over the course of the programme. In the following years, LA countries faced more difficulties, and social cohesion policies lost their key position in the political agenda. Moreover, according to interviewee C3, some achievements in the period prior to 2103, at least in some LA countries (political stability, sustained economic growth and reduction of poverty levels) have contributed to an increase in the level of autonomy in carrying out reforms of social policies (Chiodi, 2013). According to the examination of literature on EU cooperation and EU-LA relations carried out in the framework of this analysis, as LA countries are acquiring more self-confidence, they tend to look more at themselves and less at the EU (Tassara, 2013). LA countries have often developed endogenous models with the help of large funding agencies and lenders, such as the Inter-American Development Bank (IDB), the World Bank (WB) or CAF-*Banco de Desarrollo de América Latina*. However, even if the EU has partially lost its predominance in LA, its consideration as a primary reference continues (Tassara, 2010).

According to interviewee C3, the interest in EU experiences is stronger in those countries that have traditionally been linked to the EU and whose institutional systems are closer and more similar to those of the EU. These countries have a high level of institutional consolidation and strength of the state and look at the EU and its member states with a level of proximity and comparability, looking for references to nourish their processes of reform of social policies. This is the case for countries such as Chile, Uruguay, Argentina or Brazil. However, countries such as Argentina and Brazil are probably more reluctant in some cases to receive assistance from EUROsociAL (for example, in the case of social policies) and, correspondingly, to receive contributions from European institutions. For example, in Argentina, EUROsociAL has only promoted one result with EU contribution. This is possibly due to Argentina's different approach

to international relations. During the Kirchnerist era (2003-2015), the prominence of internal policy issues compared to foreign policy on the agenda contributed to reducing the presence of the country on the international scene, with the exception of its strategic alliance with Brazil (Consani, Sepúlveda, Zeraoui, 2008).

There is another group of LA countries with a low number of results with EU contribution. According to interviewee C3, these are usually the Mesoamerican countries (Guatemala, Nicaragua, El Salvador, Honduras, and Mexico). One of the explanations can be that they have been traditionally under the influence of the USA. Their relations with Europe are rather different, and they do not have an active and autonomous attitude that allows cooperation between peers. Nevertheless, this is not the only explanation. A lower number of results with EU contribution is not necessarily the consequence of a lower interest in EU experiences. According to interviewee C2, even if the interest may exist, these countries are aware that they cannot implement such policies in their countries for a variety of reasons, for example, due to a lack of budgetary capacity or because they consider that EU experiences are too far from their own reality.

The case of Costa Rica, with a higher number of results with European contribution, is an exception. According to interviewee C3, this can be explained because Costa Rica has an older and more developed welfare system compared to other Central American countries, which follows the Western canon (Palmer, 1999). Moreover, Costa Rica was in the process of joining the Organisation for Economic Co-operation and Development (OECD).

Finally, according to interviewee C1, there is another group of LA countries that have had little interest in EU experiences since, because of their political orientation, they consider that EU experiences do not corresponded with their needs. These countries are Venezuela and Cuba, the main promoters of the Bolivarian alliance (ALBA): they do not have any result with EU contribution.

Spain was the country that participated in the highest number of results with EU contribution promoted by EUROsociAL, followed by Italy, France and the United Kingdom. Spain participated in 77 of a total number of 116 results with EU contribution, i.e. it has participated in 60% of the results. In many cases, two or more European countries have transferred their experiences and for this reason, the total amount of interventions of these countries is greater than the number of results.

All the coordinators interviewed agree that one of the reasons that explain the intensity of Spain's contribution compared to that of other European countries is language. According to interviewee C1, language also plays a fundamental role in explaining the greater interest of LA countries in learning experiences mainly from Spain, Italy and France. By knowing the language, LA policy makers find it much easier to access the information about social policies in these countries. For this reason, they tend to demand to know more about these experiences and, as EUROsociAL is a demand-driven programme, this explains why the participation of Spain, Italy and France is higher.

Regarding the implementation of the support activities, even if Spanish is not essential in all the activities promoted by the programme, for example in seminars, it is indispensable in others, particularly in expert advising. In the case of Italy and France, the similarities between their languages and Spanish, or the possibility to learn them quickly, even if at basic level, allows for better understanding. Moreover, these countries have common cultural and commercial interests with LA, although they do not have a common language (Fernández and Gudiño, 2009). Regarding the United Kingdom, the knowledge of English by policy makers in LA explains its position as the fourth most involved EU country.

Secondly, the preponderance of Spain, Italy and France as transferring countries can be explained because EUROsociAL's programme coordinators were from those countries. There is a tendency to mobilise experiences that the coordinating and operational partners already know to a greater extent, notwithstanding the fact that they also tried to promote experiences from other countries.

Thirdly, Mediterranean societies have traditionally shown a higher interest in LAC countries. For example, in Spain, according to interviewee C3, relationships with LA countries are promoted as a state policy. In the opinion of interviewee C2, the rest of the European countries have less interest in LA countries and this is derived from their lack of knowledge about the LA reality. Consequently, institutions from these countries do not show an interest in collaborating with EUROsociAL.

Nevertheless, not all the LA countries were interested in the experiences of the four EU countries mentioned; there are some exceptions. According to interviewee C3, for example, Chile, one of the countries that has traditionally been linked to Europe, was more interested in the experiences of the Nordic countries because they are considered the countries that have a more developed experience in the area of social policies.

Instruments

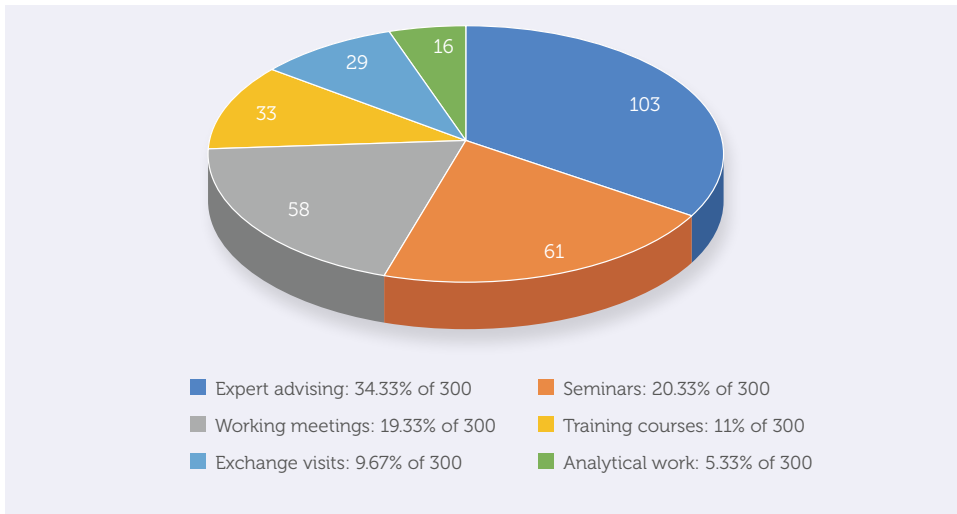
Instruments promoted by EUROsociAL aim to contribute to the design, reform and/or implementation of public policies in LA with an impact on social cohesion. The following table presents the type of activities provided within the framework of EUROsociAL.

<p>Missions</p>	<p>Missions consist of field trips made by members of the action team. Their objectives are of different cross-cutting nature: programming, coordination, action monitoring, problem solving, negotiation, evaluation, economic management, etc.</p> <p>* Missions are not taken into consideration in determining whether there is European contribution in a result because they are the first action that takes place in all the results in order to analyse what the needs of LA countries are.</p>
<p>Expert advising</p>	<p>EUROsociAL mobilises public and private expertise from Europe or from LA countries that advises peers in other institutions and countries, to promote change or improve the process of reform of public policies. Therefore, the technical assistance provided should be linked to the expected result and should have a clear effect on the achievement of that result. They may be short-term but also medium-term, establishing more stable alliances and partnerships between peer public administrations.</p>
<p>Analytical work</p>	<p>These are studies on the socio-economic and political-institutional realities of LA (and Europe), or of a specific country, on issues related to the programme, its lines of action or specific reforms supported. Results and/or conclusions should contribute to the debate, inspire action and be relevant to social cohesion. Analytical work can be of various types: case studies, state of the art, white papers, economic analysis, risk assessment, comparative analysis (including EU), best practices, success stories, policy studies, sectoral and thematic studies, analysis of actors, self-diagnostics, methodologies and manuals.</p>
<p>Seminars</p>	<p>EUROsociAL can organise specialised meetings aimed at reflecting, debating and discussing interests of the countries in the different lines of action. At these meetings (including virtual ones), participants share related studies, exchange experiences and good practices and analyse different points of view. External experts, academics or researchers are generally invited to enrich the debate and present innovative proposals. Meetings can be oriented towards contributing to a concrete result in terms of change in a specific public policy, previously defined (individually or collectively); or can be of another nature to continue to deepen understanding in certain subjects. Meetings include seminars and round tables (national, regional, sub-regional, public-private, etc.).</p>

Working meetings	These are smaller meetings compared to seminars, involving one or more countries for a joint working session on a specific topic. Unlike seminars, they are often specialised active learning meetings with very specific objectives and in which substantive progress is achieved in relation to the expected results of the EUROsocial intervention at the national level or for a small group of countries.
Training courses	A training course is a learning tool specifically designed to deepen knowledge and develop skills and abilities of public servants of one or more LA institutions. It can be given in face-to-face or virtual sessions, always with the aim of effectively implementing public policy reforms aimed at increasing social cohesion.
Exchange visits	An exchange visit is a short stay (in Europe or LA) of a group of public servants from a LA country with the purpose of knowing (and reflecting) on a practical experience in an environment different from the one they work in. The exchange visits are always inserted in the framework of an action to accompany an ongoing reform process and must therefore be directly related to the objectives pursued by that action.
Internships	<p>It is a learning stay of a LA public servant in a public institution in Europe or LA to get a first-hand insight into the mechanisms and processes of implementation of a public policy. Its main objective is the inter-institutional transmission of practical, direct and concrete knowledge through one or more public servants who act as channels of this know-how. These tools are not ends in themselves, but are articulated and combined to form accompaniment itineraries (actions) aimed at results of reform, concrete change in public policies or institutions.</p> <p>* Internships are not taken into consideration to determine whether there is a European contribution because they have only taken place in very few cases and their influence in achieving the results has not been established.</p>

As expressed in Figure 1, in 103 of the 116 results with EU contribution, one (or more) sessions of expert advising took place (62 times with more than one expert advising and 41 times with only one).

Figure 1: Activities in the results with EU contribution



In the vast majority of the results with EU contribution, more than one activity took place. This is what the coordinators of the working areas term “support itinerary”. “Support” means to accompany LA governments systematically in the process of reform of a public policy, but, at the same time, without interfering in the decision-making process. “Itinerary” means putting in practice different instruments by combining them. Combination of different instruments is considered, both by coordinators of working areas of EUROSociAL and by those responsible for putting the results of EUROSociAL in practice in LA countries, as the most effective measure to contribute to the implementation of public policies in LA.

The analysis of the results proves that, so far, the LA governments have been interested in exchange visits, expert advising and training courses. However, this assumption cannot always be corroborated by the data on the number of activities with EU contribution. This is particularly true regarding training courses as this activity was conducted with EU contribution in only a few cases. The available data show that expert advising and exchange visits are the activities that took place most often, which suggests a high level of interest from LA countries.

As regards seminars and working meetings, none of the interviewees mentioned them as activities that have aroused high interest among LA countries. In the opinion of CS2, one of the LA senior officials interviewed, although seminars allow participants to develop a detailed familiarity with EU experiences, their translation into practice is difficult. These activities are less used in LA (Chiodi, 2013).

In order to understand whether there has been an influence of the EU contribution on the implementation of plans and reforms in LA, it is crucial to evaluate the level of compliance of the results promoted by EUROsociAL. The results are classified as follows: achieved results, expected results and processed products. The level of compliance with the results is key in evaluating whether the EU contribution has been useful in the design, reform and implementation of public policies in LA with a benefit to social cohesion.

- **Achieved result:** the result has been obtained. It may consist in both the approval of a law, the presentation of a bill to be discussed in the Parliament, a reform, a new plan or the revision of a policy.
- **Expected result:** although significant progress has been made, it is not to be considered that the outcome has been achieved. For example, when a bill of a law has been prepared but it has not been presented in Parliament.
- **Processed product:** documents as guidelines or recommendations have been prepared but they have not been translated into a specific result.

Regarding those results in which the purpose was achieved, the analysis of the interviews shows that the EU contribution has been useful in guiding reform processes and developing public policies from the point of view of their design and operation, but has not been determinant or decisive, since LA countries nowadays are, and consider themselves to be, fully autonomous.

EU contribution has influenced LA social policies thanks to the peer-to-peer methodology implemented by EUROsociAL. This means the possibility of learning experiences from the EU countries that have already faced similar reform processes. These countries can share good practices with LA peers but also bad practices⁴¹ in order to avoid the same mistakes in LA.

All the LA stakeholders interviewed, who participated in the implementation of the results promoted by EUROsociAL, agree that, without the intervention of the programme, the results would not have been achieved or, at least, not in such a short period of time.

Furthermore, in some cases, EUROsociAL has contributed in adding to the agenda of the collaborating institutions the topics of the results that have been achieved. For example, according to CS2, EUROsociAL has allowed the introduction of the topic of public employment services in the agenda of the Ministry of Labour and Social Security in Costa Rica as a continuous priority unaffected by changes in government.

Another important contribution of EUROsociAL has been the promotion of inter-institutionalism. The participation of different institutions involved in a specific

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⁴¹ By "good practice" we mean the practice that has been proven to work well and to provide good results in terms of implementation of a social policy reform. Therefore, it is recommended as a model. Bad practice is one that is not translated into the implementation of a social policy reform.

topic, for example in the National Plan of care for early childhood in Uruguay, has promoted inter-institutionalism and has facilitated the process and the consensus for the implementation of the reform.

One feature that should be taken into account in the evaluation of incidence of the EU contribution in the reform processes in LA is the particular context of the LA country. Without doing this, it is not possible to give a correct orientation for reforming public policies, a process that should not consist of copy-pasting the EU experience.

However, as data show, in a large number of instances, the intervention of EUROsociAL, by financing some activities, has not been translated into the effective achievement of the result. Although the EUROsociAL programme has participated in the different phases of the implementation of a public policy, from its design to its evaluation and also the execution, at the end, the outcome, i.e. the approval of the reform, the modification of a plan, the design or revision of a policy, depends exclusively on the LA country. According to interviewee C2, in some cases, although there is an interest among LA countries in the most developed EU social policy experiences, it is not possible to transfer these models, or even to take them as a reference. The main reason is that some LA countries do not have the necessary budget to consider the implementation of these kinds of reforms. In this case, the failure to achieve the result is not due to a lack of interest on the part of LA governments but on the overall impossibility of transferring a similar model to the LA context.

In other instances, according to interviewees C1 and C2, the fact that it is not possible to achieve the result is due to a change of government and, therefore, of priorities. It can also depend on the lack of political will. In many cases, LA countries are immersed in several reform processes at the same time, so it is necessary to prioritise some issues. Another reason for this is the lack of continuity of those responsible for the management of public policies in LA. This can place a limit on obtaining concrete results, because if the contact person changes frequently, even if there is the political will to implement the public policy reform, the initial objective can be diluted⁴². This is confirmed by CS2, who pointed out that in order to guarantee the continuity of the investment, EUROsociAL should try to establish permanent agreements with the ministries as institutions and not only with the government. In conclusion, according to scholars, the results of EUROsociAL may all seem modest, but it is the small work that makes the difference (Hernández, 2017).

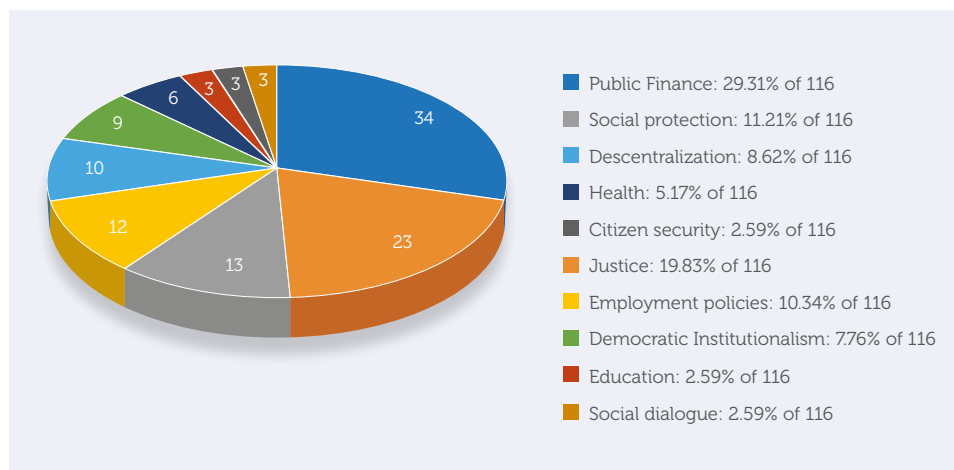
Thematic analysis

Regarding the main fields and topics of interest for LA governments around the potential EU contribution, from the ten working areas in which EUROsociAL is focused (decentralisation, education, public finances, employment, social dialogue, democratic institutionalism, justice, citizen security, social protection, health), the one

⁴² EurosociAL, *Informe Encuentros País. Balance de la segunda fase de EUROsociAL*, 2016.

with the most results with European contribution has been public finance, followed by justice, with a total amount of 34 and 23 results, respectively. The working areas with the lowest number of results with European contribution have been education, citizen security and social dialogue.

Figure 2: Results with EU by Working Area.



The specific topics covered in each of the working areas were:

Public finance⁴³

This working area focuses on the field of public revenue, particularly tax administration, and with particular reference to the Spanish case. Specifically, topics related to the voluntary compliance with tax obligations are handled, but also the fight against fraud and the prosecution of tax evasion and fiscal avoidance. A relatively high number of results involve tax consultations and the provision of assistance to taxpayers in order to facilitate voluntary compliance with their tax obligations. Regarding public spending, although LA countries were initially interested in the EU experiences, the way of drawing up budgets in LA is different from that of the EU; consequently, interest focused more on the experiences of other LA countries. Another major topic handled under this working area was the evaluation of public policies.

One of the results achieved within the working area of public finance was selected for more detailed analysis by means of interviews with the LA stakeholders involved. EUROsociAL supported the Ministry of Finance of Paraguay in the result denominated

⁴³ Public Finance, particularly tax administration, is relevant to social policy as it can be used to attain social objectives such as the reduction of inequality through income redistribution.

“Regulatory development and implementation of the Fiscal Responsibility Law, incorporating medium-term budgetary programming”. The General Budget of Paraguay before 2014 had 527 budgetary programmes and this generated about 1,200 requests for budget modifications per year, resulting in delays in the delivery of public services and low-quality provision for citizens. The main specific result achieved thanks to the support of EUROsociAL was the approval of *Regulation N. 1559 in 2014 for the development of the Fiscal Responsibility Law of 2013*, Paraguay is obliged to comply with a series of fiscal rules, such as the preparation of a multi-year budget, through the establishment of a fiscal framework in the medium term, as well as to evaluate the efficiency and impact of public spending. In this case, the transferring countries were Spain, Costa Rica, Peru and Uruguay, and the activities promoted were, particularly, expert advising, training courses, seminars and working meetings. EUROsociAL provided expert advising on different specific topics, for example, the preparation of multi-annual results budgets, the redesign of product catalogues, construction and definition of products, among others.

Justice

The interest in this working area was focused on social justice because there is a great similarity between the judicial models in LA and in the EU, at least with the systems of the continental member states. The topics have been the access to justice and the approximation of judicial services to citizens. Specifically, one of the main topics in this working area was the reintegration of prisoners into the labour market. Some of the results focused on women and young people. In these cases, the transferring EU country in the majority of the results was Spain, particularly the experience of CIRE in Catalonia.⁴⁴ Other transferring countries were Italy, Portugal and France.

Another topic covered in this working area was the integral care of women victims of gender violence. In this case, the model of Spain, which had passed the *Organic Law 1/2004 of Comprehensive Protection Measures against Violence against women*, often taken as a reference at European level, was also considered in LA because of its multidisciplinary approach.

Two of the results achieved in the working area of justice were selected for more detailed analysis through interviews with LA stakeholders involved. EUROsociAL supported the Ministry of Justice of Chile in the results denominated *“Implementation of a protocol that improves the legal services provided by the Judicial Assistance Corporations (Ministry of Justice) to the elderly and minors in legal proceedings”* and *“Implementation of the Trafficking in Persons Law (approved in 2011) and the national plan of action: implementation of the Protocol for the care of victims of trafficking in persons in the Comprehensive Assistance Centres for Victims of Violent Crimes Activities that were carried out”*.

⁴⁴ CIRE (Centre for Reintegration Initiatives) is the public company of the Department of Justice of the Government of Catalonia that aims to give a second chance to people deprived of their liberty, through vocational training both in prisons and juvenile justice facilities. This objective is met through productive workshops that take place inside the penitentiary centres.

In the case of the legal services provided by the Judicial Assistance Corporations, the main specific results achieved were the approval of the protocol to promote access to justice for the elderly and the approval of the protocol to promote access to justice for minors involved in family judicial proceedings. The transferring countries were Spain and France and the activities promoted were working meetings, seminars, expert advising, training courses and exchange visits.

In the case of the *Trafficking in Persons Law*, the main specific results achieved were the approval and implementation of the protocol (and its application routes) for victims of trafficking; the design and implementation of an internal communication plan (of the Ministry) on the crime of trafficking in people and the approval of guidelines and mechanisms for coordination and articulation of the services provided by the CAJ (Legal Assistance Corporation) and the Ministry of Justice. The transferring countries were France, Argentina and Paraguay and the activities promoted were expert advising, seminars, training courses and analytical work.

Employment policies

One of the topics of greatest interest in LA countries was the convergence between demand and labour supply, through public employment systems, specifically their information systems as well as the public and private provision of employment services. Another topic related to professional qualifications, in particular, with the implementation of national professional qualifications systems, following, in particular, the experience of the United Kingdom. Additionally, promoting the employability of vulnerable groups, particularly women and young people, were topics in which LA countries were interested in the EU experiences. In these cases, the experiences of France and Italy were taken into consideration.

One of the results achieved in this working area was selected for further analysis through interviews with LA stakeholders involved. EUROsociAL supported the Ministry of Labour and Social Security of Costa Rica in the result denominated "*Redesign of the Programme Empléate with a soft skills component and the reform management system of the Programme in operation*". The transferring countries were France, Italy and Argentina, and the activities promoted were mainly expert advising. EUROsociAL contributed to the achievement of six specific results: cataloguing of soft skills for the business sector, approval of the methodology for the integration and application of the programme *Empléate* which relates to the development of soft skills, approval of the new *Empléate* management manual, approval of the operational processes of the new management platform of the programme *Empléate*, integration of the component "intermediation and labour inclusion" in the services model of the programme, implementation of the computer tool and design of the teaching material for remote learning. This result is related to others that EUROsociAL promoted with the Ministry of Labour and Social Security of Costa Rica and this represents the point of departure of the implementation of a broader programme about a new model of public employment services.

Social protection

The main topics covered in this working area are related to the most vulnerable groups, particularly the protection and care in early childhood and people affected by homelessness. Another topic was the inclusion of people with a mental disability, as well as care for the elderly based on the experiences in Northern Europe.

One of the results achieved in this working area was selected for in-depth analysis through interviews with LA stakeholders who participated. EUROsocial supported the national secretary for care of the Ministry of Social Development (MIDES) of Uruguay in the result denominated "*Approval of the National Plan of care for early childhood (National system of care)*". The main result was the approval of the law of the *National Plan of care for early childhood for the period 2016-2020*. The transferring countries were France and Belgium and the activities carried out were expert advising, exchange visits, seminars and working meetings.

Democratic institutionalism

The main topic in this working area has been the fight against corruption, especially using the models of Central Europe and the United Kingdom as a reference.

Other than the fight against corruption, transparency policies, access to information and the protection of personal data were also topics that were dealt with. With regards to the latter, there was a lot of interest in the Spanish experience, which has been and still is a reference for LA countries and other European countries.

Citizen security

The focus of this working area is on prevention policies, particularly with regard to juvenile delinquency, because these policies are very recent in LA, a region which has a history of focusing on repressive policies. By way of comparison, in Europe the development of prevention policies started as early as 20 to 25 years ago. In this area, there were no reference models in Europe. Related policies are generally medium- to long-term and it takes many years to assess their impact; for that reason, their impact has not yet been assessed. This can be one of the explanations that justify the low number of results that occurred in this working area.

Social dialogue

This working area only saw a small number of results. One of the persons responsible for this working area explains the reasons behind this as follows: in LA, at the beginning of the second phase of EUROsocial, there was a high level of interest in the

experience of the European economic and social councils (ESCs), so that EUROsociAL mobilized many of them. However, later on, this interest in LAC declined. Among other reasons, this is due to the fact that the problems of social, economic and institutional structure are very different in Latin America. Trade unions in LA have a lower degree of representativeness than in the EU, and that level also varies from country to country inside the EU. According to interviewee C1, another reason for a declining interest in the European experience is that the model of social dialogue in Europe has changed a lot over time. At the time of the economic crisis of 2008, particularly in the Mediterranean countries, it suffered much discredit.

4.3.2. SOCIEUX

SOCIEUX, denominated 'EU Expert Facility on Social Protection', is a technical assistance facility programme of the EU financed under the Development Cooperation Instrument (DCI). As in the case of EUROsociAL, the legal basis for the implementation of SOCIEUX is the chapter on development cooperation of the TFEU.

SOCIEUX's second phase, SOCIEUX+, was adopted by the Commission Implementing Decision of 27 November 2015 on the Annual Action Programme 2015 Part III for the theme 'Human Development' of the Global Public Goods and Challenges programme to be financed from the general budget of the European Union.⁴⁵ The maximum contribution of the EU for the implementation of this programme is set at €36 million and was financed from budget line 21 02 07 03 of the general budget of the European Union for 2015 (implementing decision). In the case of SOCIEUX+, the total estimated cost was €9 million. The total amount of EU budget contribution was €7.2 million. This action was to be co-financed by potential grant beneficiaries for an indicative amount of €1.8 million.⁴⁶

Participation patterns

The first phase of SOCIEUX received and processed 67 requests from 33 countries. Almost half of the requests (46.3%) were submitted by African countries. Gabon, Ivory Coast and Togo accounted for almost half of African requests. LA submitted 15 requests that represent 22.4% of all requests, with Colombia and Mexico accounting for almost three quarters of them: a total of 11 requests. There were three requests from the Caribbean that represented 4.5% of all requests. Although the number of requests received in the first phase of SOCIEUX from LAC is not very high (only 18 of a total amount of 67), according to interviewee C4, the number of requests coming from LAC to SOCIEUX+ (the second phase of SOCIEUX) has substantially increased since its inception in 2017.

45 European Commission (2015): Decision on the Annual Action Programme 2015. Action Fiche "SOCIEUX Programme"-c2015-8571

46 European Commission (2015): Decision on the Annual Action Programme 2015. Action Fiche "SOCIEUX Programme"-c2015-8571

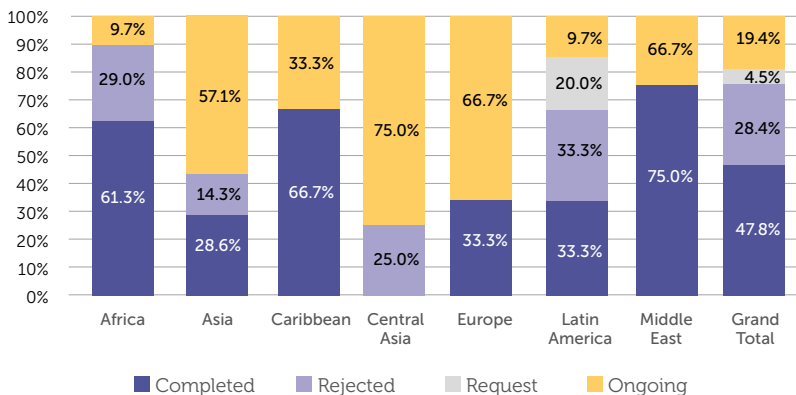
Figure 3: Breakdown of 67 requests received by region and country (% of total requests).



Source: SOCIEUX (2017), Final Report. Redacted Draft

The requests received are classified as completed, rejected, pending or ongoing. 45 eligible and relevant requests from a total of 67 requests received by SOCIEUX were translated into 38 actions across 24 countries. Of implemented actions, 63.2% were considered completed. The remaining 22 requests are still ongoing and will be continued under SOCIEUX+.

Figure 4: Breakdown of 67 requests received by region and status.



Source: SOCIEUX (2017), Final Report. Redacted Draft

Regarding LA, not all of the 15 requests received were accepted. According to data from SOCIEUX’s final report of May 2017, 5 were rejected, 5 were completed, 3 were pending and 2 are ongoing. Actions implemented in LA represent 18.4% of a total of 38 actions accepted and implemented by SOCIEUX.

Regarding the Caribbean, 2 of the 3 requests received were accepted. This represents 7.9% of the total 38 actions accepted.

However, according to the data provided by the staff of SOCIEUX in September 2017, some changes had already taken place regarding the situation of the requests from LA. One of the requests that was considered as ongoing in the report of May 2017 had already been completed and the 3 pending requests were ongoing as of September 2017. Therefore, the situation in September 2017 was the following: from a total of 15 requests received, 6 were completed, 5 rejected and 4 were ongoing. This has been taken as the basis of the next steps of the research.

Figure 5: Breakdown of 38 actions by region and country (% of total actions).



Source: SOCIEUX (2017), Final Report. Redacted Draft

The actions promoted by the SOCIEUX programme in LAC are much fewer than those promoted by EUROsocial II (116 in EUROsocial II and 7 in SOCIEUX, 5 in LA and 2 in the Caribbean). These results are logical as EUROsocial II is a programme focused on LA while SOCIEUX covers all continents. However, this indicates that the relevance of SOCIEUX to decide whether LAC countries are interested in EU social policy is much more limited than in the case of EUROsocial II.

According to all the LA stakeholders interviewed, who participated in the implementation of the actions promoted by SOCIEUX, they requested technical assistance from SOCIEUX because (international) organisations (e.g. the International Social Security Organisation) or the Presidential Agency for International Cooperation of each LAC country sent them information about the programme. According to this, and as emerges from the interviews conducted, it can be said that LA institutions are not very well informed about the mechanisms that are available for them to receive assistance from the EU. Only after having received information about SOCIEUX did they decide to

submit the request. According to interviewee CS8, when LA countries got in contact with SOCIEUX in order to receive assistance, they were not interested in support from a specific country. Nevertheless, when their proposals of assistance from the EU were accepted, they received it in a very positive way. Moreover, interviewee CS6 affirms that LA countries were not only seeking the support of EU experts, but of experts from other countries because they understood that SOCIEUX could not only mobilise EU experts but also those of other nationalities. This shows that LA countries are interested in receiving support regardless of where it comes from and not necessarily from the EU.

The 5 actions completed in LA took place in 3 countries (2 in Mexico, 2 in Colombia, and 1 in Peru). The 2 actions in the Caribbean took place in Barbados and Jamaica. According to interviewee C4, certain countries, such as Mexico, already have substantial technical expertise and rather require external peer support to introduce/support their political agenda towards decision-makers.

Also, taking into consideration requests that were rejected or are still ongoing, the picture is the following: 3 of the 5 requests rejected by SOCIEUX were from Colombia, 1 from Honduras and 1 from Peru. The 4 ongoing requests are from Mexico. In general, the requests were rejected for various reasons. Only a minority were rejected for being out of the scope of SOCIEUX. Some requests were rejected because they did not define feasible objectives and expected results with the requesting institutions. Most often, requests were rejected because of the changes that occurred in the country or within the requesting institutions in the period between the submission of the request and the end (or during) the formulation of an action.

Considering also the ongoing and pending requests to SOCIEUX+ by September 2017, they came from Colombia (6), Peru (14), Mexico (3), Saint Kitts & Nevis (1) and Saint Lucia (1).

Data shows that Mexico, Colombia and Peru were prominent in applications to SOCIEUX. One of the explanations could be that the institutions from these countries are better informed about the possibilities for requesting assistance from the EU. There was only one request from another country in the first phase of SOCIEUX, from Honduras, but that request was rejected.

EU experts that participated in the 5 completed actions in LA were from Spain (6), France (1) and Germany (2). One expert from the Caribbean participated also in LA actions. In the case of the Caribbean, 2 experts were from the Netherlands, 1 from the United Kingdom and 1 from Croatia. Therefore, the situation in the Caribbean is quite different from that in LA. Only one expert from Spain took part in the actions while there were 4 experts from other EU member states.

Regardless of the nationality of the experts who have participated in the actions promoted by SOCIEUX in LA, the interviewees indicate that the EU member states that

they take as reference when suggesting reforms in the field of social policies are mainly Germany, Switzerland, France and Sweden. Interviewee CS6 pointed out that there is not just one EU social model and that, for that reason, LA institutions are interested in the specific experiences of the specific countries already mentioned. In the opinion of CS5, Spain is also taken as a model for certain aspects, particularly the programmes of access to work and social inclusion for people with disabilities. However, the fact remains that, in the vast majority of cases, the experts were from Spain. One of the reasons that explain this situation can be language, since one of the requirements for participating as an expert is knowledge of Spanish. According to CS6, for other issues, such as poverty, other LA countries are taken as a reference as they are in a more similar development process.

Instruments

The types of activities promoted in LAC during the first phase of SOCIEUX were the following:

Expert advice (support, assessment, technical advice)	I I I I I I I
Workshops	I I I I
Events	I
Studies	I I
Training of trainers	I I I I I

Each action uses a different terminology, and this makes the classification of the different activities promoted by SOCIEUX difficult as they could be included in two or more categories.

The activity that has been carried out most often is that of expert advice (support, assessment, technical advice), followed by training of trainers and workshops (organisation of round tables). All the interviewees agree that face-to-face activities are the most important, since they contribute to increased awareness and commitment from LA institutions involved.

According to interviewees, there is not one single ideal mechanism that allows the achievement of better results, but it is rather the combination of all the activities that SOCIEUX promotes. In particular, it is necessary to define previously what the objective is and, then, select the most appropriate instrument or set of instruments to achieve it.

The activities that the interviewees considered most important are round or technical tables with the participation of different actors and entities, in which it is possible to

establish bidirectional communication. These activities establish a dialogue between the expert and the participants.

According to CS6, the training of trainers carried out by EU experts during their stay in LA countries is also very important. However, the duration of the missions (maximum 10 days) is sometimes too short. In addition, CS6 also notes that it would have been interesting to keep in touch with the expert, once the mission had finished.

Thematic analysis

The EU contribution promoted by the SOCIEUX programme can have an impact on the implementation of public policies in LAC in different ways.

According to CS5, SOCIEUX allows LAC stakeholders to acquire knowledge about EU experiences that can be taken into account in the implementation of public policies in LAC. In the opinion of CS7, SOCIEUX also contributes to considering which is the best way to assimilate and adapt EU experiences in LAC.

More specifically, according to CS7, one of the major contributions of SOCIEUX to the public policies in LAC consists of putting together all the institutions in charge of Social Security issues and increasing the awareness of local institutions regarding the importance of the topics of SOCIEUX's actions.

In the opinion of CS8, since the advice on the steps that should be followed typically comes from the EU, which is well-respected, it is easier and more effective to raise awareness among Social Security actors. Thanks to the intervention of SOCIEUX, new objectives have also emerged as a result of the actions being put in place. Thus, in a sense, the initial objectives that motivate a LA institution to request the support of the programme were not only achieved but also strengthened and multiplied. Finally, EU support allowed a historic achievement in Mexico: the creation of a state organisation of social security institutions.

CS6 points out that the joint participation in the actions of both EU and LAC experts is enriching, interesting and facilitates the influence on the implementation of public policies in LAC. According to CS7, this can be explained because the level of development and the socio-economic context is more similar among LAC countries, so addressing the same problems together can represent an opportunity.

However, the main problem concerns the transfer of the EU experience into LA countries. The main issue relates to the internal context of the LA countries. In the case presented by CS8, there are elements of the EU experience, for example in the field of pensions, that cannot be transferred to Mexico, for instance, because the Mexican legislation does not allow it. In another example presented by interviewee CS7 about Peru, the main problem is the absence of an institution that centralises all the issues related to social security.

Therefore, in this case, although LA stakeholders recognised that the EU experiences presented by the EU experts were very interesting, he pointed out that it was difficult to coordinate all Peruvian institutions in order to put in place EU experiences.

Summary

SOCIEUX's areas of intervention include all the social protection, labour and employment dimensions:

- **Social insurance:** contributory pensions, health, accident, unemployment protection;
- **Social assistance:** cash transfers and allowances programmes, income guarantee schemes, old age benefits, child and disability grants, public works, social services;
- **Labour policy and law:** active labour market policies, information systems, decent work, workers, informal economy, working conditions, labour relations, labour standards, social dialogue;
- **Employment policy:** security and services, vocational education and training, and skills development.

To analyse what the main fields and topics of interest for LAC governments around the potential EU contribution are, all the requests received by SOCIEUX and by SOCIEUX+ up to September 2017, regardless of their status, were taken into consideration.

- **Social insurance:** The topics that have aroused most interest in the field of social insurance are those related to the coordination of the different Social Security mechanisms in LA countries. Other issues that have aroused greater interest are those related to the safety and health of workers, highlighting the awareness of stakeholders in the field of occupational safety and health; the creation of social services for state workers; social protection in the informal economy and the creation of social health insurance.
- The more relevant case is that of Mexico, where SOCIEUX supported the Institute of Social Security of the State of Guanajuato (ISSEG) with an action denominated "*Support to contributory pensions (coverage, investment and administration)*" and contributed to the creation of a National Organisation of State Social Security Institutions (*Organización Nacional de Instituciones Estatales de Seguridad Social*) that facilitates pensions management.
- In Peru, SOCIEUX also supported the Ministry of Labour and Employment Promotion with an action denominated "*Supporting the MTPE in concluding and drafting social security agreements for migrant workers*".
- **Social assistance:** Actions promoted in LA are focused on the protection of vulnerable populations, particularly people with disabilities, people living in extreme poverty, indigenous population, children and adolescents.

In Colombia, SOCIEUX supported the Provincial Government of Cundinamarca - Health Secretariat with an action denominated *“Support for the formulation of a disability policy for the region of Cundinamarca, Colombia”* and the National Agency for Overcoming Extreme Poverty (ANSPE) with an action denominated *“Capacity Building for the National Agency for Overcoming Extreme Poverty (ANSPE)”*.

- **Labour policy and law:** One of the topics in which LA governments are more interested in an EU contribution is that of the obtention of data about the functioning of the labour market, as well as its evaluation and management in order to enable it to be used in the implementation of public policies. From the point of view of public policies, there is an interest in the innovative experiences that are being developed in Europe in the field of green jobs, the inclusion of women in the labour market and regarding teleworking.
- **Employment policy:** One of the main topics is the promotion of policies in the field of vocational training, on-the-job training and dual education systems. In addition, policies that aim to promote the employment of the vulnerable population, among others, people with disabilities, are also supported.

According to CS4, the requests that SOCIEUX received in the field of social protection are quite varied and it would be difficult to find two very similar requests in LAC. Certain topics, such as information management, seem to be a cross-country issue, but here, the technical assistance provided would not necessarily need to be from the EU. Pension systems are also often considered by LAC partners.

4.4. Conclusions

After having analysed the actions promoted by the EUROsocial and SOCIEUX cooperation programmes, the main conclusion is that LAC social policy makers are, in general, interested in the “EU social model”. However, some clarifications have to be made:

- Even if the interest exists, in the last ten years this interest has declined, especially due to the economic crisis in many European countries. As a result, LAC countries are starting to be interested also in receiving cooperation assistance from other regions, i.e. from Asia, particularly China. In some cases, LAC interest in EU experiences is “induced” by the institutions that implement the programmes.
- LAC countries are increasingly interested in intra-regional cooperation with other LAC countries and, in general, in a more selective cooperation, case by case, according to their necessities, without a preference towards a specific model. The EU in general, or its member states, are considered less a reference model and LAC countries’ interests are broader in geographical scope.
- Nevertheless, cooperation from the EU is still very important because its experience in the field of welfare reforms is deep, wide and of a very long duration. It is also appreciated that, at least according to many experts consulted, EU cooperation takes into consideration the priorities of the recipient countries and does not try

to impose solely its own priorities. Moreover, EU cooperation is much more based on peer-to-peer exchange.

- LAC countries are more interested in expert advice, exchange visits and analytical work from the EU rather than in budget support. As a large number of LAC countries are middle-income, their standards are more similar to those of the EU. As such, they are more interested in an exchange with the EU. Cooperation with the EU means that they can learn about the best practices that exist in the EU and receive technical support to aid their processes of design, reform and implementation of public welfare policies.
- EU experiences cannot be transposed directly to LAC countries. It is necessary to adapt these experiences to the LAC context, as there are important differences between regions, and a “copy-and-paste” of the EU experience in LAC countries would not be an appropriate approach.
- EU cooperation in LAC, particularly through the EUROsociAL programme, promotes also South-South cooperation. In some cases, the experts that participated in the actions promoted were only from LAC countries and there were no experts from the EU. In such cases, therefore, the EU facilitates South-South cooperation without necessarily directly transferring its own experiences.

EUROsociAL and SOCIEUX are funded under the Development Cooperation Instrument (DCI). In EUROsociAL, co-funding by the institutions in charge of the implementation of the programme was only necessary in the first phase and, in SOCIEUX, only in the second phase. The other phases were entirely funded by the EU budget, while the regional strategy papers prepared unilaterally by the EU are the basis for the implementation of EUROsociAL and SOCIEUX.

As far as instruments and work areas are concerned, the following table offers a comparative summary:

Table 1: Instruments and focus areas of EU-LAC cooperation programmes.

	EUROsociAL	SOCIEUX
Instruments	Expert advising, exchange visits, training courses, working meetings, seminars, analytical work	Expert advice (support, assessment, technical advice), workshops, events, studies, training of trainers
Work Areas	Public Finance, Social Protection, Decentralisation, Health, Citizen Security, Justice, Employment policies, Democratic Institutionalism, Education, Social Dialogue	Social insurance, Social assistance, Labour policy and law, Employment policy

From the analysis of the results or actions promoted by the EU cooperation programmes in LAC, it emerges that EUROsociAL is the programme that has promoted the highest number of results with EU contribution; namely 116 results with EU contribution in LAC compared to 7 by SOCIEUX. As was already pointed out, this is due to the nature

of EUROsociAL, which specifically focuses on social cohesion in LAC, while SOCIEUX covers all continents.

The common instrument that the programmes use is expert advising. As has already been said, this is the instrument most appreciated by LAC countries. Additionally, EUROsociAL frequently promotes exchange visits - an activity which is also much appreciated - and that does not exist in SOCIEUX.

The thematic areas in which the EU offers support to LAC countries through the different cooperation programmes that have been analysed in this section of the report are very varied and cover almost all the aspects related to social policy. The analysis showed that LAC interest in the EU is quite scattered and there is no clear trend detectable regarding a specific policy issue that is of interest to all LAC countries. However, comparing the actions promoted by the different programmes, some areas in which it is possible to establish that the interest of LAC social policy makers in the EU is higher can be identified:

- **Justice:** is one of the working areas of the EUROsociAL programme. This is probably due to the similarities of the concept of social justice in both regions.
- **Employment policies:** is also one of the working areas of the EUROsociAL programme and one of the main areas of intervention of SOCIEUX. More specifically, it is possible to establish that LAC social policy makers are particularly interested in developing the area of professional qualifications, vocational education and training and youth employment.
- **Social protection:** is the main topic of SOCIEUX (EU Expert Facility on Social Protection) and one of the main working areas of EUROsociAL. LAC is particularly interested in the protection of vulnerable groups, specifically by poverty reduction and care of children and the elderly.

In a global context that has changed dramatically in the last twenty years, and keeps changing, EU – LAC relations in the social dimension can and should be reinvigorated. In the light of the study conducted on the traditional cooperation mechanisms, i.e. EUROsociAL and SOCIEUX, it can be concluded that it is necessary to completely update the discourse on Development and Social Policy at the bi-regional level. The underlying approach to EU–LAC relations in the social area has been based on two unspoken assumptions: the EU and its member states have solved their development problems while LAC countries have not; and, in terms of social policy, the European model of welfare state (or its different models) has given rather satisfactory solutions to the main issues, which can be offered as a model, or transferred, to LAC countries.

These two assumptions, whatever their validity in the past, do not hold at present. First, the processes that have taken place in the last two decades in the two regions (EU enlargement to Central and Eastern countries; economic growth in some LAC countries; the deep and persistent effects of the economic crisis, in particular in the EU) all run against the two assumptions.

Secondly, at the global level, a new approach to Development has developed. The logic of the Sustainable Development Goals is not that of the previous Millennium Development Goals.

The very timely publication in September/October 2018 of the report *“Emerging Challenges and Shifting Paradigms. New perspectives on International Cooperation for Development”* offers the opportunity to, and creates the need to, change the discourse. The report is the joint effort of an international organization whose leadership in the areas of development and social policies has always been recognized by the EU and its member states (OECD), an organization both multilateral and regional as ECLAC/CEPAL, and the EC Directorate that has taken responsibility for most EU-LAC programmes on social policy (DG DEVCO). Therefore, it has sufficient legitimacy to become the basis for the necessary change of approach: Development and social policy reform are, and must be considered, a common EU-LAC challenge and not issues that concern only LAC countries, and “to be taught” by EU member states.

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4.6. Annexes

Annex 1: Interview guide Coordinators EUROsociAL

The European Union and Latin America and the Caribbean have enjoyed privileged relations since the first bi-regional Summit, held in Rio de Janeiro (Brazil) in 1999, which established a Strategic Partnership. Since then, the Heads of State and Government from both regions have met every two years.

One of the main aims of the Strategic Partnership is to deepen the bi-regional relations and develop a joint global vision around topics of mutual interest. The strong historical, cultural and economic ties between the countries of both regions create a solid basis for comprehensive dialogues at all levels and throughout a wide array of fields. Nevertheless, there is a widespread acceptance that EU-CELAC relations are not meeting the high expectations existing in both regions and that the bi-regional political dialogues risk losing relevance due to global power shifts, rise of new regional schemes and focus on bilateral relations, among other.

EULAC Focus is a research project funded under Horizon2020 of the European Union for the period 2016-2019 with a clear aim of strengthening the EU-CELAC Strategic Partnership by reinvigorating and strengthening existing initiatives and proposing new and innovative areas of cooperation between both regions in the fields of culture, scientific cooperation and social issues. The main activities are:

- Analyse the institutional and political framework for the Strategic Partnership.
- Critically review the bi-regional cooperation to date in the cultural, scientific and social areas.
- Survey emerging trends and topics from bi-regional cooperation and initiatives in the three fields, identifying bright spots and successful initiatives.
- Propose a set of scenarios, visions and an Action Plan for the bi-regional cooperation in cultural, scientific and social issues.
- Focus specifically on the following cross-cutting issues: Mobility, Inequality, Diversity and Sustainability.
- Address beneficiaries in both regions through dissemination of the research results, open source publications and conferences.

The partners implementing EULAC Focus represent both regions and a variety of actors that are involved in the bi-regional political dialogue in science, culture and social issues. IILA is one of these institutions.

In particular, IILA is in charge of the analysis of the main cooperation projects on this matter implemented in the last few years between EU and LAC. One of the objectives of the analysis is to identify which precise EU experiences in the social sector have

aroused the interest of Latin American and Caribbean countries in their effort to improve social policies.

The work carried out by EUROsocial II represents a privileged field of observation for analyzing the social dimension of EU-CELAC relations as this program is specifically designed to support countries' efforts to improve the design, manage, implement and monitor inclusive, efficient and sustainable social protection systems. Our objective is to analyse the activities of EUROsocial in order to better understand its scope and build interpretations that allow us to answer the main research questions: does EUROsocial II trajectory confirm that Latin-American policymakers have an interest in welfare systems and their policies for social cohesion? If so, in what specific areas? And what kind of collaboration do they demand from Europe? Does the experience of the program show that European countries that have intervened in Latin America are interested in the changes in social policies that have taken place in this region in recent years?

Considering the experience of EUROsocial II:

1. In general terms, is there a Latin-American interest for the denominated "European social model" (in its different declinations)? In which aspects? If there is not an interest, which could be the reasons?
2. If you answered yes to the first question, has this interest changed over the years? What are the reasons for this interest? Are there significant differences between the different Latin-American countries?
3. In which specific areas of public policies is there a higher demand for European support? What reasons may explain the greater relevance of certain topics?
4. The European contribution provided by EUROsocial II, has been useful for guiding reform processes and the development of public policies from the point of view of their designs and operability? In which form the intervention of EUROsocial II has contributed? Can you give an example? If the technical assistance provided by EUROsocial was not useful, what reasons can explain it?
5. What are the activities offered by EUROsocial (exchange visits, seminars, expert advising...) in which Latin-American countries have a greater interest? In your opinion, which are more useful for guiding reform processes and the development of public policies?
6. If there are cases in which despite EUROsocial II's intervention (through the financing of the respective activities), it was not translated into concrete reforms, what can be the reasons?
7. If there were not a program like EUROsocial II, dedicated to exchanges between Europe and LA, would Latin American countries also show an interest in Europe? For example, do other international and non-European cooperation organisations operating in Latin America receive demands for exchange and collaboration with European countries?
8. How do you envisage in perspective the articulation or conjugation between South-South exchanges/collaborations and also those with China or USA and those with Europe?

9. From the European side, is there an interest in social cohesion policies in Latin America? What type and in which experiences?

What suggestions could you make for strengthening and improving bi-regional relations in social cohesion and making them more bi-directional?

Annex 2 : EUROsociAL

Interviews with the LA senior officials responsible of the four case studies selected were also conducted. The LA stakeholders interviewed were the following:

- Public Finance – Ms. Teodora Recalde, Coordination of Monitoring and Evaluation of Public Spending, Ministry of Finance, Paraguay (CS1).
- Employment policies- Mr. Andrés Romero, Director of employment Ministry of Labor and Social Security, Costa Rica (CS2).
- Social protection– Ms. Viviana Piñeiro, National Secretary of Care, Ministry of Development, Uruguay (CS3) Justice – Ms. Ana Castillo Haeger, Department of Legal Assistance of the Ministry of Justice Chile, Ministry of Justice, Chile (CS4).

Annex 3: SOCIEUX

- Ms. Sonia Maritza Castillo Cubillos, Secretariat of Health of the Department of the Cundinamarca region, Colombia (CS5)
- Ms. Diana Carolina Cabrera Moreno, National Agency for Overcoming Extreme Poverty (ANSPE), Colombia (CS6)
- Mr. Victor Alberto Mayorca Mayhuasca, General Office for Cooperation and International Affairs, Ministry of Labour and Employment Promotion, Peru (MTPE) (CS7)
- Mr. Carlos Fabián Muñoz Tejeda, Institute of Social Security of the State of Guanajuato (ISSEG), México (CS8)

5. EU-LAC COOPERATION AT SUB-NATIONAL LEVEL: EUROCITIES AND MERCOCIUDADES

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Abstract

The activities of subnational units in Latin America have a long history that can be traced back to colonial times. However, the emergence of regionalism and EU-Latin American inter-regionalism has set an entirely new framework for dynamics of subnational units involving local governments and civil society organizations. Three main convergent forces, decentralization policies, regional integration and interregionalism, set the frame for the emergence of subnational actors, and among them, cities, involved in cooperation. Despite the differences in institutional design of the EU and Mercosur, both parties share a common approach to decentralized cooperation based upon concerted action between State, private sector and civil society. The active role of cities in both regional blocs is another line of convergence. This paper discusses the evolution of subnational relations in the context of the EU-Mercosur bi-regional agreement of 1995 and its subsequent arrangements. It will focus on the role of state and societal actors in order to explore the degree to which Mercosur cities and subnational entities influence the agenda-setting, introducing issues of local interest and how this process articulates with EU cooperation programmes and relations involving city networks as well as regional and local units.

5.1. Introduction

Growing subnational actorness has gradually developed along with processes of regional integration and decentralizing reforms. At the same time, borderlands have become key areas in it. Both in the European Union and the Latin American regional blocs, the approach in the design of policies for borderlands shifted from traditional geopolitics to the logics of cooperation (Rhi Saussi-Conato, 2009; Medeiros, 2004, pp. 159-176). At the same time, decentralizing reforms increased the decision-making capacities of local authorities and opened new modes of participation for civil society organizations. Conversely, differences in the range of types of local autonomy have affected exchanges and cooperation.

The purpose of this paper is to discuss a specific kind of interregional relations, those that develop among local units, considering two main lines of development: international activities of regions and local governments in cross-border relations and the emergence of city-networks and their interregional arrangements. There are connections between the two processes and there is no clear cut between the two dynamics under analysis, because some city members of networks are located on bordering areas. The focus of this paper is the emergence of a specific kind of local actorness in EU-LAC interregionalism.

This paper is divided into six sections besides this introduction and the conclusions. The first section presents the theoretical discussion on interregionalism and the role of subnational units in interregional relations. The second section examines the specifics of EU-LAC interregionalism, drawing on contributions from the literature; the third section deals with different approaches to local autonomy and cross-border cooperation in the EU and Mercosur; the fourth section looks into city networks agency focussing on Eurocities, Mercociudades and Red Andina de Ciudades, and their reciprocal agreements of cooperation; the fifth section discusses the Eurocities-Mercociudades interregional agreement.

5.2. Theoretical approach to interregionalism and role of sub-national units

The theory of interregionalism as first presented by Hänggi, (2000, 2006), Aggarval and Fogarty, 2004), and Doidge (2011) has been mainly focussed on explaining relations among regional blocs, considering the models of regionalism of the concerned parties, the role of transnational factors, and the relative weight of the dimensions associated with interregional relations, such as trade, cooperation, security, governance, rule of law and the nexus existing between interregionalism and multilateralism. Research from this approach highlighted the role of states, international organisms, interregional institutions, and systems of norms, in processes embracing the European Union and its partners all over the world. As interregional relations expanded to include a variety of combinations between regional blocs and single countries in different continents, the literature on interregionalism paid increasing attention to experiences in the Americas, Asian, African, and Pacific partners (Acharya (2016), Chin, G. and Stubbs, R. (2011), Kagwanja (2006)). The process of regionalization led to the emergence of a world of regions (Katzenstein, 2005) and a new outlook to address the commitment to securing peace and welfare.

From a global perspective, Katzenstein (1993) argued that regions have become critical to the contemporary world, so that global politics would be polycentric in structure and plural in substance. Focussing on the territorial units involved in these dynamics, Hettne and Söderbaum (2000) highlighted the role of regions in the formation of relevant actors.

This paper is framed into a different perspective with a view to exploring the participation of subnational actors in interregional relations at the local level, taking into account the role played by units as municipalities, provinces, cities, and federated territories in decentralized cooperation, cross-border relations, and city networks, in order to assess the ways in which these dynamics play a role in interregional relations and the effects of such involvement.

In Europe as well as in Latin America and the Caribbean, federalism has enhanced the degree of autonomy of the federated units. However, in both regional blocs, there are various models of state along the axis centralism vs federalism as well as differences in the model of federalism and the degree of autonomy of the units of the federal union, as shown in the case of Mercosur by the examples of two federal state members, Argentina and Brazil. Moreover, during the 1990s, decentralizing reforms in Latin America pressed for increasing decentralization to expand municipal autonomy, creating the so-called third level of government and reducing “the size of the State” in the name of civil society agency, thus opening the way for private interests’ initiatives (Vigevani, 2004). Concerning the EU, the Committee of the Regions was created as an organ representing actors with competences defined in article 198 of the Treaty of Maastricht, and article 263 of the Treaty of Amsterdam (Jeffery 1997).

In their analysis of the theoretical development on interregionalism, Ayuso and Caballero (2018) point to a variety of experiences in interregional relations which makes difficult any attempt to present a typology that would comprehend every empirical case. In this respect, Hånggi (2006, p. 40) describes two different ways to address analysis of interregionalism: 1) interregional relations in a broad sense which includes foreign relations between regional organizations and third countries in other regions, as well as relations among states, groups of states and regional organizations; 2) interregional relations in a limited sense, encompassing a variety of relations among regions, states, regional organizations and even transnational networks. This last analytical category could describe the case of relations involving local units and city networks established in different regional blocs or single states.

An approach of *longue durée* shows that under Colonial rule, Latin America and the Caribbean cross-border relations covered a broad range of issues, mainly through informal exchanges, between communities residing in neighbouring territories: mixed marriages, trade, smuggling, and communication were crucial to creating identity and common interests. This reality has persisted with the passage of time. Even though the process of Hispanic American independence gave birth to the nation-state as the main framework of political society, social exchanges across borders proved stronger than the feeling of belonging to a national unit.

Some examples that illustrate the dynamism of cross-border relations in contemporary South America are: the area encompassing the North-Eastern Colombian territories (mainly the Province of Socorro) and the Venezuelan area south of Lake Maracaibo, particularly the State of Táchira, which formed a social and economic unit firmly

integrated by the network of rivers which became the main route for Colombian trade with the Caribbean from the 17th century onwards; the area comprising Mendoza (in Argentina) and Santiago (in Chile) sharing a common interest in wine production; and the Brazilian-Uruguayan borderland. Cross-border relations survived the long cycle of conflicts for boundary definition and, in the second half of the 20th century, the process of regional integration opened the way for new dynamics based on binational organizations and policies of cooperation.

In post-1945 Western Europe, national borders were the object of various arrangements that were top of the agenda, mainly reconstruction and economic recovery. The settlement of frontiers in Central and Eastern Europe confronted European policy-makers with the challenge of designing policies for borderland societies that had become divided by the post-war territorial limits. In Latin America, the case of the Chilean territories bordering Bolivia presents some characteristics comparable to those of the European territories that had experienced the transfer of sovereignty after wars. In both Europe and Latin America, the movement towards region building was reinforced with a growing agency of cities and the emergence of city networks and their role as new international actors.

This paper is divided into five sections in addition to this introduction and conclusions. The first section presents theoretical perspectives on interregionalism and the role of sub-national units; the second section discusses EU-LAC interregionalism and local agency drawing on contributions from the literature on Interregionalism; the third section examines different approaches to local autonomy and cross-border cooperation; the fourth section discusses city network agency, focussing on Eurocities, Mercociudades and Red Andina de Ciudades. The fifth section deals with the interregional agreement between Eurocities and Mercociudades

5.3. The specifics of EU-LAC interregionalism

EU-Latin American interregionalism introduced a new perspective in the international relations of Latin America as well as a new framework for cooperation among regions, states and civil society, opening the way for the emergence of local actors, formulation of new policies for borderlands, and cooperation involving participation of social and local government agents placed at different levels of decision.

Börzel and Risse (2015) suggest that, as the EU has been considered as a model of regional integration, interregionalism may be understood as a means for the diffusion of EU ideas, policies and institutions in other regional blocs. Diffusion would be the result of direct influence as well as indirect mechanisms, involving connections and interactions among actors. In fact, cultural influences, academic exchanges, shared ideas on ways of living and political identities have played a role in Latin American-European relations. Fawcett (2015, p. 33) argues that institutional emulation among

regional organizations may explain how institutional ideas and practices are adopted in different contexts.

However, there are important differences between the institutional design of the EU and Latin American regional blocs, the latter having consistently preferred the inter-governmental model of regional integration, instead of supranational organizations. Furthermore, the history of cross-border cooperation in Mercosur countries reveals that it started as early as the 1960s as a result of the first wave of regionalism led by the Economic Commission for Latin America and the Caribbean (ECLAC, a United Nations organism created in 1948) and the Latin American Free Trade Association (LAFTA, organised in 1960). The involvement of local actors in the process of regional integration took the institutional form of mixed working groups and border committees, aiming to address complex agendas including issues of trade, the environment, management of river basins and transport. Therefore, diffusion of EU policies and institutions should not be understood as a one-direction process but as a complex interaction which encompasses EU influence, Latin American adaptation of EU ideas, evolution of institutions from pre-existing embryonic forms of cooperation, and adoption of EU norms and institutions when they coincided with values, previous ideals of regional union or local identities.

The origins of EU-LAC interregionalism can be traced as far back as the 1960s with the agreement of cooperation between the Central American Common Market (CECM) and the European Common Market (ECM), which opened the way for several programmes of cooperation, and European involvement in the Central American peace process in the 1980s (Whitehead 1992). From then on, EU-LAC interregionalism worked in different ways, from bloc to bloc to bilateral relations between the EU and single countries: the EU-Mercosur agreement of 1992, and the EU-Mercosur agreement of strategic association signed on the 15 July 2019 are clearly interregional agreements between two integrated regional blocs, while the Global Agreement of the EU and Chile (2002) is a bilateral relation. Finally, there is also the case of a combination of both models as shown in the case of Brazil, a member-state of Mercosur, and an EU partner in a Strategic Association Agreement.

On the opposite scale of international relations, the emergence of local agency capacity was a result of the increasing activism of municipal units, provinces and states and the creation of networks of cities such as Eurocities and Mercociudades, as well as associations of territorial units such as provinces or states and local governments.

The emergence of regions as relevant actors resulted from the convergence of new dynamics in Nation States. On the one hand, integration processes leading to the formation of regional blocs and, on the other, decentralization reforms resulting in the emergence of local government agency that opened the way for increasing capacities and initiative in decentralized cooperation based on new organisations: in EU-Mercosur relations, relevant institutions are the EU Committee of the Regions and Mercosur Consultative Forum of Cities, Municipalities, and Regions created in 2004 (Chasquetti

2006); these are two examples of *regionness* as defined by Hettne and Söderbaum (2000). Cross-border relations among local governments in borderlands coexist with the international relations of border regions as in the cases of three autonomous communities in Spain: Catalonia, Galicia, and the Basque Country (García Segura, 2004). Additionally, the combination of two apparently contradictory dynamics (regional integration and decentralization) gave birth to organizations based on local communities involved in decentralized cooperation inside regional blocs and exchanges of interregional scope. However, differences between federal and unitary States required specific procedural arrangements. In this respect, Mercosur experience of local dynamics followed the path of organisations created during the first wave of regional integration in the 1960s, such as binational commissions for the management of river and lagoon basins, and the border committees.

5.4. Different approaches to local autonomy and cross border cooperation: EU and Mercosur

Cross-border cooperation has been central in European regional integration since the end of World War II, both as a line of policy fostered by the Council of Europe, and a program advocated by the EU. The juridical framework of cross-border cooperation is based on the EU legislation, agreements and conventions of the Council of Europe from 1980 onwards, bilateral agreements and national law. One main foundation is the European Charter of Local Self Government adopted by the Council of Europe in 1985, followed by the creation of regions in 2000 (Vigevanias 2004, pp.160-162).

The term *regio*, meaning “border” in Latin, identified one constant object of war in the history of Europe, and a cause of social and economic distress in post-war periods, as a consequence of territorial changes imposed by international treaties. This fact explains why the first Euro-regions were organized in areas badly affected by change in national boundary, with a view to counterbalancing “unnatural barriers” that divided populations belonging to the same ethnic group (Lepik, 2009, 267). This design was consistent with the approach to European integration as a strategy for peace. Not surprisingly, the first examples appeared in regions of Germany, the Netherlands and France (Clemente, 2014).

Euro-regions as the “template” of the EU model of cooperation among border communities represent an original albeit elaborate construction involving government agencies, private sector, institutions of education and non-governmental organizations. Also, the Council of Europe recommends in its guidelines a “triple helix cooperation”, meaning the joint action of the public sector, the business community and academia, even though in the cases involving non-EU members, this has not been fully implemented.

The term “Euro-region” covers a variety of organizations dedicated to cross-border cooperation and administration of projects funded by EU financial institutions. Although there are differences in scope, norms and composition, euro-regions share

the following characteristics: they are permanent structures and have a separate identity from the organisms they co-ordinate. They also manage their own administrative, technical and financial resources, and have specific forms of decision-making. In many cases, they are led by committees and secretariats financed through technical cooperation (AEBR, 1999).

Euro-regions are usually set up by an association of local authorities and civil society organizations from both sides of a border, on the basis of a common understanding of the agenda and composition of the bodies responsible for the management of plans and projects. However, the European Union has played an active role in promoting the creation of Euro-regions as well. In this respect, Euro-regions have been the object of diverging evaluations: depending on the approach, either top-down or bottom-up, the EU or the local community may be the main factor leading to their creation (AEBR, 2006).

Furthermore, outside the “core Europe,” in countries not used to the *acquis communautaire*, as is the case of the new members-states of the EU in Central and Eastern Europe, Euro-regions confront serious problems of implementation and criticism which are related to the process of enlargement. Moravcsik (1998, 5-6) argues that it would be necessary to ensure flexibility and fragmentation, with special arrangements to allow for exceptions in centralized policy-making in Brussels, and a new balance among supra-national, sub-national, and national governments.

This is one reason why the role of the Council of Europe has been outstanding in expanding cooperation schemes between EU countries and its neighbours. The concept of trans-frontier cooperation adopted in the Council of Europe documents has a broader scope than “cross-border” in that it implies not only territorial contiguity but any concerted action intended to strengthen relations between communities of two or more European countries. The concept of inter-territorial cooperation is defined as cooperation with not neighbouring authorities (Council of Europe, 1998). Additionally, the flexible structures adopted by the Council of Europe are better suited than Euro-regions in cooperation programmes involving non-EU member countries, as is the case of experiences including the Baltic Sea republics, Scandinavian countries, Russia and Belarus.

The inter-governmental model of Latin American regional blocs has consequences on the state of cross-border relations: they usually act as a supplement to bilateral relations. The absence of supranational institutions means that it is not plausible to create structures along the lines of Euro-regions. However, the need to tackle problems such as the pollution of rivers and lagoons, floods and daily commuting across the borderline, has led local governments and social organizations to look for common understandings for joint action. Two different institutions have channelled the effort of designing plans for problem-solving: binational commissions with a specific agenda, and border committees.

The history of bi-national commissions can be traced back as early as the 1960s, coinciding with the first experience of regional integration, the Latin American Free Trade Association created by the Treaty of Montevideo in 1960. By that time, the main problem on the agenda of cross-border relations was the management of rivers and lagoon basins. On the Argentine-Uruguayan border, the bi-national commission for the river Uruguay basin was organized with the mission of designing rules and procedures for navigation, fluvial ports, control of pollution and protection of the environment. Additionally, both countries joined efforts and resources to set up a hydroelectric plant managed by a binational commission.

On the Brazilian-Uruguayan border, two bi-national commissions were set up: one for the management of the Quaraí river basin and a second one for the Mirim Lagoon basin. In both cases, there were serious problems of pollution and recurrent floods. Additionally, in the area of the Mirim Lagoon, there were fisheries and a growing rice agricultural sector, together with wetlands and protected biodiversity resources.

As to the Borders Committees, their organization preceded the foundation of Mercosur: following a decision by the Commission for the development of the Brazilian-Uruguayan borderlands created in 1975, three Borders Committees were set up in five years: Chuy-Santa Vitoria do Palmar (May 14, 1990); Rio Branco-Jaguarão (February 19, 1990); Rivera-Santana (May 21, 1990). After the conclusion of the Treaty of Asunción (1991) which organised Mercosur, new Border Committees were created: Artigas-Quaraí (May 10, 1991), Bella Unión- Barra do Quaraí (1995); Aceguá-Aceguá (1997). Also in 1995, the Committee of Uruguayana-Paso de los Libres was founded on the Argentine-Brazilian border. From the start, they were thought of as binational institutions for joint action of local government officials and representatives of local social organizations. Their mission was to address the common agenda of the “twin cities” and their surrounding rural areas, working from a problem-solving approach on the issues of transit, health, residence permission, trade, local security, health and education (Pucci, 2010, 102-106).

Both bi-national commissions and border committees were the result of top-down decisions and both share the same institutional design: they include local authorities, representatives of state-bodies responsible for specific policy areas (Ministries of Health, Agriculture, Environment, Transport and Education), private sector associations and civil society organizations. The schedule of meetings is coordinated with government officials but there is also room for local initiatives and debate.

Funding and implementation of the measures agreed at the cross-border level remain a matter for the state bodies of the member countries of Mercosur, which sometimes is the cause of delays and misunderstandings emerging from differences in public administration procedures and priorities in policy-planning. The triple helix model has been developed in the last decade with an increasing role for universities: UNILA, and UNIPAMPA, established on the Brazilian borders with Paraguay and Uruguay during the Lula administration, and UDELAR on the Uruguayan borders with Brazil and Argentina, have attracted a growing population of students from the Mercosur countries.

The European Union has contributed to the development of cross-border institutions and relations as a line of policy for the long run, intended to incorporate EU regional policy into the interregional context, and in plans for cooperation with third countries. The territorial dimension in the strategic partnership of the EU and Latin America has gained increasing influence in interregional relations.

The Association of European Border Regions has been responsible for implementing several projects in Latin America. Following approval by the European Parliament of a project on cross-border cooperation, presented by AEBR to the EU Directorate General for Regional and Urban Policy in 2010, covering various areas in South America, three areas in Mercosur were selected: the so-called triple frontier between Argentina, Brazil, and Paraguay (Foz do Iguaçu, Puerto Iguaçu, and Ciudad del Este); the Southern Triple frontier between Argentina, Brazil and Uruguay (Monte Caseros, Barra do Quaraí, and Bella Unión), and the Mirim Lagoon Basin and the twin cities along the Brazilian-Uruguayan borderline.

Based on the top-down approach prevailing in Latin American cross-border cooperation, AEBR led a project aimed at strengthening local capacities for initiative and management for specific plans in actions of mutual interest for the borderland societies, including both government officials and societal actors. The main goal was to transform sporadic measures into a regular and sustainable programme with strategic views (AEBR, 2014). To obtain this result, the project established objectives for the short run (meaning specific projects) to create cross-border associations and informal structures; objectives for the medium term, mainly the increase of regional and local capacities to make cross-border cooperation sustainable, and joint work on formulation of strategies in response to the demands from the community. Finally, the objectives for the long run were to design a policy with a territorial vision to improve regional integration on the basis of cross-border cooperation.

In the design of the said policy, the project highlighted the role of the twin cities, the Brazilian program of *faixa de fronteira* and the contributions of academic research. The most advanced experiences in AEBR evaluation are the case of the triple frontier of Brazil, Argentina, and Paraguay, and the case of Brazilian-Uruguayan cross-border cooperation. The Brazilian Service for support to micro, small, and medium size business (SEBRAE) has played a remarkable role, particularly in projects for the Brazilian-Paraguayan borderland, including proposals that incorporate principles of subsidiarity in the management of problems of technological transfer, protection of the environment, social cohesion and cultural integration. AEBR methodology is based on sessions of discussion, visits to local experiences of cooperation, workshops with practitioners and case studies intended to be inputs for proposal formulation. (AEBR 2014).

5.4.1. City Networks agency

The growing dynamism of local governments has been described as “transnational municipalism”, characterised as multidirectional because it is also multidimensional (Ewen, in Sounier and Ewen, 2008, pp. 101-117). Activities range from improving a city’s competitiveness to establishing multilateral partnerships to tap the growing supranational resource base (as with Eurocities and Mercociudades), to the more altruistic or para-diplomatic strategies designed to show solidarity with the developing South, or express a city’s solidarity through “diplomacy from below” (Sounier, in Sounier and Ewen, 2008, p. 182).

5.4.2. Eurocities

In Europe, the emergence of cities as actors in regional integration preceded the organization of the EU. The origins of Eurocities are the result of a conference held in Rotterdam in 1986 on the subject of “the city, the engine behind economic recovery”, an event attended by the representatives of eleven European cities, business people and academics. Three years later, at a second conference in Barcelona, the mayors of six cities – Barcelona, Birmingham, Frankfurt, Lyon, Milan, and Rotterdam – founded the network of European cities, which would soon increase its membership and establish regular relations with the European Community institutions (www.eurocities.eu/eurocities/about_us/history).

In 1991, the Birmingham councillor, Albert Bore, took the initiative in writing a set of rules which established membership criteria, set fees, and organized an executive committee. By 1996, membership had grown to over 70 cities. According to reports produced by the city network, strong leadership from city mayors and regular links with European institutions helped Eurocities to grow in size and influence over the years. In 2019, membership was estimated to consist of more than 130 cities. The city network is led by the elected members of local and municipal government of European cities, its headquarters are in Brussels, and regular work is carried out in the context of several thematic forums which may organise working groups. Relevant forums for EU-Mercosur relations are those focused on Culture, Economic Development, the Knowledge Society and Social Affairs.

In 2015, it was made up of more than 130 big cities. Although it was independent of the structure of the EU, its action is closely related to EU policies and programmes. Eurocities was crucial in strengthening decentralized cooperation, supporting cohesion policy, promoting regeneration of urban areas and conservation of the environment. This mission partly coincided with the interests defended by several Mercosur social organizations, so that the creation of a common understanding for joint action was easy, particularly in initiatives for development cooperation.

5.4.3. Latin American City networks: Mercociudades and Red Andina de Ciudades

The example of Eurocities played a part in the organization of Latin American city networks. Mercociudades was created in 1995 and was organized along the lines of the institutional design of Eurocities. It is headed by a Council, and issues on the agenda are dealt with by seven specialized units on the following matters: city security; social development and human rights; urban restructuring and sustainable development; local economic development; education, culture, sport and tourism; and science and technology. An Executive Secretaryship is responsible for the conduct of the external relations of the network. Also, in terms of agenda, both networks highlight commitment to social cohesion, although the degree of influence of Mercociudades on public policy is limited. At the beginning, membership was restricted to cities of the member states of Mercosur but it soon expanded to include cities of countries associated with Mercosur such as Bolivia, Chile, Peru and Colombia.

Although it is not part of the institutions of the regional bloc, Mercociudades has played a relevant role as an advisory body for Mercosur member States in agenda-setting and organization. As a result of a Mercociudades initiative, in 2000, Mercosur approved the creation of a specialized network of municipalities and *intendencias* (REMI), replaced in 2004 by the Consultative Forum of municipalities, states, provinces and departments of Mercosur.⁴⁷ The idea behind the creation of these networks was to advance towards a regional bloc closer to the citizen. The emergence of Mercociudades in 1995 is evidence of the dynamics originated both in the foundation of Mercosur in 1991 and in the cities' autonomous will to join in an integrated network to interact with other city networks.

On the 8 September 2003, the Andean network of cities was formally created in Quito during a summit of the Andean Community of Nations. Made up of 36 cities of Colombia, Peru, Bolivia, Ecuador and Venezuela, it was conceived as an instrument for mutual support and the efficient management of cities. The goals of the Andean city network were to achieve improvement of human life conditions in cities. The example of Eurocities played a central role in this decision (www.comunidadandina.org/Seccion.aspx?id=3708&tipo=TE&title=municipios&padre=343).

The two South American city networks concluded a cooperation agreement in Caracas on the 7 September 2007 (Mendicoa, 2013). It is important to note that Latin American city networks are not part of the institutions of the integrated blocs, although they are clearly linked to them. On the other hand, regional blocs benefit from the international relations of city networks. Mercociudades has close relations with universities of the Montevideo Group which includes institutions in Argentina, Bolivia, Brazil, Chile, Paraguay and Uruguay. However, different degrees of local autonomy according to the federal or centralized institutional design of Latin American states required specific

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⁴⁷ States, provinces, and departments are the names of territorial divisions in Brazil, Argentina and Uruguay respectively. *Intendencias* design the authorities of government of cities in Argentina and the authorities of departments in Uruguay.

arrangements in order to make cooperation among subnational units workable, as shown in the case of subnational units in Federal Brazil, and the unitary Republic of Uruguay.

As regards their influence on the regional integration process, the working groups of Mercociudades have influenced the Mercosur agenda, particularly in the policy areas of environment, sustainable development, urban planning, culture, sports, gender, education and local economic development (Mercociudades, 2014). The Consultative Forum of municipalities, states, provinces and departments (FCCR) acted as the channel through which Mercociudades has presented its initiatives and recommendations to Mercosur. Additionally, Mercociudades chairs the Committee of Municipalities, one organism of the FCCR. Other Mercosur institutions maintaining close relations with Mercociudades are the Mercosur Social Institute, organized in 2007, the Unit for Social Participation (UPS) and the Institute of Public Policy on Human Rights, established in 2010.

Concerning the renewal of the Mercosur agenda, the 8th summit of Mercociudades in Asunción introduced new issues such as the infrastructure of transport and communications, border integration, stimulating development by means of strategies designed for reducing imbalances in less developed territories, complementary productive sectors and the creation of new financial instruments for development projects. These guidelines proved influential on Mercosur policymaking from 2003 onwards (Chasqueti, 2003).

5.5. EUROCITIES and MERCOCIUDADES: interregional networking

Contacts between Mercociudades and Eurocities started soon after the creation of the former. In this respect, Mercociudades has contributed to strengthening relations between Mercosur and the European Union. Since the foundation of Mercociudades in 1995, the unit responsible for international cooperation has been coordinated by the city of Asunción (Paraguay). Representatives of the Mercociudades Executive Secretaryship have attended the annual meetings of Mayors of Eurocities. Exchanges among representatives of both city networks have set the basis for working on increasing cooperation. Relations between Mercociudades and Eurocities were on the agenda of a meeting of the Council of Mercociudades and the representatives of the municipality of Bilbao and Eurocities, Marta Barco, in Porto Alegre (Brazil) on the 13 December 1996 (Mercociudades/CON/ACTA N°01/96, December 13, 1996).

In the first four years (1996-2000), funds were made available to support thematic networks and to organise meetings. From 1996 to 1998, priority was placed on making the network known to multilateral organisms and international agencies in order to promote joint projects. In October 1998 the mayors of Asunción and Paris signed an agreement to work on a project to be presented to the European Commission for funding exchange activities between European capital cities and Mercociudades. This project got the support of United Cities and Local Governments, but the European

Commission decided to postpone the decision on funding because the financial resources had already been destined to the URB-AL program (Mercociudades, 1999).

Despite this failure, by the end of 1997, a decision was made to create a portfolio of projects presented by the cities coordinated by the Unit of International Cooperation of Mercosur. A workshop on the treatment of solid waste was held by Mercociudades and some French cities in Concepción (Chile), following an initiative of the Ministry of Foreign Relations of France and the Committee on Development Cooperation and City Diplomacy of United Cities and Local Governments. A second workshop on this subject was held in Paris in 1998. After the IV Summit of Mercociudades in 1998, the city of Porto Alegre took the responsibility as coordinator of Mercosur's unit of international cooperation, following criteria of decentralized and horizontal cooperation, strategic planning, and a multidimensional approach in projects on urban development, local development, autonomous municipal management, environment, culture, tourism and social development.

In the period 2001-2006, URB-AL funds were allocated to projects that build on those intermunicipal exchanges fostered during the first stage. The international dynamism of Mercociudades was evident in its search for agreements with international institutions, international associations of local government and counterparts in regional blocs, to promote exchange of experiences, plan joint actions and disseminate results. In this same line of action, in 1998 Mercociudades started contacts with Eurocities. In 1999, the two networks concluded a cooperation agreement (Eurocities-Mercociudades, 1999).

The preamble of this agreement emphasized the coincidence of both organizations on the goals of improvement of quality of life in cities and urban areas, enhancing the role of cities in the design and implementation of the agenda of integration of the EU and Mercosur, and the establishment of direct relations for the mutual benefit of the two networks.

The activities included in the 1999 agreement were: exchange of information, publications, and documents; regular meetings to be held alternatively in the EU and Mercosur in order to organize joint conferences and workshops, to design and implement systems of evaluation of urban policies, to promote collaborative action of local administration and civil society in the construction of a shared vision of urban areas in the EU and Mercosur. Both networks declared their engagement with strategic development, innovation, equity and sustainable development as the main goals in policies for urban areas of the EU and Mercosur, and agreed to jointly work to secure financial resources to implement projects of common interest. Concerning funding, the 1999 agreement mentioned the program URB-AL, a regional cooperation programme focused on subnational governments of the EU and Latin America. Created in 1995, the mission of the URB-AL Programme is to foster decentralized cooperation at the local level in Europe and Latin America in order to promote the exchange of best practices between local authorities or non-governmental organizations. In the beginning, it aimed to help develop networks between local authorities by means of encouraging direct exchange of experiences in urban policy. Since 2001, URB-AL funding has been

allocated to projects that promote inter-municipal exchanges. It played a leading role in strengthening relations between the EU and Latin America and the Caribbean. From 2013 onwards, URB-AL has had direct impact in projects of more than 500 Latin American municipalities, including technical support and training. Sustainable development and cross-border cooperation were top of the interregional agenda: the URB-AL Pampa Project is an outstanding example of the new priority given to environment and social cohesion in interregional relations (Costa and Radomsky, 2011, pp. 131-134). The focus of this project is a section of the borderland between Brazil and Uruguay, including the protected area of Ibirapuitã (Brazil) and the National Park in *Valle del Lunarejo* (Uruguay). Both areas form a binational territory of unique landscape quality that has been the object of social and environmental sustainability initiatives.

The URB-AL Pampa project aims to strengthen decentralized cooperation and coordination in the binational efforts for conservation of the environment while making development feasible. In so doing, the URB-AL programme introduces a new concept of territory associated with the agency of civil society. However, this does not imply the absence of the State, but a change of role in policy-making: it helps to establish relations, promote networking and interaction between small and medium-size firms, ONGs, and State bodies.

The idea of sustainable development emerged as a new concept that framed public policy in territorial management which involves the participation of international organizations, among other agents. In this respect, the URB-AL Pampa project is a programme of institutional support to local communities that encourages learning and networking, intended to have a direct impact on the formulation and implementation of long-term territorial policy.

A related EU programme is URBAN, launched in 1994 with a view to recommend directions for the economic and social regeneration of cities and neighbourhoods facing critical social and economic conditions in Europe (Duke, 2008). URBAN proposals for sustainable urban development are eligible for funding from FEDER, the EU fund for regional development (De Gregorio, 2010).

5.6. Concluding Remarks

EU-Mercosur interregional relations contributed to the creation of favourable conditions for the development of subnational agency, societal actors, participation, and growing capacity for cooperation among Mercosur countries by means of aid and assistance, exchange of experiences, shared projects and networking. Despite differences between the EU and Mercosur in terms of institutional design, cooperation between the two regional blocs adopted a model based on joint action of state actors, private sector, civil society organizations and academia. Both in cross-border cooperation and city networks exchanges, interregionalism created favourable conditions for initiatives of social actors and support to local development, joint action and decentralized cooperation.

However, divergences between Mercosur inter-governmentalism and EU supranationalism have proved an obstacle to easier implementation of programmes for cooperation, particularly inside Mercosur. Conversely, the increasing activity of subnational units such as cities and municipalities has created a common ground for coordination with counterparts in the EU such as Eurocities.

The analysis in this paper highlights the mutual influences between interregionalism and reforms promoting decentralization and empowerment of third level governments, particularly the international capacities of municipalities and city networks to address the agenda of social cohesion and sustainable development, as well as to expand the interregional framework on the basis of EU technical assistance to local and network initiatives. The involvement of social actors in local governments and decentralized cooperation has helped increase Mercosur capacities to implement the regional agenda in the territorial dimension and develop regional institutions.

These achievements are evidence that local dynamics and the role of city networks in influencing the regional agenda set the basis for regional leadership and interregional agreement. In the case of Mercosur, Mercociudades has been a leading actor in promoting decentralization, introducing issues of cohesion policy, territorial regeneration and conservation of the environment. The agreement concluded by Eurocities and Mercociudades has consolidated EU-Mercosur interregionalism at the local level and has not only marked the emergence of new interregional actors but has also opened a new path in interregional relations.

5.7. References

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