

Words by Neven Mimica, Commissioner for International Cooperation and Development of the European Union

(Check against delivery)

Your Excellencies

Queridos amigos,

Ladies and Gentlemen,

Firstly, let me thank **Honourable Minister Ampuero** and **Executive Secretary Bárcena** for hosting us here in Santiago de Chile. This is a **fitting location** for our discussions today.

I will begin by recalling the **history of our relations**. I would then like to discuss some of the key features of our approach to international cooperation - an approach we define as **development in transition**. And finally, I would like to suggest what this might mean for our **common future**.

We are living through **uncertain times**, where many of our shared values are under question - values of **openness, solidarity and partnership**. The history of our relations has proven - **time and again** - that we are more successful when we **join hands and forces**.

Europe and Latin American and the Caribbean **share strong and long-lived** ties. Europe is the **destination of choice** for a third of Latin American and Caribbean students.

And European **foreign direct investment** in the region is higher than in China, India and Russia combined.

Through centuries of **exchange, cooperation and trust**, we have developed a shared **global vision and values**. Also, we have helped to build international consensus around multilateralism and other common interests, like **climate change** and **sustainable development**. Let me highlight here that both our regions have played a central role in the negotiations of the Agenda 2030.

The countries of this region have achieved **strong growth** and **significant progress**. But **important challenges** remain - for both of our regions – not least from rising **inequalities**, **climate change**, and **insecurity** – to name just a few.

I am proud to say that European and global leaders **have fought hard** to adapt to new challenges and opportunities. The **2030 Agenda** for sustainable development is a **once in a lifetime** chance - for **our generation** to put the world on a path of lasting peace and prosperity for the next.

The 2030 Agenda signalled a **paradigm shift** in our approach to international cooperation and development. And sets the stage for **all countries** – north and south, east and west - to **work together** to achieve sustainable development and leave no one behind.

Nationally-owned, country-driven strategies are key for delivering the Sustainable Development Goals. But we also need to **transcend national and sectoral silos**, to find common solutions to multiple challenges **through a broader partnership**.

The European Union has already reviewed its approach to reflect this new global paradigm. Our **European Consensus** on development emphasises the need for more **innovative, diverse and tailored partnerships** with countries at **all levels of development**.

We need to think how to deepen our links with countries that are graduating; but have not **yet overcome a number of vulnerabilities that not only hamper growth; but make the fight against poverty and inequalities** more difficult.

Hence, we need to think how to develop an understanding of development that is **not based exclusively on partner countries' income level**. What a nice topic to bring together at the OECD.

This reflects calls from our Latin American and Caribbean partners but also from others to **adapt our tools and approach** to the more diverse, dynamic and local circumstances.

We are **not starting from scratch**. We already have a successful experience of more **innovative ways of working together**, ways more adapted to the reality of our times such as increasing private investment to boost jobs and growth.

Our flagship **AL Invest** programme helped to generate exports of nearly **85 billion euros** in Mexico, Central America and Cuba alone. In total, **every euro** we invested created **five euros** in new business, supporting nearly **60,000** small and medium-sized enterprises in **18 countries**.

Our **Latin America Investment Facility** generated over a **billion euros** of new investment in 2016 alone. And our existing thematic regional programmes – on social services, climate change, security, or research and education – provide a **solid basis** for further collaboration.

Given our history of **successful cooperation** and the **significant progress** made, this region is a **natural choice** for a new approach to international cooperation - an approach we call **development in transition**.

For us, development in transition means **four things**:

- Firstly, it means standing up for **reliable and responsible multilateral partnerships**, in a world seduced by unilateral action.
- Secondly, it means recognising the **universal and interconnected** nature of the challenges we face – which need to be addressed through **comprehensive, nationally-owned** strategies.
- Thirdly, it's about being more **flexible, innovative and responsive** in an evolving context.

➤ Finally, it is about recognising **the unique contribution that all countries**, according to their capacities, geographical situation or expertise, can make to achieve and help others achieve sustainable development.

This approach includes **designing new** partnerships – **between and within** regions – including through the so-called south-south and triangular cooperation.

Let's me be clear. Development in transition **does not mean** diverting essential development assistance away from **least developing countries**, those **who need it the most**.

It means **finding together new and more effective ways** to engage with countries at higher levels of development – like many of the countries of this region.

It means putting the **quality ahead of the quantity of our cooperation** to produce better results. It means **a gradual transition from money to knowledge**.

I am thinking for example, on finding ways to work together in exchanging best practices, strengthening technical cooperation, upgrading policy dialogues, fostering research, innovation and trade; and bringing forward knowledge transfer – in both directions.

I am thinking of more twinning projects, more blending operations with International Financial Institutions, more development investment and guarantees with private sector, more triangular cooperation projects and more South-South cooperation.

Our new **Regional Facility for Development in Transition** – developed jointly with the OECD and ECLAC – is the first of its kind. It aims at exploring how this new approach to international cooperation can be applied – both on a **policy and practical level** – according to the priorities defined by our partners.

Our recent proposals for the **future long-term European budget** are designed precisely to support **new ways of working** – and to strengthen our **global presence and partnerships**.

This includes a **30 percent overall increase** for external action through a **single worldwide instrument**.

As far as Latin America is concerned I expect to keep the current levels of overall funding despite the transition of many of our partners to higher levels of development.

This single instrument will enable us to better support **development in transition**, with more flexibility to finance initiatives with countries at **all levels of development**. It should give us considerable scope to better respond to the needs of a **new future partnership**.

In parallel to this process, the EU is thinking on a **new relationship** between European, Latin America and the Caribbean countries.

This new partnership is about translating our political priorities into **concrete responses** to the challenges ahead. We want to move forward – **as equals** – in a **mutually supportive partnership** with Latin America and the Caribbean.

Firstly, we need a new **partnership for a multilateral and cooperative world**. Our countries thrive in an **interconnected world**, based on a **common rule-book**, and **strong global institutions**, which support our **collective peace, prosperity and security**.

Together we make up around **a third of the United Nations** and **half of the G20**. So we can do much more to **shape the global agenda** in line with our interests.

Secondly, we want to build a **partnership for democracy**. Our two regions are home to the **highest number of democracies**.

We must unite to **preserve these principles** in both our regions, and regain **public trust and support** against extremism and populism.

All of our citizens are demanding greater **dialogue, accountability, and better responses**, to growing concerns over issues like **good governance, and effective public institutions**.

Thirdly we want to build a **partnership for resilience**. This means addressing the shared challenges I mentioned earlier -- like climate change, environmental degradation, increase of inequalities, organised crime and migrant flows -- through a common and complementary approach. Because they are inextricably linked to our sustainable development efforts.

And finally, we want to create a **partnership for prosperity**. We must seize new opportunities for **trade and investment**, build links **between business** on both sides of the Atlantic, and ensure our economies are equipped to compete in a **fair, open and socially responsible** way. This could include cooperation on **research and development**, and the **digital economy** in particular.

These partnerships go **well beyond** traditional development assistance - towards **international cooperation** in the broadest sense, using the European Union's **full range** of policy instruments.

We want ours to be an **innovative and forward-looking** relationship, at the **forefront** of European external action.

Ladies and Gentlemen,
Queridos amigos

We have the blueprint on which to **build this new type of partnership**. We have the opportunity to **innovate, collaborate, and challenge** existing means of engagement. And we have a **duty to deliver** on our global commitment to **leave no one behind**.

I look forward to exploring ways to **deepen the collaboration** between our regions – and to work together for a **more peaceful, prosperous and sustainable** planet for all of our citizens.

I am very happy to hand the floor to **Honourable Minister Ampuero**, to give us your perspective on what development in transition can mean in practice.

Thank you very much for your attention.