# STRATEGIC PARTNERSHIP EUROPEAN UNION - BRAZIL: 10 YEARS OF **COMMON PRIORITIES**

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**Abstract:** More than five decades mark the relations between Brazil and the European Union. The last EU-Brazil Summit, held in Brussels, 2014, reaffirmed the Joint Action Plan carved in Rio de Janeiro, 2002, by repeating the three large areas of cooperation: Economic growth, job creation and competitiveness; Foreign Policy; and Tackling Global Challenges. In the document, is was also agreed to strengthen the bilateral political dialogue in order to converge further on the global agenda and on both parties positions in international fora. Both parties restated the importance of a strong and effective multilateral UN system, based upon international law. This article aims to give an overview of the EU-Brazil relations, especially mentioning Brazil as a recognized emerging power, its role in Latin America and the shared commitment to multilateralism. On a second moment, the text will analyse all the EU-Brazil Summits since 2007, emphasising The Strategic Partnership forged in the occasion on the 1st Summit and more elaborated on the 2<sup>nd</sup>. At the end, it is found a brief opinion on the impact on EU-Mercosur relations, permeating the connections Brazil-Mercosur and EU-Mercosur.

Keywords: Partnership – Multilateralism – European Union – Brazil.

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# **INTRODUCTION**

Brazil, as well as the European Union, has obligations, responsibilities and opportunities that extend internationally. The EU has been focused for decades on building the Common Foreign and Security Policy, which enables the EU to project its influence and values all over the world. Brazil has always been able to count not only on its national strength, but also on the political influence of a reinvigorated Mercosur. Together, both are able to contribute to multilateral forums such as the United Nations and the WTO.

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By the end of the 1990s, Brazil was amongst the EU's 15 largest trading partners. In less than a decade, exports from the European bloc to Brazil quadrupled, while imports grew exponentially over the same period.

In addition, the flow of direct European investments to Brazil experienced tremendous growth. In 1998, for example, 8% of all EU direct investment went to Brazil. By mid-2000, these data were four times larger than the United States flow. Even more extraordinary is the fact that the commercial and investment expansion succeeded even under the serious difficulties faced by Brazil. At that time, the Brazilian economy resisted because of its correct economic fundamentals, said Chris Patten, a former member of the European Commission responsible for Foreign Affairs.

The European Union looks favourably upon Mercosur's building process, after all, they have chosen to seek peace and prosperity through regional integration, as well. This is the main reason why the blocks have been mutually supportive. The current picture demonstrates Europe's desire not only to maintain this support, but, complementary, to broaden it, by the simple fact that there are convergent interests: consolidation of democracy, creation of neutral mechanisms for the settlement of disputes, confidence-building measures, etc.

During 2007, Brazil held its first summit meeting with the countries of the European Union when a *strategic partnership* was signed between them. The meeting took place at the same time as the political negotiations on the formation of an interregional association between the EU and Mercosur had been paralyzed (in fact, since 2004). The summit and the strategic partnership with only one member of Mercosur (in passing, the biggest one), caught the attention of analysts. There are countless reasons why this meeting is important: (i) Brazil has been demonstrating proactive behaviour in international affairs, especially in relation to the WTO negotiations and in the G-20 formed to face the post-2008 economic crisis; (ii) at that time it was Portugal that held the presidency of the EU (today they remain in the leadership of the UN), and it is worth emphasizing the historical ties that the country maintains with Brazil; (iii) the differentiated role that Brazil may play in South America.

Since 2003, Brazilian diplomacy has been adopting a strategy of building a leadership in South America, seeking stronger ties with neighbouring countries, as well as integration in economic, infrastructural and defence of democracy terms. Initiatives of South-South cooperation intensified with the creation of the Union of South American Nations (UNASUR), as well as Brazilian actions in the mediation of crisis situations. The concern of the European Union with the rise of non-liberal governments (Venezuela, Bolivia and Ecuador) was clear.

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Some questions emerged from the 2007 summit, due to its repercussion: To what extent

can a strategic partnership be established between a State and a Regional Organization: at the

national level or at the institutional level of supranational institutions? Is there any

preintegration requirement between Brazil and the EU to establish standards of this partnership

in the political and economic fields?

It is common sense, however, that the need to establish privileged relationships between

two specific partners is latent - inherent in the very concept of strategic partnership.

The negotiations are in constant progress. They cover not only trade, but also political

dialogue, cooperation, human rights, peace, environmental issues, migration, criminality, social

society etc.: these are clear indications of how rich are the Brazil-European Union relations.

1 EU-BRAZIL RELATIONS: STRATEGIC RATIONALE

1.1 INTRODUCTION

The EU-Brazil partnership revolves on shared values of democracy, rule of law, human

rights and economic development. There are, however, core strategic interests between the two.

1.2 BRAZIL: AN EMERGING POWER

According to the vast majority of scholars, the global situation has changed significantly

after 9/11: much of the power from the North migrated to the South<sup>2</sup>. Forging relationships with

emerging economies offers attractive opportunities for EU in terms of trade and investment,

additionally, they are also important partners in a multipolar world. Facing new global threats

such as terrorism and climate change, a good move was to engage with emerging economies.

This is proved by EU's strategic partnership with all the BRICS (Brazil, Russia, India, China

and South Africa) countries: the EU-Brazil Strategic Partnership in 2008 was a clear recognition

of Brazil's status as an emerging power.

1.3 BRAZIL IN LATIN AMERICA

<sup>2</sup> IGLESIAS, Ana Isabel Rodrigues. The European Union-Brazil Strategic Partnership in the Shifting International Context, Democracy and Society, 10 (1), 2005. P. 17.

In a realistic view, one of the explicit aims of EU-Brazil relations is the motivation of EU to get different types of advantage in Latin America through Brazil. Furthermore, there is a desire to promote stability in Latin America by aligning with a democratic country like Brazil.

For more than a century after independence, however, neither Spanish American intellectuals nor their governments considered Brazil part of *Latin America*, claiming that Brazil only had eyes for Europe and increasingly, after 1889, the United States, except for a strong interest in the Río de la Plata. Since the end of the Cold War, Brazil has pursued a policy of engagement with its neighbours in South America.

Brazil is the largest economy of Latin America, undoubtedly. It is also in the forefront in the efforts to forge regional architecture in form of Mercosur and UNASUR. The country represents 70% of GDP and 80% of population of Mercosur<sup>3</sup>. Therefore, Brazil is a natural leader in South America, a true *quasi-continent*<sup>4</sup>, as the European Commission stated in 2007.

The EU hoped EU-Mercosur agreement<sup>5</sup> would gain momentum with Brazil's help especially after entry of Venezuela into the South-American bloc in 2012 (currently suspended by decision in 2016). Hence, Brazil was a valued partner for EU in the region.

# 1.4 COMMITMENT TO MULTILATERALISM

EU perceives Brazil as highly active member in international and multilateral institutions and therefore a worthy ally in multipolar world. According to Miriam Gomes Saraiva, multilateralism forms the cornerstone of Brazilian foreign policy<sup>6</sup>. It is, indeed, an important tool for Brazil to project itself on the international scene.

Firstly, Brazil aims to maintain its autonomy in foreign policy, and engaging in multilateral forums of various forms like South-South coalitions, regional blocs and bilateral cooperation with EU, certainly provides diversity of international partners to Brazil.

<sup>&</sup>lt;sup>3</sup> Council of the European Union, General Secretariat of the Council, *Fact Sheet - 7th EU-Brazil Summit*, Available at: <a href="http://www.consilium.europa.eu/uedocs/cms\_Data/docs/pressdata/EN/foraff/141088.pdf">http://www.consilium.europa.eu/uedocs/cms\_Data/docs/pressdata/EN/foraff/141088.pdf</a>>. Last access: 25 March 2017.

<sup>&</sup>lt;sup>4</sup> European Commission, Communication from the Commission to the European parliament and the Council, Towards an EU-Brazil Strategic Partnership, *COM* (2007) 281 final, May 30, 2007. Available at: <a href="http://eurlex.europa.eu/legal-">http://eurlex.europa.eu/legal-</a>

content/EN/ALL/;jsessionid=hW2TTSKpQQ2M9z48HXvF14FCd5z22GhML2n7yvD7NQ5bGGNffqyq!152849 3196?uri=CELEX:52007DC0281>. Last access: 25 March 2017.

<sup>&</sup>lt;sup>5</sup> Agreement started in 1999 and stalled in 2004 after the failure of Doha Development Round, later restarted in 2010 at the initiative of EU's Spanish presidency.

<sup>&</sup>lt;sup>6</sup> SARAIVA, Miriam Gomes. Brazil's Strategies and Partnerships: The Place of the European Union, *Perspectives* 20 (2), 2012. P. 47. <sup>6</sup> *Ibid.* P.49.

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Secondly, through South-South cooperation, Brazil can align itself with countries of similar attributes to balance and challenge the asymmetries embedded in international institutions as well as in North-South cooperation. The country has been proactive in forums like G-20 to address the financial crisis, in protecting the interest of developing countries in WTO, in sustainability debates, human rights, security and development discussions.

Finally, engagement in bilateral and multilateral forums also brings in tangible benefits in terms of access to foreign markets and investment<sup>6</sup>. In this respect, Brazil's relations with EU were expected to increase economic activity between EU and Brazil as well as Brazil and EU member states.

# 2 EU-BRAZIL SUMMIT MEETINGS: A BRIEF ANALYSIS

### 2.1 INTRODUCTION

The diplomatic relations between European Union and Brazil date back to 1960s, but in concrete terms the legal basis for the relations was laid down in 1992 with the Framework Agreement for Cooperation between European Economic Community and Federal Republic of Brazil.

The mentioned agreement is a comprehensive broad based agreement document encompassing many fields of cooperation. There are other two treaties that form EU-Brazil relations: (i) the Science and Technology Co-operation Agreement signed in 2005; and (ii) the EU-Mercosur agreement signed for inter-regional co-operation in 1995.

Nonetheless, despite these agreements, the relations between Brazil and European Union did not make any substantial progress during the 1990's: as stated before, EU was busy constructing a monetary union and Brazil was mired in its own internal political and economic troubles. The relations gained momentum during 2003 and 2007: in 2005, both parties signed the Scientific and Technological Agreement, while in 2007 the EU-Brazil relations were institutionalized into EU-Brazil Strategic Partnership during the 1st EU-Brazil Summit in Lisbon in 2007 during the EU's Portuguese presidency.

### 2.2 FIRST SUMMITS

The first European Union and Brazil Summit held in Lisbon, 2007, was an important step in EU-Brazil relations as it forged the EU-Brazil Strategic Partnership. In that occasion, Revista de Direito Internacional e Globalização Econômica. Vol 1, nº 2, jul-dez 2017, p. 55-69. ISSN2526-6284

former President Lula affirmed that: "[...] we are elevating our relationship to the high of its potentialities and we are projecting a common vision for a transforming world. [...] The great challenge that we face is the one of putting in practice those values, with concrete or, at least, coordinated responses. This should be the use of our dialogue"<sup>7</sup>.

In the second Summit in Rio de Janeiro, first Joint Action Plan was signed that envisaged the thematic areas of co-operation between EU and Brazil. The five thematic areas of cooperation between EU and Brazil are: promoting peace and comprehensive security through an effective multilateral system; enhancing the Economic, Social and Environmental Partnership to promote sustainable development; promoting regional cooperation; promoting science, technology and innovation; and promoting people-to-people exchanges.

The third Summit (Stockholm, 2009) focused on climate change and helped to coordinate positions ahead of the Copenhagen Climate Summit.

EU-Brazil Summit number 4 (Brasilia, 2010) continued to address the issue of climate change, along with other global discussions of common interest, such as the economic and financial crisis, the resumption of EU-Mercosur negotiations and implementation of the EUBrazil Action Plan.

The fifth one, held in Brussels, 2011, was held in a scenario in which the Eurozone crisis having reached a peak, and the Greek bailout occupied the EU agenda: it was natural to expect increased and specific attention to the matter, even more evident because the Brazilian Presidency had repeatedly advocated that emerging economies, such as Brazil, India and China should actively contribute to Europe's recovery. Surprisingly, however, the topic was overlooked in the joint statement: the only mention to economic cooperation relevant to the crisis was that *Brazil and the EU decide to coordinate efforts with a view to contributing to the reform of the world's financial architecture so as to prevent financial crisis in the future [...].* 

When it comes to the 6<sup>th</sup> Summit, the topics discussed included progress on the EU-Brazil Strategic Partnership and the Joint Action Plan 2012-2014; the state of the respective economies; and the current issues in the world economy. Moreover, there was an intense dialogue on agriculture and a possible Summit between the EU and heads of the Latin American/Caribbean countries (the EU-LAC Summit).

The most recent EU-Brazil Summit (the 7<sup>th</sup>, in Brussels, 2014), about to be addressed on topic 2.4, in literal words, focused the discussions on how to use and develop the full potential of the strategic partnership in three key areas of cooperation that are of vital interest

<sup>&</sup>lt;sup>7</sup> REIS, Maria Edileuza Fontenelle. Brasil-União Europeia: Uma parceria estratégica, in FISHCER-BOLLIN org., *Anuário Brasil-Europa 2008*. Rio de Janeiro: Fundação Konrad Adenauer, 2009. Pp. 13-31.

all citizens: how to ensure strong, balanced and sustainable economic growth and job creation, including in new emerging fields; how to cooperate more effectively on key foreign policy issues, as well as humanitarian cooperation; and how to further the partnership on addressing global challenges faced by both parties in areas such as sustainable development, climate change, environment, energy, human rights and international cyber policy.

### 2.3 THE EU-BRAZILIAN STRATEGIC PARTNERSHIP

The term *strategic partnership* in the International Relations vernacular is relatively new. It was only in the 1990s that the use of more traditional concepts such as *alliance* and *cooperation* has gradually been substituted by the term *strategic partnership*, even if its definition remains unclear.

According to Felix Peña: "[s]ometimes concepts that have a high media impact but that are hard to pinpoint in a concrete manner are used. One of such concepts is that of *strategic partnership*". The concept has been used without much debate, therefore, the lack of a clear definition seems to suggest that the term denotes a largely rhetorical instrument. It brings state meetings and joint declarations into the spotlight, even if substantial output and practical impact are limited.

In the occasion of the Second Summit in Rio de Janeiro, the first Joint Action Plan<sup>10</sup> was signed: it envisaged the thematic areas of cooperation between EU and Brazil. The five thematic areas of co-operation between EU and Brazil are:

- Promoting peace and comprehensive security through an effective multilateral system:
  - o Promoting human rights and democracy, and upholding international justice
  - o Strengthening the multilateral system;
  - o Disarmament, non-proliferation of weapons of mass destruction and security dialogue;

<sup>&</sup>lt;sup>8</sup> PEÑA, Felix. ¿Hacia una mayor densidad en las relaciones económicas entre Brasil y México?. Mercosurabc [online]. No. 291, 18 March, 2010. Available at:

<sup>&</sup>lt;a href="http://www.mercosurabc.com.ar/nota.asp?IdNota=2365&IdSeccion=7">http://www.mercosurabc.com.ar/nota.asp?IdNota=2365&IdSeccion=7</a>. Last access: 16 March 2017.

<sup>&</sup>lt;sup>9</sup> BLANCO, Luis Fernando. 2011. Strategic Partnership: a new form of association in International Relations?. In: *3rd Global International Studies Conference, World International Studies Committee*. Porto, Portugal, 17-20 August.

<sup>&</sup>lt;sup>10</sup> Council of European Union, 2<sup>nd</sup> Brazil-European Union Summit, Rio de Janeiro, *17602/08 (Presse 386)*, December 22, 2008. Available at: <a href="http://eeas.europa.eu/brazil/docs/2008\_ii\_summit\_joint\_statement\_en.pdf">http://eeas.europa.eu/brazil/docs/2008\_ii\_summit\_joint\_statement\_en.pdf</a>>. Last access: 26 March 2017.

- o Conflict prevention and crisis management;
- o Peacebuilding and post-conflict assistance;
- o Fight against terrorism;
- o Preventing and fighting organized crime and corruption;
- o Prevention and control of illicit drugs and related crime;
- Enhancing the Economic, Social and Environmental Partnership to promote sustainable development:
  - o Fostering the Economic Partnership (WTO/Doha Development Agenda; Development of trade, investment and business relations; Intellectual Property; Rights; Economic and financial affairs; Air and Maritime Transport; Information society)
  - o Achieving Millennium Development Goals and promoting social cohesion and inclusion (Bilateral dialogue on global development and cooperation with third countries; Social and employment issues; Reduce regional disparities; Institutional strengthening and state modernization)
  - o Promoting an environmental partnership for sustainable development;
  - o Strengthening cooperation on energy issues;
- Promoting regional cooperation:
  - o Advancing EU-LAC cooperation;
  - o Advancing the Mercosur-European Union agenda;
- Promoting science, technology and innovation;
- Promoting people-to-people exchanges:
  - o Migration, Visa and Consular issues;
  - o Education and youth;
  - o Culture;
  - o Civil society;
  - o Promotion of interparliamentary exchange and interaction;
  - o Mutual visibility.

These areas have remained constant even in the Second Joint Action Plan signed in 2011 during the Fifth EU-Brazil Summit in Brussels. Primarily. One could outline that EU-Brazil relations have broadly focused on promoting effective multilateralism, trade, aiding energy security, cooperating on issues of climate change and sustainable development, fostering

economic development and poverty eradication, supporting inter-regional co-operation particularly between EU-Mercosur and promoting human rights.

Patently, the Strategic Partnership, especially at the time of its inception, holds potential benefits for both sides. From the EU's perspective, Brazil is an important regional power and a potential interlocutor for future economic agreements and political dialogue in the region. In the interim, the High Level Dialogue established by the agreement consists in a political discursive space in which the EU can reinforce important commercial ties with Brazil and make advancements in the field of international cooperation, whilst projecting its normative power through the promotion of *European norms and values* within the partnership.

Considered a civilian power, the EU wants to change the system through the promotion of the norms: the partnership, in consonance with Ian Manners<sup>11</sup>, can be used as an exercise in the diffusion and advocacy of the principles of multilateral cooperation, the primacy of diplomacy, the peaceful mediation of conflicts, the promotion of human rights and the rule of law.

For Brasilia, the partnership serves two key foreign policy goals: global projection and an enhanced autonomy through the diversification of external ties. The inclusion in the limited and selective list of EU partners represents a *seal of quality* for the country's recent emergence as an economic and potentially political power. Being recognized on the same level as the US or China holds a great significance for the Brazilian political elites.

Furthermore, the expectations emerged from the partnership demand a reform of global institutions, and particularly the UN Security Council: an issue that may be supported by the European Union. Likewise, the partnership with the EU constitutes only a part of the extensive network of partners and multilateral initiatives, which have characterized Brazilian foreign policy in the recent years<sup>12</sup>. This balance guarantees not only partner support but also autonomy for a rising Brazil.

# 2.4 THE $7^{TH}$ EU-BRAZIL SUMMIT

At the beginning of the document, both the European Union and Brazil were concerned to reiterate and boost the strategic partnership leveraged in 2008. Otherwise let us see:

Leveraging our Strategic Partnership

<sup>&</sup>lt;sup>11</sup> MANNERS, Ian. 2002. Normative Power Europe: A Contradiction in Terms?. *Journal of Common Market Studies*, 40(2). Pp. 235-258.

<sup>&</sup>lt;sup>12</sup> Strategic Partnerships with Turkey and Norway, plus the emphasis on the institutionalisation of multilateral groups such as BRICS and IBSA.

- 3. We reaffirmed our **shared commitment to the values and principles** of democracy and the rule of law, respect for human rights and fundamental freedoms, the promotion of sustainable development with social inclusion, and the promotion of international peace and security, on which the EU-Brazil Strategic Partnership is based.
- 4. We reviewed the existing bilateral dialogues and reflected on key areas for the partnership in the next years, namely to promote international peace and security; the inclusive growth of our respective economies; to promote science, technology and innovation; and to overcome the challenges in the areas of sustainable development, climate change, environment, energy security and international cyber policy. These aims should be translated into concrete initiatives by the **next EU-Brazil Joint Action Plan 2015-2017.**
- 5. We also agreed to strengthen our bilateral political dialogue in order to **converge further on the global agenda** and on our positions in international fora. In that context, we reiterated the importance of a strong and effective multilateral UN system, based upon international law.
- 6. The promotion and protection of all **human rights** of all persons lie at the core of our Strategic Partnership. We reiterated our commitment to defend the universality and indivisibility of human rights, including in the fight against discriminations based on sexual orientation or gender identity. We agreed to streamline our co-operation in Geneva and New York and to strengthen cooperation on issues of mutual concern such as death penalty, torture, civil and political and economic, social and cultural rights for all, access to food, education and health care, rights of women and children, non-discrimination, racism and xenophobia, gender equality, lesbian gay bisexual transgender and intersex (LGBTI) persons, indigenous peoples, human rights defenders, freedom of expression and freedom of religion or belief. We also expressed our strong support for the International Criminal Court in its endeavor against impunity for the worst human rights violations. In this context, we look forward to the organization of the IV Human Rights Dialogue and the III Civil Society Seminar in the first semester of 2014.

Apart from reaffirming the strategic partnership, the summit mentioned three large areas of co-operation: Economic growth, job creation and competitiveness; Foreign Policy; and Tackling Global Challenges.

In particular, paragraph 21 of the Joint EU-Brazil Statement emphasises the importance of promoting the bi-regional strategic partnership between the EU and Latin America and the Caribbean in order to address priority areas identified in the EU-CELAC Action Plan. The EU and Brazil will continue supporting its implementation and possible future expansion into new areas of activity. In this regard, both the EU and Latin America reaffirmed the importance of the EU-LAC Foundation and acknowledged the role it can play in deepening and strengthening the bi-regional partnership.

## 3 THE IMPACT ON EU-MERCOSUR RELATIONS

#### 3.1 INTRODUCTION

The complementarity of the regional and the bilateral policies pursued by the EU in its foreign policy towards the Southern Cone cannot be taken for granted. The two approaches are not seen as necessarily incompatible, but it is argues that special attention will have to be given to a number of aspects initially not takin into consideration when the Partnership with Brazil was launched, whether is the European bloc serious about continuing to support Mercosur and concluding the Framework Cooperation Agreement.

Among these aspects, most important is the treatment of the other Mercosur member States, especially Argentina; Central to the processes of regional integration in the Southern Cone has been a strong cooperation between Brasilia and Buenos Aires, since the first one cannot be considered a regional hegemon in practical terms. In addition, historically, whenever this cooperation was put behind unilateral preferences of either of the countries, not only did Mercosur suffer, but also an effective solution to the perceived problems was jeopardized.

## 3.2 BRAZIL AND MERCOSUR

The Common Market of the South (Mercosur), founded in 1991 by the Treaty of Asuncion, provided for the progressive establishment of a common market and a customs union. The bloc brings together Argentina, Brazil, Paraguay, Uruguay, and most recently Venezuela, which officially joined in 2012 (currently suspended). Other countries participate as associated members: Bolivia, Chile, Peru, Colombia, Equator, Guiana and Suriname.

Brazil's role in Mercosur is increasingly inclusive: its position as leader is indisputable, due to its economic, population, political and geographical characteristics. It is important to stress that this leader position increases Brazil's responsibility for the conduct and survival of Mercosur.

Allied to the idea of integration, Brazil, from Mercosur, definitively demarcates South America as its area of political-economic influence. It also strengthens its position in favor of multilateralism to meet the US position and the attempt to implement the FTAA.

### 3.3 EU AND MERCOSUR

Mercosur is a large market: the fourth largest economic grouping in the world (after the EU, NAFTA and ASEAN). Average annual GDP growth in the bloc exceeded 5% over the past 7 years. In terms of EU exports, Mercosur ranks on par with India and ahead of both Canada and Korea. EU investments in Mercosur amount to more than €285 billion in 2012, more than EU investments in China, India and Russia combined.

The EU negotiates with Mercosur for an Association Agreement: the process was relaunched in May 2010 at the EU-LAC Summit. Many rounds of negotiations have been held since then. At the Ministerial meeting held in Santiago de Chile on 26 January 2013, for instance, the EU and Mercosur countries agreed that the next step in the negotiations would be an exchange of market access offers on good, services and establishment and government procurement.

This agreement boosts exports and growth and strengthen EU-Mercosur cooperation in an international scenario, including on the reforms of global economic governance and the international financial institutions, climate change, G20, human rights and the fight against poverty.

When it comes to the Strategic Partnership between Brazil and the EU, the impact on EU-Mercosur relations tend to be an influence to gain some momentum in EU-Mercosur trade agreement. The EU is a major exporter of commercial services to Mercosur (€16 billion in 2011), as well as the biggest foreign investor in the region with a stock of foreign direct investment that has steadily increased over the past years and which amounted to €286 billion in 2011 <sup>13</sup>. Of course, these numbers have to be viewed in the context that Mercosur is economically dominated by Brazil. However, EU-Mercosur have failed to sign a comprehensive trade agreement which is going to be a part of the bi-regional Association Agreement. The progress on EU-Brazil trade agreement has been a major impediment in the deepening of EU-Brazil relations.

Therefore, under the umbrella of Mercosur, the negotiations then could be carried out bilaterally with member countries with each country deciding its own pace of trade liberalization commitments and schedules.

## **CONCLUDING REMARKS**

European Commission, *Mercosur*. Available at: <a href="http://ec.europa.eu/trade/policy/countries-andregions/regions/mercosur/">http://ec.europa.eu/trade/policy/countries-andregions/regions/mercosur/</a>. Last access: 26 March 2017.

More than five decades mark the relations between Brazil and the European Union. In fact, the continental dimensions, cultural homogeneity and pacifist vocation of the Brazilian state are decisive factors for the European leaders. On the other hand, the economic potentate of Europe appears in the eyes of Brazil as a concrete alternative to United States' monopoly in the American continent. The successive generations of framework agreements illustrate a gradual transformation in the quality of partnership and reveal the metamorphosis in reciprocal perceptions.

What is seen is that, initially, these agreements are globally vertical, have a clear hierarchy, the European Union assuming a role of donor, and Brazil as a recipient. However, this global verticalization is gradually being restricted, creating spaces for horizontal partnerships, notably located in the mercantile area, but also in the area of science and technology. This, in fact, impresses a hybrid character to the later generations of these agreements, thus making them diagonal in nature. This means that binary donor-receiver logic is much less systematic, and there may be role swaps, favoring more comprehensive and ambitious agreements, as gains possibilities are better distributed. The big problem is precisely to reach agreements that can meet these ambitions and scope, since they are, in most cases, divergent.

It is possible to attribute to the metamorphosis of the reciprocal perceptions the function of transforming, step by step, the quality of the EU-Brazil partnership.

For the European Union, Mercosur emerges as a bridgehead in the Americas. US-led integration projects, such as NAFTA, APEC and the FTAA, present themselves as challenges to European trade policy in the world. Mercosur fits in with the inter-regional efforts undertaken by the EU which, in fact, constitute one of the cornerstones of its foreign policy. In this sense of *interregionalism*, affirm Söderbaun, Stalgren and van Langenhove (2005):

There three party overlapping and intersecting perspectives are emphasized in accounting for the role of interregionalism in the EU's foreign policy and external relations, i.e., (i) the promotion of liberal internationalism; (ii) building the EY's identity as a global actor; and (iii) the promotion of the EU's power and competitiveness"<sup>14</sup>.

The outcome of 7th EU-Brazil summit was considered disappointing by some commentators. Even though modest, it was significant given the context in which the summit was held. It is of paramount importance to emphasize that both EU and Brazil face their own socio-economic challenges. EU's recovery from the sovereign debt crisis is still fragile, and

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<sup>&</sup>lt;sup>14</sup> SÖDERBAUN, Frederik; STALGREN, Patric; van LANGENHOVE, Luk. The EU as a Global Actor and the Dynamics of Interregionalism: a Comparative Analysis. *Journal of European Integration*, Vol. 27, n. 3, 2005. Pp. 249-262.

Brazil is facing *middle life crisis*. There have also been many protests in Brazil against the government, a recent impeachment process followed by the dismissal of the democratically elected president, measures compatible to a *state of exception*<sup>15</sup> within the democratic system etc. Apart from that, EU and Brazil are distracted by events occurring in their respective neighborhoods: the migration/refugee crisis, *Brexit*, terrorism, public finances, unemployment, nationalism affecting election etc. have taken over EU's foreign policy priorities, while protests in Venezuela, poverty, democracy maintenance and State abuses all over Latin America are of concern to Brazil. In spite of these limitations, some very crucial points emerged in the last EU-Brazil Summit. If both succeed in tackling issues based on cooperation, they can enhance their relationship. Such a co-operation will not only bring both partners closer but will also strengthen their normative compatibility.

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<sup>&</sup>lt;sup>15</sup> Concept carved in SCHMITT, Carl. *Political Theology: Four Chapters on the Concept of Sovereignty* (1922), trans. by G. Schwab, Chicago: University of Chicago Press, 2005.

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