



European Economic and Social Committee
***Sustainable economic development - opportunities and challenges for the European Union,
Latin America and the Caribbean***

**EIGHTH MEETING OF EUROPEAN UNION-LATIN AMERICA AND CARIBBEAN
ORGANISED CIVIL SOCIETY**

BRUSSELS, BELGIUM 11-12 MARCH 2015

FINAL DECLARATION

The European Economic and Social Committee organised the Eighth Meeting of European Union-Latin America and Caribbean Organised Civil Society in Brussels, at its headquarters, on 11 and 12 March 2015.

The meeting brought together representatives of civil society organisations from the EU, Latin America and the Caribbean. Participants included representatives from regional and national advisory bodies, employer's organisations, trade unions, and other economic and social organisations.

The participants adopted the current Final Declaration addressed to the EU-CELAC Heads of State Summit to be held in Brussels on 10-11 June 2015.

• **Introduction**

The participants:

- wish to underline their commitment to dialogue, cooperation and joint action by civil society in each of their regions and between both regions and reiterate their wish to be active and take a leading role in the Bi-Regional Strategic Partnership. The meeting discussed the topics of climate change, economic cooperation, inequality and the informal sector;
- reiterate the idea that joint work between the two regions is a powerful tool not only to support the elements that can drive sustainable development, but to also fight against the factors that may hinder it. With the upcoming Paris Climate Conference, the United Nations Conference on Financing for Development, the negotiations over the Sustainable Development Goals, and in the context of the European Year for Development, this idea

becomes even more salient;

- underline the importance for the conclusions of this meeting to be presented for the first time directly to the Heads of State during the EU-CELAC Summit, for two reasons: recognition by the Heads of State of the contribution of organised civil society from both continents, and the greater commitment demonstrated by having our proposals included directly in the conclusions.

Taking into account the broad debate that took place, we would highlight the following points in the final declaration:

- The Bi-regional Partnership should be strengthened on the basis of certain shared values, with a view to:
 - cooperating actively on making global governance and management of emerging global risks more democratic;
 - working together to develop and improve the international integration of the two regions in a multipolar world;
 - engaging in in-depth cooperation on specific issues and areas of common interest which help improve people's wellbeing.

The values, historical roots, shared democracy and the flows of migrants, investments and goods between the regions, are factors that underpin the considerable potential for strategic cooperation which few other world regions have and of which it would be a pity not to take advantage.

It is therefore crucial to negotiate more substantive, viable and readily measurable agreements with improved follow-up, based on an updated concept of the strategic alliance and underpinned by an equitable partnership, with stimulating objectives, greater political commitment and with civil society playing a bigger role in order to lend them greater legitimacy.

- Climate change is an unavoidable, pressing and global issue which affects human rights. There therefore needs to be a paradigm shift, which entails moving towards a sustainable economy in a fair way. To this end, an ambitious and binding agreement with a common measuring, reporting and verification system, must be reached at the Conference of the Parties in Paris, with adaptation and/or mitigation commitments for all countries, which are consistent with the aim of containing the global temperature rise to a maximum of 2°C.

We call for an environmental policy to tackle the asymmetry both between countries and within them. We recognise that the principle of common but differentiated responsibilities and different capabilities is the cornerstone of a new international climate change regime.

We hold that a fair transition is crucial to ensuring sustainable development. To this end, it is essential to establish a legal framework which facilitates the generation of clean energy on a decentralised and independent basis. Similarly, an ambitious awareness-raising campaign

should be carried out in partnership with civil society, and funding should be granted that is commensurate with the scale of the objectives.

- Sustainable economic development should be based on a form of cooperation that is beneficial to both sides. In light of environmental requirements and the societal challenges exacerbated by the crisis, there is a need to assess their impact on the model of production and consumption. The present crisis demands changes in economic and social priorities. This calls for public and private investment in economic activities, in education, research and innovation, the creation of effective infrastructure and in better wealth distribution.
- We advocate closer trade and investment ties between the two regions. The mobility of knowledge between our regions should be underlined, as should the positive impact it has on innovation and on revitalising the economy. Equally, we emphasise the need to deepen regional integration and call on the EU to support these efforts.
- The informal sector and undeclared work are key causes of continuing poverty, inequality and the sustainable development deficit. A transition to the formal sector will provide for access to decent work, greater security for workers, improved taxation and, as a result, the promotion of sustainable businesses. We strongly call for active public employment policies to reduce undeclared work and for specific plans for the worst-affected sectors. It is a good idea for our regions to exchange success stories and we call for a programme for transition from the informal to the formal economy to be promoted as part of European Union development cooperation.
- **Climate change**

The participants:

- commit to working, along with other civil society actors, to educate and increase awareness among our respective populations that climate action is a global imperative. Civil society has the power to push the climate change agenda and to hold countries accountable to their commitments. An informed civil society is key to strengthening the political will of governments when it comes to taking serious action;
- consider that environmental degradation, and in particular climate change, have, among other effects, a direct impact in terms of undermining the human rights of the people of both regions, and affect the right to enjoy a proper environment, a decent life, physical well-being, full health, a healthy diet and high-quality family life;
- consider climate change action and awareness-raising both urgent and unavoidable. The intensification of natural disasters, especially in small island states, forced population movements, particularly of indigenous populations (within the meaning of ILO Convention No 169), loss of biodiversity, and the harmful effects on human health are among the main risks. No economic or social development will be long-lasting if the necessary measures are not taken. We thus call for climate change to be a key

element of the EU-CELAC Strategic Partnership and its next EU-CELAC Action Plan;

- recommend that a joint programme for transition to a sustainable economy be a part of this new Action Plan, given that the growing demand for energy requires a response based on sustainable technologies, sustainable technology transfer and financing mechanisms, at the same time developing ancestral knowledge and endogenous technological know-how;
- consider that sustainable development is compatible with measurement, mitigation and adaptation efforts. The low-carbon transition constitutes a major factor for sustainable development. Reductions in negative externalities such as health benefits from reductions in pollution will be an important element in this growth. To this end, a stable, binding global climate agreement for sustainable human development is needed;
- urge States to reach an ambitious agreement on mitigation at the Conference of the Parties in Paris consistent with commitments that can effectively contain the global temperature rise to a maximum of 2°C;
- recognise the common but differentiated responsibilities of countries, in line with the specific circumstances and capabilities of each one;
- emphasise the crucial role of natural ecosystems for climate change mitigation and adaptation, as well as for maintaining livelihoods; recognise the efforts of certain governments and civil society organisations in reducing the rate of deforestation, while pointing out that these efforts are not enough and therefore call on all of them to halt and reverse deforestation;
- encourage countries to work towards a common and binding Measuring, Reporting and Verification (MRV) data system in order to ensure that measures taken and reductions achieved are comparable and can be aggregated;
- stress the need to step up efforts to mobilise annual funds committed to financing climate-related activities in which civil society can play a part;
- call for a fair transition in order to foster sustainable development that integrates the social perspective into all aspects of mitigation and adaptation;
- workers, employers and other civil society actors – especially farmers – are indispensable for tackling climate change from an economic and social point of view. Similarly, the participants point to the need for States to implement active labour market policies, to ensure employment and social protection and to maintain the social dialogue and collective bargaining;
- welcome the involvement of civil society in the Conference of the Parties in Lima and hope for a strengthened dialogue with civil society at the local, regional, national and

international level in the run-up to the Paris Conference;

- call on countries to strengthen institutions and establish the right regulatory frameworks that empower local authorities and communities, economic and social organisations and individual citizens to actively participate in the transition to a low-carbon economy and to derive socioeconomic benefits from sustainable and decentralised, clean energy production;
- urge all countries to involve their respective civil societies in reaching their Intended Nationally Determined Contributions as it will be a way to integrate national priorities and views and at the same time assure ownership by civil society on the commitments made;
- underline the importance of strengthening the local economy as a means of reducing emissions caused by international transport.
- **Towards a cooperation strategy beneficial to both continents**

The participants:

- firmly believe that cooperation, further integration and more in-depth exchanges between our regions are key factors for sustainable development;
- welcome infrastructure projects linking both regions that meet environmental, social and labour criteria, and call on the governments to intensify their investment in necessary infrastructure within the region, as it is an important driver for growth, increased economic flows and greater aggregate demand;
- call on CELAC regional entities to continue on the path of regional integration as a tool for promoting stability, calling on the EU to continue to support and finance such initiatives;
- underline the need for trade, association and economic partnership agreements to provide for civil society monitoring bodies, stipulating that:
 - these bodies should form part of all agreements, have consultative functions and be able to issue conclusions or recommendations on their own initiative;
 - funding must be guaranteed for the consultative bodies, including at least one joint meeting every year;
- call on the EU to make classification criteria from the General System of Preferences more gradual, seeking more advanced indicators than the current ones;
- recognise the importance of increased investment flows in both directions and highlight their potential as a means of contributing to the sustainable development of both regions;

- recognise the potential of public procurement as a driver for sustainable development and call on the parties to develop a climate conducive to promoting social and environmental objectives, decent work, high-quality services available to all, the development of energy efficiency and environmental protection, and to encourage transparency in public procurement and the fight against corruption. They support public and private investment programmes as an important tool for leveraging development;
- encourage countries to improve their investment climate by developing trade promotion agencies, and simplifying procedures in order to become more attractive to investment;
- recognise the importance of the social economy in sustainable economic development as it can complement other forms of economic activity and organisation;
- call for the development of a stable and predictable legal framework in all countries to safeguard investments and labour rights and to promote sustainable local development;
- urge the EU to step up Overseas Development Aid levels in the less developed CELAC countries as it is a valuable factor in promoting economic progress and remains an important source of funding for parts of the region;
- point out that migration flows and exchanges of knowledge are key factors towards a better integration between our regions;
- support the improvement of educational and vocational training systems, facilitation of education exchanges and work-oriented educational practices. They also call on countries to extend exchange efforts to other educational spheres such as professor, student and researcher exchanges or mutual recognition of degrees;
- call for the recognition and strengthening of the institutional civil society advisory bodies that exist in the different regions, together with the establishment of such advisory bodies where they do not yet exist, on the basis of consensus between all the parties concerned. In this connection, they support the EU's development aid programmes in the Caribbean and other CELAC regions and call for this type of bi-regional cooperation to be strengthened.
- **Inequality**

The participants:

- emphasise that there is a direct link between fostering equality and sustainable development. Social protection and redistributive policies are not an end result of growth but a tool towards it;
- underline the need for high-quality, public, universal and free education as one of the

main tools in creating equality of opportunity and reducing poverty;

- support an employment policy aimed at reducing inequality and the gender pay gap, promoting entrepreneurship, improving wages to decent levels, and reducing the number of "working poor";
- insist on the need for an inclusive social protection system particularly in the realms of nutrition, health and healthcare, retirement pensions, child protection and unemployment;
- recognise the policies carried out in the CELAC region towards reduction of poverty and the notable reduction in inequality in some cases, and urge the States to maintain and strengthen their social protection systems as a tool for preventing the rise in inequality;
- note that both sustainable development and a developed, progressive tax system are key tools for increasing tax collection and thus for financing public policies to reduce inequality, and setting up more ambitious social protection systems; they advocate the establishment of a tax system that is efficient and transparent in the use of resources;
- condemn the increases in poverty and inequality in some countries, particularly their impact on the way of life and food security of small-scale farmers, which is exacerbated in particular in those countries affected by the economic crises and the policies implemented to counter them, and request that adequate resources are made available in order to reverse this trend, including access to finance and stronger welfare programmes aimed at creating decent and sustainable jobs to lift people out of poverty;
- urge governments to put in place and/or strengthen programmes to eliminate discrimination, as well as vocational education and training programmes that specifically target young people, women, ethnic minorities and indigenous populations, as they are generally more affected by inequality;
- recognise the contribution of the cooperative sector to reducing inequality as a model for a collective social and economic approach to strengthening democratic governance.
- **The informal sector**

The participants:

- see the informal sector as representing a fall-back activity and survival strategies for sectors excluded from the formal economy, and define undeclared work as a specific type of fraud, infringing labour rights and competing unfairly with the formal sector. Both of these parallel aspects are the result of a lack of development;
- promote sustainable business within the concept of sustainable development;

- underscore the need for a transition from the informal to the formal economy as a tool to improve and protect worker's security, raise public revenue, expand social rights and promote business development; emphasise the structural character of the informal economy in many countries and the need to increase official support for the shift to the formal economy;
- point to the widespread problem of undeclared work, indicating that more flexible administrative measures, particularly business registration, will reduce the time and money needed to comply with regulation; call for measures to promote the role of the public sector in enforcing the law and thus deterring undeclared work;
- urge the institutions to examine the structural causes for under-employment, the informal sector and undeclared work, with a view to framing and implementing appropriate policies to press ahead with solutions to these problems;
- urge governments to implement active employment policies and social transfers to boost the capacity of low-income households, or introducing or extending unemployment benefits in order to prevent workers from turning to the informal sector out of necessity;
- encourage States to support the growth of SMEs and cooperatives as a mechanism for reduction of the informal sector. Simplified registration measures, credit lines, or special tax regimes will attract these companies to the formal sector;
- encourage the development of training programmes that can provide mobility and social promotion for undeclared workers and give them more opportunities to enter the formal sector;
- point out that women are over-represented in the informal sector. They urge governments to pay particular attention to this group, as well as to young people, people with disabilities, indigenous peoples and other vulnerable segments;
- support the regulation of new forms of work, particularly those linked to new technologies to ensure that the new sectors develop within the formal economy;
- uphold the trade union freedoms under the terms of ILO Convention No 87.
