

RESOLUTION ON FREE TRADE

Greater shared prosperity: Boosting EU-Latin America ties through free trade

Lowering barriers to international trade to promote the freer flow of goods and services has led to economic growth and rising levels of prosperity around the world in recent decades. The economic relationship between Europe and Latin America is one part of this process. Together, the two regions account for almost one-third of global GDP, and trade is an increasingly important part of this relationship. The flow of goods between the EU and Latin American and Caribbean (CELAC) countries has doubled in the last ten years and now totals more than €200 billion annually. The EU is also the largest foreign investor in Latin America, with stocks of foreign direct investment (FDI) totalling over €500 billion, more than the EU's FDI in China, India and Russia put together. Meanwhile, Latin America contributes more than €135 billion worth of FDI in Europe.

This robust economic relationship is the result of the trade agreements that currently exist between the EU and 26 different countries in Latin America and the Caribbean. Nonetheless, there is a real potential to further boost the economic relationship between Europe and Latin America.

Therefore, the CDI:

- Welcomes the **constructive dialogue** between European and Latin American and Caribbean leaders at the EU-CELAC Summit held in Brussels in June 2015 and urges all parties to build on the success of these discussions as part of a renewed commitment to deepening their partnerships;
- Emphasises the **significance of strong and mutually beneficial relations between Europe and Latin America** which are based on deep historical ties and a shared commitment to alleviating poverty, increasing levels of prosperity and promoting development;
- Underscores the **particular importance of economic and trade relations** between Europe and Latin America as a means to achieve the abovementioned aims;
- Calls on EU and CELAC leaders to pursue further means of trade and economic cooperation, including by **seeking progress in the EU-Mercosur trade negotiations**, which were re-launched in 2010 but have seen limited activity since;
- Welcomes the progress that has been made in implementing the trade provisions of the **EU-Central America Association Agreement**;
- Considers that trade liberalisation must be accompanied by measures to **ensure that free trade is also fairer** and benefits the common good, citizens and society. In particular,

international trade and investment must align with the concept of the Social Market Economy, which emphasises free-market competition combined with social rights and the public interest.

- Asserts that deeper economic cooperation among nations is a proven means to also boost political cooperation and **foster more peaceful relations** among governments and people.
- Applauds the cooperation of Europe and Latin America on issues of security and immigration, enabling the recent completion of **visa waiver agreements between the EU and Peru and Colombia**;
- Welcomes the June 2015 commitment of the leaders of the **EU and Mexico to deepen the Global Agreement**, reinforce the Strategic Partnership and strengthen political dialogue.