

Roundtable Summary: The EU's Evolving Global Role: Building Democratic Alliances with Latin America in an Increasingly Volatile World

Held at [Europe as a Task Conference](#) (May 13, 2025, Prague).

Moderator:

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Speakers:

Felix Fernández-Shaw, Director, Latin America and the Caribbean; Relations with all Overseas Countries and Territories, European Commission, Spain

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The roundtable explored the need for the European Union (EU) to reassess its strategic approach toward Latin America (LA). The discussion acknowledged both the enduring potential and persistent challenges in building stronger political and economic ties between the two regions.

It was emphasized that, despite shared democratic values, EU-Latin America relations remain underdeveloped. Latin America, though marked by political instability in some areas, is notable as the only region in the developing world actively striving for economic progress through democratic governance and the rule of law—factors that position it as a **natural strategic partner for the EU**. The ratification of the Mercosur agreement, alongside existing free trade agreements, would give the EU free trade access to around 94% of Latin America's GDP. This figure significantly surpasses the EU's free economic reach with the United States or China. Beyond trade, the Mercosur agreement was primarily recognized for its geopolitical importance, offering a gateway for LA to closer alignment with the democratic world, and for the EU to finding a close partner and a better foothold in the Global South.

The discussion also centred on the need for the EU to **recalibrate its external engagement model**. Participants argued for a shift from the EU's traditionally value-driven, and often costly, partnership model toward a more pragmatic, transactional, and interest-based approach. Only in this way can the EU remain globally competitive. This includes identifying shared priorities, such as green and digital transitions, where the EU could serve as a key partner for Latin American countries. However, the EU's reliance on conditionality and high partnership costs has often deterred collaboration. Instead of extractive investment, Latin American nations seek productive, economy transformative investments that could include them in the full production chain. This is a need that the EU is well-positioned to fulfil with its capital and technological expertise, which also offers stronger position for the EU than global competition on commodity prices.

The **tension between upholding values and pursuing strategic interests** was another key theme. It was stressed that while engaging with authoritarian regimes (e.g., in Venezuela, Cuba,

and Nicaragua) may sometimes seem strategically necessary, the EU must not compromise its core democratic principles, also to maintain its long-term credibility. Instances such as the failed oil-for-election-monitoring agreement with Venezuela were cited as cautionary examples of the dangers of inducement without adequate enforcement. This is particularly important in the case of Venezuela, which with its raw materials offers immense potential for the region's economic development and transformation. At the same time, it was acknowledged that maintaining diplomatic channels, even with difficult partners, may offer more leverage for promoting positive change than exclusion or full disengagement.

The internal inconsistencies within the EU—such as certain member states' relationships with authoritarian powers—were also noted as undermining the bloc's credibility. In light of these challenges, there was a strong call for a more realistic and coherent foreign policy—one that continues to prioritize democratic values but applies them pragmatically in complex geopolitical contexts. While there was no consensus on how best to strike this balance, many underscored the **EU's growing role as a beacon of stability, transparency, and principled engagement** in a rapidly changing world. This could serve as a strong basis for deepening partnerships with like-minded countries across Latin America.

The **Mercosur agreement** was also discussed in detail as an example of how the **EU is attempting to balance trade and values**. The deal at present includes clauses addressing environmental protection, such as safeguarding the Amazon, binding both parties to higher standards. While not without drawbacks—there will inevitably be sectors that lose out—the EU remains committed to ensuring those who lose out can in fact afford it, supporting those negatively impacted and ensuring that benefits are broadly shared. Nevertheless, Mercosur can only ever open the door for economic and subsequently further ties; the crucial goal is to get the money and people actually flowing through it.

The roundtable concluded with a reaffirmation of Latin America's growing strategic relevance to the EU. As global dynamics shift, there is a clear **window of opportunity to renew and strengthen EU-Latin America relations**. Achieving this will require not only a reassessment of past approaches but also a willingness to innovate diplomatically. While the challenge of balancing interests and values remains unresolved, there is a growing inclination within the EU to embrace a more pragmatic, partnership-oriented international stance moving forward.