



Germany, Latin America and the Caribbean: A Strategy Paper by the German Government



Cover page photos:

Top left: The Brandenburg Gate in Berlin, Germany

Top right: Solar panels in Tulum (Yucatán Peninsula), Mexico

Centre: The VW factory in Puebla, Mexico

Bottom left: Pupils at a school in Matambú, Hojancha welcome the repair of their school's roof, which was financed as a micro-project by the German Embassy in San José, Costa Rica

Bottom right: The San Francisco church in Quito, Ecuador

I. Germany, Latin America and the Caribbean: trusted partners – new circumstances – shared values and interests	5
II. Germany's strategy on Latin America and the Caribbean	10
1. Preserving and strengthening shared values	10
Identifying common interests, intensifying the partnership	10
Promoting the rule of law and democracy, strengthening human rights	11
Regional integration: mastering cross-border challenges	15
Preserving peace, maintaining security, preventing crises	16
Working together to fight narcotics and organized crime	18
Promoting sustainable development, strengthening social cohesion	21
2. Assuming global responsibility together with Latin America	24
Working together, acting globally	24
Partners in the global economy: recognizing potential, sharing responsibility	25
Protecting the climate and the environment, preserving biodiversity	27
3. Seizing economic opportunities together	33
Economic relations: preserving traditions, shaping the future	33
Promoting the sustainable production and use of energy and natural resources	38
4. A partnership for the people: learning from one another	47
Creating a research network, encouraging innovation	47
Connecting people: promoting the German language and culture	51
5. Active policymaking: Germany's Latin America strategy in Europe	54
6. Looking ahead	57
Glossary	58

MAP OF THE REGION



I. Germany, Latin America and the Caribbean: trusted partners – new circumstances – shared values and interests

Relations between Germany and Latin America and the Caribbean* enjoy a special position within the international community. Shared values and similar interests, as well as the close cultural ties that have developed over time, form a unique basis for shaping cooperation that is both mutually beneficial at the bilateral level and responsible at the multilateral level. Latin America's growing economic and political influence offers new opportunities in this respect. By adopting and implementing this new, comprehensive strategy on Latin America policy, the German Government aims to bring a new level of quality to its relations with this important partner region in order to better harness the partnership's potential and reflect German and European interests.

*In this text the term "Latin America" also refers to the countries of the Caribbean.

In Latin America a commitment to the rule of law, democracy and human rights as well as the pursuit of a viable world order that is guided by multilateralism are widely considered key pillars of public policy. We have a common cultural heritage as well as the experience of longstanding political, economic, cultural and scientific and technological cooperation. German-Latin American relations are characterized by our shared values and the cultural and historical ties between Latin America, Germany and Europe – even given the considerable heterogeneity of the countries and subregions.

Recent developments are testing these ties and calling for a new commitment:

- The political climate is changing in some Latin American countries. New political movements and balances of power are inspiring a new course of political action.

In some places, democracy and the rule of law have been realized only in part, or not at all. In certain cases, these principles must be shielded from attacks.

- Many Latin American countries are seeking and finding additional partners in other regions of the world, primarily in Asia, but also in Africa. There are many reasons for this: the desire to diversify external relations, the increasing influence of non-European partners and, to some degree, also ideological motives.
- Many of our partners in Latin America, particularly the emerging economies, have gained considerable political and economic influence. In a globalized world, this means they are more important and sought-after political and economic partners than ever before. They confidently use their clout to shape cooperation.

These developments mean that today the common ground and ties that have traditionally shaped relations between Germany and Latin America are no longer to be taken for granted or indefinitely guaranteed. Germany must become more actively engaged in political relations and in the areas of business, investment and trade, as well as in the fields of development, the environment, culture, education and research in Latin America in

order to foster interest in Germany as a reliable long-term partner and to respond to the increased economic and political significance of the Latin American countries. Efforts to promote the rule of law, democracy and human rights as well as cooperation aimed at establishing networked security and improving social cohesion – also using development policy resources – contribute to preserving and strengthening our common basis of shared values. Therefore fostering and expanding this common ground with Latin America is a key requirement of a policy that is in tune with the special character of our relations with Latin America.

By building on our partnership, we can realize the interests shared by Germany and Latin America. There are three primary areas in which Germany and Latin America can work together:

- assuming global responsibility,
- expanding economic relations,
- fostering partnership in science and research, education and culture.

Assuming global responsibility together with Latin America

With the new political and economic influence our Latin American partners are gaining comes a duty to assume greater responsibility vis à vis global challenges such as environmental and climate protection, global disarmament and nuclear non-proliferation, the fight against organized crime and narcotics and reshaping the structure of the international financial system. Only by working together can we achieve progress in these areas. That is why we want to collaborate closely with our Latin American partners and develop joint initiatives to tackle these global challenges. We want our development policy in Latin America to focus on environmental and climate protection as issues of global significance.

Seizing economic opportunities together

Economic ties with Latin America are becoming ever more important. Latin America is increasingly integrating itself into the global economy. For Germany the region is an important production location and a continually growing market. In addition, the region supplies natural resources, agricultural products and increasingly also industrial goods. The need to modernize and expand infrastructure

is growing along with the region's economic strength. In Latin America there is a demand for German quality, German technology and German investment, also in the field of renewable energy. German industry has been represented in the region for over 100 years and enjoys a good reputation. It is stepping up its engagement in Latin America. The German Government supports these companies in all of their activities in the region.

Cooperation in the areas of science and research, education and culture

Today Latin America has become an important location for science, research and innovation and it is working to enhance this status. This, along with the close academic and cultural ties that Germany and Latin America have developed over the years, makes the region an excellent partner for Germany when it comes to networking and sharing knowledge and know-how.

Perfectly complementing the German Government's Strategy for the Internationalization of Science and Research¹, scientific and technological cooperation improves international networking and facilitates cooperation with companies in order to strengthen the transfer of technology from research to practice.



Diplomatic visit, Santiago, Chile

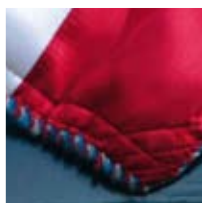
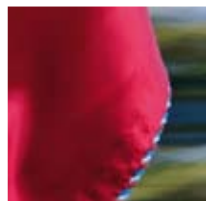


Latin America and the Caribbean: Basic facts

Number of independent states in the region	33
Population (2010)	588,649,000
Area	20,268,542 km ²
Per capita GDP	7000 USD
GDP growth (2010)*	approx. 4%

* Estimate

Sources: ECLAC, IMF



The special cultural ties between Latin America and Germany combined with a century-old network of cultural institutions grant us unique access to Latin America. The German Government wants to foster even greater appreciation for our culture and language among people in the region as well as maintain a fruitful dialogue and cultural exchange in a spirit of partnership.

In order to fully represent our values and interests in Latin America, we have to use our influence in a targeted manner to help shape European policy on Latin America and the Caribbean. Here we can build on the common ground and ties that also shape EU relations with the region. We want to use our influence in EU-Latin American relations in order to establish a coherent European position and to strengthen the strategic partnership between our regions and keep it vibrant. Thus, within Europe, German policy on Latin America aims to actively shape European policy.

Latin America is characterized by the impressive heterogeneity of its individual countries, which are shaped by cultural diversity and different geographical, economic, political and social conditions. The countries of the region differ greatly: from small island states to G20² members, from developing countries to

emerging economies, from centralized socialist states to OECD³ member states. The subregions stretch from Mexico and the Caribbean to Argentina and Chile. These differences necessitate a differentiated approach. New types of political, economic, scientific, technological, environmental and development cooperation that address the unique characteristics of the individual countries are needed.

The German Government's guidelines for cooperation with Latin America as well as its projects in the region are based on these approaches to the long-term development of German policy on Latin America. The following sections outline the details of the German Government's strategy on Latin America.

The next section describes the steps we intend to take to preserve shared values. This is followed by a section on the issues and opportunities that come with joint multilateral responsibility. The third section deals with the bilateral economic exchange between Germany and Latin America, while the fourth section details the potential for cooperation in the areas of research, innovation and culture. The last section is devoted to Germany's efforts to actively shape EU-Latin American relations and the final part of the strategy paper looks ahead to the future.

II. Germany's strategy on Latin America and the Caribbean

1. Preserving and strengthening shared values

Identifying common interests, intensifying the partnership

Germany and Latin America are closely linked by relations that go back centuries. Few countries have such deeply rooted ties with Latin America that have remained extraordinarily strong up to the present. German researchers and scientists have made decisive contributions to exploring the continent and inspired mutual interest. Primarily in the 19th century, German emigrants of all imaginable professions and trades made their way to Latin America. These traders, craftsmen and scientists contributed to the development of their new home. Political and economic relations have a long history as well: the process that led to the independence of the Latin American countries began 200 years ago. Germany became a reliable partner for these countries, and continues to be one today. Over the years we developed broad-based relations that still shape our partnership now. The task at hand now is not just to maintain the traditionally close ties between Germany and Latin America,

but to intensify them in order to prepare our partnership for the future, seize new opportunities together and jointly tackle global challenges. Moreover, Germany has a strategic interest in the economic potential presented by the emerging economies of Latin America, in their significance for our natural resource and energy needs and in their innovative strength.

Latin America is a natural partner for us in joint efforts to achieve greater peace, freedom and security in the world. At the same time, Germany is a trusted partner of Latin America on issues such as protecting human dignity, social justice, sustainable development and the rule of law. However, a lasting orientation of the region towards the European Union



Federal Chancellor Angela Merkel receives Mexican President Felipe Calderón Hinojosa

and Germany is by no means guaranteed. Taking new approaches to cooperation, some Latin American countries have focused strongly in recent years on diversifying their external relations. Increasingly, they are cooperating politically and economically with regions outside of Europe. Some countries are focusing more strongly on Asia while others are turning to other emerging economies and southern countries. In addition, they are confidently displaying their greater influence in foreign affairs on the international stage. Given these circumstances, we have to work even harder to intensify relations between Latin America and Germany.

With 22 embassies, four consulates-general and 73 honorary consulates, the dense network of German missions abroad provides a solid foundation for doing precisely this. The network is further strengthened by the presence of German industry with 21 German Chambers of Commerce Abroad; cultural institutions with 15 Goethe Institutes, 37 German International Schools and a total of nine local offices and information centres of the German Academic Exchange Service (DAAD); as well as development policy organizations, which have offices in 15 countries.

The German Government

- is focusing more strongly than it has until now on Latin America as a key element of German foreign, development, economic, cultural, education, research and environmental policy.
- is strengthening the political dialogue on bilateral, regional and global issues through intensive consultations.
- will shape its policy to reflect the individual characteristics and different interests and needs of the countries in the region.

Promoting the rule of law and democracy, strengthening human rights

Only if it is stable and respects the rule of law can Latin America be a reliable political and economic partner. The **rule of law** is an indispensable requirement not only for individual freedom but also for the overall development of the region. It guarantees people freedom from arbitrary actions by the state and protection from discrimination. It protects private property as the basis for a self-determined life in economic freedom. The rule of law also gives businesses and investors greater security to plan for the future. Democratic constitutions and a commitment to **democratic** ideals are widespread in Latin America. Yet in some Latin American states democracy and the rule of law have not been fully realized or have



The "Justitia" sculpture in front of the building that houses Brazil's highest federal court, Brasília
Architect: Oscar Niemeyer

seen setbacks. In some places, the state is also encroaching upon political pluralism. Moreover, in dialogue with Latin America the German Government must adapt to a host of new political powers and elites. In some countries social inequalities, insufficient governance and corruption are leading to dissatisfaction among the population and encouraging a populist understanding of democracy that at times departs considerably from our understanding of a pluralistic, free, democratic state governed by the rule of law. Therefore, one goal must be to counter the polarization of society within Latin American countries and to promote democracy and the rule of law. The more we have in common with individual countries in terms of values, the better the chances are for successful bilateral and multi-lateral cooperation.

The German Government

- offers targeted support to Latin American countries to stabilize democratic and rule-of-law structures, placing special emphasis on promoting pluralistic and representative party systems, the separation of powers and parliamentary control.
- will, to this end, actively support election observation missions organized by the EU and other international organizations, as well as national election observation

procedures, where they can be useful.

- supports the political foundations and civil society actors in their efforts to promote democracy and the rule of law.
- is expanding basic and further training for police officers and legal personnel in order to strengthen their rule-of-law approach and increase their acceptance by society.
- is continuing cooperation with the armed forces in order to promote anchoring their actions within the rule of law.
- supports the decentralization and modernization of state institutions, also financially.
- promotes more socially just tax systems and the effective and transparent use of public funds.
- is working to foster a diverse and vibrant civil society in the countries of the region.
- is working to achieve rule-of-law guarantees in business law, including the protection of private property, and to counter corruption.

Working to achieve global respect for and protection of **human rights** is a guiding principle of German foreign policy. The German Government regards human rights as universal and indivisible. A common commitment to human rights links Germany with its partners in Latin America. However, Latin American

countries also face a number of challenges in this area specifically in guaranteeing freedom of the press and freedom of opinion, ensuring transparency and efficiency of the judicial authorities, reducing violence and countering child labour and child prostitution. Strengthening the rights of disadvantaged population groups and promoting non-discrimination towards minorities, particularly indigenous peoples, also presents a considerable challenge given existing social tensions. Even years after the end of military dictatorships and civil war, many countries in the region have yet to complete processes of internal reconciliation and investigate human rights violations. Many governments of Latin American countries actively seek our support in strengthening their structures for guaranteeing rights that are jointly recognized. Other governments deny their citizens universally recognized human rights. The German Government takes these differences into account in its cooperation with countries in the region.

Within the United Nations (UN) the “Group of Latin American and Caribbean States” is one of Germany’s key partners in upholding and further developing human rights standards. There are many starting points for cooperation. These include, for instance, resolutions

by individual countries as well as resolutions on the rights of the child, on reforming the UN Human Rights Council, on the rights of indigenous peoples and on countering religious intolerance.

The German Government

- will continue to promote the protection of human rights and the independence of the media in Latin America. It will discuss human rights issues at all political levels and also pursue these issues intensively within the framework of the EU.
- is working to protect human rights advocates in the countries as well as victims of political persecution.
- promotes human rights protection in cooperation with state institutions and civil society in the countries of Latin America, financially as well as through projects, and will continue the dialogue with representatives of civil society and local human rights organizations.
- is working, also within the framework of the EU, towards a moratorium on and the eventual abolition of the death penalty, particularly in the states of the Caribbean, which have so far failed to endorse a relevant United Nations resolution.
- aims to help improve access to education for marginalized groups.

- is working to protect the rights of indigenous peoples and the members of these populations.
- welcomes and supports the fact that segments of the population which have so far been excluded from the political process are now increasingly participating.
- advocates that new strategies developed within the framework of EU Latin America policy regard the protection and promotion of human rights in the region as an important component.
- is working, along with its EU partners, closely with the Group of Latin American and Caribbean states at UN level on human rights issues.

Regional integration: mastering cross-border challenges

Regional integration can make substantial contributions to peace, stability and economic development on the sub-continent. In recent years, new regional associations such as the Union of South American Nations (UNASUR) and the Community of Latin American and Caribbean States (CELAC) have been founded based on the established formats such as the Common Market of the South (MERCOSUR), the Andean Community, the Central American Integration System (SICA), the Caribbean Forum of African, Caribbean

and Pacific States (Cariforum) and the Rio Group. Additionally, the importance of the cross-border expansion of transport links and cooperation between companies is gradually growing. All of this is helping to advance integration in the areas of traffic, transport and business. Germany welcomes these integration efforts and will continue to support them. Promoting regional and subregional integration initiatives and fostering bilateral relations and partnerships with individual countries are approaches that complement each other. Other new integration approaches in Latin America aim to coordinate policies. The German Government's attitude towards these approaches depends on which policies are involved.

Over the past few years, Germany has significantly stepped up its engagement in select regional institutions. The German Government supports the work of the Organization of American States (OAS), where we enjoy observer status, by providing financial assistance for suitable projects. As a member of the United Nations Economic Commission for Latin America (ECLAC/CEPAL) and the largest bilateral donor, Germany is actively involved in the regional economic, environmental and development policy discourse. We are a partner of the Inter-American Development Bank (IDB) and of other regional development

banks. We are assisting the Central American integration process through projects implemented in cooperation with the Central American Integration System, in which Germany enjoys observer status. Germany also has close ties to the Caribbean Community (CARICOM). We are working with CARICOM to implement numerous regional projects, for example in the field of renewable energy.

The German Government

- engages with the OAS, ECLAC and the IDB to promote peace, democracy, human rights and sustainable development in Latin America.
- will support UNASUR in its efforts to promote regional integration by encouraging transparency within the framework of confidence-building measures.
- aspires to intensify relations with the Organization of Eastern Caribbean States (OECS), where the regional integration of the Caribbean states is particularly advanced.

Preserving peace, maintaining security, preventing crises

From a global point of view, Latin America is a relatively peaceful and stable region. However, some domestic conflicts and regional tensions remain to be overcome. Preventing

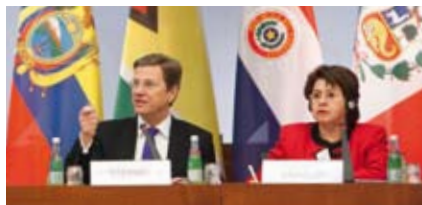
violent conflicts and crises is an aim shared by German foreign, development and security policy. The German Government favours an approach that encompasses and links all policy areas. Our goal is to recognize the causes of conflict early on and efficiently counter them. Eliminating extreme social and economic inequalities strengthens social peace. Measures aimed at reducing and adapting to the effects of climate change⁴ also serve as a means of conflict prevention. Internal security and legitimate state structures promote political stability and foster development and economic exchange. Partnership and networking with Latin America in the field of security is in our own interest. It enables us to counter threats mentioned in the European Security Strategy⁵ such as organized crime and narcotics, terrorism and proliferation.

Germany and the countries of Latin America are also working together at the global level to strengthen peace and security through disarmament and non-proliferation. We see Latin America, a region without nuclear weapons, as a source of important allies for bolstering the Nuclear Non-Proliferation Treaty and its pillars of non-proliferation, nuclear disarmament and the peaceful use of nuclear energy. In addition, these efforts include promoting the swift entry into force

of the Comprehensive Nuclear-Test-Ban Treaty and strengthening the International Atomic Energy Agency (IAEA) and its monitoring instruments. We want to encourage still-hesitant states to work towards these goals. We are also working with the Latin American states on developing and strengthening regulations in the areas of conventional arms control and export controls on arms. One particular focus is the consistent implementation of the UN Programme of Action on Small Arms and Light Weapons⁶.

The German Government

- is promoting the still-fragile process of creating a regional regime of confidence- and security-building measures⁷ (CSBMs).
- is thereby sharing the experience Germany has had within the Organization for Security and Cooperation in Europe (OSCE).
- is expanding its contact to regional security organizations in order to continually follow this development.
- is continuing military cooperation on a broad and differentiated basis.
- is using bilateral and multilateral cooperation with Latin America to strengthen the international treaty architecture in the area of non-proliferation, disarmament and arms control and to intensify cooperation in the area of export controls.



Confidence-building in South America

Transparency in military affairs builds confidence and can help reduce the potential for conflict. That is why the Union of South American Nations (UNASUR) has resolved to develop a system of regional confidence- and security-building measures (CSBMs). To support this initiative, at the start of 2010 Germany invited representatives of the UNASUR member states to visit Berlin, Vienna and the German-Polish border to learn more about Europe's security architecture. Because UNASUR's security structures are still in the start-up phase, the trip served as an important source of momentum – Germany has thus become a valuable partner to UNASUR in the field of security and will continue its engagement.

Photo: Federal Foreign Minister Guido Westerwelle and Marjorie Ulloa, Head of the UNASUR delegation, Berlin

Working together to fight narcotics and organized crime

Some Latin American societies are affected in many ways by organized **crime** and widespread violence as well as the cultivation, production, trade and consumption of narcotics. **Drug-related crime** is often led by cartels that are also involved in weapons smuggling, human trafficking, corruption and money laundering. Domestic conflicts and violence motivated by terrorism are often financed by the narcotics trade. In some countries, the absence of the rule of law, corruption and above all widespread poverty are also significant causes of growing violence. Drug-related crime not only hinders peace and sustainable development in Latin America, it also has a negative impact on its export markets, Europe included.

In accordance with the EU Drugs Strategy 2005–2012⁸, the German Government is working to reduce both demand and supply.

In Germany's view, fighting the smuggling of cocaine and other drugs is not just the responsibility of the countries where the drugs are grown, but rather the duty of all countries affected by the drug trade as markets or countries along the smuggling route. On this issue we need to cooperate even more strongly within the framework of the United Nations than we have to date.

Security cooperation with Brazil

In 2008 Germany and Brazil signed an agreement on joint security cooperation that entered into force on 29 January 2010. The aim of the agreement is to support Brazil as it modernizes its police institutions. In particular, Germany will share its experience in hosting major sporting events with Brazil. A joint declaration of intent negotiated in 2009 envisages the establishment of a joint coordination group, with working groups, and a comprehensive work programme on security.

The German Government

- will continue its active involvement in the joint EU-LAC (Latin America and the Caribbean) Mechanism for Coordination and Cooperation on Drugs⁹.
- is actively working to develop projects aimed at creating economic alternatives to drug cultivation as well as controls; these projects will be implemented with EU funds.
- is continuing to promote a development-oriented drugs policy within its cooperation with the Andean countries.
- by means of this policy is pursuing economic and social development, the elimination of violence and the creation of condi-

tions that will foster long-term economic alternatives.

- is contributing through appropriate projects, including seconding liaison officers, to capacity-building in the areas of the judiciary, police and customs.

Successfully regulating **migration**, also from Latin America to Europe, requires a comprehensive approach and close partnership between countries of origin, transit countries and destination countries. Developing a comprehensive, forward-looking European migration policy based on solidarity and responsibility is one of the EU's primary goals.

The German Government supports the EU-LAC Structured and Comprehensive Dialogue on Migration¹⁰. Within this framework, we aim to identify common challenges in the field of migration and find solutions for this sensitive and often contentious issue.

The German Government

- participates actively in the EU-LAC Structured and Comprehensive Dialogue on Migration and offers its support in defining common challenges and interests, as well as in developing solutions for current migration issues.
- will continue to cooperate with countries of origin and transit countries in Latin America to reduce irregular migration and coordinate on regular migration.

Triangular cooperation in the energy sector

Natural gas is becoming an increasingly significant source of energy in Latin America. To function smoothly, the market for natural gas has to be transparent and effectively monitored. Germany, Mexico and Brazil have launched triangular cooperation projects with Bolivia and Peru in order to optimize the necessary metrological infrastructure at the state metrology institutes and also to transfer expertise. In this way, Germany and its partners in the region are making a contribution to harmonizing the natural gas market and to improving consumer protection.

A wind farm near Fortaleza, Brazil



Promoting sustainable development, strengthening social cohesion

Over the past years and decades Latin America has made significant progress in development. The region's economy has grown in recent decades, even if the growth was slower than, for instance, in Asian growth regions. This can be explained by difficult conditions and weak state institutions. Additionally, Latin America is a region with major inequalities in property and income distribution. Through smart economic policy and effective social policy measures such as new social programmes, many countries have achieved remarkable success in reducing poverty and income inequality. Nevertheless, roughly a third of Latin America's population still lives in poverty.

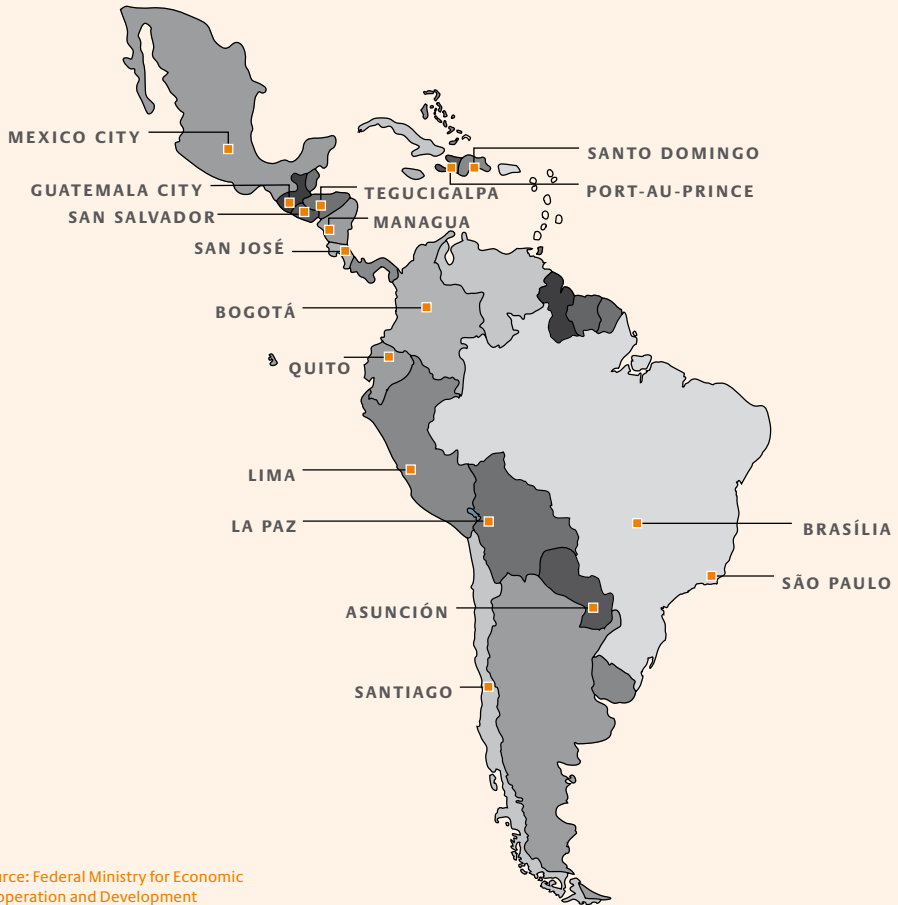
Germany considers fiscal and tax policies aimed at achieving balance in society as well as the promotion of job opportunities to be important contributions to social peace and to securing the foundations of a pluralistic democracy. These actions must be accompanied by the development of social security systems and the promotion of social dialogue. Latin America's political and business leaders have a special responsibility in this regard. German development cooperation has been successfully engaged in the region for over 50

Development cooperation priorities

- Promoting environmental and climate protection including a sustainable energy supply. Engagement in this area is focused largely on Brazil and Mexico. However, there is also close cooperation with countries like Ecuador, Honduras and Nicaragua as well as the CARICOM countries.
- Developing democracy and the rule of law. In this area we have particularly close cooperation with Bolivia, Ecuador, Guatemala, Peru and Colombia.
- Developing efficient local water resources management. Direct, unimpeded access to water is an important aspect of fighting poverty, particularly in the Andean states and Central America.

years. Today Germany's development cooperation with Latin America is focused on three main areas: environmental and climate protection, democracy and the rule of law and water resources management¹¹. The approach of helping people help themselves is also strengthened through vocational training, especially for Central America's very young population. Germany is therefore increasingly relying on development cooperation, particularly in the form of vocational training.

IMPLEMENTING ORGANIZATIONS OF GERMAN DEVELOPMENT COOPERATION



Source: Federal Ministry for Economic
Cooperation and Development

Promoting a sustainable economy is also a focus in Central America. In more developed partner countries, particularly Brazil and Mexico, development cooperation also reflects these countries' newly acquired global influence. Through triangular cooperation¹² projects, Germany is encouraging advanced countries in Latin America themselves to increasingly undertake development cooperation in third countries.

The German Government

- strongly supports the efforts of the Latin American countries to overcome social inequalities and, to this end, is promoting more fairly designed tax and social welfare systems.
- supports the Latin American Governments in fighting extreme poverty and improving political and social participation among the poor.
- aims to further diversify the forms and instruments of its development cooperation efforts in response to the ever growing differences in the level and pace of development in Latin America.
- provides support to local administrations and democratic supervisory bodies to help them perform their duties.
- aims to promote self-sustaining, self-help-oriented development, especially in the

Job promotion and vocational training for young people in Central America

Approximately two thirds of Central America's population are under the age of thirty. To improve professional and social prospects for young people, Germany is supporting ministries, vocational training institutions, municipalities and business in Honduras, El Salvador, Nicaragua and soon in Guatemala. In Honduras and El Salvador young people receive counselling on how to choose a profession, search for a job or start their own business. Germany supports five vocational training centres in Nicaragua that train young people in seven different professions. Within the framework of education cooperation with Latin America, elements of the German dual system were successfully introduced into vocational training in Mexico in recent years. Germany will continue to support this process.

region's poorest countries, through needs-based support in the field of education, for example, and by improving the conditions for economic engagement.

- is offering consultation to the states on how to develop a social market economy,

among other things, and is thereby also intensifying its partnership with ECLAC.

- to this end is working to achieve greater coordination between external economic affairs policy and development cooperation and is involving industry early on in the process.
- is working to ensure that international labour and social standards, including the promotion of corporate social responsibility, are observed in practice.
- is relying on bilateral ties and multilateral organizations, specifically the International Labour Organization (ILO), to do this
- continues to advocate global trade and finance structures that give all emerging economies and developing countries a fair chance at economic and social development.

2. Assuming global responsibility together with Latin America

Working together, acting globally

Today the world faces a number of **global challenges** that can only be solved if the international community works together. Given the community of shared values that has emerged over time, Latin America is a natural ally for Germany in working to overcome these challenges. Latin America and the Caribbean countries play an important role at the United Nations. Many countries in the region are actively involved in the current debates on UN reform, climate change, the Millennium Development Goals¹³ and sustainability, to name just several issues. For instance, the majority of the countries in the region calls for a reform of the UN Security Council, as does Germany. Here we have a common interest in adapting the Security Council to today's world. In its current form, the Security Council reflects the world of 1945; not a single Latin American country has a permanent seat on the Council.

Some states in the region have demonstrated their willingness to assume international responsibility by participating in UN missions in Haiti and the Congo, for example. It is in both Germany's and Latin America's interest

to strengthen multilateralism and the UN as an organization. Together Germany and Latin America can make an important contribution to overcoming traditional North-South tensions between industrialized countries on the one hand and developing countries and emerging economies on the other.

The German Government

- aspires to stronger coordination with its Latin American partners in the search for the right approaches to overcoming global challenges.
- supports Latin America in using its growing influence to assume greater responsibility at the global level.
- is strengthening its cooperation with Latin America as an important multilateral partner in the UN and is expanding it by building on shared values and interests
- aims to intensify the dialogue with Latin American countries on current UN policy issues.
- will launch joint initiatives with Latin American partners in the United Nations on suitable issues such as peace and security, climate protection, equality and health.
- is working closely within the UN with Brazil, a country with which Germany enjoys especially close ties due to a stra-

tegic partnership and joint efforts to bring about a reform of the UN Security Council.

- provides training programmes for young representatives from politics, academia, business and the diplomatic service in the region to give them the opportunity to learn more about current foreign policy and globalization issues. At the same time they are able to broaden their professional skills and learn more about Germany.

Partners in the global economy: recognizing potential, sharing responsibility

Many Latin American countries have experienced very positive economic development. Latin America's stronger presence at the international level is also an expression of this development. The OECD has expanded its processes of enlargement and cooperation to include Latin America. In addition to Mexico, Chile has been a member of the OECD since 2010. The OECD has also intensified its cooperation with Brazil. Germany is one of the leading trade nations and is also closely tied to the world economy through investment.

We therefore have a vested interest in seeing that the emerging economies are fully integrated into the global economy. These countries also have to be included in the development of suitable strategies for addressing global issues.

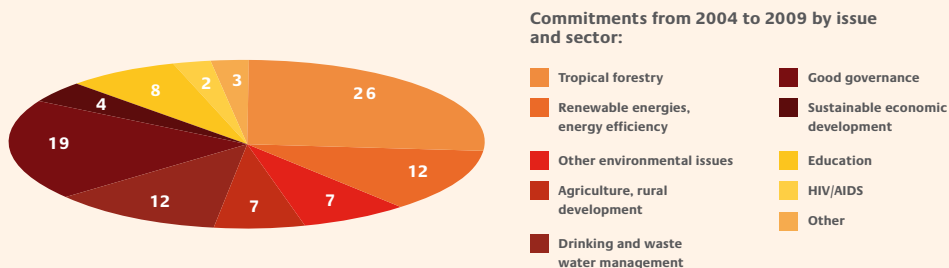
This process, which gives the emerging economies a greater say and also calls for them to assume greater responsibility, was initiated by the German G8¹⁴ Presidency in 2007. This development was taken into account in Pittsburgh in 2009 with the establishment of the G20 as the primary forum for cooperation on global economic issues. Brazil, Mexico and Argentina are among Germany's partners in the G20. Equal participation and partnership

in the global economy are preconditions for purposeful cooperation.

The German Government

- is working with the Latin American G20 member states to find joint solutions to global economic and social issues.
- aspires to close cooperation with the Latin American countries within the framework of the OECD.

Financial and technical cooperation with Latin America in % (of budget funds)



Source: Federal Ministry for Economic Cooperation and Development

Protecting the climate and the environment, preserving biodiversity

In many Latin American countries in recent years there has been a growing sense that a sustainable environmental policy is essential to long-term growth. Such a policy can bring considerable impetus to economic development and reveal possibilities for decoupling rising energy consumption and greenhouse gas emissions from economic development.

Latin America has been particularly affected by climate change. The glaciers are melting in the Andes and in Central America and the Caribbean the number and scale of storms and other natural disasters has clearly increased. In this regard the small island states of the Caribbean are especially vulnerable. It is therefore imperative to adapt to climate change, particularly in the areas of agriculture, forestry and rural development. Greenhouse gas emissions due to land use change¹⁵ must be reduced because they contribute significantly to global climate change. Adequate prevention measures can help avoid casualties and reduce damage.

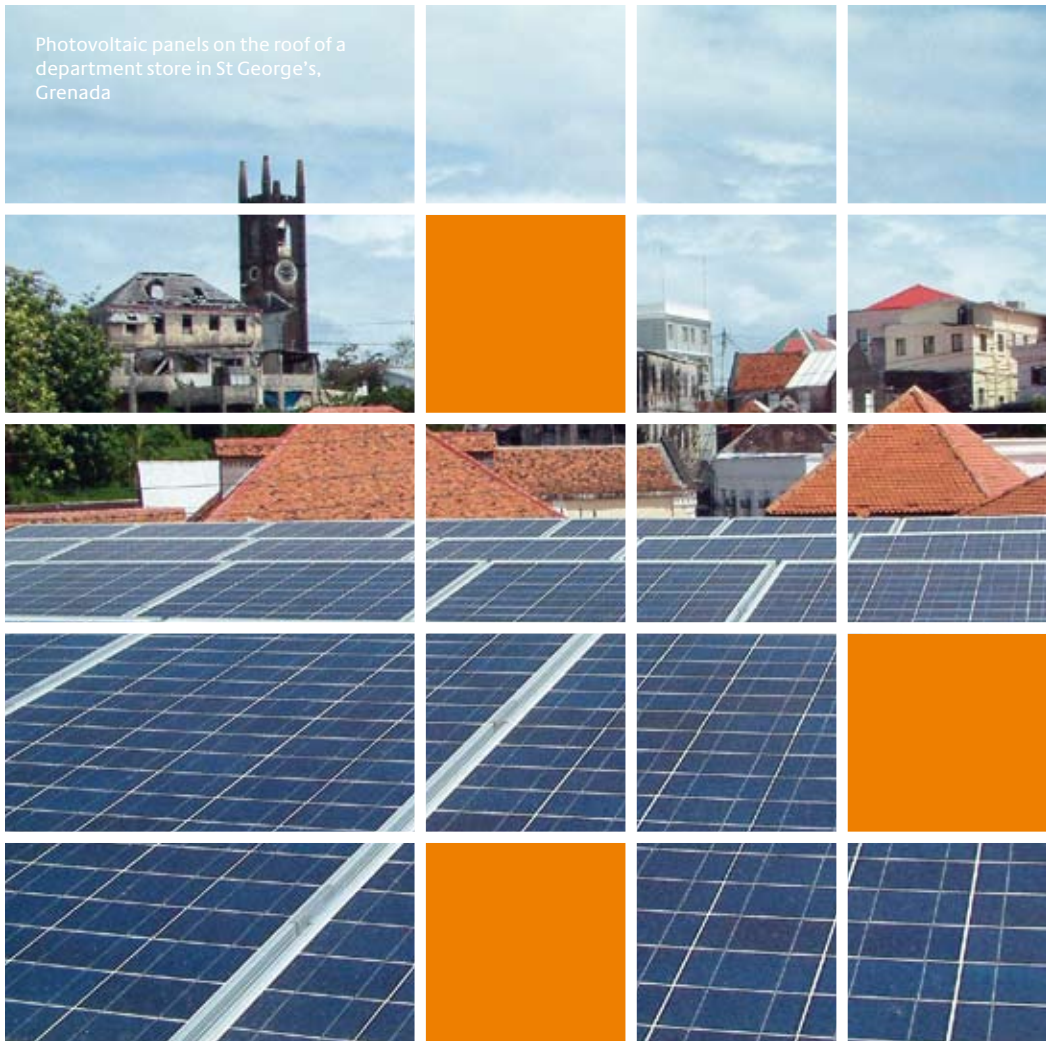
Climate protection, as well as the energy supply, are therefore becoming ever more important. In light of Latin America's rapidly developing economies and the related increasing

Costa Rica: Communal development as a model

Germany has supported Costa Rica in its local and communal development for over a decade. The aim was for the communities to assume greater responsibility and to increase citizen participation. At the same time local economic development was driven forward and environmental management was bolstered. For instance, Germany helped establish a waste and recycling system and advised decision makers on local investments. Overall Germany has worked with 33 communities, primarily in rural areas and border regions. One indicator of success was a recent decree by the President, in which he stated that the modernization of communal development tested in our cooperation would be implemented across the country.

energy consumption, a switch from fossil fuels to renewable energy sources is becoming necessary in order to reduce greenhouse gas emissions. Here the focus is on energy- and resource-efficient production as well as on increasing the share of renewable energies in the energy mix.

Photovoltaic panels on the roof of a department store in St George's, Grenada



Preserving the major rainforests and the ecosystems of Latin America is also necessary to stop the drastic loss of the region's incredible biodiversity. According to the United Nations, Latin America is home to nearly half of the world's rainforests and to 33% of all known mammal species, 35% of reptiles, 41% of birds and 50% of amphibians. The sustainable use of ecosystems is essential to reducing ground erosion, steppe formation and desertification. It is the basis for the further economic and social development of the region. To protect biodiversity, the number of protected land and water areas in the region has been more than doubled between 1990 and 2008. Today approximately 11% of Latin America's surface has been designated a protected area, more than in any other region of the world.

Germany has been a leading partner in global rainforest protection and the preservation of biodiversity since the 1990s. Today both issues are focuses of development cooperation with the region.

The German Government's approach to protecting the indigenous population's land is also important in this context. In this way the German Government is making an important contribution to reducing deforestation, to establishing nature conservation areas, to



Disaster prevention in the Caribbean

Germany is using humanitarian aid funds to promote a disaster prevention project run by Johanniter International Assistance in

seven Caribbean countries. The local population's ability to help itself is strengthened by training instructors in the areas of early warning, risk analysis, first aid and emergency management. Moreover the project supports the establishment of community-based prevention committees which receive a basic supply of disaster prevention and first aid items and appliances that give warning of an impending disaster and help people to help themselves.

Photo: Hurricane rescue drill

climate protection as well as to sustainable forestry and agriculture. In addition to inter-governmental cooperation, Germany is making an effort to mobilize private capital for the areas of energy, industrial environmental protection and water resources management.

The German Government

- intensively supports climate, environmental and resource protection in the region, primarily with development policy, environmental policy and science and research cooperation resources.
- aims to expand cooperation in the area of climate and the environment in its relations with Latin America. This includes cooperation on environmental technology and environmental management.
- will continue bilateral and multilateral cooperation with Latin America in the area of rainforest, environmental and climate protection and aims to intensify this cooperation. Here, Germany can rely on the trust that has been built over many years of cooperation.
- is financing investment in climate-relevant areas through the Initiative for Climate and Environmental Protection (IKLU¹⁶). This includes energy efficiency and renewable energies, industrial environmental protection, the ecological development of metropolitan areas, energy-efficient transportation¹⁷ and measures for adapting to climate change.
- is promoting research on tropical forestry, for instance through the German Research Foundation's research group on tropical mountain forests in Loja, Ecuador.

Preserving biodiversity in Ecuador

Northern Ecuador is one of the most biodiverse regions in the world, but it is endangered by expanding lumber companies and advancing settlers. Germany supports the preservation and sustainable use of this area. An agreement with the indigenous communities that live there, which Germany helped initiate, states that 5.89 USD per hectare per year will be paid for an area of 7200 hectares in exchange for the preservation of the forest. Due to its success, the Ecuadorian environment ministry has translated this model into a nation-wide programme ("Socio Bosque" or "Partner Forest"). Today around 40,000 families benefit from this policy and over 400,000 hectares have already been designated protected areas.

- supports the Plan for a Sustainable Amazon within the framework of the development cooperation focus “Protection and Sustainable Use of the Rainforest”. It also contributes to the Brazilian Government’s Amazon Fund.
- is making additional financial resources available from the returns on auctioning emissions trading certificates, e.g. to the International Climate Initiative¹⁸. This initiative promotes measures that contribute to increasing energy efficiency, expanding renewable energies, adapting to the consequences of climate change and to protecting climate-relevant biodiversity.
- will continue to offer the countries of Latin America its support in developing and expanding their capacity to help themselves in the field of disaster prevention. This includes, for instance, establishing and using early warning systems and pilot projects aimed at raising awareness among the local population.
- is available as a partner for economic reconstruction following natural disasters.

Environmental management in Mexican companies

Mexico, one of the most populous countries in Latin America with major growth potential, is focusing its economy on environmental sustainability. The overuse of resources, a shortage of fresh water and sharply fluctuating oil prices are all factors that promote an interest in renewable energies and energy efficiency. This calls for decision makers to think outside the box. The programme “Technology Partnerships for the Use of Renewable Energies in Mexican Firms” addresses Mexican policy makers, experts and executives working in the fields of environmental management and new technologies. Run by the capacity-building agency, InWEnt, the two-year programme offers on-the-job training in Mexico and Germany.



Electrically powered trolleybus in Quito, Ecuador

3. Seizing economic opportunities together

Economic relations: preserving traditions, shaping the future

Our bilateral economic relations with Latin America have a long tradition: German companies have had subsidiaries in the region for more than 100 years and enjoy a high standing, while German immigrants have contributed to economic development in the region. Germany's trade with Latin America has grown more during the last few years than our overall trade. Solid economic fundamentals, market-oriented economic policies in many countries and growing regional integration mean that there is good reason for German companies to show renewed interest in the region.

Latin America's share in the global economy and international trade is increasing and many countries have high growth rates. They demonstrated their economic stability during the economic and financial crisis and were hit less hard by the recession than many established industrialized nations. What is more, they recovered more quickly from the crisis. Germany and Latin America want to seize these economic opportunities to their mutual benefit.

The German Government

- continues to regard the conclusion of the Doha Round as the top priority in Germany's trade policy.
- is seeking multilateral tariff reductions or bindings, as well as the dismantling of non-tariff trade barriers within the framework of the Doha Round, especially in the industrial goods sector, which is so important to Germany.
- is laying the groundwork for accessing new, open markets in Latin America by concluding biregional and bilateral association and free trade agreements at EU level which complement multilateral liberalization.
- is stepping up its efforts to ensure trade in both directions between Germany and Latin America, also in the case of industrial goods and investments. Germany is open and welcomes investments from all partners.
- will help business to take advantage of the opportunities arising from the free trade and association negotiations with countries and regions in Latin America.

GERMAN CHAMBERS OF COMMERCE IN LATIN AMERICA AND THE CARIBBEAN



* In Guatemala City there is also a Regional Chamber of Commerce for Central America and the Caribbean

Source: Federal Ministry of Economics and Technology

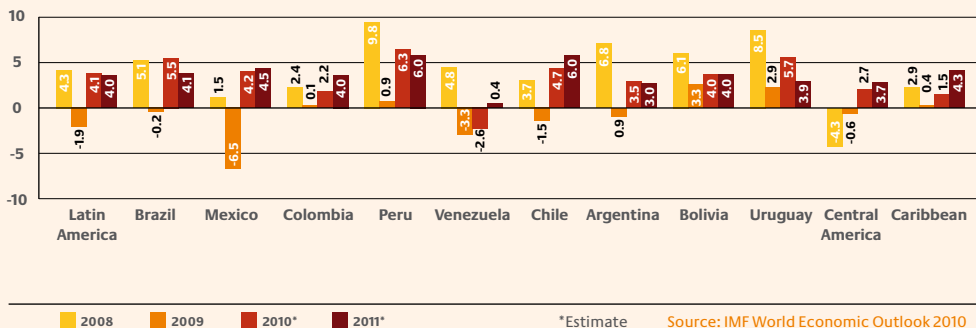
The German Government is helping German business to tap into Latin America's potential. It is keen to involve business in selecting and defining measures. Small and medium-sized enterprises are a key target group for **external economic promotion**. In the Latin America Initiative of German Business, in which business associations work together, it has found a key partner.

Economic growth has created the need for new infrastructure projects in most Latin American countries. These projects enable German business to get involved in the

region. Given the continent's diversity, country and sector-specific initiatives are needed. One good example of this is Brazil, which is facing additional special challenges as host of the 2014 FIFA World Cup and the 2016 Olympic Games.

Major infrastructure projects, such as the construction of roads, railway lines, ports, airports and logistic centres are of particular interest to German business. But in other areas, too, cutting-edge German technology is in demand, for instance in mining, renewable energies, environmental technology and the health sector.

Growth in GDP in %

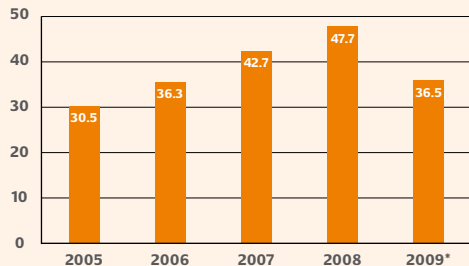


Germany has experience in planning and organizing such major projects on a long-term and sustainable basis.

It can contribute this experience to Latin American projects. The German Government is focusing on Latin America within the scope of the Foreign Trade and Investment Campaign¹⁹ launched in March 2010.

The German Government

Germany's trade with Latin America in billion euro



The growth in Germany's trade with Latin America from 2005 to 2009 was **16.32%**. Germany's overall trade rose by a mere **4.74%** during that period.

*Estimate

Source: Federal Statistical Office

- is accessing new export sectors and markets in close cooperation with German Chambers of Commerce Abroad and the state-owned Germany Trade and Invest (GTAI). Together with the German missions, the Chambers of Commerce Abroad and GTAI form the three pillars of external economic promotion.
- fosters, supports and advises small and medium-sized enterprises in Latin America. In particular, it provides political support for bids by small and medium-sized enterprises for public sector contracts.
- helps German companies to gain a foothold in Latin America's markets by supporting fact-finding and contact trips and by organizing an official German presence at trade fairs.
- supports the efforts of the OECD to encourage non-OECD countries to submit to international discipline in the sphere of export guarantees.
- promotes and safeguards German investments through investment promotion and protection agreements, as well as state investment guarantees.
- supports the efforts of German business, in particular those of small and medium-sized enterprises, to gain better access to planned investments.
- to this end supports in particular the ef-

forts of German business to bring together German and Latin American companies for projects such as major sporting events. It encourages business to come together to coordinate such projects in advance.

- backs this up where possible with memoranda of understanding and other initiatives.

Successful cooperation among companies in the regions depends on adequate protection for intellectual property, a reduction in red tape, investment protection and the guarantee of a reliable legal framework.

The German Government

- strives to ensure that the high level of protection provided by existing bilateral investment protection and promotion agreements is maintained and, if possible, enhanced, even after the transfer to the EU of competence for the treaty-based protection and promotion of investments.
- advocates rules which go far beyond the existing level of protection offered by WTO agreements when it comes to negotiating EU Association and Free Trade Agreements.
- is working to bring about the swift conclusion of further double taxation agreements with partners in the region.
- cooperates with Latin American states to



The business initiative “WinWin 2014/2016” in Brazil

To mark the 2014 FIFA World Cup in Brazil, German companies, led by the Federal Economics Minister, presented their special know-how to the Brazilian Government at the German-Brazilian Business Forum 2009. Brazilian interest in cooperation with Germany led to the establishment of the business initiative “WinWin 2014/2016”, which also encompasses the 2016 Olympic Games in Rio. The Federation of German Industries (BDI) also set up the “Brazil Board”.

The Federal Economics Minister has already signed a memorandum of understanding with Brazil concerning three core areas, namely stadium construction, security and infrastructure.

- ensure the efficient use of existing patent systems in the region.
- is calling for fair economic conditions for private sector companies, trade and investments in the region.
- is offering a dialogue on regulatory issues in order to create these basic conditions

- fosters efforts by companies to actively assume their social responsibility, for instance within the framework of initiatives on corporate social responsibility such as the Global Compact²⁰.
- is involving the German private sector more than hitherto in the international efforts to achieve global development targets.
- supports the efforts of Latin American states to promote the formal economic sector and to ensure participation in the official capital market by promoting private ownership among disadvantaged sections of the population, including the creation of ownership titles, and by protecting property.

Promoting sustainable production and use of energy and natural resources

Energy and natural resources policy plays a key role in Germany's cooperation with Latin America. In the sphere of energy, Germany is one of the principal bilateral cooperation partners in the region. This cooperation goes beyond the traditional energy sources and, in particular, supports the use of renewable energies in the region.

The potential for increasing energy efficiency in housing, transport, industrial and agricultural production and in the production process is considerable in Latin America, and it has not yet been fully tapped. The same applies to efficiency in the generation and transport of energy.

Ensuring that Germany has a sustainable, secure and cost-effective **supply of energy and raw materials** is an important aim of this cooperation.

The German Government

- supports efforts by states in the region to develop sustainable energy systems by providing advice, funding projects and concluding energy and climate protection agreements.
- promotes a sustainable energy sector multilaterally within the context of the International Renewable Energy Agency²¹ (IRENA), as well as in cooperation with ECLAC/ CEPAL, IDB and with regional institutions and development banks.
- reaffirms the cooperation based on existing agreements. This includes the agreement with Brazil on cooperation in the peaceful use of nuclear energy of 1975 and the agreement on cooperation in the energy sector, focusing on cooperation in renewable energies and energy efficiency of 2008, which entered into force in late 2009.

German companies are in an ideal position to become involved in the modernization of energy generation in Latin America. They have to access new markets, particularly in the field of renewable energies, energy efficiency and environmental technology, as well as the exploitation of natural resources. Through the use of the Clean Development Mechanism (CDM)²² aimed at averting additional emissions, more than 50 joint projects

have been carried out in Latin America with German participation.

The German Government

- will continue to promote the export of technology and know-how to Latin America through export initiatives on renewable energies and energy efficiency such as “Renewables made in Germany” and “Energy Efficiency – made in Germany”. These initiatives focus on energy generation through photovoltaics, hydropower, biogas, biomass and wind, on solar and geothermal power, as well as energy efficiency in transport, industry and households.
- is in favour of innovative approaches to technology cooperation through joint ventures or public-private partnerships²³.
- supports the participation of German enterprises in CDM projects.

Latin America is an important **exporter of natural resources**. As a country with few natural resources and as a high-tech location, Germany, in contrast, is heavily dependent on **imports**, not only energy imports but also non-energy commodities such as metals. Security of supply plays a crucial role alongside economic efficiency and environmental compatibility of production in the German

Experimental lithium production
carried out by the University of
Potosi, Bolivia in cooperation with the
University of Freiberg



Government's natural resources policy. Latin America has rich deposits of mineral resources such as iron, copper, tin and lithium. For instance, Chile and Peru are the world's largest producers of copper. Just under 60% of the global production of lithium – important, for instance, for the production of lithium-ion batteries for electric cars – comes from Latin America. They are of crucial importance both for the manufacturing industry and for the development and use of innovative technologies.

Furthermore, Latin America will play an increasingly prominent role in supplying the world markets with oil and gas. Even today, Latin America accounts for around 13% of global oil production. In Germany, just like in the other European industrialized nations, guaranteeing the supply of natural resources is primarily the responsibility of the private sector.

The German Government assists business in Latin America by providing broad-based support and backing within the scope of its external economic policy.

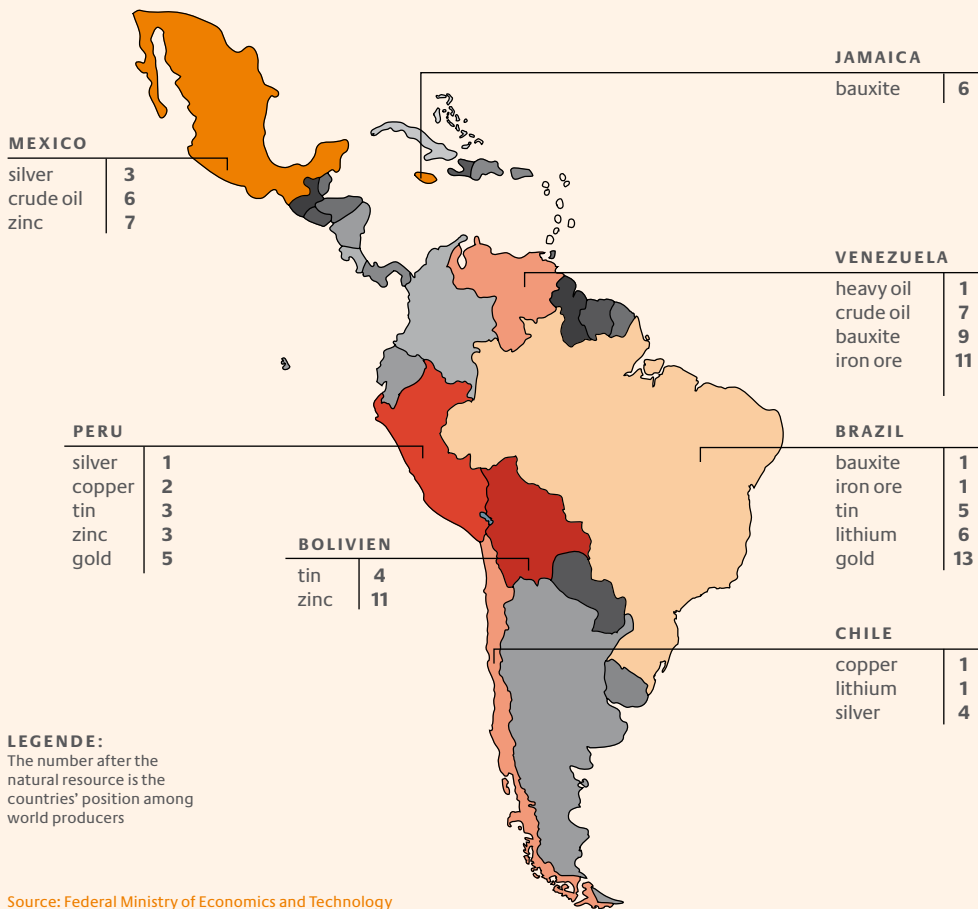


Solar energy in the stadium: sustainable energy for the 2014 FIFA World Cup

Germany is promoting renewable energy also in Latin America. Football fans from around the globe will be able to see one concrete example of this at the 2014 FIFA World Cup in Brazil. Within the framework of development cooperation, Germany will fit the roofs of the two World Cup stadia in Belo Horizonte with solar installations. The energy generated will be fed into the grid. The combined surface area of the two stadia roofs is around 17,000 m², on which photovoltaic units with a capacity of 1.1 – 2.5 megawatt are to be installed. The energy efficiency of the two stadia will also be increased. Energy efficiency and renewable energy: that means 2:0 for sustainable economic development!

Photo: View of the Mineirão Stadium, Belo Horizonte, Brazil

PRODUCTION OF KEY NATURAL RESOURCES



LEGENDE:

The number after the natural resource is the countries' position among world producers

Source: Federal Ministry of Economics and Technology

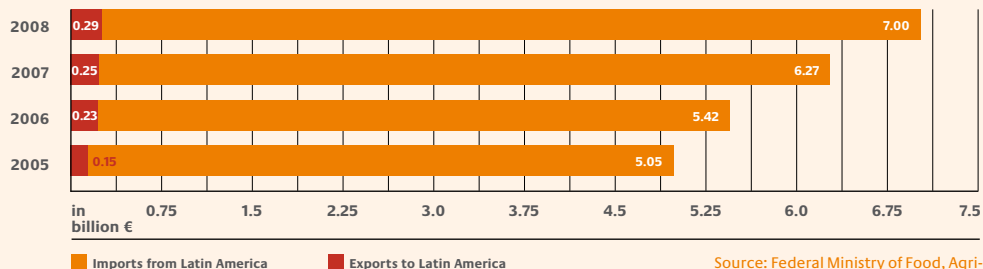
The German Government

- helps to ensure that concrete industrial projects have access to natural resources, also in Latin America, and – where possible – provides support on a case-by-case basis.
- is striving to eliminate barriers to the access to natural resources in order to ensure functioning markets and competition. Examples of such barriers on the Latin American side are export taxes, and on the EU's side high external tariffs on renewable resources.
- attaches importance to the sustainable exploitation of and trade in natural resources. It wants to work with the states of Latin America to ensure a sustainable use of their natural resources.
- fosters the Extractive Industries Transparency Initiative (EITI)²⁴, as well as certification measures.

As a major producer and exporter of **agricultural goods**, Latin America is an important and indispensable partner for Germany in the agricultural sphere. Latin America has more agricultural land than any other part of the world. Meat, especially beef and poultry, soya, coffee, cocoa, fruit, timber and, to an increasing degree, biofuels are of special significance.

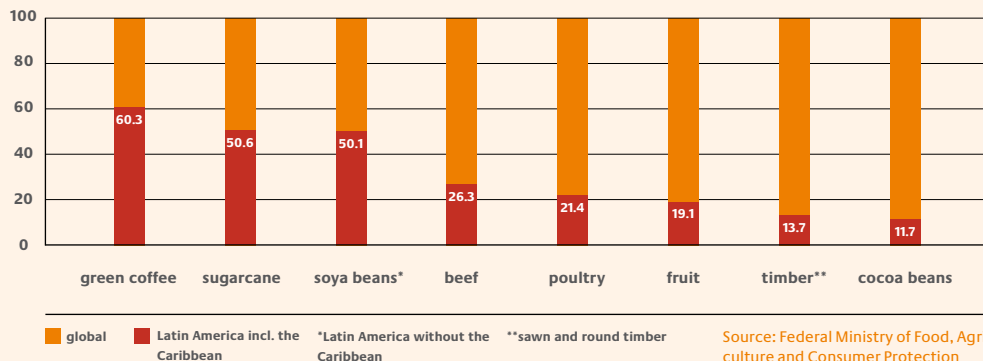
The region is also of increasing interest as a market for German agricultural and food products, as well as agricultural engineering. The key role played by some Latin American states in agricultural trade policy has led to an intensification of the dialogue on agricultural policy. This prominent role is especially apparent in the context of the World Trade Organization, but also in sanitary and phytosanitary issues²⁵. Furthermore, adapting agricultural production to climate change is becoming a pressing issue in Latin America.

Germany's agricultural trade with Latin America



Source: Federal Ministry of Food, Agriculture and Consumer Protection

Share of global production of key agricultural products in 2008 in %



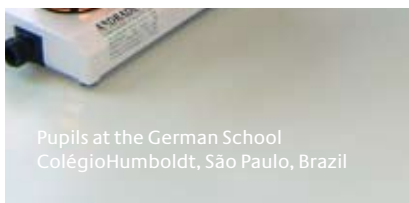
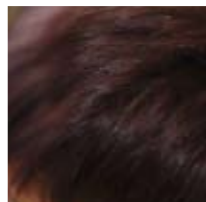
Source: Federal Ministry of Food, Agriculture and Consumer Protection

The German Government

- wants to further expand the dialogue on agricultural policy. The Agribusiness Initiative set up with Brazil, as well as the working group on biofuels within the framework of the German-Brazilian energy agreement are suitable platforms.
- is focusing on cooperation projects of mutual benefit, in particular in agricultural research or in the sphere of cooperatives.
- supports sustainability in the production of agricultural goods.
- wants to contribute towards regional and global food security through close cooperation in international organizations such as the UN Food and Agriculture Organization (FAO) or the Committee on World Food Security (CFS), as well as through joint projects with Latin America.

German Agribusiness Centre of Excellence for Mercosur in São Paulo

The expansion of trade and cooperation between Germany and Brazil is a core element of bilateral relations. This is also reflected in the agro-food sector. The Centre of Excellence of the German agribusiness industry opened in 2009 at the German Business Center of the German Chamber of Commerce in São Paulo is the first centre of its kind at a German Chamber of Commerce Abroad. It offers its experience and expertise to both importers from Mercosur and German food exporters. Its services include a networking service, business trips and trips to explore new markets, as well as market surveys. Moreover, participation in trade fairs under the motto “Made in Germany“ ensure there is a platform for showcasing German products, which enjoy an excellent reputation.



Pupils at the German School
Colégio Humboldt, São Paulo, Brazil

4. A partnership for the people: learning from one another

Creating a research network, encouraging innovation

Latin America's importance is also steadily growing in the sphere of science, research and innovation. National investment in education and research in Latin America is paying off and many countries in the region are becoming ever more important partners for Germany. The core elements of Germany's education and research policy form the basis of this cooperation. These include the High-Tech Strategy²⁶, the Joint Initiative for Research and Innovation²⁷ and the Excellence Initiative²⁸.

The German research promotion system offers very good conditions for close cooperation. Within the framework of this cooperation, multi-faceted relations in the fields of basic research in natural sciences and the humanities, environmentally compatible development, new technologies, information and communication technologies, life sciences, working methods, structural research promotion at universities as well as the promotion of innovation and technology transfer have developed and will be further intensified. This cooperation has to be stepped up and

given a strategic orientation owing to Latin America's growing importance in the world and the rapid further development of the region. One important component in the German Government's Strategy for the Internationalization of Science and Research are the international science years, which are intended to consolidate Germany's position as a centre of science and research. For example, the 2010/2011 German-Brazilian Year of Science, Technology and Innovation is taking place at present in collaboration with the Brazilian Government.

Germany has important, efficient, innovative and well-networked structures in the fields of science, technology and innovation. Latin America has presented itself as an attractive location for investment in these fields. By holding innovation fora and participating in trade fairs, the door to Latin America has been opened to German companies which focus on research and development. The aim is to intensify cooperation with Latin America in strategic areas and to develop and implement efficient new forms of cooperation, for example by setting up bilateral research funds.

We have to take into account the increasing internationalization of academic cooperation. We therefore have to pool the expertise of

different universities and research institutes in Latin America. This will make researching and studying in the region more attractive. Germany is already supporting this cooperation through the establishment of two German-Latin American centres of excellence in Chile and Colombia. The promotion of these centres, the result of many years of cooperation with German partners, are complementary to the German Gropius, Humboldt and Martius chairs in Argentina, Brazil and Mexico.

German Latin America research has traditionally played a key intermediary role in academic cooperation with Latin America. Furthermore, it provides advice on shaping bilateral and global cooperation in practical terms.

Research beyond borders: joint centres of excellence in Chile and Colombia

Bringing outstanding scientists abroad into contact with research and teaching at German universities: that is the aim of the centres of excellence established as part of the Federal Foreign Office's Research and Academic Relations Initiative. A total of four centres were set up, two of them in Latin America. In Chile, the University of Heidelberg is working with the Universidad de Chile and the Pontificia Universidad Católica in the fields of medical physics, informatics, geo- and environmental sciences, as well as astronomy. In Colombia, the Universities of Gießen and Kiel, as well as the Leibniz Center for Tropical Marine Ecology in Bremen, are working with three Colombian universities to create a centre for marine science in Santa Marta.

The German Government

- is providing advisory services and funding for the establishment of a German-Argentine centre of higher education by the foundation initiative of German business in order to advance German-Argentine courses, dual degrees and other forms of university cooperation between the two countries.
- supports the establishment of the Max Planck Partner Institute in Buenos Aires as the first Max Planck institute in South America.
- wants to strengthen Germany's position as a location for science through cooperation in research, technology and innovation, especially with Brazil. It wants to make the diverse and close relations visible to a wide public.
- actively promotes the establishment of more regional centres of excellence for European studies, mining and renewable energies and enhances the attractiveness of existing centres through scholarships for both Latin Americans and Germans.
- strengthens cooperation based on partnership between German and Latin American universities through subject-related university partnerships, for example via the German Academic Exchange Service (DAAD).

- aims to increase the co-funding of German-foreign scholarship programmes.
- is promoting to a greater degree dual doctorates with German universities, also with the aid of the DAAD, in selected Latin American countries.
- continues to foster the further development of Latin America research in Germany.

German Innovation and Science Forum in São Paulo

In São Paulo, Brazil's scientific and economic centre, the German Innovation and Science Forum is promoting Germany as a location for innovation and encouraging greater cooperation between the two countries. It brings together the offices of the German research organizations and serves as a forum for events and providing services. Our German chamber of commerce is carrying out the expansion in close collaboration with the German Academic Exchange Service. The two sides ensure close coordination between science and business.



Entrance to the university in
La Paz, Bolivia

Connecting people: promoting the German language and culture

Latin America has had a special attraction for Germans ever since Alexander von Humboldt's journeys to the "New World". Many Germans went to Latin America as entrepreneurs, workers and settlers. They took their language and culture with them, as well as technical innovations. They thus became an important factor in the development of their new home countries. Germans returning home took with them their impressions from the new world, thus enriching Germany's art and culture. The German communities in many Latin American regions act as important bridges between our cultures.

On the basis of these historical ties, German cultural relations and education policy has been used to modernize and intensify relations. And it can fall back on a network of institutions in Latin America. Some of them have a tradition going back more than a hundred years and are firmly anchored in their host countries: the Goethe-Institut branches, the cultural societies, the German schools and other partner schools, as well as the DAAD lectorships, have a key role to play in maintaining, consolidating and expanding cultural ties between Germany and Latin America.

The German language has a long tradition in Latin America. It was cultivated by German immigrants in their settlement areas and has been taught in German schools for more than 150 years. A sound knowledge of the German language, towards which German schools abroad have made a considerable contribution, is the key to economic and academic exchange with Germany. It makes it easier to study here, but also fosters professional advancement in one's own country. There has been a revival in interest in the German language in Latin America during the last few years. The German Government's Partner School Initiative (PASCH) has played a major part in this. Within the framework of this initiative, the number of schools where German is taught has risen considerably.

Germany's cultural presence in Latin America and the Caribbean

German Information Centres	2
Partner schools	184
of which German Schools abroad	37
Goethe-Institut branches	15
German cultural associations	42
DAAD offices	2
DAAD information centres	7
DAAD lectorships at universities	32

Source: Federal Foreign Office



Federal Foreign Minister Guido Westerwelle unveils the PASCH plaque at the Colégio Visconde de Porto Seguro, São Paulo

67 schools around Latin America have become new partner schools. They are now broadening their range of German classes or introducing German as a new subject. Targeting certain groups – for example young engineers – at universities has done much to raise interest in the German language. The language courses offered by the Goethe-Institut branches in the region have considerably boosted interest in the German language.

The German Government

- treats Latin America as a priority region in Germany's cultural relations and education policy.
- wants to consolidate the network of German cultural institutions in Latin America in order to foster understanding among people in the two regions.
- wants to further increase interest in German as a foreign language through

improved further training and scholarships.

- is fostering and strengthening the network of partner schools in Latin America where German is taught as a foreign language.
- is seeking to make better use of the potential offered by graduates from German schools as intermediaries between Latin America and Germany.
- wants to encourage more graduates of German schools to study in Germany .
- is strengthening basic and further training for German teachers in the region and fostering the expansion of courses to this end.
- wants to generate and further strengthen interest in Germany, especially among young people.

The bicentenary celebrations marking the independence of 10 Latin American states have prompted the German Government to expand its **cultural cooperation** projects. Building on a long shared history, Germany is showcasing itself as a modern country, most particularly as a leader in the scientific field. The fact that the 2014 FIFA World Cup and the 2016 Olympic Games will both take place in Brazil clearly demonstrates Brazil's and Latin America's international standing.

The German Government

- will continue to support and strengthen relations with Latin America through targeted cultural cooperation projects.
- will hold a German Year in Brazil in 2013 in collaboration with partners in business, science and culture in order to showcase modern Germany's many different facets, as well as to bolster and further expand the many existing partnerships.
- will further extend bilateral sporting relations, especially in the run-up to the FIFA World Cup and the Olympic Games; this will enhance Germany's high standing in international sporting relations.
- promotes volunteer programmes in Latin America such as *weltwärts* and *kulturweit*, which enable young Germans to spend several months doing voluntary work

abroad in the fields of development aid or cultural exchange.

- conveys a modern, multi-faceted image of Germany via the German Information Centres in Mexico and Brazil, especially to young people in Latin America.
- fosters, in turn, interest among young Germans in Latin America and, to this end, supports activities in Germany, including those of the Federal Agency for Civic Education, which promote a modern image of Latin America.



September 2007: 150 years of German-Argentine relations

5. Active policymaking: Germany's Latin America strategy in Europe

Germany's Latin America Strategy would be inconceivable without a European dimension. A substantial part of Germany's relations with Latin America is realized today within the context of the European Union.

In keeping with the close web of Germany's wide-ranging relations with Latin America, our standing within the EU, as well as our interests, we are striving to strengthen the EU's strategic partnership with Latin America and to give it real substance. In its contribution towards European-Latin American relations, the German Government focuses on the same guiding principles on which its national Latin America policy is based.

For example, human rights policy is a fundamental part of Germany's foreign policy. In line with the EU's Common Position on Cuba of 1996 and with the decisions made by the council of EU Foreign Ministers of 2008 and 2009, the German Government is calling on Cuba at both European and bilateral level to ensure human rights are respected and to release political prisoners. Within the framework of the EU-Cuba dialogue launched in 2008, the EU stresses on a regular basis

the importance of progress in the spheres of democratization, human rights and political freedoms.

The EU-LAC Process forms the framework for inter-regional cooperation. The cooperation is based on the Strategic Partnership established in Rio de Janeiro (Brazil) in 1999. Relations encompass a broad range of issues. These include trade, social cohesion, innovation and technology, climate change and environmental protection, migration, human rights, as well as the Coordination and Cooperation Mechanism on Drugs. At the EU-LAC summit held in Madrid in May 2010, an action plan with concrete proposals on, among other things, innovation, science and research, as well as on tackling the global drugs problem was adopted in order to further develop the partnership between the regions. Furthermore, the EU-LAC Process offers a forum for political dialogue on key global issues. It also serves as a basis for cooperation within the United Nations. The establishment of the Community of Latin American and Caribbean States (CELAC) offers an opportunity to reconsider the formats and mechanisms of the EU-LAC Process. Association and Free Trade Agreements as well as partnerships with sub-regions and individual countries allow the EU to engage in comprehensive but targeted and

multi-faceted cooperation with Latin America. They give the EU's strategic partnership with Latin America substance, open markets on both sides and help Latin American partners to achieve sustainable development. Moreover, they heighten Latin America's importance in Europe and Europe's importance in Latin America, also in competition with other regions and countries. Subregional agreements above all foster economic exchange among countries.

The German Government is in favour of the EU's approach of supporting Latin American efforts to boost regional and sub-regional cooperation and integration. However, this approach should not stand in the way of cooperation based on bilateral or Multi-Party Trade Agreements²⁹. Especially where integration efforts have reached their limits or it is necessary to differentiate between countries, the importance of bilateral relations increases.

Agreements between the EU and Latin America/Caribbean (selection)

	Type	Status	Type of agreement
Chile	A	in force since 2005	A: EU Association Agreement ³⁰ F: EU Free Trade Agreement ³¹ C: EU Cooperation Agreement ³² E: Economic Partnership Agreement ³³ The typological classification of the agreements derives from the legal basis, although their actual title and content may transcend this frame of reference.
Mercosur	A	under negotiation	
Central America	A	negotiations concluded 2010	
Bolivia	F	exploratory talks	
Ecuador	F	exploratory talks	
Colombia	F	negotiations concluded 2010	
Peru	F	negotiations concluded 2010	
Andean Community	C	signed 2003	
Argentina	C	in force since 1991	
Brazil	C	in force since 1995	
Mexico	C	in force since 2000	
Paraguay	C	in force since 1991	
Uruguay	C	in force since 1994	
Cariforum	W	signed 2008	

Source: European Commission



Chancellor Angela Merkel during a speech at the EU-Latin America summit in Lima

The German Government

- regards the EU-LAC Process as a catalyst for the strategic dialogue between the two regions.
- wants to continue fostering and influencing the EU's cooperation with Latin America through its own activities and events.
- is calling within the EU for a coherent and coordinated approach by member states towards Latin America and individual countries in the region.
- will, wherever it makes sense, focus more on sub-regional and possibly bilateral cooperation while adhering to the goal of inter-regional cooperation.
- is working towards the speedy conclusion, swift ratification and comprehensive application of Association and Free Trade

- agreements with countries and regions in Latin America. It actively supports the conclusion of further agreements of this kind.
- welcomes the decision to establish an EU-LAC Foundation and intends to actively support it.

6. Looking ahead

Germany's policy on Latin America is guided by the values and interests which shape German foreign policy as a whole. At the same time it takes into consideration the unique characteristics of the states of Latin America and the Caribbean. From Chile to the Bahamas, Mexico to Argentina, the individual countries are marked by an impressive heterogeneity, shaped by cultural diversity and different geographical, economic, political and social conditions. German policy reflects this situation. Irrespective of this, a foundation of common ground and cultural ties has

grown over the years and characterizes Germany's relations with the region. Preserving and consolidating this is a key aim of our policy on Latin America and the Caribbean. In doing so, we can build on established and growing cultural and scientific cooperation. However, we also want to find new forms of cooperation which do justice to the increasing influence of Latin America and the Caribbean in the world: bilaterally to our mutual benefit, multilaterally in awareness of our responsibility towards people, so that we can master global challenges together.

01_Strategy for the Internationalization of Science and Research

The German Government's strategy is a national inter-departmental approach in support of the internationalization of science and research. Among other things, measures aimed at the greater mobility of researchers, international cooperation on research programmes and an internationally coordinated research agenda are being implemented. They are underpinned by a coordinated presence of German research abroad through information from the German business and research communities and through targeted promotion of Germany as a location for study, research and innovation.

02_G20

The G20 is made up of the leading industrialized nations and emerging economies and encompasses 19 states plus the European Union. The Latin American members are Mexico, Brazil and Argentina. The G20 was established in 1999 in response to the Asian crisis in the nineties as a forum for Finance Ministers and Central Bank Governors. Since autumn 2008, the G20 has met regularly at Head of State and Government level. The G20 plays a key role in tackling the economic and financial crisis.

03_OECD

The Organization for Economic Co-operation and Development was established in 1961 and includes 31 states. The Latin American members are Mexico and Chile. The objectives of the OECD are to coordinate national and international economic policies and to set standards for them.

04_Measures aimed at reducing and adapting to the effects of climate change

Together with funding and technology cooperation, reduction and adaptation are the central issues in the

context of international climate protection negotiations. "Reduction" is all about reducing the global emission of harmful greenhouse gases by setting quantifiable emissions ceilings, at least for all major emitting states around the world. "Adaptation" is about industrialized countries supporting developing countries hit especially hard by climate change with measures aimed at adapting to climate-related changes in the quality of life which can no longer be averted.

05_European Security Strategy

A Secure Europe in a Better World – The European Security Strategy was adopted by the European Council in Brussels in 2003. It outlines the European Union's strategic position following the end of the Cold War in 1989/90 and the attacks of 11 September 2001. It serves as a basis both for strategic dialogue with our partners and for defining the EU's common security interests, and thus the EU's external action. It identifies the main threats to the EU's security and defines its strategic goals as well as the external action instruments. The ESS was supplemented in December 2008 when the European Council adopted an implementation report as well as declarations on enhancing capacities and on strengthening international security.

06_UN Programme of Action on Small Arms and Light Weapons

The UN Programme of Action on Small Arms and Light Weapons was adopted in July 2001 by the Conference on the Illicit Trade in Small Arms and Light Weapons in All Its Aspects. It contains statements and recommendations on almost all aspects of small arms control and has been the launch-pad for a host of global and regional initiatives. The aim is to help states implement the Plan of Action and to find the broadest possible

consensus.

07_Confidence- and security-building measures (CSBMs)

The first confidence-building measures were set out in the Final Act of the Conference for Security and Co-operation in Europe (CSCE) in Helsinki in 1975. The aim was to reduce the risk of armed conflicts. When these measures evolved into confidence- and security-building measures (CSBMs), the focus was increasingly on enhancing the predictability of military matters through greater openness and transparency. Today the CSBM acquis of the Organization for Security and Co-operation in Europe (OSCE) consists of a number of documents which are, as a rule, politically binding. They represent a comprehensive set of rules for the obligatory and verifiable exchange of military information.

08_EU Drugs Strategy 2005–2012

The EU Drugs Strategy 2005–2012, adopted by the EU Council for a period of eight years, is the EU's current framework on how to proceed in order to prevent the use of drugs, as well as reduce drug cultivation and trafficking. On this basis, the EU Drugs Action Plans are drawn up for a four year period, with the current Action Plan in force for 2009–2012.

09_EU-LAC Mechanism for Coordination and Co-operation on Drugs

The EU-LAC Mechanism for Coordination and Cooperation on Drugs is a regular dialogue between the EU and the countries in Latin America and the Caribbean on drugs, partly at senior but mostly at expert level.

10_EU-LAC Structured and Comprehensive Dialogue on Migration

The EU-LAC Structured and Comprehensive Dialogue on Migration provides for a broad-ranging dialogue on migration policy between the EU and the states of Latin America and the Caribbean. The dialogue is based on the Lima summit declaration of May 2007, as well as a joint paper of June 2009 (Basis for Struc-

turing the EU-LAC Dialogue on Migration).

11_Water resources management

The aim of water resources management is to manage water in an ecologically sustainable way so that the economic and social benefit is maximized.

12_Triangular cooperation

Triangular cooperation projects are projects jointly planned, funded and implemented by an industrialized nation, an emerging economy and a developing country. In addition to the goal of working together for the benefit of the developing country, they help in particular to foster dialogue and to encourage the emerging economy and those involved in Germany's development policy to learn from each other. Due to geopolitical changes, in particular the growing prominence of emerging economies such as Brazil, China or India, triangular cooperation is of increasing significance.

13_Millennium Development Goals (MDGs)

In 2000, 189 Heads of State and Government adopted the Millennium Declaration at the United Nations, thus committing themselves to common binding goals. Subsequently in 2001, eight Millennium Development Goals (MDGs) were agreed on. They include halving absolute poverty and hunger, universal primary education, promotion of gender equality, a two-thirds reduction in the mortality of children under five, a three-quarters reduction in maternal mortality rates, a reduction in the spread of HIV/AIDS, malaria and other epidemics, environmental sustainability of development processes, as well as a global partnership for development. Today, the Millennium Declaration and the MDGs form the most important international frame of reference for development policy and global investment in the future.

14_G8

The G8 comprises Canada, France, Germany, Italy, Japan, Russia, the United Kingdom and the United States of America. The European Commission is also

represented. The Heads of State and Government of the Group have been meeting for annual summits since its foundation in 1975. Issues discussed include global economic policy, foreign, security and development policy, as well as climate and environmental policy.

15_Land use change

Land use change denotes changes in the way in which forests and land are managed. This encompasses the transformation of forests into land for agriculture. This issue is of great importance to the international climate negotiations as, on the one hand, land and forests create greenhouse gas emissions but, on the other, absorb carbon dioxide, thus helping to lower the amount of greenhouse gases in the atmosphere.

16_Initiative for Climate and Environmental Protection

With the Initiative for Climate and Environmental Protection, launched in 2008, the Federal Ministry for Economic Cooperation and Development is funding climate-related investments, primarily in more advanced countries and emerging economies. The aim is to spend around 2.4 billion euro on quick-start projects between 2008 and 2011.

17_Energy-efficient transportation

The promotion of energy-efficient transportation encompasses both the expansion of individual modes of transport such as trains, buses and local public transport, as well as the systematic and intelligent linking of modes of transport. In doing so, the introduction of new technologies should be facilitated and sustainable mobility patterns underpinned. In this way, energy consumption can be lowered and transport-related damage to the environment, health and the climate reduced.

18_International Climate Initiative (ICI)

Since early 2008, the Federal Ministry for the Environment has had additional budgetary resources at its disposal from the auctioning of emissions trading

certificates for the implementation of a climate protection initiative. The aim is to make use of the existing potential for reducing emissions cost-effectively as well as to advance innovative pilot projects for climate protection. In concrete terms, climate protection measures are promoted to increase energy efficiency and expand the use of renewable energies. The International Climate Initiative also supports measures aimed at adapting to climate change, as well as at protecting biodiversity in developing countries and emerging economies from climate change.

19_Foreign Trade and Investment Campaign

The Foreign Trade and Investment Campaign launched in 2010 is helping German business to emerge strengthened from the economic and financial crisis. The key task of external economic policy is to create the best possible framework, thus ensuring that competition and trade can develop as freely as possible. The Foreign Trade and Investment Campaign thus comprises political support for German companies abroad, as well as the use of all available instruments to foster economic external promotion, reduce red tape and create the right framework for external economic policy.

20_Global Compact

The United Nations Global Compact, established in 2000 by the then UN Secretary-General Kofi Annan, is now the world's largest and most important network for corporate social responsibility. The participating companies undertake to implement ten principles concerning human rights, labour standards, environmental protection and the fight against corruption.

21_International Renewable Energy Agency (IRENA)

The International Renewable Energy Agency (IRENA) was established in January 2009 as the result of a German initiative. The IRENA Statute has already been signed by more than 140 states and entered into force in July 2010 after the ratification of 25 states. IRENA's main priority will be to advise member states on policy

design and development in the field of renewable energy. It will also provide assistance in connection with knowledge and technology transfer as well as capacity building.

22_Clean Development Mechanism

The United Nations Clean Development Mechanism (CDM) makes it possible for emission credits to be earned by projects in developing countries which not only foster development but also reduce or eliminate emissions. These credits may be traded and sold by companies. They can be used by industrialized countries to achieve the emission reductions to which they committed themselves under the Kyoto Protocol.

23_Public-private partnerships

Public-private partnerships with business entail cooperation between the state and the private sector on projects which benefit the public interest and, at the same time, are in the interest of the companies concerned. The state and companies assume the costs and implement the projects, while sharing the opportunities and risks. This makes it possible to mobilize additional contributions by the private sector for political processes and goals. The companies benefit because they receive help in accessing new markets. At the same time, for example, the transfer of modern technologies to Latin America is fostered.

24_Extractive Industries Transparency Initiative

The Extractive Industries Transparency Initiative (EITI) is campaigning worldwide for more transparency in money flows in connection with mineral resources with a view to combating corruption in countries rich in these resources. It was established at the World Summit on Sustainable Development in Johannesburg in 2002. The German Government is a member of the global EITI Board and provides this initiative with both political and financial support.

25_Sanitary and phytosanitary issues

Sanitary and phytosanitary issues are questions concerning the World Trade Organization Agreement on

Sanitary and Phytosanitary Measures. These include measures to protect the lives and health of people, animals or plants from the risks posed by the introduction, emergence or spread of parasites, diseases, disease-carrying or disease-causing organisms or from dangers resulting from additives, impurities, toxins or disease-causing organisms in food, beverages or feed.

26_High-Tech Strategy

The High-Tech Strategy is a national inter-departmental approach whose aim is to take Germany to the top of key markets of the future. It is aimed at gaining access to leading markets, strengthening cooperation between science and business and improving the framework for the implementation of the results achieved by applied research.

27_Joint Initiative for Research and Innovation

As a research promotion organization, the Joint Initiative for Research and Innovation provides active support for scientific and research organizations funded by the Federation or Länder. The Federation and Länder provide the organizations with a solid financial basis on which to plan and have increased the annual allocations by at least three percent each year until 2010. For their part, the organizations enhance the quality, efficiency and performance of their research and development.

28_Excellence Initiative

The aim of the Federation-Länder agreement concluded in 2005 is to foster innovative cutting-edge research at higher education institutions with a view to raising the international profiles of universities and making them competitive as research institutes. What is more, universities are to be bolstered as sites for training young researchers and are to be made more attractive for outstanding students and researchers from home and abroad.

29_EU Multi-Party Trade Agreements

Formally individual EU agreements with single states which, however, are concluded at the same time and

with largely the same content. This is intended to underscore the link between them, especially in the case of countries which are part of a regional organization.

30_EU Association Agreements

EU Agreements pursuant to Article 217 of the Treaty on the Functioning of the European Union (Lisbon Treaty) on comprehensive cooperation with one or several third countries or one or more international organizations with which reciprocal rights and obligations, joint action and special procedures are agreed upon.

31_EU Free Trade Agreements

EU Free Trade Agreements are bilateral EU agreements pursuant to Article 207 and 218 of the Treaty on the Functioning of the European Union (Lisbon Treaty) in the sphere of trade. These agreements have to conform with the rules of the World Trade Organization (WTO).

32_EU Cooperation Agreements

EU Cooperation Agreements pursuant to Articles 207, 209 and 352 of the Treaty on the Functioning of the European Union (Lisbon Treaty) establish a partnership on political and security-related issues through political dialogue and a progressive liberalization of trade towards a free trade zone.

33_Economic Partnership Agreements (EPAs)

The negotiation of Economic Partnership Agreements (EPAs) was decided in connection with the Partnership Agreement (Cotonou Agreement) between the European Community and African, Caribbean and Pacific states (ACP) of 2000. The Agreement provides for a restructuring of the economic and trade cooperation between the EU and the ACP states, with a view to ensuring that trade relations conform with WTO rules. The EPAs combine development and trade aspects. The aim is to eliminate trade barriers and strengthen regional cooperation.

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