

Panel Discussion

Strengthening ties between Latin America, the Caribbean and Europe. Benefits of Free Trade Agreements from a Hamburg perspective

– Concept Note –

Dates: 26.08.2024, 17:30 – 21:00 h

Organised by: EU-LAC International Foundation and the Ministry of Economy and Innovation of the Free and Hanseatic City of Hamburg

Place: Hamburg, Germany (Instituto Cervantes)

Modality: On-site (if needed hybrid)

Languages: The event will be held in English

Overview

Free trade agreements (FTAs) between the European Union and Latin American and Caribbean (LAC) countries constitute a pivotal framework of bi-regional relations with multidimensional impacts. Free trade agreements can prioritize shared values and adapt to a contemporary multipolar order, shaping political, economic, and social ties between the regions. Latin America, renowned for its rich natural resources, serves as a vital global supplier of agricultural and raw materials. Hamburg is a significant hub for trade with LAC nations for Germany and a large part of Europe, and has traditionally had and will continue to play a crucial role in fostering and strengthening these ties.

The first close ties date back 500 years, and can mainly be attributed to immigrants from the Iberian Peninsula who conducted trade with Latin America from Hamburg. These close foreign trade relations have endured to this day. Collaborative efforts in industrial cooperation, strategic partnerships, and political alliances underscore the depth and breadth of relations between this Hanseatic city and Latin America and the Caribbean. Given the growing demand for industrial commodities, especially as a result of digitalization, and the need for diversified supply chains, Latin America offers Hamburg's foreign trade sector myriad opportunities to consolidate and expand traditionally strong trade relations. International organizations and institutions based in Hamburg, such as the EU-LAC Foundation, the Association for Latin America (LAV), and the GIGA Institute for Latin American Studies, further highlight the strategic significance of this relationship.

The Summit of Heads of State of the European Union and Latin American and Caribbean nations held in Brussels in June 2023 allowed for a renewed framework for bi-regional relations, showcasing strategic partnerships such as the EU-LAC Global Gateway Investment Initiative, the Digital Alliance, as well as emphasizing the modernization and ratification of the FTA. Furthermore, the First Mayor of Hamburg, during his recent visits to several South American countries, promoted new businesses and partnerships, especially in the energy sector, with a focus on hydrogen energy.

The Senate of Hamburg supports the EU signing of bi- and multilateral FTAs. Especially with Latin America, they strengthen existing relations, provide new opportunities for trade and investment, and support the diversification of markets. Hamburg's foreign trade strategy adopted in May 2023 also aims at strengthening and expanding economic relations between Hamburg and LAC.

In-depth study on the cartography of all the trade agreements, by the EU-LAC foundation, is available online.¹

A number of FTAs between the EU and LAC have been concluded over the past 20 years and have significantly reduced trade barriers. These include, among others, the bilateral agreements with Mexico, Chile, Central America and the Andean countries. On the basis of these agreements, the economic relationships between the EU and Latin America should be further expanded, potentially through additional or modernized trade agreements.

These successful agreements have already laid strong foundations by enhancing market access, facilitating the exchange of goods and services, and providing a stable framework for investment. The bilateral agreement with Mexico, for example, has not only increased trade volumes but also addressed issues such as workers' rights and environmental protection. Similarly, the agreement with Chile has improved access to raw materials and clean fuels while ensuring equal treatment of investors.

Negotiations on a FTA with Mercosur started in 1999, including political dialogue and trade. A political agreement was reached in 2019. However, ratification of the FTA was put on hold due to environmental concerns and human rights standards. Negotiations resumed in 2022, but there is currently a stalemate in the adoption process. If the agreement enters into force, both regions could benefit from the removal of customs.

Expanding these economic ties could involve negotiating new agreements or deepening existing ones. Therefore, the EU-LAC Foundation, together with the Ministry of Economy and Innovation of the Free and Hanseatic City of Hamburg organizes a discussion event in order to facilitate dialogue and collaboration between governmental, business, and civil society actors from both regions. The objective of the seminar is to provide a platform for experts, researchers, and other stakeholders to discuss and explore the opportunities presented by the FTAs between the EU and LAC for Hamburg and regional companies.

Format

The event will take place in Hamburg and is conceived as a face-to-face format with hybrid participation option for (inter-)national guests (1h30-2h), designed to delve into the opportunities arising from the FTAs. There will be an invitation-link to register for the local audience.

Keynote/ Panel Discussion

The event will start with a keynote presentation featuring two experts: MEP Bernd Lange and Associate Fellow of the German Council on Foreign Relations (DGAP), Prof. Dr. Detlef Nolte. They will provide a comprehensive overview of the achievements and opportunities arising from these agreements. Subsequently, a panel discussion will focus on the specific opportunities from these agreements for Hamburg institutions and businesses. The discussion will be moderated by an invited expert.

¹ <https://eulacfoundation.org/en/european-union-latin-america-and-caribbean-cartography-association-agreements-0>

1. Since their entry into force, how can the FTAs be evaluated in terms of trade relations and investment?
2. How can these FTAs contribute to favour of digitalization, social and political inclusion, as well as ecological transition?
3. How can existing and new FTAs strengthen business relations by addressing emerging challenges and opportunities in global trades?

Programme overview:

- 18:00: Opening remarks (5 min)
- 18:05: Keynotes (10 min-each):
 - o Bernd Lange, MEP, Chair of the International Trade Committee, European Parliament
 - o Detlef Nolte, Associate Fellow, German Council on Foreign Relations (DGAP)Q&A
- 18:45 Panel Discussion
Moderator: Orlando Baquero, Director General LAV (*tbc*)
 - o Bernd Lange, MEP, Chair of the International Trade Committee, European Parliament
 - o Detlef Nolte, Associate Fellow, German Council on Foreign Relations (DGAP)
 - o Sabine Kurtenbach, President a.i. of the German Institute for Global and Area Studies (*tbc*)
 - o *Additional panelist to be confirmed.*Q&A
- 19:30 Reception/Networking

Hamburg and other European institutions and consulates and trade offices of LAC countries can be invited to present information on their countries.