



Evaluation of the European Union's Regional Development Cooperation with Latin America (2009-2017)

Final report

Volume 1

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Evaluation carried out on behalf of the European Commission



ECORYS



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Evaluation of the European Union's Regional Development Cooperation with Latin America (2009-2017)

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The opinions expressed in this document represent the authors' points of view
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of the countries involved.

Evaluation of the European Union's Regional Development Cooperation with Latin America (2009-2017)

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List of acronyms and abbreviations

ACP	Group of African, Caribbean and Pacific (ACP) States
AECID	Agencia Española de Cooperación Internacional para el Desarrollo (Spanish International Cooperation for Development Agency)
AFD	Agence Française de Développement (French Development Agency)
AIAMP	Asociación Iberoamericana de Ministerios Públicos (Ibero-American Association of Public Prosecutors)
AIDEF	Asociación Interamericana de Defensorías Públicas (Inter-American Association of Public Defenders)
ALBA	Alianza Bolivariana de los Pueblos de Nuestra América (Bolivarian Alliance for the Peoples of Our America)
ALFA	Regional Programme for Higher Education in Latin America
AL-INVEST	Regional Programme in support of the promotion of internationalisation and productivity of MSMEs
AMERIPOL	Police Community of the Americas
ASEAN	Association of Southeast Asian Nations
BELLA	Building the Europe Link to Latin America
CAN	Andean Community of Nations
CC	Climate Change
CELAC	Community of Latin American and Caribbean States
COPOLAD	Cooperation Programme between Latin America, the Caribbean and the European Union on Drugs Policies
CRA	Common Research Area
CRIS	Common RELEX Information System
CRP	Cocaine Route Programme
CSO	Civil Society Organisation(s)
CSP	Country Strategy Paper
DCI	Development Cooperation Instrument
DCI-FOOD	DCI's Food Security Programme
DCI-GPGC	DCI's Global Public Goods and Challenges Programme
DCI-MIGR	DCI's Migration and Asylum Programme
DG BUDG	Directorate-General for Budget
DG CLIMA	Directorate-General for Climate Action
DG DEVCO	Directorate-General for International Cooperation and Development
DG EAC	Directorate-General for Education, Youth, Sport and Culture
DG ECHO	Directorate-General for European Civil Protection and Humanitarian Aid Operations
DG ELARG	Directorate-General for Enlargement (former)
DG EMPL	Directorate-General for Employment, Social Affairs and Inclusion
DG ENTR	Directorate-General for Enterprise and Industry
DG ENV	Directorate-General for Environment
DG HOME	Directorate-General for Migration and Home Affairs
DG INFSO	Directorate-General for Communications Networks, Content and Technology (former)
DG RTD	Directorate-General for Research and Innovation
DLDD	Desertification, Land Degradation and Drought
E&CC	Environment and Climate Change
EACEA	Education, Audiovisual and Culture Executive Agency
EC	European Commission
ECLAC / CEPAL	United Nations Economic Commission for Latin America and the Caribbean / Comisión Económica para América Latina y el Caribe
EDF	European Development Fund

EEAS	European External Action Service
EIB	European Investment Bank
ELAN	European and Latin American Business Services and Innovation Network
ENPI	European Neighbourhood and Partnership Instrument
EQ	Evaluation Question
ESCA	Central American Security Strategy
EU	European Union
EUD	Delegation of the European Union
EUROJUST	The European Union's Judicial Cooperation Unit
FAO	Food and Agriculture Organization of the United Nations
FDI	Foreign Direct Investment
FIIAPP	Fundación Internacional y para Iberoamérica de Administración y Políticas Públicas (International and Ibero-American Foundation for Administration and Public Policies)
FP7	Seventh framework programme for research and technological development
FPI	Foreign Policy Instrument
GDP	Gross Domestic Product
GIZ	Gesellschaft für Internationale Zusammenarbeit (German International Cooperation Agency)
GNI	Gross National Income
HE	Higher Education
IADB	Inter-American Development Bank
ICI	Instrument for Cooperation with Industrialised Countries
IcSP	Instrument contributing to Stability and Peace
IFIs	International Financial Institutions
IfS	Instrument for Stability
IICA	Inter-American Institution for Cooperation on Agriculture
ILO	International Labour Organization
IMF	International Monetary Fund
IOM	International Organization for Migration
ISG	Interservice Steering Group
JRC	Joint Research Centre
KfW	Kreditanstalt für Wiederaufbau (German Bank for Reconstruction)
LA	Latin America
LAC	Latin America and Caribbean
LAIF	Latin American Investment Facility
LMC	Lower Middle Income Country
M&E	Monitoring and Evaluation
MDGs	Millennial Development Goals
MEAs	Multilateral Environment Agreements
MERCOSUR	Mercado Común del Sur
MIP	Multiannual Indicative Programme
MS	Member State
MSME	Micro, small and medium-sized enterprise
NAFTA	North American Free Trade Area
NAMA	Nationally Appropriate Mitigation Action
NDC	Nationally Determined Contribution
NFP	National Focal Point
NGO	Non-Governmental Organisation
OAS	Organization of American States
ODA	Official Development Assistance

OECD	Organisation for Economic Cooperation and Development
PI	Partnership Instrument
PRELAC	Prevention of the Diversion of Drugs Precursors in the Latin American and Caribbean Region
RALCEA	Regional Programme in support to the establishment of a network of knowledge centres in the water sector
RIP	Regional Indicative Programme
ROM	Results-Oriented Monitoring
RSP	Regional Strategy Paper
S&T	Science and Technology
SDG	Sustainable Development Goal
SICA	Sistema de la Integración Centroamericana (Central American Integration System)
SME	Small and Medium Enterprises
UMC	Upper Middle Income Country
UN	United Nations
UNASUR	Union of South American Nations
UNEP	United Nation Environment Programme
UNFCCC	United Nations Framework Convention on Climate Change
UNODC	United Nations Office on Drugs and Crime
URB-AL	URB-AL Regional Programme in support to Social Cohesion Local Processes
USA	United States of America
USAID	United States Agency for International Development
WATERCLIMA	Regional Project of Watershed and Coastal Management in the context of Climate Change in Latin America and Caribbean

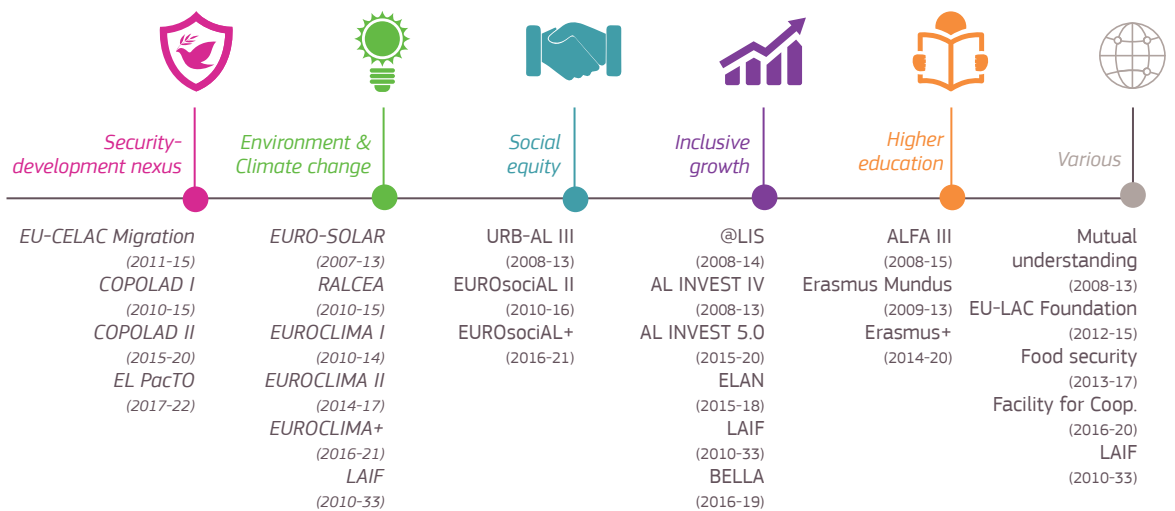
EXECUTIVE SUMMARY

EVALUATION OF THE EU'S REGIONAL DEVELOPMENT COOPERATION WITH LATIN AMERICA (2009-2017)

This evaluation is an independent, evidence-based assessment of the European Union (EU) regional development cooperation with Latin America in 2009-2017. It aims at providing key lessons and recommendations to improve and inform future regional cooperation.

The EU regional cooperation covers 18 countries: Argentina, Bolivia, Brazil, Chile, Colombia, Costa Rica, Cuba, Ecuador, El Salvador, Guatemala, Honduras, Mexico, Nicaragua, Panama, Paraguay, Peru, Uruguay and Venezuela.

FIVE AREAS AND AROUND 30 REGIONAL PROGRAMMES ADDRESSED IN THIS STUDY



7 FIELD VISITS IN LATIN AMERICA AN E-SURVEY

Field visits in seven countries (Bolivia, Brazil, Colombia, Costa Rica, Ecuador, El Salvador and Peru) and an e-survey to all EU Delegations in the region.



370 INTERVIEWS

Interviews with a large range of stakeholders, including EU Headquarters and Delegations, Member States, international organisations, universities, civil society and business organisations.



1,000 DOCUMENTS

Documents analysed, included EU strategies/programmes, evaluations, progress reports and documentation from other development partners.



METHODOLOGICAL APPROACH

The evaluation was implemented between November 2017 and March 2019. It was based on a theory-based approach using a contribution analysis framework. An inventory of EU regional support and seven evaluation questions, with judgment criteria and indicators were defined to guide data collection and analysis. The evaluation was managed by DG DEVCO's Evaluation and Results Unit, and the process was overseen by an inter-service steering group including all EU relevant services.

REGIONAL CONTEXT

Latin America is a region with a surface area of around 19 million km² and a total population of 618 million. After the 2008/2009 world crisis, economic activity rebounded quickly. However, while growth remained relatively robust in Central America, it came to a halt in South America, mainly due to recession in the two largest countries (Argentina

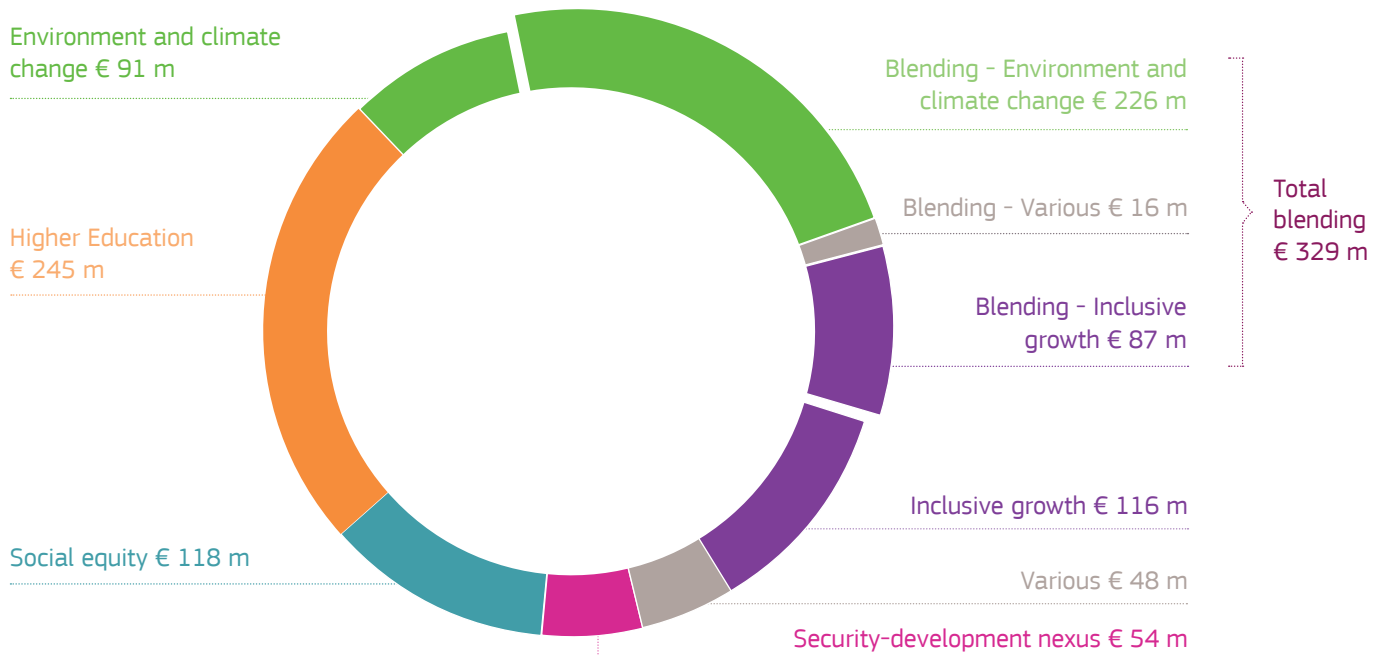
and Brazil) and the breakdown of the Venezuelan economy. Over the last decade, several Latin American countries have achieved upper middle income country status and poverty/extreme poverty have declined steadily in both relative and absolute terms. However, pockets of poverty persist and gender equality is still a big challenge. Beyond national and sub regional specificities, some crucial issues are common to the region as a whole.

THE EU-LA STRATEGIC PARTNERSHIP

The EU's partnership with Latin America is embedded in close historical and cultural ties, extensive people-to-people exchanges, strong and growing trade and investment flows, and shared values and aspirations. While there have been EU-LA bi-regional relations for several decades, high-level summits, accompanied by ministerial and sectoral meetings, have taken place in a more structured and regular way since 1999.

EU REGIONAL DEVELOPMENT COOPERATION

EU regional support for Latin America in 2009-2017 amounted to around **EUR 1 billion**.



OVERALL ASSESSMENT

Overall, the evaluation highlights the following main findings:



KEY CHALLENGES ADDRESSED

EU has significantly contributed to strengthening joint EU-LA responses to key development challenges, leading to improved policy and institutional frameworks in areas such as: social cohesion, environment and climate change, higher education, science and technology and key governance matters.

STRONG FRAMEWORK FOR JOINT ACTION

A comprehensive strategic partnership has been built on the basis of strong historical links and common interests in the face of major global challenges.



CREDIBILITY AND EU ADDED VALUE

Regional cooperation has proved to be a powerful tool for achieving results, with EU institutions the most credible partner to promote it.



AREAS FOR IMPROVEMENT

Lack of a regional capacity to monitor and evaluate the implementation of sectoral policy support; and potential for coordination and synergies between regional, sub-regional and national cooperation programmes not fully exploited.

INNOVATIVE COOPERATION MODELS

Intra-regional and triangular (EU and intra-Latin America) cooperation has been highly developed, consolidating models for peer exchanges between Latin American countries belonging to different income groups.

CONCLUSIONS AND RECOMMENDATIONS

COOPERATION FRAMEWORK

C1. Strategic relevance: appropriate focus on institution-building to respond to regional challenges

EU support was highly relevant, demand driven and appropriately focused on strengthening institutional capacities and response strategies. This made the programmes more attractive and improved the level of ownership.

Call to action



R1: Strengthen links and feedback loops between regional programmes and bi-regional dialogue

C2. Strong EU added value and innovative approaches to regional cooperation

The EU support highlighted the regional dimension of the key challenges to development and promoted innovative approaches, including South-South and triangular (North-South-South) exchanges where graduated countries played a key role.

Call to action



R2: Define specific strategies and models to strengthen the involvement of graduated countries

C3. Gender equality and marginalised groups: improvements in implementation, but lack of systematic approach

The regional programmes lacked a systematic approach to gender equality and the rights of marginalised groups, although gender-related improvements were observed in the programming of some programmes (EUROSociAL, EUROCLIMA).

Call to action



R3: Establish a comprehensive rights-based approach in programming and implementation

C4. Joint regional responses developed to address global challenges

EU support fostered a common vision among Latin American and EU partners in main policy areas. This helped CELAC put its development vision into practice, though its capacity to implement and monitor remained weak.

Call to action



R4: Promote regional mechanisms and tools to facilitate networking, coordination and monitoring

R5: Put monitoring and learning at the centre of the regional cooperation programmes

SECTOR RESULTS

C5. Common ground established to address the security-development nexus

Regional cooperation helped promote a common understanding and joint institutional tools to address crucial security challenges, focusing on drugs policy; the fight against drug trafficking and organised crime; and migration.

Initial achievements were significant but, barring a few exceptions (e.g. EL PACCTO), consultation with national stakeholders was not optimal.

Call to action



R6: Reinforce high-level dialogue and country stakeholders' participation to strengthen the security-development nexus

C6. Strengthened regional awareness and promotion of national reforms targeting environment and climate change

EU programmes helped promote:

- regional awareness of the environment and climate change;
- regional specialised networks;
- national policy reforms;
- bilateral cooperation; and
- new green investment in water, energy and transport (e.g. LAIF).

However, the lack of regional monitoring and coordination capacity was limiting.

Call to action



R7: Promote the establishment of a regional coordination institution or mechanism on climate change

R10: Improve LAIF's coherence and complementarity with the regional cooperation programmes

C7. Effective support to policy reforms fostering social equity

Mainly through EUROSociAL, public policies were upgraded (e.g. taxation, social protection and basic services, enhanced access to justice). Such support became very popular and led to widespread regional exchanges of expertise and policy models.

Call to action



R8: Strengthen the EU regional support to social reforms by focusing on new social exclusions and vulnerabilities and enhancing the participation of non-state actors

C8. MSMEs strengthened for inclusive growth, with a new focus on competitiveness and strategic investment

For over 20 years the regional programmes have successfully supported Latin American MSMEs as the engine for inclusive growth in the region, strengthening their business associations, bi regional networks and technology exchange, internationalisation, and competitiveness (e.g. AL-INVEST and ELAN). More recently they have also started leveraging strategic investment projects, but linkages between the regional investment facility LAIF and other EU programmes and key regional priorities need strengthening.

Call to action



R9: Focus on improving the private sector development framework to enable MSME growth

R10: Improve LAIF's coherence and complementarity with the regional cooperation programmes

C9. Valuable contributions to networks in higher education and student mobility

The programmes supported bi-regional university networks for quality teaching and research (ALFA & Erasmus+), improved student mobility and inclusion (Erasmus Mundus & Erasmus+), and boosted the internationalisation of Latin American universities.

EU support for higher education has long been successful and is highly visible and attractive, but synergies with other EU regional development programmes are still limited.

Call to action



R11: Strengthen reciprocity and inclusion of higher education programmes and improve links with other European interventions

COORDINATION AND COMPLEMENTARITY

C10. Despite some good practices, EU-internal coordination remains weak and synergies limited

Despite some good practices, synergies between regional cooperation and other EU actions were weak. This mainly regards the coordination and complementarities with other development programmes (national and

thematic) and the related role of EUDs and other instances involved. It also regards its coherence and coordination with other programmes, such as the links between the bi-regional dialogue on Science and Technology and the higher education programmes.

Call to action



R5: Put monitoring and learning at the centre of the regional cooperation programmes

R12: Improve coordination between regional, national and thematic cooperation with a focus on EU Delegations and Headquarters' roles

C11. Coordination with EU Member States was limited and synergies were scarce

There was some exchange of information with Member States, and a few actively took part, through technical agencies, in the implementation of EU regional programmes, but tangible synergies with EU Member States' bilateral or sub-regional cooperation are scarce.

Call to action



R12: Improve coordination between regional, national and thematic cooperation with a focus on EU Delegations and Headquarters' roles

C12. Regional monitoring and learning processes developed halfway

The results of programme implementation were not fully fed into regional policy and institutional learning, due to weak monitoring mandates and systems and to poor links between the programmes and intra- or bi-regional policy dialogue structures.

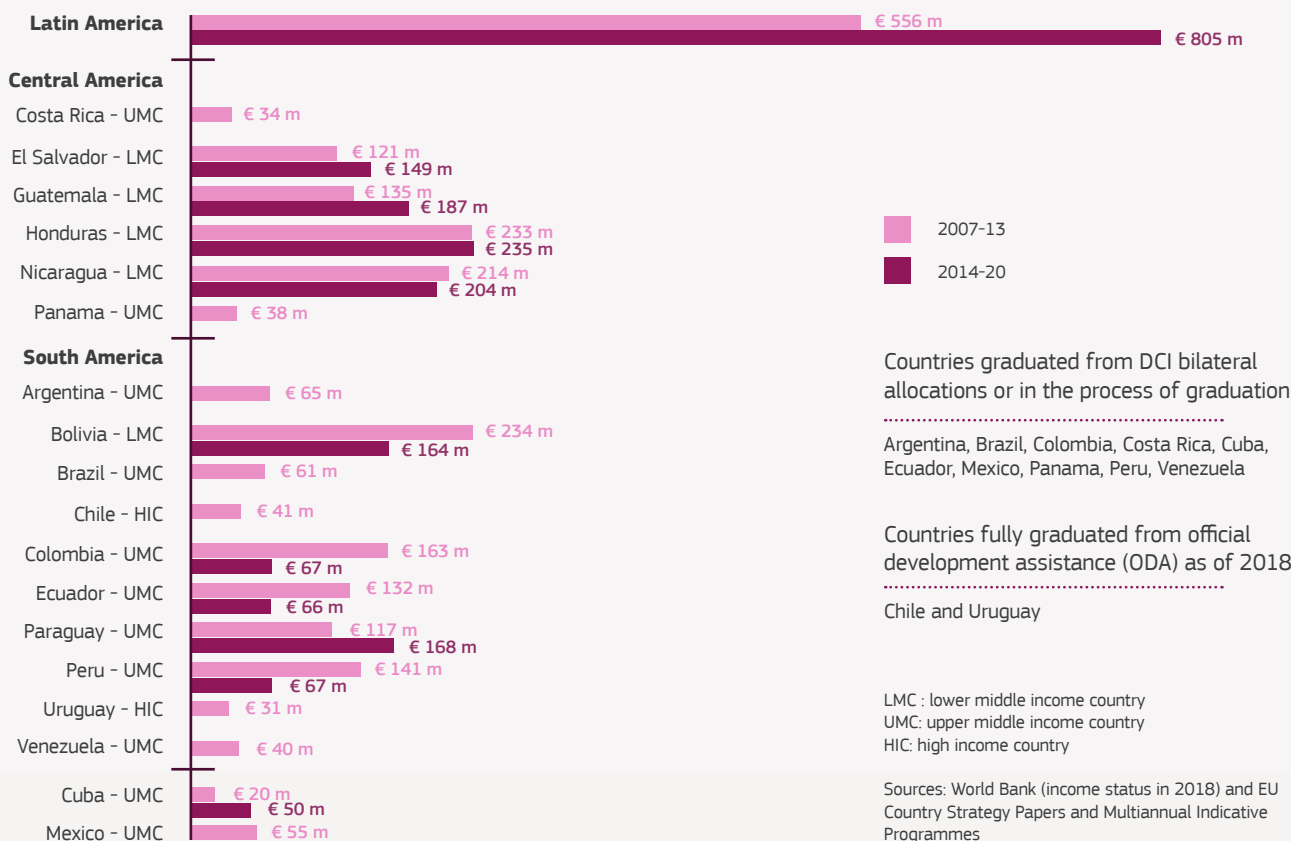
Call to action



R1: Strengthen links and feedback loops between regional programmes and bi-regional dialogue

R5: Put monitoring and learning at the centre of the regional cooperation programmes

OVERVIEW OF THE GRADUATION PROCESS AND EVOLUTION OF BILATERAL AND REGIONAL EU SUPPORT TO LATIN AMERICA



DEFINITION OF GRADUATION

According to the criteria proposed by the Commission (mainly income level and size of economy), upper middle income countries (UMCs) on the OECD/DAC list of ODA recipients and countries with more than 1% of the world's gross domestic product (GDP) are set to 'graduate' out of EU bilateral cooperation under the development cooperation instrument (DCI), although they will remain eligible under the DCI's thematic and regional programmes. Countries fully graduate from ODA (i.e. removed from the OECD/DAC list of ODA recipients) once they have exceeded the high-income threshold for 3 consecutive years.

1 Introduction

The Evaluation and Results Unit of the European Commission's Directorate-General for International Cooperation and Development (DG DEVCO) contracted Particip GmbH to conduct the evaluation of the EU's regional development cooperation with Latin America.

1.1 Objectives and scope of the evaluation

The evaluation focuses on the **EU's regional development cooperation with Latin America (LA)** during the period **2009-2017**. The scope of the evaluation covers the EU support provided at the regional level, also referred to as 'continental' support to distinguish it from the support provided at sub-regional level (e.g. Central America, Andean region). Sub-regional and bilateral cooperation are not included in the scope of this evaluation. The term 'EU support' used alone in this report always refers to the EU regional development cooperation with LA at continental level. It refers both to the strategy and the EU development interventions implemented at regional level (also called 'EU regional programmes').

The **geographical scope** of this evaluation covers the whole LA region, covering the following 18 countries: Argentina, Bolivia, Brazil, Chile, Colombia, Costa Rica, Cuba, Ecuador, El Salvador, Guatemala, Honduras, Mexico, Nicaragua, Panama, Paraguay, Peru, Uruguay and Venezuela. Cuba has been included because it is covered by the EU regional cooperation strategy focusing on LA (contrary to other Caribbean countries, it is not covered by the ACP¹ strategic framework).

The **main objectives** of this evaluation are:

- to provide the relevant external cooperation services of the EU and the wider public with an overall independent assessment of the EU's past and current development cooperation with LA; and
- to identify key lessons and produce recommendations to inform the responsible decision makers, notably in the EEAS² and DG DEVCO, on how to improve the current and future EU strategies, programmes and actions.

The evaluation assessed the following **key issues**:

- the *relevance* of the EU's regional development cooperation;
- the *coherence* of the cooperation strategy with the EU overall political framework;
- the *coherence, complementarity and synergies* between the regional programmes and other EU development interventions in the region and with other EU policies and cooperation actions affecting the LA region, in particular interventions under the Partnership Instrument;
- the *consistency* between programming and implementation;
- the *results* of the EU's regional development interventions, focusing on effectiveness, impact, sustainability and efficiency;
- the *value added and leverage effect* of the EU's regional development interventions;
- the *coordination and complementarity* between the EU and other donors (in particular with EU Member States).

¹ Africa, Caribbean, Pacific.

² EU External Action Service.

The evaluation also assessed the **strategic framework** of the regional development cooperation beyond the specific programmes implemented, including the strategic dialogue. It also analysed issues related to the evolution of the EU's development cooperation with so-called 'graduated countries'³ (see section 2.3.1 below).

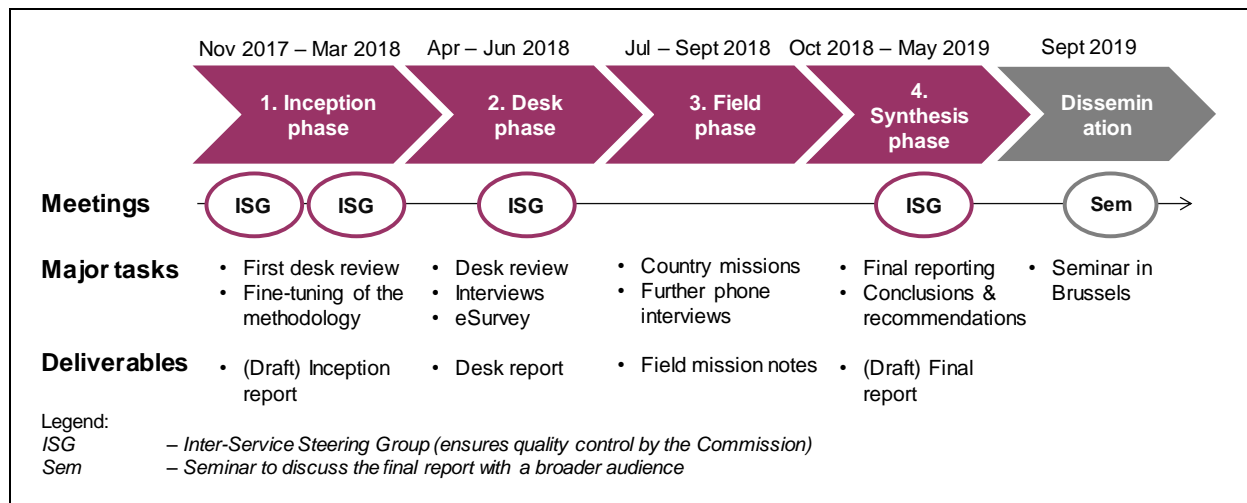
1.2 Key methodological elements

The methodology followed for this evaluation is based on the **methodological guidelines** developed by the DG DEVCO Evaluation and Results Unit.⁴

The evaluation applies a **theory-based approach** using a contribution analysis framework to assess EU regional development cooperation with LA. This implies considering the context in which EU support operates and requires a contribution analysis of the observed results regarding the sphere of EU support's influence, including its interaction with the external environment. Building on a reconstructed **intervention logic**⁵, the evaluation process adopted a systematic approach to provide answers to the **evaluation questions** (EQs) and to formulate conclusions and recommendations in line with the findings.

The evaluation was managed and supervised by the DG DEVCO Evaluation and Results Unit. The evaluation process was overseen by an **Inter-service Steering Group** (ISG), chaired by DG DEVCO Evaluation and Results Unit, and consisting of members of various DGs and the EEAS. The evaluation was conducted in **four main phases**, as summarised in Figure 1, between November 2017 and May 2019.

Figure 1 Main steps of the evaluation process



³ According to the criteria proposed by the Commission (mainly income level and size of economy), upper middle income countries (UMCs) on the OECD/DAC list and countries with more than 1% of the world's gross domestic product (GDP) are set to 'graduate' out of bilateral cooperation under the development cooperation instrument (DCI), although they will remain eligible under the DCI's thematic and regional programmes.

⁴ DG DEVCO methodological guidelines: https://ec.europa.eu/europeaid/evaluation-approach-and-methodology_en

⁵ In the inception phase, the evaluation team reconstructed an Intervention Logic for the EU support to LA 2009-2017 (see synthetic diagram presented in Volume 3), mainly drawing on the RSP 2007-2013 and the MIP 2014-2020. While the strategic focus of EU-LA cooperation has been subject to revisions and amendments during the period, the general objectives of EU support have remained largely unchanged. Therefore, while still taking note of the different nuances in the RSP and MIP, the reconstructed IL reflects the overall strategic orientation during the entire evaluation period.

1.2.1 Evaluation questions

To structure the data collection and analysis, the team has prepared a detailed evaluation matrix, including 7 evaluation questions, operationalised in several judgement criteria which in turn are underpinned by a set of indicators. The full evaluation matrix is annexed in Volume 3.

The EQs are grouped in two clusters and addressing different levels of the intervention logic.

Table 1 Overview of evaluation questions and evaluation criteria

Cluster	Evaluation question	Main evaluation criteria covered
Design and implementation	EQ1 on strategic directions : <i>To what extent has the EU development cooperation responded in a flexible way to the regional policy priorities and to the partner countries' needs while being in line with the overall EU external action policy framework?</i>	Relevance, Efficiency, Added Value, Coherence, Coordination and Complementarity
	EQ2 on implementation approaches : <i>To what extent were the implementation approaches adopted appropriate to pursue the development cooperation's objectives while creating synergies with other EU support and with the actions of EU Member States and other donors?</i>	
Results of the EU support	EQ3 on the security-development nexus : <i>To what extent has EU support contributed to the strengthening of the region's responses to peace and security challenges?</i>	Effectiveness, Impact and Sustainability
	EQ4 on environment and climate change : <i>To what extent has EU support contributed to the strengthening of the joint regional and global responses to climate change and environmental challenges?</i>	
	EQ5 on social equity : <i>To what extent has EU support contributed to the strengthening of social equity?</i>	
	EQ6 on inclusive growth : <i>To what extent has EU support contributed to the strengthening of regional competitiveness?</i>	
	EQ7 on higher education : <i>To what extent has EU support contributed to the strengthening of the EU-LA bi-regional higher education area?</i>	

1.2.2 Data collection

The evaluation team employed a range of tools to build a broad evidence base. These included:

- **Interviews** (via phone and in person) with more than 370 stakeholders based in Brussels, in LA and in their respective organisational Headquarters. Stakeholders consulted included project staff, EU Delegations, Directorates-General, Member States, international organisations (including UN agencies), universities, civil society organisations and business organisations. The list of stakeholders interviewed is presented in Volume 3.
- **Document analysis**: over 1000 documents were collected and over 200 sources are referred to in this report (see list in Volume 3) : programme documents (e.g. financing agreements, mid-term reviews, evaluations, Results Oriented Monitoring (ROM) reports, intervention-specific monitoring documents), EU strategic documents, relevant global EU thematic evaluations (on higher education, environment and climate change, blending, research and innovation), the mid-term review of the EU's External Financing Instruments (EFIs), and relevant documents of development partners, research institutes and civil society organisations.
- **Field visits**: The team visited seven countries in the region (i.e. Bolivia, Brazil, Colombia, Costa Rica, Ecuador, El Salvador, and Peru). The country selection reflected several considerations, including:

- o *Sub-regional coverage*: two Central American and five South American countries;
- o *Sector coverage*: countries relevant for the respective sectors;
- o *Graduation from EU bilateral development cooperation*: countries at several stages of the graduation process (two not graduated, three phasing out and two graduated⁶);
- o *Political and security situation*: a field visit was initially planned in Nicaragua as the country is an important player in many regional programmes. However, the political situation in the country made such a visit impossible. Instead, the team gathered evidence from Nicaragua through phone interviews and the e-survey.

Short field mission reports are presented in Volume 3. In addition to the field missions, the following countries were covered through phone interviews: Chile, Guatemala, Nicaragua, and Mexico.

- **E-survey** to all EUDs in the region covering all 18 countries of this evaluation. The survey consisted of 19 questions, both closed and open, to provide additional views by EUD staff on key elements of the evaluation matrix. 100% of the contacted respondents completed the survey. The results of the survey can be found in Volume 3.

1.2.3 Challenges and limitations

During the process, the evaluation faced the challenges outlined in the table below.

Table 2 *Main challenges and limitations encountered*

Challenge	Situation encountered and mitigation response
Related to the evidence base	
Project and programme documentation	Relevant information was not always easily retrievable as only some documentation was available in CRIS. Therefore, the team combined data extracted from CRIS with information found online and documentation shared by various units at DG DEVCO, EUDs and stakeholders met during the field phase. The documents collected were organised in a structured database, which could be accessed by team members via a secured platform.
Mainly qualitative evidence	The evidence on which this evaluation builds is mostly qualitative. To obtain solid evidence, the evaluation team triangulated findings as much as possible between interviews, document review and the e-survey.
Related to the planning and implementation of the evaluation	
Challenging field phase due to the timing of the activities	Due to a minor delay in the submission of the desk report, the field phase started in July 2018. Given that this period includes the summer break phase and that in some countries the political context was not conducive for a field visit, the evaluation team encountered difficulties in arranging missions. which allowed the experts to meet all relevant stakeholders. To ensure that the team could meet the relevant stakeholders, some missions were postponed to September 2018.
Limited field days	The field missions were short. In response to this, field missions were complemented by many phone interviews before and after the field visit.

⁶ As defined in the 2014 DCI Regulation

2 Context

2.1 The regional context

The EU-LA development cooperation covers 18 countries: Argentina, Bolivia, Brazil, Chile, Colombia, Costa Rica, Cuba, Ecuador, El Salvador, Guatemala, Honduras, Mexico, Nicaragua, Panama, Paraguay, Peru, Uruguay and Venezuela. The LA countries represent approximately 19 million km² and a population of 618 million inhabitants. The figure below illustrates the income level of the countries covered by the evaluation.

Figure 2 GNI per capita (LA countries)



Source: Particip based on data by World Development Indicators (year: 2014 for Venezuela, 2016 for other countries).

2.1.1 Economy

GDP has expanded by an average 2.6% per year since 2003. After the international financial crisis of 2008/2009, economic activity rebounded quickly. However, while growth in Central America has continued to be robust, it came to a halt in South America, mainly due to recessions in its two largest economies Argentina and Brazil and the breakdown of the Venezuelan economy (see Figure 3). For 2019, the International Monetary Fund (IMF) projects modest growth in most LA countries and a continuation of the economic crisis in Venezuela.⁷

The contraction of regional (continental) GDP reflects the persistent decline of investment and consumption region-wide. In addition, there are structural problems of pronounced income and wealth inequality, challenging sustainable growth and social inclusion.⁸ Although income inequality has fallen in recent years, LA remains the most unequal region in the world – of the twenty most unequal countries in the world, ten are situated in LA.⁹

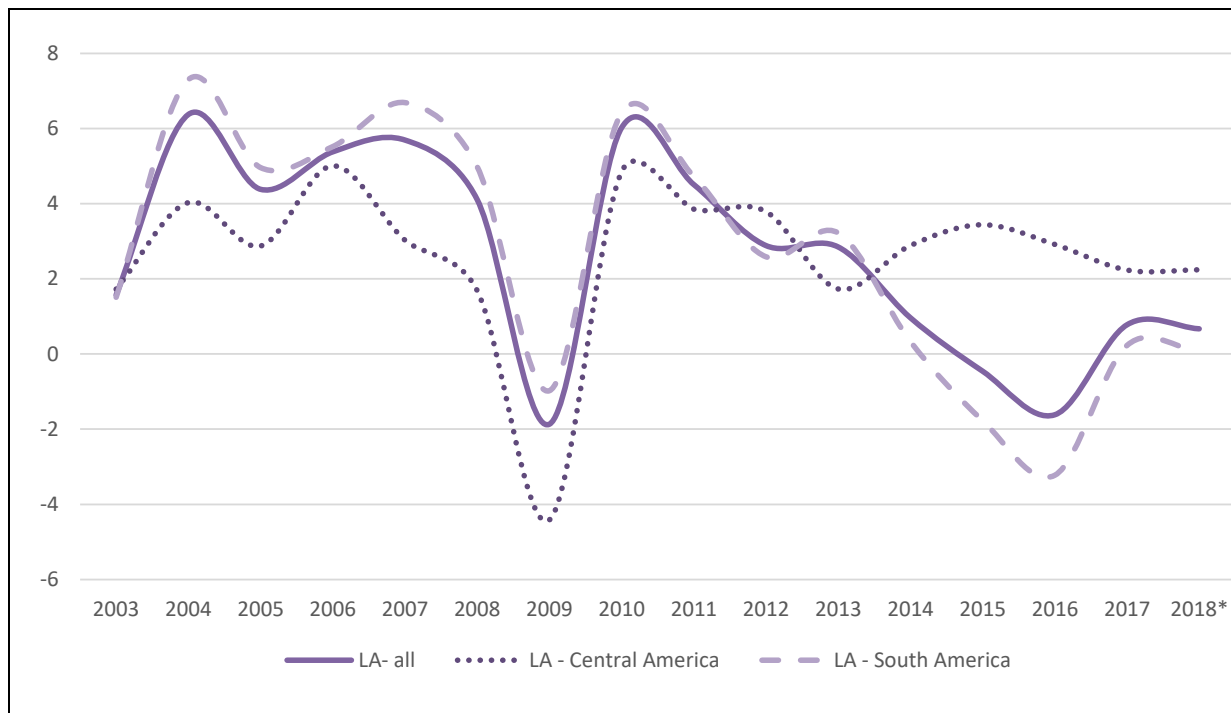
⁷ IMF (2018): Regional Economic Outlook for Latin America and the Caribbean

⁸ Manfred Olazu (2016): Latin América Social Paradox. Argentina, Buro Social No.17

⁹ Inequality as measured by the Gini index of income equality, source: Particip based on World Development Indicators for years 2016/2017 (earlier years in some cases).

As identified in the Multiannual Indicative Plan (MIP) 2014-2020, economic growth in LA has been heavily based on external demand for natural resources and commodities. In addition, economies are characterised by a number of structural weaknesses: lack of diversification, unsustainable use of natural resources, disappointing job creation, bottlenecks in skills- and training systems, difficult access to new technologies, failure to innovate, informality and lack of competitiveness affecting many micro, small and medium-sized enterprises (MSMEs), and the need for more open markets and a more investment-conducive environment.

Figure 3 GDP annual percent change in LA (2003-2018)



Source: Particip based on data by World Development Indicators.

*estimates for 2018

Fiscal positions vary widely. Gross public debt continued its upward trend in all countries, with Brazil having the highest public debt at 84% of GDP in 2017, followed by El Salvador at 68%, Argentina at 58%, and Mexico at 54%. At the other extreme, Paraguay's public debt is the region's lowest at 20% of GDP, followed by Chile's at 24% and Peru's at 25%.¹⁰ Across the region, public finance is hampered by poorly designed tax systems contributing to widespread tax evasion.

2.1.2 Social policies

Over the last decade, many LA countries have achieved upper middle-income country status. Between 2002 until 2015, poverty declined. Recently, however, a change in trend is observed. In 2017, 186 million people were in poverty in the region, representing roughly 30% of the population, an increase of 1% compared to the previous year.¹¹ For every 100 poor men in the region there are 118 poor women, which shows that poverty reduction needs to better address female poverty.¹² There are still geographic poverty pockets. In 2015, indigenous people

¹⁰ IMF (2018): Regional Economic Outlook for Latin America and the Caribbean.

¹¹ Panorama Social de América Latina, 2017, ECLAC.

¹² ILPES, ECLAC.

accounted for about 8% of the population, but represented over 17% of all Latin Americans living on less than USD 2.50 a day.¹³

The LA region's middle class grew from less than one out of three in 2000 to almost two out of five in 2015.¹⁴ However, structural challenges remain in the areas of gender inequality, access to decent work opportunities, human development and social protection.¹⁵

Inclusion and re-distribution policies are very weak, due to multiple causes: low average tax rates, weak domestic resource mobilisation, the lack of effective public redistribution structures and inequalities in the access to public services. Informal employment accounts for 50% of the labour force, especially affecting women and young people. Regressive tax systems (mainly based on indirect taxation) have negligible or even negative effects on inequality levels. This situation places constraints public services and structurally erodes the social contract.¹⁶

2.1.3 Security and migration

A major challenge of LA resides in the dilemma of promising democratic consolidation and economic progress while faced with some of the highest rates of criminal violence and socio-economic inequality globally. Powerful and well-resourced organised crime interests engaged in the drug trade, human, and other forms of trafficking thrive on marginalisation and social exclusion and put pressure on institutions responsible for ensuring public security, justice and rule of law. This makes the task of governments difficult and costly.

The huge flows of migrants (both regular and irregular) to USA and Europe¹⁷ made LA the largest remittance-receiving area of the world - remittances that could be a tool to foster development in migrants' communities of origin. Migration within the LA region also showed strong trends that registered almost three million intra-regional migrants since the 1990s. Poverty, human rights discrimination and human trafficking were among important causes of migration. In the Northern Triangle of Central America insecurity has been a major driver for migration in recent years. The crises in Venezuela and Nicaragua have recently led to a wave of migration, creating challenges for neighbouring countries.

2.1.4 Environmental sustainability and climate change

Over the last 50 years, several countries of LA have developed a high level of dependency on natural resource extraction and expansion of agriculture to sustain economic growth. This has contributed to significant deforestation and forest degradation, coupled with a high loss of biodiversity, which has contributed to the deterioration of important ecosystems that provide environmental services to the region's main urban and rural centres. This situation has been worsened by the lack of systematic biodata collection and validation. For example, according to the Brazilian government's forest monitoring system PRODES, forest loss between 2009 and 2017 dropped to well below one million hectares per annum. However, the University of Maryland and Global Forest Watch reported deforestation fluctuated between one and two million hectares

¹³ Indigenous Latin America in the Twenty-First Century, World Bank, 2015.

¹⁴ CEDLAS and World Bank 2016.

¹⁵ Panorama Social de América Latina, 2017, ECLAC.

¹⁶ ILPES, ECLAC.

¹⁷ from 2004-2007, the number of Bolivians alone living in Spain increased from 8,000 to 300,000, with 50% of them being irregular

per annum between 2009-2015 but experienced a dramatic increase to over 3.4 million hectares by 2017.¹⁸

The depletion of the natural resource base coupled with the rise in climate variability have made the region's poorest communities, who live in high-risk areas, at growing risk from weather-related natural disasters. For example, it is estimated that over 106 million inhabitants were affected by disasters in the period 2008-2017.¹⁹ The economic costs of these disasters have also grown since 1970, and in particular since 2004.

The LA region emits less than 10% of the world's greenhouse gases but is disproportionately affected by the effects of climate variability and change. For example, Honduras, Nicaragua and Guatemala rank among the top 10 countries most at risk from climate change worldwide.²⁰

2.1.5 Higher education, science and technology

In LA, the percentage of young people aged 18 to 24 enrolled in higher education rose from 21% in 2000 to 40% in 2010, with particular progress among low- and middle-income countries. On average, the poorest 50% of the population only represented 16% of higher education students in 2000, but that figure rose to about 25% in 2013. Of the top-500 higher education institutions in the world, only about ten are located in LA.²¹ Among the most pressing issues of higher education in LA are high drop-out rates. The causes include academic unpreparedness, due in part to low quality education received in high school, and lack of financial means of low-income students. They may also include the relatively long duration of some degree programmes and lack of flexibility to switch between them.²²

Since the late 1980s, the approach to science and technology has gradually shifted from a mainly political, government-centred one focused on international and national centres, to an approach more oriented towards research conducted in the academic environment and rooted in the national and regional institutional contexts. In parallel to the institutionalisation of science and technology, various training programmes for new researchers appeared, but substantial differences between and among countries remain. Interdisciplinary research between the social and natural sciences has been intermittent and has only started to grow in recent years.²³

2.1.6 Regional integration

LA has a long history of attempts at regional integration. Several initiatives were launched in the last 15 years, leading to the creation of several new organisations, such as the Union of South American Nations (UNASUR), the Bolivarian Alliance for the Peoples of Our Americas (ALBA), the Community of Latin American and Caribbean States (CELAC) and the Pacific Alliance. These

¹⁸ PRODES measures deforestation figures in primary forests between August and July when it exceeds 6.5 ha, whereas Global Forest Watch records forest loss in both primary and secondary forests over one hectare between January and December.

¹⁹ The United Nations Office for Disaster Risk Reduction reports as much as 97% of disasters affecting Latin American (and Caribbean) inhabitants are related to hydro-meteorological and climatic phenomena (in particular floods and storms).

²⁰ Germanwatch, Climate Risk Index 1996-2015.

²¹ World Bank Group (2017): At a Crossroads: Higher Education in Latin America and the Caribbean. <https://openknowledge.worldbank.org/bitstream/handle/10986/26489/9781464810145.pdf?sequence=2&isAllowed=y>

²² Ibid.

²³ Pablo Kreimer & Hebe Vessuri (2018) Latin American science, technology, and society: a historical and reflexive approach, *Tapuya: Latin American Science, Technology and Society*, 1:1, 17-37.

new associations respond to new international dynamics, globalisation and the changing patterns of ongoing sub-regional processes.²⁴

The sub-regional organisations build on specific common interests but show also structural weaknesses. In Mercosur, for example, the level of intra-regional trade is lower than in other regional groups, not only the EU and NAFTA, but also ASEAN. The value of intra-regional trade in Mercosur reached a peak in the late 1990s, after which it declined until the 2008 international financial crisis, after which it has remained stagnant.²⁵ The Andean Community of Nations (CAN) and the Central American Integration System (SICA) are highly institutionalised regional organisations which could serve as an umbrella for regional coordinated policies and initiatives. In June 2012, the Central American countries signed an Association Agreement with the EU.

Currently, regional integration in LA is trying to adapt to the new global economic and political context, particularly with the EU. The recent decision of the United States not to ratify the Trans-Pacific Partnership and renegotiation of NAFTA have paused the trend towards larger preferential trade agreements²⁶ and created the need for more complex kinds of relationships.

2.2 EU-LA cooperation framework

The EU has maintained bi-regional relations with Latin America since the 1970s. The partnership is embedded in close historical and cultural ties, extensive people-to-people exchanges, strong and growing trade and investment flows, as well as shared values and aspirations such as commitment to democracy, human rights and rule of law, pursuit of social cohesion and sustainable development. In particular, EU and LA share common global interests regarding strengthening worldwide peace, fighting climate change, promoting free trade, and relying on the UN system as a key world reference based on consensus.

In 1990, the Rome Declaration formalised relations between the European Community and the Rio Group²⁷. In addition, the EU concluded an extensive web of associations and other agreements with individual LA countries and regional groupings, such as the EU-Mercosur Inter-regional Framework Cooperation Agreement (1995).

In June 1999, a Strategic Partnership between the EU and the Latin America and Caribbean (LAC) region was formally launched at the first EU-LAC Summit of Heads of State and Government in Rio de Janeiro. In essence, the Strategic Partnership is a political process between the two regions to deepen their relations and develop a joint global vision.

In 2011, the Community of Latin American and Caribbean States (CELAC) was established²⁸. CELAC represents a regional political coordination mechanism, which comprises all 33 LAC countries. CELAC is the EU's official counterpart for the region-to-region summit process and strategic partnership. However, as stated by the EU Parliament, *'Any understanding of inter-regional relations between Latin America and the Caribbean and the EU must take into account the deep institutional and economic asymmetries between the two regions. While the EU is a*

²⁴ Fernández Fernández, J.J., 'La Asamblea Parlamentaria Euro-Latinoamericana (EuroLat) y la Dimensión Parlamentaria De La Asociación Estratégica Birregional UE-ALC: Evolución y Perspectivas.', in VI Congreso CEISAL, Toulouse, 2014.

²⁵ Ajenjo, N., Stavridis, S., 'La Asamblea Parlamentaria EuroLat: ¿Un Modelo de Relación entre Bloques de Integración Regional?'

²⁶ AMEI. Asociación Mexicana de Estudios Internacionales. Los nuevos nacionalismos y poderes hegemónicos. 2017.

²⁷ The Rio Group was a permanent association of political consultation of Latin America and Caribbean countries, created in December 1986 with the purpose of creating a better political relationship among the countries.

²⁸ CELAC replaced the Rio Group, which dated back to 1986, and the short-lived Latin American and Caribbean Summit on Integration and Development (CALC)

*treaty-based organisation with important supranational features and competencies deriving from a conferral of powers from its Member States, CELAC is an informal forum, deprived of legal structure, headquarters, competencies and budget.*²⁹

The EU engagement with CELAC combines different levels of relations – regional, sub-regional and bilateral. The engagement with CELAC is complemented by institutionalised relations with individual countries and sub-regional or regional groups such as Mercosur, CARICOM/CARIFORUM³⁰, Pacific Alliance, SICA and UNASUR.³¹

Since the Rio Summit (1999), EU-LA summits have taken place approximately every two years. With CELAC (apart from recent difficulties linked to the political crisis in Venezuela), the dialogue has become more systematic. In addition to the summits, CELAC also organises ministerial meetings and sector- or issue-specific meetings of senior officials. The **EU-CELAC Action Plan** is the principal framework for cooperation and identifies instruments and activities in specific areas (see Table below).

Table 3 Overview of priorities articulated in EU-CELAC Action Plans

<i>2013 Action Plan</i>	<i>2015 Action Plan</i> ³²
1. Science, research, innovation and technology;	1. Science, research, innovation and technology;
2. Sustainable development; environment; climate change; biodiversity; energy;	2. Sustainable development; environment; climate change; biodiversity; energy;
3. Regional integration and interconnectivity to promote social inclusion and cohesion;	3. Regional integration and interconnectivity to promote social inclusion and cohesion;
4. Migration;	4. Migration;
5. Education and employment to promote social inclusion and cohesion;	5. Education and employment to promote social inclusion and cohesion;
6. The world drug problem;	6. The world drug problem;
7. Gender;	7. Gender;
8. Investments and entrepreneurship for sustainable development.	8. Investments and entrepreneurship for sustainable development.
	9. Higher education
	10. Citizen security

Furthermore, the bi-regional collaboration towards the achievement of the MDGs expanded into the 2030 Agenda for Sustainable Development and the ensuing SDGs with a focus on peace, justice, climate change and stronger institutions.

Trade between the EU and the CELAC region has been growing rapidly. The bi-regional trade volume more than doubled over the last decade, reaching EUR 213.2 billion in 2015, i.e. 6.1% of total EU trade. Collectively, the countries forming CELAC represent the fifth largest trading partner of the EU. Furthermore, the EU is the leading foreign investor in CELAC countries, with a total foreign direct investment (FDI) stock (equity in plus net loans to enterprises resident in the region) amounting to EUR 642 billion in 2014, which represents more than a third of all FDI in the region. The EU's FDI stock in CELAC countries is higher than in Russia (EUR 171.5 billion), China (EUR 144.2 billion) and India (EUR 38.5 billion) combined (EUR 354.2 billion). The EU has concluded Free Trade Agreements with the Central America group (Costa Rica, El Salvador,

²⁹ European Parliament (2017): The EU-Latin American Strategic Partnership: state of play and ways forward.

³⁰ Caribbean Community / Forum of the Caribbean Group of African, Caribbean and Pacific (ACP) States

³¹ European Commission (2017). Evaluation of the European Union's cooperation with Latin America (2009-2017) Regional Level Evaluation - Terms of Reference; European Commission (2014). Development Cooperation Instrument 2014-2020 Multiannual indicative programme for Latin America.

³² The Action Plan was updated in 2017, but no summit took place.

Honduras, Nicaragua and Panama), the Andean Community (Colombia, Ecuador and Peru) and with two individual LA countries (Mexico and Chile).³³

2.3 EU-LA regional development cooperation

2.3.1 EU's regional development cooperation strategy with Latin America

Development cooperation (including regional, sub-regional and bilateral) is one of the pillars of the EU-LAC partnership, which relies on a large and diversified set of tools, financing instruments and programmes, including interventions by other line DGs such as the Partnership Instrument (PI) as well as association and trade agreements.

EU-LA development cooperation (in particular, regional cooperation) has evolved and is still evolving³⁴ to identify new roles for emerging countries in the region, which are no longer aid recipients and have become providers of support in various areas, thus expanding South-South and triangular cooperation.

This evaluation assesses the EU's regional development cooperation strategy with LA and its implementation during the period 2009 to 2017, which is covered by the following strategic documents:

- the 2007-2013 Regional Strategy Paper with the 2007-2010 and 2011-2013 Regional Indicative Programmes, and
- the 2014-2020 Multiannual Indicative Programme.

While these three strategic documents present the objectives of EU-LA development cooperation in different ways and place differing emphasis on goals and aims, there has been no a substantial change regarding the overarching objectives of development cooperation.

Overall, from 2009 to 2017, the EU regional development cooperation with LA aimed to add value by complementing bilateral and sub-regional cooperation. It focused on sectors with a significant regional dimension, linking them to the evolving Global Development Agenda and, since 2017, the priorities of the new European Consensus on Development.

Particular attention was paid to social cohesion and regional integration, aiming at improving good governance and reinforcing public institutions, contributing to the development of a common EU-LA higher education area, and promoting sustainable development. To achieve these objectives, the regional cooperation promoted a range of opportunities to LA countries, including:

- Leading regional dialogues, thus offering regional responses to challenges;
- Coordinating and generating regional development agendas, in line with the Global Development Agenda;
- Enhancing Europe-LA mutual exchange of good practices, knowledge transfer and peer learning;
- Promoting greater aid effectiveness and impact by coordinating activities at the regional level and generating economies of scale;
- Generating leverage for additional development funding, also by fostering participation of the private sector and civil society; and

³³ EU: Trade negotiations and agreements, <http://ec.europa.eu/trade/policy/countries-and-regions/negotiations-and-agreements/>

³⁴ Shaping our Common Future; LAC-EU Strategic Partnership, 2015 (page 7)

- Innovating through new development instruments within the regional portfolio (blending, triangular cooperation, public-private partnerships and regional partnerships with other international institutions).

The areas of concentration were:

- Security-development nexus: reinforcing States' capacity to effectively ensure security conditions conducive for inclusive development, migration, and fighting against illicit drugs.
- Good governance, accountability and social equity: reinforcing the accountability and capacity of institutions and public administrations to provide high quality public services.
- Inclusive and sustainable growth for human development: poverty reduction through more inclusive and sustainable economic growth.
- Environmental sustainability and climate change: reducing poverty of most vulnerable populations by fostering environmentally sustainable development and improving the capacity to cope with climate change and disasters.
- Higher education: promoting higher education exchanges and academic cooperation between the EU and LA.³⁵

In line with the Agenda for Change, differentiation is one of the most important new aspects in the 2014-2020 Development Cooperation Instrument (DCI). *'It suggests [development] cooperation should be based on the partner country's needs; capacities to generate and access financial resources and absorption capacities; commitments and performance; and the potential impact of EU development aid. [...] According to the criteria proposed by the Commission (mainly income level and size of economy), upper-middle income countries (UMICs) on the OECD/DAC³⁶ list and countries with more than 1% of the world's gross domestic product (GDP) are set to 'graduate' out of the DCI. For them, the Commission proposes bilateral cooperation under the new Partnership Instrument, although they will remain eligible under the DCI's thematic and regional programmes.*³⁷ More specifically, Article 15 of DCI stipulates that *'The Union should engage in new partnerships with countries that graduate from bilateral aid programmes, notably on the basis of regional and thematic programmes under this instrument and other thematic Union instruments for financing external action, in particular the Partnership Instrument for cooperation with third countries as established by Regulation (EU) No 234/2014 of the European Parliament and of the Council (5) (the 'Partnership Instrument').'*

Graduation is of particular significance in Latin America, and principally in South America as shown in the table below. Chile and Uruguay have 'fully' graduated from ODA³⁸ in 2018. It is worth noting that Colombia, Cuba, Ecuador and Peru, despite their upper middle-income status, still benefit from bilateral development cooperation envelop for the 2014-2020 period on an exceptional basis to allow for a progressive phase-out from development cooperation considering their recent graduation (the latter two cases) and the post-conflict situation in Colombia.

³⁵ See 2007-2010 RIP; 2011-2013 RIP; 2014-2020 MIP.

³⁶ Development Assistance Committee of the Organisation for Economic Cooperation and Development

³⁷ European Parliamentary Research Service (2014). The Development Cooperation Instrument. Briefing. [http://www.europarl.europa.eu/RegData/bibliotheque/briefing/2014/140725/LDM_BRI\(2014\)140725_REV1_EN.pdf](http://www.europarl.europa.eu/RegData/bibliotheque/briefing/2014/140725/LDM_BRI(2014)140725_REV1_EN.pdf).

³⁸ According to the OECD DAC list countries and territories eligible to receive ODA

Table 4 Overview of the graduation process and the evolution of bilateral and regional DCI allocations

Region/ Sub-region	Country	RSP / CSP 2007-13 (mEUR)	MIP 2014-20 (mEUR)	Income status (2018) ³⁹	GDP per capita (2017)	Population (2017)
LA	(regional)	556	805	-	-	-
Central America	Costa Rica*	34	0	UMC	11.677	4.905.769
	El Salvador	121	149	LMC	3.889	6.377.853
	Guatemala	135	187	LMC	4.471	16.913.503
	Honduras	233	235	LMC	2.480	9.265.067
	Nicaragua	214	204	LMC	2.222	6.217.581
	Panama*	38	0	UMC	15.196	4.098.587
South America	Argentina*	65	0	UMC	14.398	44.271.041
	Bolivia	234	164	LMC	3.394	11.051.600
	Brazil*	61	0	UMC (since 2007)	9.821	209.000.000
	Chile**	41	0	HIC (since 2012)	15.346	18.054.726
	Colombia*	163	67	UMC (since 2008)	6.409	49.065.615
	Ecuador*	132	66	UMC (since 2010)	6.273	16.624.858
	Paraguay	117	168	UMC (since 2018)	5.824	6.811.297
	Peru*	141	67	UMC (since 2008)	6.572	32.165.485
	Uruguay**	31	0	HIC (since 2012)	16.246	3.456.750
	Venezuela*	40	0	UMC	15.692****	31.977.065
	Cuba*	20***	50	UMC (since 2007)	8.433	11.484.636
	Mexico*	55	0	UMC	8.910	129.000.000

*Countries graduated from DCI bilateral allocations or in the process of graduation⁴⁰.

**Countries fully graduated from ODA as of 2018.

***For the period 2011-2013

****2014 data

Sources: World Development Indicators, EU CSPs and MIPs

Only countries benefitting from bilateral development cooperation are subject to a CSP/MIP, while for countries having graduated from bilateral cooperation there are two types of frameworks:

1. a cooperation pillar and/or chapter included in the Association Agreement (e.g. Mexico and Chile), and
2. various Memoranda of Understanding for International Cooperation signed at national level, which are not legally binding (e.g. Chile, Argentina, Uruguay, Costa Rica, Panama).

³⁹ LDC – least developed country, LIC – low-income country, LMC – lower middle income country, UMC – upper middle income country, HIC – high income country.

⁴⁰ The Declaration by the European Parliament, the Council of the European Union and the European Commission annexed to the 2014 DCI Regulation indicates that 'the following partner countries are considered eligible for bilateral cooperation, as exceptional cases, including in view of the phasing out of development grant aid: Cuba, Colombia, Ecuador, Peru and South Africa.'

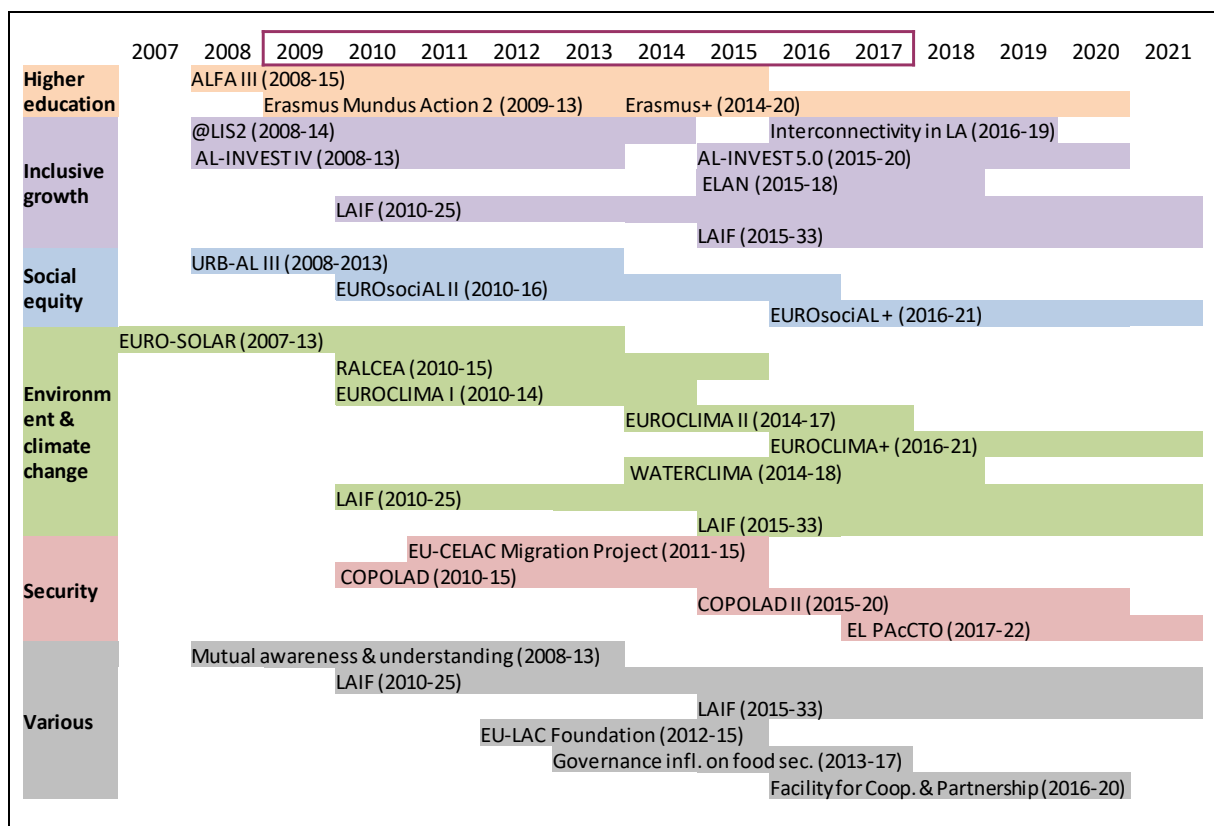
2.3.2 EU-funded regional development interventions

The EU support provided at continental level has mainly been financed through the geographic component of the DCI. Some interventions financed through the thematic components of the DCI, the amended Instrument for Cooperation with Industrialised Countries (ICI+), the Instrument for Stability (IfS) and via Pilot Projects/Preparatory Actions have also had a regional focus.

The scope of the present evaluation does not cover interventions on sub-regional and bilateral level nor interventions not being aimed at *development* cooperation (e.g. Partnership Instrument), although these interventions were looked at from a complementarity/coherence perspective.

The detailed inventory of the **interventions which fall in the scope of the evaluation** is presented in Volume 3. The diagram below provides an overview of the main interventions identified, highlighting the continuity of some interventions as well as their actual timeframes (in several cases starting before 2009 or going beyond 2017).

Figure 4 Main EU-funded regional development programmes between 2009 and 2017

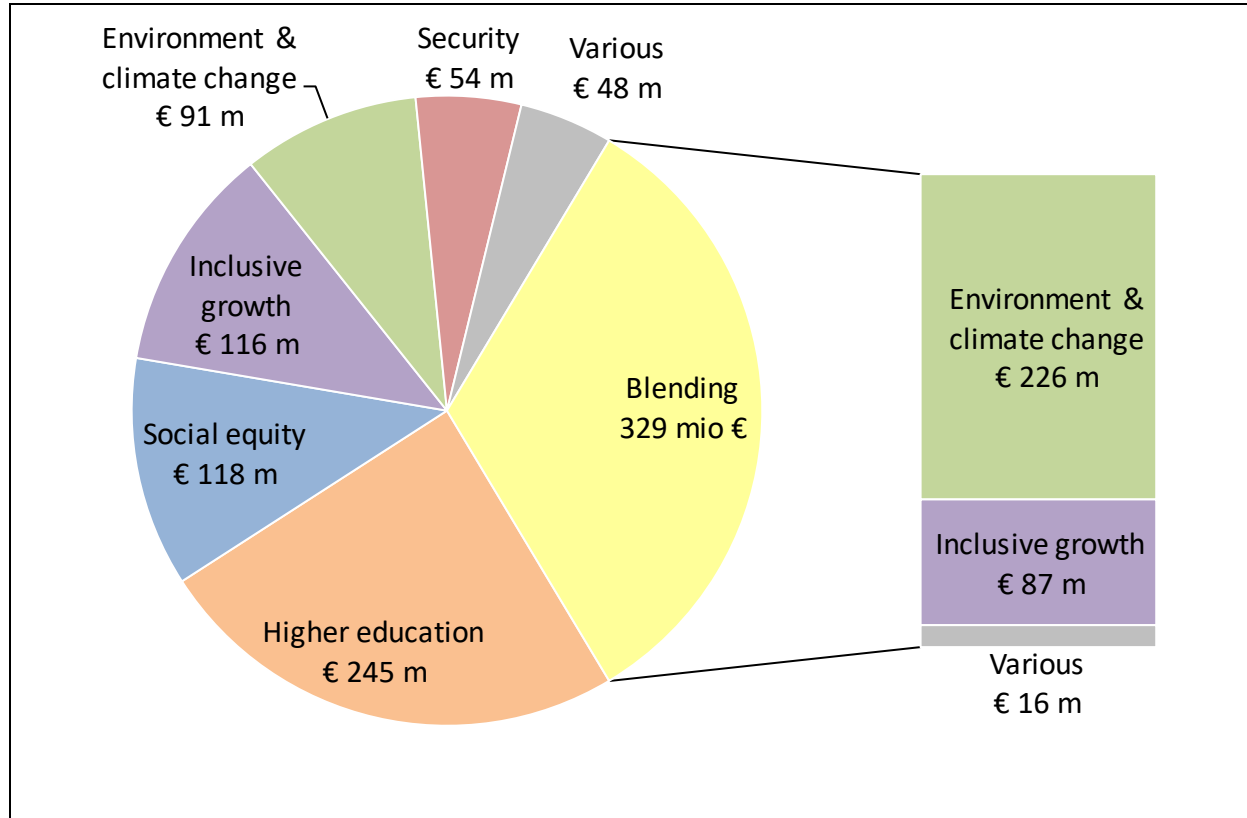


Source: Particip analysis based on project documentation and CRIS⁴¹/Data Warehouse data.

⁴¹ Common RELEX Information System

Overall, **EU regional support to LA amounted to EUR 1,001.8 million⁴²** during the period 2009-2017⁴³. The figure below shows the financial allocation to the different areas covered by this evaluation.

*Figure 5 EU regional development cooperation with LA: Contracted amounts by thematic area (2009-2017)**



Source: Particip based on CRIS/Data Warehouse data.

*The figures include amounts contracted in 2007 and 2008 that relate to activities started in 2009

The blending category refers to projects financed by the Latin America Investment Facility (LAIF). LAIF mostly finances infrastructure in areas such as water and sanitation, transport and energy, most of which can be linked to either the environment or the inclusive growth sectors.

⁴² Amount contracted by the end of 2017 (CRIS/Data Warehouse extraction date: 16 November 2017). Updated extractions for LAIF projects in July 2018. As explained below, this includes amounts contracted in 2007 and 2008 that relate to activities started in 2009.

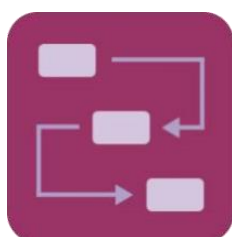
⁴³ In accordance with the Evaluation Unit, it was decided that decisions from as early as 2007 should be included if their implementation stretched into the evaluation period. Interventions with decision years prior to 2009 include ALFA III, AL-INVEST IV, Erasmus Mundus, @lis2 and URB-AL III and Promoting mutual awareness, understanding and cooperation between the EU and Latin America. For LAIF, we considered all projects that with a contract start date before the end of 2017.

3 Response to the evaluation questions: main findings

This section presents the assessment for each evaluation question (EQ). Detailed complementary information is provided in Volume 2 (further evidence per EQ) and Volume 3 (field visits notes, e-survey report, list of documents reviewed, and of interviews conducted).

3.1 EQ 1 - Strategic directions

To what extent has the EU development cooperation responded in a flexible way to the regional policy priorities and to the partner countries' needs while being in line with the overall EU external action policy framework?



***Rationale:** This evaluation question (EQ) looks at the relevance and coherence of the overall design of EU support at regional level, taking into account both the needs and policy priorities of the LA countries and the broader cooperation framework between the two regions. A key dimension analysed is the linkages between the framework set in the regional development cooperation strategic documents and the broader cooperation framework established in the context of the EU-CELAC strategic partnership, and how these two levels reinforced each other. The EQ also examines how the cooperation strategy has been adjusted to key evolutions of the context in the last decade, such as the emergence of political crisis in some countries of the region and the exit of several countries from EU bilateral development cooperation and ODA (i.e. the 'graduation' process).*

Main findings

- EU support has responded to **relevant** regional challenges and was **well-aligned** with the interests and priorities of LA governments at the regional level. It was underpinned by a **rationale shared** by stakeholders on both continents recognizing the regional nature of challenges affecting all LA states.
- Although most programmes covered by the evaluation were designed before the **Agenda 2030**, all interventions are directly or at least implicitly aligned with the SDGs.
- EU-CELAC and related bi-regional dialogues have added a new element to the bi-regional cooperation dynamic. **Bi-regional high-level dialogue** has enhanced ownership and commitment to the regional programmes, and EU support provided through regional development cooperation programmes has helped **strengthening EU-LA broader strategic partnership**.
- At no point was the EU-LA regional cooperation programmes in danger of major disruptions due to abrupt **changes to the context**. However, EU support was often confronted with diverging priorities within the region – and difficulties operating at the regional level – when the trend in the region has been to develop partnerships at sub-regional level.
- While important efforts have been made to regularly consult with CSOs from both EU and LA, there is still room for improvement in the involvement of non-state actors in **consultative processes** on needs and priorities. This is partially linked to the complexity of designing strategies and interventions at the level of a continent characterised by high degree of geographic, cultural, socio-economic and political diversity.
- The nature and institutional settings of regional support allowed for the continuation of cooperation with **'graduated countries'**, which are no longer eligible for bilateral aid. While some 'graduated countries' such as Argentina, Brazil, Chile and Uruguay have played active roles in the design and implementation of regional programmes, the process of 'graduation' was not entirely well understood in LA and several countries affected by the phasing out of bilateral aid did not perceive their involvement in region-wide programmes as an adequate substitute.
- The EU regional support to LA and the EU's overall **external assistance policy**

framework were consistent.

3.1.1 Responsiveness, participation and alignment

Overall, the design of strategies and programmes reflected the needs and priorities of the partner countries and of the institutions involved in the activities. There is broad agreement that the priority areas of the EU support constitute common agendas of a cross-border nature that affect all LA states, and for which bi-regional spaces of exchange and dialogue could help identify joint responses. However, the depth and breadth of needs analyses differ from programme to programme, particularly with regard to institutional capacity needs. 13 out of 18 surveyed EU Delegations were convinced that the EU's regional support addressed important needs and challenges. The strategy documents (RSP 2007-2013; RIP 2011-2013; MIP 2014-2020) and programming documents elaborate the political and economic situation in LA. The migration project was based on a political decision and designed without a formal needs assessment. Programme evaluations found the needs analyses to be too limited in some instances and stakeholders in several countries stated that needs assessments were not updated at the time of implementation and therefore were often out of date with latest political and economic developments.

The quality of needs analyses with regards to cross-cutting issues has improved over the period under evaluation. Strategy documents and programme designs in most thematic sectors provide for gender-related issues and identify relevant actions in response to existing challenges. The same applies – albeit to a somewhat lesser extent – to vulnerable and marginalised groups. However, some deficits were found with regard to a lack of gender baseline indicators in programme designs (e.g. AL-INVEST 5.0).

The involvement of national governments in the design of programmes was almost always deemed sufficient; while the situation was initially variable in the different areas of cooperation, the participation of non-state stakeholders has increased during the evaluation period. While deficits existed with regards to the participation of the civil society in general, NGOs, the private sector (including business organisations) and academia, there have been some improvements during the evaluation period. There is a structured dialogue with LA civil society that has taken place once a year in Brussels in the context of the CSO Partnership Forum. A business forum was also regularly organised (see EQ 6) and helped bringing other types non-state actors from both continents together. Local governments have been increasingly involved in the EU-CELAC dialogues focusing on areas such as citizen security. However, non-state actors in graduated countries from DCI such as Costa Rica perceived a decreasing space for being involved in participatory processes due to the graduation process. At a broader level, there were some practical limitations to involving a broad range of stakeholders in consultation processes related to regional programmes, especially when compared to consultation processes that could be organised in the context of national level interventions.

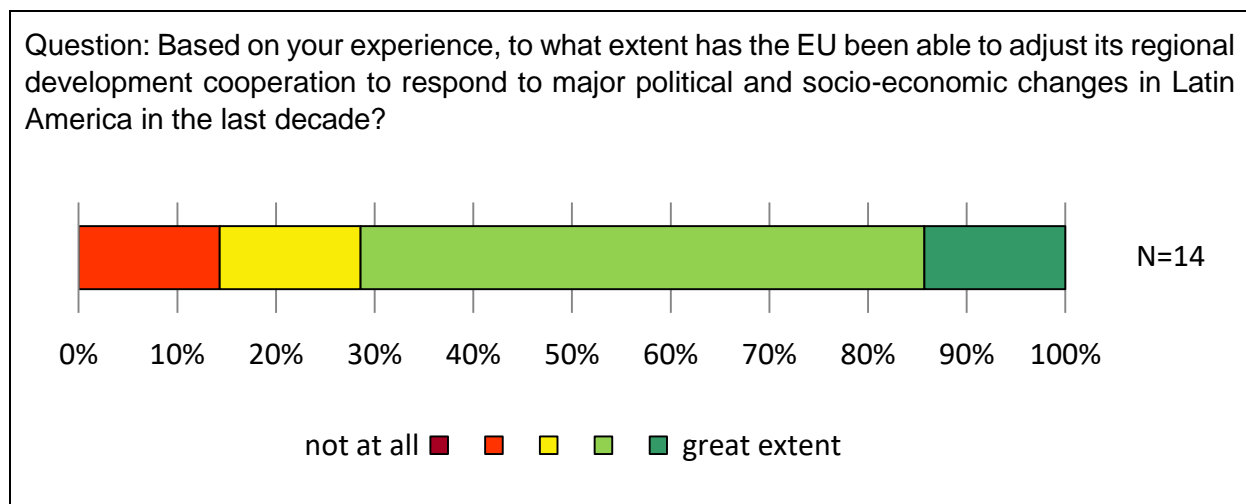
EU regional support was well aligned with the strategic objectives of LA partners across all sectors of the cooperation programme. Documentary evidence and stakeholder interviews point towards an evolutionary trend: in several sectors, for example social equity and higher education, the degree of alignment increased during the evaluation period. In almost all instances, alignment implies the alignment of EU support with national development/sector strategies and the objectives defined by the EU-CELAC Strategic Partnership and Action Plans. The absence of regional organisations covering all of LA other than CELAC means that agreed regional objectives do not exist and thus cannot serve as reference points for alignment. The field missions provided evidence that CELAC served well as a counterpart for the EU but, unlike sub-regional organisations, does not enjoy priority in international relations. Generally, it is

difficult to achieve regional alignment – and operate at the regional level – when the trend in LA has been to develop sub-regional organisations (see Section 3.1.2).

In 2016 new contracts were signed on South-South cooperation with Chile, Argentina, and Uruguay under the Facility for International Cooperation, a new mechanism for the cooperation with LA countries with the overarching objective of poverty reduction and achieving the SDGs. This approach responded to the requests expressed by LA countries to enter into a new policy framework of diversified and modernised partnerships. In December 2017, a Regional Facility for ‘Development in Transition’ for LA was also launched. This EU-led initiative was developed with the support of the OECD and its Development Centre and the Economic Commission for Latin America and the Caribbean (ECLAC). Through this Facility, the EU plans to strengthen its engagement with partner countries in LAC as well as with multilateral organisations to adapt and offer adequate support.

At no point were the EU-LA cooperation programmes in danger of major disruptions due to abrupt changes to the context. The majority of surveyed Delegations stated the EU had been able to adjust regional cooperation in response to major changes such as the crises or political upheaval in Venezuela, Brazil and Nicaragua. Stakeholder interviews confirmed that challenges related primarily to the implementation but not so much to the design and scope of interventions. The collapse of UNASUR and ALBA hampered coordination efforts between some LA countries and somewhat affected cooperation in LA in general terms. At the same time, programmes which are demand-driven, for example EUROsociAL, EUROCLIMA+, Erasmus+ and EL PACCTO, are less prone to sudden and/or severe political or economic crises as they enjoy greater flexibility in focusing their support mainly on countries and sectors where the projects are needed and wanted.

Figure 6 *E-survey: EUD responses on adaptation to major political and socio-economic changes*



The process of ‘graduation’ as defined in the DCI regulation is generally not well understood in LA. Most countries affected by the phasing out of bilateral aid (i.e. DCI ‘graduation’) do not perceive their involvement in region-wide programmes as an adequate substitute. LA is the region most affected by ‘graduation’. During the programming of the MIP 2014-2020, the Commission’s proposal to discontinue bilateral aid to eight upper-middle income countries in LA (out of a total of 19 in the world) had been subject to objections by some stakeholders, especially by those countries which were destined to ‘fully graduate’ from OECD/DAC List of ODA recipients. Some states, however, welcomed the proposal with no issue

and valued it as a symbol of their new identity as ‘emerging countries’. The major regional interventions were designed to allow for a prominent role of ‘graduated countries’. For example, since 2014 Chile, Argentina, Uruguay, and Brazil have participated in both the dialogue and the project on migration. Some ‘graduated’ countries (e.g. Brazil) have played a leading role in COPOLAD. In COPOLAD I, Argentina, Brazil, Chile, and Uruguay were members of the consortium leading the programme. EUROCLIMA II followed a strategic approach and contributed to enhancing the role for ‘graduated’ countries in the programme. In the social equity sector ‘graduation’ has led to an expansion of triangular cooperation, involving upper middle income countries for example as providers of expertise. In higher education, ‘graduation’ from DCI funding only affected the overall allocation of funds but not the participation in EU funded projects, as during the evaluation period they were open to all LA countries regardless of the individual state of economic development. Important challenges remain, however. In the e-survey, EU Delegations highlighted the following points related to the role of regional cooperation in the graduation process:

- *‘Decisions on priorities, implementation tools and reporting should be adapted to the needs of graduated countries and the EU actions in those countries’.*
- *‘The contributions to support graduation came mostly from national programmes (not regional): Strengthening institutional capacity through PEFA, Decentralization Process, tax collection’.*
- *‘There are serious doubts whether the EU had intended to use regional cooperation as a “phasing out” or “phasing over” tool but it has nevertheless allowed us to continue cooperation activities with these countries’.*
- *‘Regional programmes contribute to key challenges that almost all the countries of the region face regardless of their level of development such as: inequalities, fight against drug trafficking, insecurity, climate change. What is missing, is a specific country strategy paper, that would better highlight the relation between the country needs and challenges and the contribution these programmes may offer (also in the framework of the political and trade relations)’.*

3.1.2 High-level dialogue

The EU and LA partners have achieved notable results regarding high-level dialogue, development cooperation and a good number of Association Agreements based on an inter-regional model. Although some LA stakeholders questioned the relevance and effectiveness of CELAC as opposed to sub-regional organisations, there can be little doubt that CELAC has added a new element to the bi-regional dynamic and, to some extent, represents a natural counterpart for the EU in the absence of other LA-wide organisations.

Since its founding in 2010, CELAC’s agenda has expanded to a point where it now encompasses dialogues among 30 sectors and 21 thematic axes, as identified in the Costa Rica Action Plan for the CELAC Presidency in 2014, even though in most aspects the focus is on defining consensual agendas rather than defined policies or initiatives. Overall, EU-LA dialogue has facilitated more informed discussions. For example, high-level meetings have facilitated interchange on points such as the perception of what the transition to ‘graduation’ entails.

According to strategy documents and stakeholder interviews, regional programmes and high-level dialogue, including most prominently EU-CELAC summits, have reinforced each other. High-level dialogue has contributed to ensuring a relevant focus and orientation of regional interventions to the extent that the current MIP for LA was established and based on the EU-CELAC Strategic Partnership and Action Plan. A clear lesson learnt is that cooperation is particularly effective when there is coherence between the strategic interests of the EU, the region and the sub-regions. Such coherence is best achieved within the EU-CELAC framework.

The existence of linkages between regional programme support and policy dialogue is crucial in view of the often continental and cross-border nature of many of the challenges in LA which cannot be sufficiently tackled only at the lower levels. Most interviewed stakeholders agreed that these challenges need to be complemented through relevant interventions at regional level with a view to promoting international standards and best practices in human rights and fight against crime, as well as fostering continent-wide mechanisms for cooperation and policy dialogue in the areas of drugs, migration and security. Cooperation on drugs and migration issues provides a good example of how regional programme support has created an environment conducive to informed high-level dialogue and vice versa (see Box below). Although during the evaluation period it focused on a few areas of cooperation and a few strategic partners of the EU (e.g. Argentina, Brazil, Mexico), the Partnership Instrument has also played a role in supporting high-level dialogue in areas such as E&CC.

Box 1 *Linkages between high-level dialogue and regional support in the areas of drugs and migration*

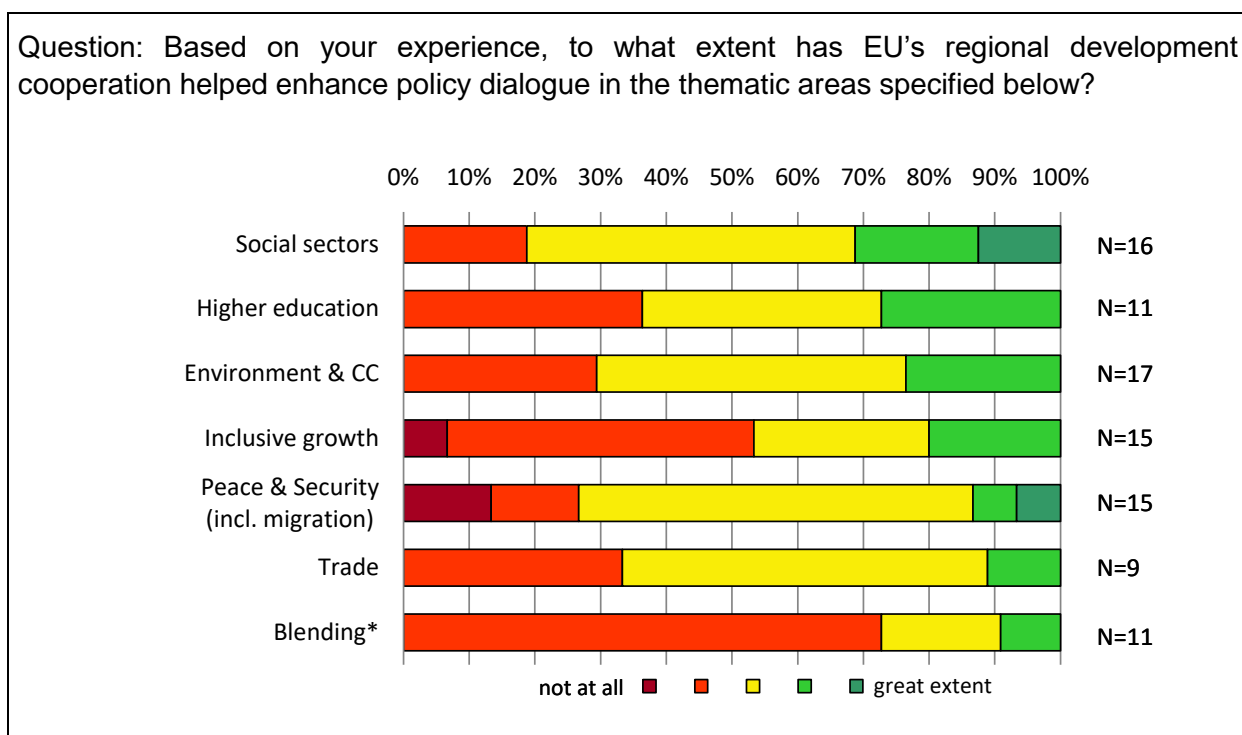
The implementation of the **EU Drugs Strategy and Action Plan** has contributed to strengthening dialogue and cooperation between the EU and third countries, international organisations and fora on drug issues. EU-funded projects – such as COPOLAD – are key structures under which EU international cooperation in the area of drugs is undertaken and thereby fostered dialogue in this area. The EU is the only institution to provide a platform on this topic, which is appreciated by the stakeholders and beneficiaries.

The **EU-CELAC migration project** has supported the Structured and Comprehensive EU-CELAC Dialogue on Migration, albeit mostly in an indirect way, in as much as the project design did not contemplate a mechanism to inter-relate the EU-CELAC project with the EU-CELAC Dialogue. The project created an informal ‘network’ of migration-related high- and middle-level public officials within participating LA institutions, with pre-eminence of Ministries of Foreign Affairs, Labour, Planning, as well as Statistical Commissions. It also resulted in the sharing and common construction of concepts, instruments, strategies and recommendations within in the EU-CELAC institutional building processes. *‘A reasonable cause-effect analysis would indicate that this common ‘acquis’ generated in the project has had a certain impact in the ‘threading’ of sub-regional and regional positions’.*⁴⁴

Results from the survey to EUDs indicate a cautiously optimistic perception of the role of EU regional programmes in shaping EU-LA policy dialogue at national level. To the question ‘Based on your experience, to what extent has EU’s regional development cooperation helped enhance policy dialogue in the thematic areas specified below?’, ‘social sectors’ achieved the highest positive score (31%), followed by ‘higher education and research’ (27%) and ‘environment and climate change’ (23%). Only 13% of the surveyed Delegations thought that regional development cooperation contributed to enhancing policy dialogue in the field of ‘peace and security’ and only 11% said it contributed to ‘trade’. One Delegation remarked that *‘... regional programmes have somewhat enhanced dialogue in those sectors where the EU was already present with a bilateral envelope. However, their impact in other sectors (without a bilateral presence) was felt but [was] limited’.*

⁴⁴ EU (2015) Final Evaluation of ‘Strengthening the dialogue and cooperation between the European Union and Latin America and the Caribbean to establish management models on migration and development policies’. Final Report, p. 7.

Figure 7 E-survey: EUD responses on policy dialogue in different thematic areas



*Blending refers to the Latin American Investment Facility, which covers multiple thematic areas

Documents and stakeholder interviews indicate that the EU-CELAC dialogue has strengthened ownership and commitment to the regional programme interventions. The continental nature of the challenges faced, and of the responses required, is recognised in the region. This is also reflected in the EU-LA dialogue at the highest political level (as illustrated in outcomes of the EU-CELAC Summits). This expression of ownership and political will on the part of all the countries of the region is an asset for the purposes of implementing EU programmes at continental level. Yet, as pointed out by LA stakeholders in interviews, dialogues have strengthened ownership of regional programmes, but dialogue is not considered to be enough in itself to develop long-lasting and meaningful ownership and commitment. Moreover, political backing can quickly fade. The European Parliament report on EU political relations with LA underlines the importance of the EU-CELAC summits as an instrument of the strategic bi-regional partnership. However, it also urges better coordination between policies and programmes supporting the region and calls for political commitments made at EU-LAC regional summits to be met and accompanied by the allocation of the necessary financial resources.⁴⁵

3.1.3 Coherence with the EU external action policy framework

There has been strong alignment of the regional programmes with the overall EU development cooperation policy framework. The principles set out in Agenda for Change and the new European Consensus for Development and other policies were generally well integrated in the EU-LA cooperation strategy. For example, regional cooperation in the social equity sector promotes social inclusion as well as human development, social cohesion and employment, which are fundamental objectives of the European Consensus for Development. Those equity-oriented policies in the region – and in the world - have been reinforced by the Agenda for

⁴⁵ European Parliament (2017). Report on EU political relations with Latin America (2017/2027(INI)) Committee on Foreign Affairs, 20.7.2017.

Change. In line with the European Consensus for Development, which enshrines the commitment from both the EU and its Member States to promote ‘adequate and sustainable social protection’, the EU regional cooperation advocates and supports economic transformation and policies that mobilise resources, especially from domestic sources, to generate stable and sufficient revenues for social protection. Furthermore, social and economic inclusion is both a driver of poverty reduction and a central human rights concern. These are both reflected in the EU’s Agenda for Change. For instance, EU support to Higher Education was relevant for promoting inclusiveness, in the form of equitable access to HE for different groups of society in LA (and other regions).

All programmes evaluated in the environment and climate change sector were found to have also aligned their identification with the principles of the European Consensus. Programmes identified after 2011 have respected the main principles of the Agenda for Change. This has been facilitated by the EU-CELAC Action Plans for 2013-2015 and 2016-2020. For example, in the former, it promoted the principles of sustainable development, protection of the environment and climate change.

In the field of inclusive and sustainable growth, the main regional programme AL-INVEST has been coherent with the EU’s engagement in trade facilitation in the region. There are multiple references to ongoing trade negotiations in the project documentation. One of the expected effects of AL-INVEST was that targeted Micro, Small and Medium Enterprises (MSMEs) would be better equipped to seize opportunities offered by the association/trade agreements under negotiations between EU and LA.

While most of the main programmes covered by the evaluation were designed before the adoption of the Agenda 2030 for Sustainable Development, they are nevertheless coherent with it. The regional EU programmes have addressed a wide variety of issues covered by the Sustainable Development Goals (SDGs).

The evolution of EU migration policy in LA from a development/migration perspective to include a security/migration focus has followed the UN transition to the 2030 Agenda for Sustainable Development and put the emphasis on peaceful societies and on the security / migration nexus. While COPOLAD I and II strongly relate to SDG 16 ‘justice and strong institutions’, drugs-related issues considered in COPOLAD are also linked to the following SDGs: poverty (SDG 1); health (SDG 3); education (SDG 4); employment (SDG 8); reduced inequalities (SDG 10); ecosystem/forest (SDG 15). EU support for social equity is equally coherent with the SDG framework which has had an important influence on the identification of the objectives pursued in the sector. The pillars of human development, human rights and equity are deeply rooted in SDGs and in several of its targets; explicitly people with disabilities, people in vulnerable situations, and non-discrimination.

All evaluated regional E&CC programmes are coherent with the MDGs (when identified prior to 2015) and more recently the SDG framework (Agenda 2030 for Sustainable Development). The latter has been highly relevant in justifying the identification, design and implementation of EUROCLIMA+, which is expected to contribute to several SDGs. In particular, to i) SDG 13 (combat CC and its impact); ii) SDG 2 (safeguard food security and nutrition through adaptation and mitigation actions); iii) SDG 5 (gender equality and empowerment of women); iv) SDG 6 (access to water and sanitation for all); v) SDG 7 (affordable, reliable and sustainable energy for all).

LAIF focuses on infrastructure and support to the private sector with emphasis on climate change mitigation and adaptation, therefore supporting in many projects environmental objectives, including SGD 6 (clean water and sanitation), SDG 7 (affordable, reliable and sustainable energy for all), SDG 9 (industry and innovation), SDG 13 (climate change), SDG 11 (sustainable cities) and SDG 15 (life on land).

Since the programmes in the field of inclusive and sustainable growth were designed before 2015, there is logically no mention of SDGs in the documents analysed. Yet, the EU support has been broadly consistent with the SDGs framework. In particular, AL-INVEST has had a strong emphasis on specific dimensions of SDG 8. However, AL-INVEST only addressed employment in general terms and did not focus on youth employment (unlike EUROsocial and Erasmus Mundus Action 2). Moreover, AL-INVEST covers only very specific aspects of SDG 9, with limited emphasis on innovation. There were also very limited linkages with the EU regional facility LAIF, which has focussed on infrastructure but has a clear mandate to work in engagement with the private sector.

Higher education was neither explicitly covered by the MDGs as a development goal in its own right, nor as a potential agent to address other development goals. This, however, has changed with the SDGs. The Evaluation of the EU Development Co-operation Support to Higher Education in Partner Countries (2007-2014) recommended several actions for an alignment of the EU's support to higher education with the Agenda 2030, for example SDGs 4.3, 4.4, 4.5, 4.b and 9.5. According to EU sources, these and other recommendations are currently under consideration.

3.2 EQ 2 - Implementation approaches

To what extent were the implementation approaches adopted appropriate to pursue the development cooperation's objectives while creating synergies with other EU support and with the actions of EU Member States and other donors?



Rationale: This evaluation question (EQ) investigates the specific approaches adopted to implement the cooperation strategy looking at issues of efficiency and added value, but also coordination and complementarity. It looks at regional development cooperation as opposed to bilateral and sub-regional approaches while examining synergies created between the former and the latter, and the added value of the regional approach. The EQ also assesses the extent to which the various instruments, aid modalities and approaches employed by the EU, and their mix, have been appropriate for achieving the anticipated objectives. Furthermore, this question assesses the complementarity and synergies between EU support and the EU MS and other donors' interventions.

Main findings

- The **continuity** of the large-scale support has transformed EU-LA regional development cooperation into more than a set of EU-funded activities implemented in countries of the region. Several EU regional programmes evolved into well-established structures to foster exchanges and provide funding on policy issues of common interest for countries of the region.
- The **regional approach** was the most promising way to address targeted LA development challenges due to their cross-border nature, even if, in some cases, LA countries could not articulate their priorities effectively at the regional level due to the absence of an appropriate organisation. Regional programmes have added most value where they had a clear mandate under an international agreement that became a priority for the countries of the region.
- EU regional programmes successfully supported **South-South and triangular (North-South-South) cooperation** in some thematic sectors (e.g. social equity). This partially promoted ongoing cooperation with graduated countries.
- The high degree of geographic, cultural, socio-economic and political diversity presented challenges to implementation. At the same time, the **demand-driven** nature of the programmes has increased their **flexibility**, helped overcome issues related to the heterogeneity of the region, contributed to **high ownership**, and strengthened sustainability. In a few instances, the demand-driven approach made it difficult to achieve

a truly regional approach. Cooperation efforts tended to focus on the improvement of existing policy and institutional processes rather than their comprehensive change. However, overall, the balance achieved between flexibility and focus on the initially agreed strategic directions was adequate.

- **Blending** allowed the EU to engage more broadly and strategically, particularly in support of large infrastructure projects and for cooperating with countries in transition to upper middle-income level status. However, these interventions alone absorbed nearly a third of the regional allocations and many of them presented a limited regional dimension and a limited link with EU objectives for regional cooperation.
- **Monitoring and evaluation** of the programmes has taken place, but the consistency of the monitoring and evaluation systems has not been a priority issue, which made it difficult to assess whether the targeted outcomes and impacts were reached and reduced the possibilities of adjusting activities during the implementation.
- A clear shortcoming of the EU support has been the **lack of synergies with bilateral and sub-regional approaches** which have not been systematically developed or were lacking in some cases. Coordination and, in some instances, synergies between DCI and other funding instruments (mainly IcSP/IfS) exist to a limited extent. There have been efforts to involve relevant DGs in the design and implementation of DEVCO-managed regional programmes. However, linkages between EU development cooperation managed by DEVCO **and other EU DGs' interventions** have remained limited despite the growing importance of such linkages for countries which have graduated from DCI or are in the process of graduation. In the specific case of the Partnership Instrument (PI), complementarities were found in a few sectors but synergies remained limited.
- While there has been some formal and informal coordination between the EU and **EU Member States and other donors**, evidence for actual synergies achieved is scarce.

3.2.1 Added value of the regional approach

Regional support is a logical approach to create opportunities for cross-country coordination, sharing and learning. Regional platforms are highly relevant for knowledge dissemination. For example, AL-INVEST established business linkages in LA and ensured cross-fertilisation between initiatives aimed at strengthening the productivity, competitiveness and internationalisation of LA MSMEs. EU regional cooperation on migration supported the creation of networks for sharing of information, best practices and technical expertise among the governments, at both administrative and political levels, of LA states, as well as with Europe. COPOLAD I reinforced, notably, networking and contacts among participants with regard to the regional dialogue on drug policies. The nature of the policy-oriented project fed into the changing tides of international relations and politics in LA in general and among the 18 LA nations, including Cuba. Moreover, a consensus on the importance of covering the Caribbean sub-region in COPOLAD led to the decision to fully integrate the sub-region in the second phase of the programme, which illustrates the ability of continental programmes to adjust the geographical scope of the supported actions to the needs identified.

The regional approach was not only an obvious way to address core challenges due to their cross-border nature, but also the most promising one. The EU's regional development cooperation with LA was designed to complement bilateral or sub-regional cooperation by focusing on those sectors which have a significant regional dimension, including, but not limited to, climate change, promoting peace and justice, and reducing inequalities. Successful examples include the field of combatting drugs: EU-funded projects have become key structures under which EU international cooperation on drugs is undertaken and long-term relationships are maintained with third countries, thus providing an added value to EU's interventions. EU support

Cooperation worked best when it took place within sub-regions or mini-lateral⁴⁶ settings and addressed well-defined issues of common concern. International cooperation agreements can only be implemented when each country in the region has identified its national strategy and plan that sets out priorities and needs. In addition, regional programmes need to be easy to understand and simple to implement, preferably based on supporting a small number of projects that can be managed and sustained. The Association agreement between the EU and Central America is a case in point, as it has strengthened the cooperation between these two regions and facilitates synergies between all levels of cooperation, including the security sector. In the case of EURO-SOLAR there was a common interest among the eight countries involved to address the problem of connecting isolated communities to an electricity supply and the internet. WATERCLIMA⁴⁷ added significant value when working at 'bi-national' level such as in Peru and Ecuador where it helped to bring about a new era of transboundary cooperation in nine shared watersheds since 2017. Beneficiaries of the migration project indicated that the regional approach was not practical given disparities among countries and called for a sub-regional approach instead. Brazilian stakeholders agreed that challenges affecting LA in general (diseases such as the Zika virus, HIV/AIDS, climate change, and infrastructure development were often mentioned as examples) required regional research. On the other hand, they voiced a clear preference for bilateral or mini-lateral cooperation in the context of Mercosur. While the concept of mini-lateralism was favoured by some stakeholders, some interviewees also highlighted that it was not in contradiction with the idea of supporting continental programmes since such programmes usually allowed for cooperation activities involving only a limited number of countries.

The regional approach built on successful experiences of South-South cooperation and North-South-South ('triangular') network building. The European Parliament resolution of 12 June 2012 on defining a new development cooperation with LA *'takes the view that [...] triangular cooperation initiatives should be expanded in such sectors as science and research, sustainable development, the environment, climate change, energy, social cohesion, education and employment'*⁴⁸. While the EU has not followed an explicit and systematic region-wide approach to triangular cooperation, several examples of best practices, which contributed to the regional approach's added value, could be identified. EUROsociAL strongly promoted a space for South-South and triangular cooperation focused on exchange based on collective learning among peers. It is considered the most important regional EU-funded programme in LA when it comes to promoting South-South and triangular cooperation. Some 1,500 projects were implemented between 2013 and 2016, and a substantial number (more than 250) corresponded to a triangular cooperation set up where at least one LA institution played a 'knowledge transfer' role. Triangular cooperation was also fostered by EUROCLIMA II, which was instrumental in developing a new role for graduated countries in the programme. For example, the programme made efforts to: i) link graduated countries with less developed countries in the interests of the former guiding the latter in specific activities, such as the formulation of proposals for on-demand studies, training, pilot projects, etc.; ii) contract ECLAC (under a contribution agreement) to review the economic effects of Climate Change in LAC countries. This helped bring key ministries (such as for planning

⁴⁶ Mini-lateralism is a collaboration of a very limited number of countries (which may belong or not to larger multi-lateral groups) to address specific issues, for instance a common water management project between two or more neighbouring countries.

⁴⁷ WATERCLIMA (Watershed and Coastal Management in the context of Climate Change in Latin America and Caribbean) was not designed as a truly continental programme, but was part of the scope of this evaluation due to the transboundary nature of some of its components.

⁴⁸ European Parliament (2012). European Parliament resolution of 12 June 2012 on defining a new development cooperation with Latin America (2011/2286(INI))

and finance) into direct contact with EUROCLIMA II and in particular its efforts to develop a more coordinated approach to reducing the adverse effects of CC in less developed countries (e.g. El Salvador). This concept has been carried forward by EUROCLIMA+ where graduated countries will be encouraged to add value to the programme by becoming important service providers. The EU also recently launched a regional facility, ADELANTE, which focused on achieving specific SDGs, while enhancing south-south and triangular cooperation in the region.⁴⁹

3.2.2 Synergies with bilateral and sub-regional support

Synergies between regional and bilateral/sub-regional development support have not been systematically developed and are lacking in most cases. Strategic and programming documents provide information about envisioned synergies and complementary actions, but inadequate attention is given to clarifying how the synergies with bilateral and sub-regional (SICA, CAN, MERCOSUR) actions are being developed. In the field of security, for example, programming documents claim that the continental programme would be complementary to the actions for institutional strengthening in this field envisaged in particular under the sub-regional programme for Central America, the European Development Fund (EDF) regional programme for the Caribbean and bilateral programmes. However, no information has emerged as to what extent the envisioned synergies or complementarities were achieved in the implementation process. In the social equity sector, strategic and impact linkages with bilateral and sub-regional support have been relatively weak overall. This was in part due to a lack of strategic interconnection between the coordination of the actions managed directly by EUDs and those managed by Headquarters; as well as, to a lesser extent, between the branches in charge of bilateral development cooperation and of regional development cooperation at Headquarters level. Delegations are embedded in the bilateral cooperation but – except for those that are designated as regional hubs (Brazil and Nicaragua) – not so much in the regional cooperation. Likewise, in the E&CC sector the evaluation did not find evidence for systematic interchange of data between regional and bilateral projects, including EUROCLIMA+ and EURO-SOLAR. Indeed, there are cases where evaluation and ROM reports stated more needed to be done in this regard. While there has been a good level of complementarity with bilateral and sub-regional development support in the sector of inclusive and sustainable growth (especially in Central America), examples of synergies are limited, and specific mechanisms to build bridges between the three levels of development cooperation or avoid duplications do not exist. Overall, the interventions appear to have been working in silos. In blending, consistency with bilateral priorities is ensured through consultation with EU delegations. There has been a shift towards engaging the EU delegations already in the inception of projects to make sure they respond to country needs.

3.2.3 Synergies with other EU financing instruments and interventions of other DGs

Synergies with the regional, sub-regional or bilateral support provided through other EU financing instruments/budget lines only exist to a limited extent. Some synergies between regional programmes and IcSP and between regional programmes and some budget support programmes implemented at bilateral level are evident in the security and social equity sectors respectively.

Synergies between the regional programmes with budget support interventions and between DCI and PI have been identified in the social equity sector, for example in Brazil, El Salvador and Paraguay. In Central America, synergies exist in the security sector within the framework of

⁴⁹ The programme was officially launched in late 2016 and will run until end of 2020.

Central American Security Strategy (ESCA) between DCI and IfS, and all security programmes are coordinated within the ESCA framework.

E&CC regional programmes have not received funding or developed synergies with other EU thematic budget lines, or the IcSP, which is largely inactive in LA except in Colombia where it has been supporting the peace process. Support to research and innovation in Latin America has been funded by the geographic programme of the DCI, but unlike in other regions there were no synergies with other financing instruments.⁵⁰ The EU has concluded bi-lateral Science and Technology agreements with Argentina, Brazil, Chile and Mexico. Although they are country-based, these agreements constitute a framework and a privileged forum to identify common interests, priorities, policy dialogue, and the necessary tools for S&T collaboration. However, neither documents nor field visits and interviews produced evidence for linkages between regional programmes in areas such as higher education and environment with these agreements.

Complementarity with the support provided through the Partnership Instrument (PI) can be observed in the inclusive growth and E&CC sectors, but, overall, synergies were limited. The design of the PI included a focus on LA and the PI has been applied consistently and coherently in countries of the region. The External Evaluation of the PI mentions LA under the heading *'areas where the PI has been more successful to date'* highlighting *'its opportune timing, supporting cooperation with countries graduating from development assistance'*⁵¹. The PI has been used in a diversity of areas in LA, but complementarity with regional development programmes was mostly observed in the E&CC and inclusive growth sectors⁵² and, to some extent, in the security-development nexus⁵³ and social equity⁵⁴ sectors. Despite DG DEVCO's participation in the programming of PI⁵⁵ and exchanges taking place at EUD level, there is limited evidence of synergies between the PI-funded actions and DCI-funded regional programmes. This situation can be explained by various factors, in particular:

- the emphasis of the PI on a few strategic countries in LA (Argentina, Chile, Brazil, Mexico) and on the promotion of mutual interests (as opposed to the DCI, which focuses on beneficiary interests); and
- the fact that line DGs involved in the PI actions are less involved in the DCI-funded regional programmes (partly because of resource constraints).

There has been consistency between EU regional development cooperation managed by DEVCO and the actions of other EU DGs, but linkages between the two types of EU external action have remained limited despite the growing importance of such linkages for countries which have graduated from DCI or are in the process of graduation. On the one hand, there do not seem to be significant inconsistencies between DEVCO-managed

⁵⁰ Between 2007 and 2014, 44% of the EU support to higher education in the world was financed by DCI, 43% by the European Neighbourhood and Partnership Instrument (ENPI), and 3% by both DCI and ENPI, while 10% were financed by the EDF. However, unlike in other regions, DCI was the only financing instrument for LA. EU (2016). Evaluation of the EU Support to Research and Innovation for Development in Partner Countries (2007-2013). Further details are provided in EU (2017) Evaluation of the EU Development Co-operation Support to Higher Education in Partner Countries (2007-2014).

⁵¹ According to the evaluation *'this has been particularly relevant in Latin America, where eight countries are no longer eligible for bilateral aid.'* See EU (2017). External Evaluation of the Partnership Instrument (2014-2017) Final Report, p. 25.

⁵² e.g. Low carbon business action in Brazil and Mexico (AAP 2014, AAP 2016), Support civil society participation in the implementation of EU trade agreements Central America (AAP 2017), Promoting economic empowerment of women at work through Responsible Business Conduct - Latin America (AAP 2017).

⁵³ e.g. Support of the EU-Brazil common agenda for migration and mobility (AAP 2014).

⁵⁴ e.g. Promoting CSR and Responsible Business Conduct (RBC) in LAC (AAP 2017).

⁵⁵ e.g. participation in clusters and sub-cluster meetings and QSGs.

programmes and other DGs' interventions. Moreover, there have been efforts to involve relevant DGs in the design and implementation of DEVCO-managed regional programmes by, for instance, inviting them onto the steering committees of these programmes. On the other hand, mutually reinforcing linkages are often hindered by institutional hurdles or simply staff shortage. For example, support to HE and S&T involves multiple different DGs while DEVCO is only involved in the field of HE. This has created a certain level of complexity, which is also characterised by the fact that the EU draws a (somewhat artificial) line between support to HE and support to S&T⁵⁶. In a similar vein, there have been very limited linkages between regional development cooperation and broader efforts to support trade facilitation although DG TRADE was involved in the implementation of AL-INVEST (e.g. participation in the programme's steering committee).

In the area of E&CC, coordination between DG DEVCO, DG Environment and DG CLIMA has improved, in part because of their involvement in EUROCLIMA. However, DG CLIMA and DG Environment have been unable to participate so far in EUROCLIMA events in the region due to a lack of human resources. Moreover, DG GROW and DG CLIMA participate in the steering committee of the Low-Carbon Business Action Programme (2014-2020) funded by the Partnership Instrument in Mexico and Brazil, but DG DEVCO is not a member or observer in the committee. Consistency has generally been difficult to consolidate due to various factors, including:

- the lack of human resources in other DGs to ensure they participate at least once a year in annual meetings (for example, due to staff limitations in DG CLIMA and DG Environment neither have been able to participate in high-level ministerial meetings concerning EUROCLIMA+ so far);
- the Joint Research Centre's (JRC) low activity in LA countries, although this has started to change through its participation in the EUROCLIMA initiative which has included the operation of its BioMA platform and the Desertification, Land Degradation and Drought observatory in LA countries;
- the participation of several DGs as well as EEAS at the UNFCCC and other relevant Conferences of the Parties which is challenging to coordinate due to the above-mentioned staffing challenges and shortcomings in the internal communication mechanism applied.

On a positive note, coordination on climate change issues at the EEAS-DEVCO level has evolved positively.⁵⁷

According to some EUDs, there was a lack of coordination and missed opportunities to develop synergies between the actions of the different DGs in LA, especially for countries which have graduated or are in the process of graduation. There was also a general feeling among EUDs consulted that their staff had limited time to assess what other DGs were doing through the PI and other instruments, especially during implementation. The fact that regional programmes are

⁵⁶ It is still worth mentioning that EU-LA cooperation in higher education and science & technology at regional level was facilitated in 2010 and 2011 through an inter-service steering group led by DG EAC and composed of various DGs (DEVCO, BUDG, EMPL, ELARG, ENTR, INFSO, RTD) and of the Secretariat-General, the Legal Service, EEAS and EACEA. It provided input to an impact assessment on international cooperation in HE, which fed into the process that resulted in the establishment of *Erasmus+*.

⁵⁷ This was due to the growing priority of climate change in EU development policy since the Paris Agreement, and it was facilitated through: i) annual meetings between EEAS and DEVCO (the Boendaal meetings); ii) co-participation in international conferences concerning UNFCCC Conference of the Parties and related international agreements and protocols (Kyoto Protocol, Sendai Framework for Action, the Paris Agreement in particular on implementing the NDCs, etc.); iii) identifying common areas of mutual interest with the Foreign Policy Instrument (FPI) which works alongside EEAS and EU Delegations.

centrally managed from Brussels does not help to involve the EUDs in regional activities except when events are held in the EUD's host country.

Efforts have been made to ensure continuity in the development cooperation with LA countries progressively exiting from ODA and DCI-funding through exceptions, other financing instruments and innovative approaches, e.g. triangular cooperation. The EU has followed two avenues. Exceptions have been granted to some countries that can therefore continue benefiting from bilateral aid programmes under the DCI.⁵⁸ In addition, other or new financing instruments or funding mechanisms have been applied to facilitate ongoing cooperation with graduated countries. Countries graduated from DCI-funding have still been able to benefit from the EUR 7 billion allocated to thematic programmes under the DCI. Thematic programmes include the Global Public Goods and Challenges Programme (GPGC) and Civil Societies and Local Authorities programme. In the field of higher education, Erasmus+ as the main funding mechanism covered during the period 2014-17 all partner countries regardless of their development status⁵⁹. The programme ELAN, which ran from 2015 to 2017 and was financed under the Instrument for Cooperation with Industrialised Countries (ICI+), focused on supporting EU companies to develop or integrate trade networks with LA.

3.2.4 Synergies with EU MS and other donors

There has been coordination between the EU and its MS and other donors, but evidence for actual synergies achieved is scarce. The implementation of a large part of EU support involved either institutions from EU MS such as FIIAPP (EUROsociAL+, COPOLAD II, EUROCLIMA+), AFD (LAIF, EUROCLIMA+), KfW (LAIF) and GIZ (EUROCLIMA+), or EU entities such as Eurochambres (AL INVEST) and JRC (EUROCLIMA II). Despite a strong involvement of EU MS in the implementation of EU regional programmes, there is limited evidence of synergies achieved between regional programmes and the actions supported by EU MS at country or sub-regional level. The fact that several EU MS are disengaging from cooperation with LA or do not follow a continental approach to cooperation partially explains this. Another potential explanatory factor is the fact that coordination between EU and EU MS has taken place in a formalised and institutionalised manner only in a few cases. Often, coordination has been reduced to information sharing within donor consultative groups at the country level.

Results can actually be grouped into three clusters: sectors with strong evidence for coordination and some synergies (E&CC); sectors in which limited coordination has taken place without clear evidence of synergies (security, social cohesion, science and technology), and sectors where coordination – at least in a formal sense – has been partly absent (inclusive and sustainable growth, higher education).

In the E&CC sector, the regional programmes placed heavy emphasis on establishing synergies between the EU and (EU MS and LA) partners responsible for the implementation of the projects selected for funding. Synergies with projects funded by the EU MS and other donors have developed when they were operating in the same intervention zones. In the case of

⁵⁸ Partly due to the strong pressure from the European Parliament, four countries, namely Colombia, Cuba, Ecuador and Peru, have been granted exceptions to continue to benefit from bilateral aid programmes even though they fall under the upper-middle income category. The DCI Regulation 233/2014 stipulates, '*the following partner countries are considered eligible for bilateral cooperation, as exceptional cases, including in view of the phasing out of development grant aid: Cuba, Colombia, Ecuador, Peru*'.

⁵⁹ All LA countries are eligible for Erasmus+ funding but size and development status affect the allocation of funds for the International Credit Mobility action. Latin America (Region 8) has specific scholarship targets for the Lower-Middle-Income Countries and a maximum allocation to Brazil/Mexico: i) At least 25% of the funds available for LA should be used to organise mobility with the least developed countries of the region: Bolivia, El Salvador, Guatemala, Honduras, Nicaragua and Paraguay; ii) no more than 35 % is available for Brazil and Mexico (together).

EUROCLIMA+, as interviews confirmed, the main problem is that it involves different EU MS agencies (see above) that are characterised by different procedures and bureaucracies, a situation made worse by the fact that independent calls for proposals have fragmented EU support. As highlighted in EQ4, more needs to be done to foster coordination and synergies between donors in this sector, in particular from EU Member States such as Spain (AECID) and Germany (GIZ).

The dialogue on migration included participation of EU MS where migration issues were discussed and communication – although not formalised – did occur indirectly, often between the Project Steering Committee and the Brussels based Working Group. Mechanisms to institutionalise the communication never were developed. In other areas, such as drugs, there has been good overall coordination with other donors. The EU and Organization of American States (OAS) organised some workshops under EU-LAC initiative in an innovative three-year programme aimed at creating partnerships among cities in Europe, LA and the Caribbean to exchange best practices in drug treatment and rehabilitation. Few EU MS have been actively engaged. In COPOLAD, EU MS seem to have been rather implementing partners (through their main technical agencies) than strategic partners.

In the field of S&T the prime example for EU MS coordination is the European Initiative on International Agricultural Research for Development, a permanent Agricultural Research for Development policy coordination platform, recognised in 1997 by a Communication of the European Commission to the Council and the European Parliament. The evaluation did not find any instances of notable inconsistencies between the support to higher education provided by the EU on the one hand and EU MS on the other. There are some examples of cooperation between EU and EU MS, for instance EU Delegations have participated frequently in student fairs presenting Erasmus+ together with the EU MS promoting their own scholarship programmes. Within the framework of the Donor Harmonisation Group, the EU and other donor agencies operating in the field of higher education in partner countries meet annually. However, in LA, like elsewhere, limited effort was made to create synergies through pooling of resources and funding.⁶⁰

In the inclusive and sustainable growth sector, there has been some degree of overlap between AL-INVEST and EU MS interventions (Denmark, Germany, the Netherlands, Spain) although several of these bilateral programmes were gradually phased out towards the end of the evaluation period. In specific intervention areas of AL-INVEST IV, there is evidence of a lack of coordination among the different active donors, especially with the IADB⁶¹ and USAID, which implemented large projects in the productive sector at country level.

The regional approach is the main added value of the EU – understood as being the value resulting from an EU intervention that is additional to the value that would have been otherwise created by EU MS action alone. For example, in the field of higher education, no single EU MS or even group of MS on their own would be sufficiently well placed to take the lead in organising and managing a highly complex programme in support of higher education⁶². It was precisely the regional approach that provided an added value by fostering regional and inter-

⁶⁰ EU (2017) Evaluation of the EU Development Cooperation Support to Higher Education in Partner Countries (2007-2014) Final Report Volume I – Main Report, p. vii. At the same time, it should be noted that synergies with Member States in Erasmus+ exist to the extent that the International Credit Mobility is managed at a decentralised level by National Erasmus+ Agencies in the 34 programme countries. These agencies select the projects, allocate the funding geographically -according to their national preferences- and carry out the monitoring and promotion activities.

⁶¹ It is noteworthy that IADB was a member of the consortium implementing AL-Invest.

⁶² Some lower scale regional initiatives exist, however, including Campus Iberoamérica, an academic mobility programme comprising Spain, Portugal, Andorra and the 19 Spanish- and Portuguese-speaking countries in Latin America. See <https://campusiberoamerica.net/>

regional networking and dialogue between higher education institutions. The same applies to EUROsociAL, which addressed social cohesion in a multidimensional and multisectoral manner. While EU MS and other donors are also involved in this sector with a multitude of projects, particularly on employment and social justice, there are no interventions for the promotion of social cohesion in the multidimensional sense.

In the economic field, trade promotion per se is a competence of EU MS. ELAN was, hence, designed to bring an added value to EU MS' activities by complementing their efforts in favour of their companies. EUDs have always maintained a regular dialogue on trade-related issues and are working closely together.

3.2.5 Implementation approaches (including modes of delivery and implementing partners)

The evaluation did not reveal any major problems regarding the implementation modalities used (including calls for proposals, delegated agreements, grants with/without a sub-granting mechanism) to achieve the objectives of the regional strategy. The choice of implementing partners (including EU MS institutions, UN bodies, private sector, other) has been adequate overall. Views on the quality of implementation partners were largely positive in all countries selected for field missions. However, across most projects which apply calls for proposals, interviewed stakeholders voiced concerns or complaints about heavy administrative requirements and burdens for the coordinator and, to a lesser extent, for the participating organisations. There was a widespread view that implementation modalities were mainly designed to suit European Commission needs, procedures and conditions. Overall, interviews confirmed that there has been a learning curve resulting in improvements in the efficiency of calls for proposals.

Most regional programmes were of a strong demand-driven nature, which presented several benefits. The demand-driven approach facilitated appropriation and ownership by regional stakeholders, which contributed to sustainability of supported initiatives. It also helped targeting concrete needs, which enhanced the relevance of the programmes, and flexibility during implementation. However, it also oriented cooperation efforts towards the improvement of existing policy and institutional processes, rather than their comprehensive change (see EQ5 for the case of EUROsociAL). Moreover, the 'regionalisation' of LA countries demands was not always easy to achieve which, in some instances (see EQ6 for the case of AL INVEST), led to difficulties of achieving a truly regional ('continental') approach. Some stakeholders interviewed also highlighted that they would like even more flexibility built into the implementation modalities used in regional programmes so that implementation partners can pursue even more demand-driven needs as and when they are needed (i.e. suited to changing political, social and environmental circumstances as they happen).

Blending allowed the EU to engage more broadly in cooperation with LA countries and with strategic advantage, however the EU has had limited leverage on influencing the focus of the supported actions and many interventions supported through blending have had a only limited regional dimension. Evidence of the advantages of blending, as compared to the non-blending of traditional programmes, is available for LAIF, the only case of blending in LA. Blending has been the subject of a recent evaluation, which prominently draws on LAIF. The evaluation concluded that the modality encouraged a more strategic approach to cooperation, particularly in middle income countries. The evaluation found that by using grants in combination with loans, blending allowed projects to go ahead that would not have been possible if financed purely by loans or purely by grants. It had a positive effect on DCI potential policy leverage by giving the EU a seat at the table with large donors (including MS agencies such as KfW and AFD) and a voice in strategic infrastructure-related policy areas such as energy, transport, and water

and sanitation. While the full potential of blending to mobilise the private sector has not been realised, there is evidence of at least some generation of private finance. Under LAIF the main supported sector was water and sanitation, representing 45% of the total. Energy and transport were the other main sectors⁶³. For example, blending was used in Colombia to finance two projects in infrastructure-related sectors (urban development and water). According to the evaluation, which did not cover other LA countries, Colombia also provided an example for the wider evaluation of how blending projects operate and contribute in LA countries.

According to interviews, the approach adopted so far in the LA region meant that many of the actions supported by the blending facility LAIF presented a limited regional dimension. The facility has rather followed the existing practices of its main implementation partners (e.g. KfW, AFD, EIB), with limited capacity to influence stronger linkages with EU regional priorities and with other regional and bi-regional programmes and, so far, to promote more actively the development of innovative financial mechanisms. In some countries, such as Bolivia, the mechanism is also little known and used by national stakeholders. However, there have been increased efforts⁶⁴ to address this issue in recent years. Moreover, recent work to promote real partnerships with participating countries and implementing development banks has resulted in new projects such as the second phase of the Dinamica and MIPYMES verdes initiatives in Central America, with the EUDs playing an important role to seek synergies between supported actions.

Programmes across all sectors faced delays at some stage during the implementation process, most often at the beginning. Findings on cost-effectiveness differ but shortcomings or even deficiencies are mentioned in all programme evaluations that addressed this aspect (which is not always the case). Generally, the complexity and diversity of regional projects brought with them administrative and management challenges and occasional delays in implementation. However, stakeholder interviews confirmed that, overall, the efficiency of implemented programmes was satisfactory.

Throughout the regional portfolio, programmes were monitored and evaluated albeit to different degrees of comprehensiveness and thoroughness. Learning mechanisms were deployed successfully in some programmes (EUROsociAL and URB-AL), but are still lacking in others. The cases of both URB-AL and EUROsociAL show learning processes regarding the modalities/channels provided under their specific sectors. URB-AL was characterised by an evolutionary process towards the involvement of a growing number of government stakeholders and civil society, and thus resulted in solutions 'closer to the public'. EUROsociAL demonstrated a remarkable process of positive learning, and the programme evolved consequently: Between EUROsociAL I and II there was an important change, instrumental in improving efficiency, effectiveness and impact, in programme organisation. Between EUROsociAL II and EUROsociAL+, improvements took place, for instance, on Gender prioritization. Administrative precursor controls, for which an information system was developed under the PRELAC project, are currently being followed by COPOLAD; which will continue to work on making it become fully operational. The Cocaine Route Programme (CRP) also has a focus on information exchange to support joint initiatives and trainings of law enforcement agents involved in tackling the drug problem and its associated issues.

In the E&CC sector, the internal monitoring systems of all programmes reviewed in this evaluation were found to focus mainly on operations and the achievement of specific outputs (such as the production of studies, tools and guides, development of software, databases and networks, or civil works to combat the effects of CC), as opposed to results (i.e. outcomes of products and activities realised). This was confirmed in the ROM and evaluation reports and

⁶³ EU (2016) Evaluation of Blending. Final Report. Volume I – Main Report.


⁶⁴ including a new communication strategy and additional resources to implement communication activities.

through interviews. As a result, the use of internal M&E systems has generally not optimised the learning capability the programmes were intended to offer and this has reduced the opportunities for internal reflection through peer reviews. Some studies and monitoring activities (e.g. ROM) have helped to fill this gap. Yet, stakeholders in Ecuador and Peru state that monitoring of results, lesson learned, and good practises remained poor.

AL-INVEST benefitted from a long history of cooperation and there has been some good learning for all stakeholders involved. However, the M&E framework and system established has suffered from many weaknesses which have limited overall learning. This was especially the case for AL-INVEST IV. In particular, the M&E framework did not reflect well the initial logic of the intervention. Some elements were also overly complex, as illustrated by the presence of numerous indicators that could eventually not be measured.

In the field of higher education, the merger of the pre-2014 regional and global programmes in support of HE into Erasmus+ gives evidence of a comprehensive learning process. M&E has followed a dual approach and is based on rigorous systematised annual assessment of individual Erasmus+-funded projects and periodic evaluations of the entire programme.⁶⁵

3.3 EQ 3 - Security-development nexus

To what extent has EU support contributed to the strengthening of the region's responses to peace and security challenges?	
	<p><i>Rationale: This evaluation question (EQ) focuses on the security-development nexus which is identified as a key area of cooperation in the 2014-2020 strategy and is related to themes such as the rule of law covered in the previous EU-LA cooperation strategies. Given the large scope of the sector, this EQ examines in more detail the effects of the cooperation between the EU and LA in a few sub-sectors which received particular attention in regional programmes and EU-LA high-level dialogue, namely: migration, drugs and the fight against transnational organised crime.</i></p> <p><i>The analysis is structured around four dimensions:</i></p> <ul style="list-style-type: none"> • <i>Development of EU-LA policy exchanges and institutional networking, including opportunities for pursuing joint actions in global fora;</i> • <i>Creation of opportunities for intra-regional cooperation, sharing and learning in the areas of drugs, transnational organised crime and migration;</i> • <i>Strengthening of legal, policy and institutional environment in LA countries;</i> • <i>Broader results achieved.</i>
<p>Main findings</p> <ul style="list-style-type: none"> • EU support has fostered a common understanding and contributed to the establishment of specific tools and develop joint actions in crucial areas for peace and security in LA and Europe: migration, drug trafficking and transnational organised crime. • High-level bi-regional dialogue facilitated by EU regional programmes in the area of drugs has been instrumental in the strengthening of the EU-CELAC Coordination and Cooperation Mechanism on Drugs. Regarding migration, the bi-regional Structured and Comprehensive Dialogue on Migration was underpinned by a specific EU-CELAC migration project that mobilised expertise on broad range of related topics. • EU support to intra-regional cooperation provided space for regional networking, learning, exchange of best practices, and building of trust. This has been especially important in the areas of drugs and organised crime, where EU interventions helped open communication channels (through COPOLAD) and institutionalise intra-regional cooperation of law 	

⁶⁵ See Mid-term evaluation of the Erasmus+ programme (2014-2020), COM(2018) 50 final.

enforcement agencies (through the AMERIPOL-EU project). In the migration sector, the EU also created opportunities for South-South cooperation, but the sustainability of the structures established has been low.

- EU regional support's influence on **policy reform** has been limited. EU support has strengthened the capacities of national administrations and informed policy formulation, but there is little evidence that it has directly influenced policy change. Several interventions helped enhance structures and procedures for the generation of data and information, e.g. through migration profiles and through the strengthening of National Drug Observatories.
- EU cooperation has faced some **challenges** in its implementation. Interventions had to deal with uneven levels of participation by the LA countries. In the case of the EU-CELAC migration project, LA countries felt they were not included in the design of the intervention and, as a result, decided not to participate in the project's steering. The structure established by the recently started EL PAcCTO programme, which is based on three pillars (police, judicial system and penitentiary system), risks reinforcing administrative divisions as the pillars are perceived to operate in silos in some countries.

3.3.1 EU-LA policy exchanges and institutional networking

The EU and LA countries have used multiple fora for bi-regional policy dialogue covering security, migration and drugs with mixed results. In the area of drugs, a number of platforms have been established between the two regions to facilitate dialogue and knowledge exchange. The main forum is the EU-CELAC Coordination and Cooperation Mechanism on Drugs, which was established in 1999 and has become a reference framework for drug policies and a key structure for joint efforts in the fight against drugs. The aim of these initiatives, which were supported by concrete actions funded under EU regional programmes, was to address the supply of and demand for drugs through improved understanding, exchange of best practices, and complementary prevention initiatives. They have led to strengthened institutional capacities to respond to issues related to drug policy, the fight against drug trafficking and related crimes.

A bi-regional 'Structured and Comprehensive Dialogue on Migration' was launched in 2009 when migration flows from LA to Europe were historically high. It provided a forum among states, regional organisations and experts to look at the linkages between migration-related areas of cooperation including fight against trafficking, protection of migrants, education, and health. It also contributed to building a stronger evidence base on migration. Despite challenges in reaching consensus on sensitive issues and the subsequent suspension of the Dialogue in early 2017, EU and CELAC decided to reconvene the Dialogue and jointly develop a new agenda for discussion in mid-2018.

In September 2017, EU and CELAC organised a 'Seminar on Citizen Security' as the first step towards creating a bi-regional 'Dialogue on Citizen Security', the purpose of which would be to develop a common understanding of citizen security threats, their root causes, and consequences and the national and regional priorities to tackle them through policy and expert dialogues.

These dialogue processes have facilitated technical support, institutional networking and exchange of knowledge, best practices and inter- and intra-regional cooperation, but faced challenges. The dialogue on migration led to the creation of the EU-CELAC migration project dedicated to strengthening policy dialogue and cooperation activities. The project helped build the required evidence base on migration flows, summarised in the study *Migratory Routes and Dynamics between Latin America and Caribbean Countries and the European Union* (2012, updated in 2015). It facilitated bi-national cooperation and it contributed to the dialogue by providing expertise and substantive inputs. These accomplishments notwithstanding, the LA countries felt they had been sidelined in the design of the migration project and decided not to

join the project steering committee. Interest in the dialogue waned as the project drew to a close and the EU currently deals with LA-specific migration issues (such as the Venezuela crisis) through EUROsociAL and DG ECHO interventions.

The CELAC-EU Coordination and Cooperation Mechanism on Drugs has been supported by the COPOLAD programme. COPOLAD reinforced the mechanism, contributed to establishing new procedures, and helped improve the coherence of policies and concepts used both among CELAC members and between CELAC and the EU. COPOLAD continues to develop activities to strengthen the National Drug Observatories (see section 3.3.3), to further South-South cooperation, and to strengthen mechanisms such as the e-room⁶⁶, which has created diverse communication links between its members.

3.3.2 Intra-regional cooperation

The EU-CELAC migration project created opportunities of South-South cooperation but, overall there were limited sustained effects on intra-regional cooperation. South-South cooperation on migration issues in LA is not new and countries of the region have signed several agreements in this area; most recently, the Brazil Declaration of 2014 dealt with refugees, displaced and stateless persons in the sub-region. The EU-CELAC migration project reinforced connections among migration-related authorities and institutions by providing spaces for learning, discussion and sharing of experiences. These exchanges reinforced regional discussions and networks that sustained an on-going exchange of information and good practices and supported sub-regional agreements. The project enhanced knowledge on migration flows, assisted in the systematisation of migration data, and strengthened migration management as well as the links between migration and labour policies. IOM, as the main implementing organisation, was instrumental in facilitating and consolidating the links of this network due to its longstanding presence in most major centres in LA and the development of a regional databank of publications. FIIAPP, the other implementing partner, brought public policy expertise to the migration management aspects of the project. Participation in project activities led to horizontal cooperation and the sharing of technical expertise between countries outside of the project framework, such as when Colombia provided technical assistance on labour competencies to the Ministry of Labour of Peru and on its 'Colombia Nos Une' programme for emigrants to El Salvador. However, no permanent structures or institutional mechanisms were created to ensure ongoing communication or consultation.

With regard to drugs and organised crime, EU support substantially contributed to improving intra-regional cooperation. COPOLAD has played an important role in enhancing networking and regional exchange in the drug sector, which has contributed to improve trust and communication among the relevant national administrations. These communication channels extend to the technical (not only political) level, which is important to ensure sustainability. COPOLAD also facilitated South-South cooperation on more concrete issues. For instance, Colombia and Uruguay have comparatively advanced early warning systems in place and were designated to provide technical assistance (with support from COPOLAD) to other CELAC countries that do not yet have such systems in place. In addition to COPOLAD, projects funded by the Cocaine Route Programme (CRP)⁶⁷ have also furthered intra-regional cooperation. The

⁶⁶ The e-room is a virtual platform underpinning the EU-CELAC Coordination and Cooperation Mechanism. It provides access to relevant documentation to the members of the mechanism and serves as a communication platform.

⁶⁷ The Cocaine Route Programme was launched in 2009 as a strategic response to the threat of drug trafficking and organised crime along the Cocaine Route (from its source in LA countries to its market in Europe, via Central America, the Caribbean and West Africa). It operates in over 40 countries covering Europe, LA, the Caribbean and West Africa, through a series of complementing and interconnected projects aimed at supporting these countries' capacity in

AMERIPOL-EU project contributed to the institutionalisation of the police community of the Americas AMERIPOL⁶⁸ and the development of its information system, which helped improve prosecutors' and law enforcement agencies' capacity to carry out complex investigations at a regional and trans-regional level. Finally, the Airport Communication Project (AIRCOP) and Seaport Communication Project (SEACOP) helped develop specialised inter- and intra-regional information systems to combat trafficking via air and maritime routes. In the case of AIRCOP, Brazil and Colombia took the lead to support other LA countries in setting up their respective Joint Airport Interdiction Task Forces.

Seeking to strengthen international cooperation in combatting transnational organised crime, EU support now addresses the entire justice system chain, from police investigators through the judiciary (prosecutors and judges) and penitentiary system. The EL PAcCTO programme provides technical assistance, training, exchange of experiences and sharing of best practices in order to strengthen capacities and response to regional needs, while promoting implementation of the UN Palermo Convention. EL PAcCTO has already created valuable spaces for learning, discussion, debate and exchange of information throughout the LA region. The issues addressed by international experts include cross-border cooperation, penitentiary intelligence, asset recovery, alternatives to detention, cybercrime, money laundering, police and customs cooperation, and corruption. These international seminars bring people together across borders, promote sharing of information and experiences, and help develop trust between officials of different countries, which is fundamental for international cooperation against organised crime. The intention of EL PAcCTO is to further develop a joint team approach to create work alliances and sustainable networks that include specialised agencies such as AMERIPOL (through AMERIPOL-EU), Interpol, COMJIB⁶⁹, AIAMP⁷⁰, and EU Agencies EUROPOL and EUROJUST⁷¹ in its activities.

3.3.3 Legal, policy and institutional environment

EU regional support informed policy formulation, legal reform and institutional change in the area of migration. Participation in the migration project varied widely among the 33 targeted countries. The project supported the preparation of migration profiles in three LA countries (Ecuador, Nicaragua, Peru)⁷², which have been used as a migration policy tool. The drafting of the profiles sparked a dialogue among the institutions producing the data, which was considered useful in itself. The profiles informed policy decisions and institutional reform, such as Ecuador's creation of the Parliamentary Group for the Rights of Persons in Human Mobility in 2013 by the National Assembly, and helped reinforce existing structures, like the Intersectoral Working Roundtable for Migration Management in Peru. The migration project also supported LA countries on policies concerning the reintegration of returned migrants through capacity building and pilot projects. A notable example is the 2013 Peruvian Law for economic and social reintegration of returned migrants that used the returnee profile created by a pilot project as a

combating drug production, intercepting drug flows, fighting money laundering and sharing information. It is financed by the IcSP, with an EU budget of over €50 million since 2009. Latin America is engaged in seven of the CRP's nine projects.

⁶⁸ AMERIPOL was established in 2007 during a meeting of LAC police officials in Colombia. It was initially conceived as a forum for police forces to share experience on law enforcement issues with yearly meetings and was subsequently institutionalised with an executive secretariat in Bogota and a rotating Presidency.

⁶⁹ Conferencia Ministros de Justicia de los Países Iberoamericanos - Conference of Ministers of Justice of Ibero-American Countries.

⁷⁰ Asociación Iberoamericana de Ministerios Públicos - Ibero-American Association of Public Prosecutors.

⁷¹ The European Union's Judicial Cooperation Unit

⁷² It also supported the preparation of a migration profiles in Jamaica and Suriname, but these are out of the scope of this evaluation.

reference document. Other examples for legislative advances include Colombia's 2012 Law of Return and the 2014 Mexican Migration Law, but the role of EU support is not clear in these cases.

With regard to drugs, EU regional support helped strengthen institutions in some LA countries, but had limited influence on policy. LA drug policy has been heavily influenced by the US-led war on drugs and LA stakeholders welcomed the alternative approach promoted by EU support. However, the evaluation did not find evidence for concrete examples of changes in drug policies influenced by EU interventions. COPOLAD helped build capacity in the reduction of both drug demand and supply and supported the set-up and strengthening of National Drug Observatories, which are key institutions for gathering information to support decision making at political and responsible agency levels. Large discrepancies between different LA countries remain and not all observatories operate efficiently. In some countries, data produced by observatories consist of only drug demand estimates; in others they are broader and contribute to strategy and policy formulation. Only few countries have institutional infrastructure to truly evaluate drug policies. On the issue of precursor chemicals for the manufacture of drugs, PRELAC has developed a series of data management programmes that enable national authorities to follow the shipment of precursors from the source to the final user; in some countries the programme also allowed for close cooperation between government and private sector to define industrial requirements and plan imports. The EL PACCTO programme is structured around three pillars – the police, judicial, and penitentiary systems - with a focal point for each pillar. This model attempts to ensure complementarity and coordination of actions; however, in some countries the lack of a coordinating mechanism for the different pillars reinforced existing communication and cooperation problems between institutions. Stakeholders interviewed in the course of the evaluation highlighted the need to bridge these gaps and encourage greater inter-institutional communication and collaboration.

3.3.4 Broader results

Changing migration patterns in LA are creating pressure in many countries to re-examine migratory regulations and policy. As socio-economic and political conditions change, so do migration patterns. New and large flows of migrants in LA are creating pressure in many countries to re-examine migratory regulations. The EU-CELAC migration project linked migration and development; it drew attention to the rights and protections of migrants, the links between migration and labour, reintegration of migrants and remittances being invested for development. These concepts will strengthen sustainable strategies and mechanisms for CELAC countries to address evolving migration needs within the framework of creating peaceful and inclusive societies, democracy, effective and accountable institutions, rule of law and human rights for all.


Migration patterns between Europe and LA have changed in recent years - in 2012 more Europeans migrated to LA than Latin Americans to Europe, marking a 68% decrease of Latin Americans going to Europe compared to 2007. Trends within the LA countries also changed and according to the ILO (2016), 80% of immigrants in LA originate from other countries of the region. Migrants are leaving poorer countries such as Bolivia and Ecuador and are migrating to Peru, Chile, Argentina and Brazil in search of jobs. Additionally, as the Colombian peace process advanced it slowed the exit of Colombians while the economic collapse and growing political unrest in Venezuela have provoked massive numbers of people to flee that country, creating challenges for neighbouring governments.

Crime and violence in the LA region remain pervasive and costly, and drug production, especially coca, is rebounding in LA. LA has the undesirable distinction of being the world's most violent region. The extreme levels of criminal violence affecting the northern countries of LA have worsened over the evaluation period causing greater migration flows as people flee not

only poverty but also political disruption and the extreme violence of the Northern Triangle of Central America. As the USA progressively closes its doors, some migrants now opt to seek asylum in Costa Rica, Panama or Mexico. The latter, historically a country of transit, has become a country of destination and asylum for the influx of southern migrants. After observing a fall in coca production between 2000 and 2013, the trend is now reversed. According to UNODC, Colombia is the main driver of this expansion, but production in Peru and Bolivia has increased as well.

In light of the above-mentioned challenges, EU regional support in the area of migration, drugs and organised crime has been relevant and addressed key issues. The collection and publication of data, (nationally and regionally) have supported policy changes, legal advances and migration management that have put some LA countries in a stronger position to address labour migration and the influx of migrants fleeing violence and political turmoil in their countries of origin. Peru is an example of a country that is using instruments developed through EU regional programmes to deal with migrants and returnees. However, data collection, systematisation, analysis and publication geared to policy development to manage and protect migrants, and to promote secure and peaceful societies require long-term commitments. To successfully understand, manage and combat these transnational issues joint and ongoing efforts based on constructive policy dialogue remain high priority.

3.4 EQ 4 - Environment and climate change

To what extent has EU support contributed to the strengthening of the joint regional and global responses to climate change and environmental challenges?	
	<p><i>Rationale: This evaluation question (EQ) mainly focuses on environmental sustainability and climate change, a key area of cooperation in the MIP 2014-2020. This sector has been at the core of past EU-LA cooperation although it was not explicitly referred to as a major area of cooperation in the 2007-2013 strategy. It is closely related to several Sustainable Development Goals, especially SDG 13 (includes elaboration of national adaptation plans and implementing national disaster risk reduction strategies) and SDG 15 (includes the sustainable management of forests and halting biodiversity loss).</i></p> <p><i>The analysis is structured around four dimensions:</i></p> <ul style="list-style-type: none"> • <i>Development of EU-LA policy exchanges and institutional networking, including opportunities for pursuing joint actions in global fora, in the areas of environment and climate change;</i> • <i>Creation of opportunities for intra-regional cooperation, sharing and learning in the areas of environment and climate change;</i> • <i>Strengthening of legal, policy and institutional environment in LA countries;</i> • <i>Broader results achieved.</i>
<p>Main findings</p> <ul style="list-style-type: none"> • EU support has made a significant contribution to the strengthening of the joint regional and global responses to environment and climate change (E&CC) challenges. EU support has been particularly effective in raising awareness on the importance of conserving natural resources, promoting renewable energy in isolated communities and tackling the adverse effects of climate change as prerequisites to achieving sustainable development and reducing poverty. • EU support contributed to the instigation of policy reforms at the national level that are designed to meet international goals and commitments relating to Multilateral Environment Agreements (MEAs), in particular the UNFCCC. The signing of the Paris Agreement in 2015 was an important milestone in EU-LA relations, since it offers concrete opportunities to develop joint cooperation on Nationally Determined Contributions (NDC) and Nationally Appropriate Mitigation Actions (NAMA). 	

- EU support helped develop **regional partnerships** between the EU and LA. The EUROCLIMA initiative has forged successful partnerships at the political level through the development of national focal points, while RALCEA and WATERCLIMA facilitated partnerships and networking with the JRC in the technical and scientific spheres. These partnerships have facilitated information exchange supported by the creation/consolidation of various platforms through which political, policy and scientific dialogue has taken place.
- EU support played an important role in promoting **intra-regional cooperation and learning**. Several programmes helped LA stakeholders articulate common interests and priorities in the preparation of global policy fora (especially on climate change) through the national focal points. In addition, the EU supported multiple networks and platforms with varying degrees of sustainability.
- The **absence of specialised agencies** for E&CC at the regional level has made it difficult to develop a coordinated regional approach to E&CC priorities. Gaps in the legal framework of several LA countries, such as a specific law for the water sector, have also hampered the development of such an approach. The EU lacks regional partners with whom it can forge long-term relations to support and oversee the implementation of the MEAs. This situation impeded the development of linkages between actions financed by bilateral geographic and thematic programmes, or instruments from other DGs.⁷³
- **Policy implementation** has generally been slow with limited results so far, especially in relation to governance and law enforcement issues. Moreover, although the participation of civil society has been enhanced during the evaluation period, the engagement of the private sector remained low.
- The role of EU support in E&CC has and continues to be that of a **facilitator**. By providing technical assistance and funding, the EU has been able to bring state and non-state actors in the region together to stimulate **policy dialogue** on E&CC issues, identify priorities and define strategies, which in most cases (EUROCLIMA, WATERCLIMA, RALCEA) have been supported by the involvement of partner institutions from the EU.

3.4.1 EU-LA policy exchanges and institutional networking

Policy dialogue on E&CC grew steadily between the EU and the region between 2009 and 2018 and was especially strong in the period before and after the Paris Agreement. For example, EU-LA policy dialogue through the EU-LAC Environment Ministers' Forum has increased, in particular since the Los Cabos Declaration in 2014, to become one of the most important spaces to identify and agree on regional priorities relating to E&CC. This dialogue has also been supportive in advancing bi-regional cooperation on E&CC. For instance, the EU-CELAC Action Plan (June 2015) required not only dialogue to be stepped up in the area of, '*sustainable development, environment, climate change, biodiversity, energy*', but bi-regional cooperation to increase '*in the field of environment and disaster risk reduction and management (...) climate resilient development and climate adaptation and by promoting the integration of these issues into sustainable development strategies and in policy design*'.⁷⁴ The EU-funded EUROCLIMA regional programme has been instrumental in stimulating such dialogue. For example, in 2016 it employed the services of UNEP's regional office (which also acts as the Secretariat of the Forum of Ministers of Environment for the region) to promote the exchange of information and knowledge on climate change.

⁷³ This finding was also highlighted in the Thematic Evaluation of EU support to environment and climate change in third countries in the period 2007-2013 (2015), p.2.

⁷⁴ EU-CELAC Action Plan, p. 5: <http://www.consilium.europa.eu/media/23757/eu-celac-action-plan.pdf>

The growth in high-level dialogue on E&CC intensified technical and scientific dialogue between the two regions. For example, policy dialogue and cooperation with regional institutions such as ECLAC and the Inter-American Institute for Cooperation on Agriculture (IICA) has increased under the EUROCLIMA initiative. ECLAC has carried out specific studies, such as the identification of ‘no-regrets’ adaptation and mitigation measures to be prioritised for funding in the LA region under the latest phase of the programme from 2016 (EUROCLIMA+). Meanwhile, IICA has conducted participatory analysis on how to support the agriculture sector in Central and South America in its adaptation to climate change. In another example, the RALCEA programme⁷⁵ facilitated bi-regional dialogue on joint research activities and networking with the JRC in the interests of applying more effective water resources management. Further details are provided in the section on intra-regional cooperation below.

Despite significant advances in policy dialogue since 2009, a number of challenges remain in converting dialogue into action. The region does not have an institution in place with both mandate and capacity to manage, implement and monitor the E&CC agenda as agreed through EU- LA dialogue. Interviews conducted during this evaluation suggested that regional institutions such as the Sustainable Development and Human Settlements Division of ECLAC or the Regional Office of UNEP (Panama), are not in a position to fill such roles. This is largely due to ongoing disputes as to the authority of ECLAC in the eleven countries of the Bolivarian Alliance for the Americas and UNEP’s application of UN rules and procedures that have compromised the visibility of EU cooperation. Due to the lack of adequate monitoring of the implementation of Declarations, Action Plans and Agendas adopted through the dialogue process, the EU and its partners are unable to engage in learning relating to issues such as main achievements, lessons learned or good practices. As a result, needs assessments or were found by this evaluation not to have been updated on a regular basis, which made it difficult for regional cooperation to target issues to which it can add most value. High-level policy dialogue at the regional level has not paid sufficient attention to engaging sub-regional organisations such as the Central American Integration System (SICA), the Andean Community of Nations (CAN), or the Southern Common Market (MERCOSUR) some of which have their own sub-regional policies and strategies in place for E&CC. This has reduced opportunities for learning and coordinating policy and priorities on E&CC with sub-regional institutions, as well as for enhancing the mandate of these institutions. Interviews confirmed that regional programmes such as EURO-SOLAR and WATERCLIMA did not officially present themselves to, or directly work with, the above-mentioned sub-regional organisations. Likewise, stakeholders participating in EUROCLIMA+ confirmed a similar situation has developed thus far, which in the case of several interviewees in the Andean region is also considered to be a lost opportunity to resuscitate the sub-region’s environment agenda, which was terminated in 2015 following the closure of the environment office within the CAN secretariat.

3.4.2 Intra-regional cooperation

EU support has made an important contribution to fostering intra-regional cooperation and learning on E&CC issues. The evaluation found regional interventions such as EUROCLIMA, WATERCLIMA and RALCEA have been successful in bringing national focal points (NFPs) and other stakeholders together in Conferences of the Parties, regional seminars, meetings, presentations, etc. to identify common interests and priorities relating to E&CC, in particular relating to water and climate change. For example, RALCEA (2010-2015) facilitated networking and information exchange between centres for excellence in the water sector to enhance multi-sector policy dialogue and institutional capacity relating to water access, management and use. This was helped by the expansion of the EU’s Aquaknow database in LA

⁷⁵Regional programme in support to the establishment of a network of knowledge centres in the water sector

which supported statistical analysis and informed decision-making relating to water management. In a second example, all three projects funded under the WATERCLIMA programme encouraged networking both within the region and with its European partners, two of which were instrumental in supporting Ecuador and Peru to sign a bilateral agreement in 2017 to co-manage all nine main river basins shared between the two countries. Finally, the EUROCLIMA initiative during its first phases (2009-2017) facilitated intra-regional cooperation through a series of workshops and studies, together with the development of online platforms such as:

- The Biophysical Models Applications (BioMA) to support experts in the region in sharing and further developing data and modelling to test and assess the impact of climate change on sectors such as agriculture in the interests of promoting sustainable and resilient agriculture in LA;
- The Desertification, Land Degradation and Drought (DLDD) Observatory for LA to help increase the capacity of meteorologists, agro-meteorologists, drought and land degradation experts, etc., in development of drought prediction models, risk and vulnerability maps, economic valuation of DLDD, etc. and was designed to support mitigation and adaptation to CC mainly at national and transboundary levels.

Moreover, EUROCLIMA+ since its inception in 2017 has been contributing to broadening cooperation and learning in the region by ensuring its NFPs are, in the majority of cases, the same NFPs for the UNFCCC and supported by the nomination of one or more technical NFPs to ensure the day-to-day management of such cooperation.

However, sustaining and replicating such cooperation and learning has been challenging, especially prior to the Paris Agreement in December 2015 when there was no global agreement on how to work together to combat climate change. The evaluation identified mixed results concerning the sustainability of the networks and platforms established. For example, the National Coordination Cells (NCCs) established under the EURO-SOLAR programme were disbanded in all eight beneficiary countries soon after the closure of the programme in 2013. This is despite the fact the evaluation found the programme contributed to bringing about national reforms on promoting renewable energy in isolated communities in countries such as Ecuador and Peru. In another example, the above-mentioned network established under the RALCEA programme no longer meets, largely because the region already has an alternative platform known as the CODIA (Regional Forum for Water Directors from LA, Spain and Portugal). Furthermore, the expansion of the Aquaknow database into LA has not been consolidated by DG JRC. Indeed, the Inter-American Development Bank (IADB) has developed an alternative tool known as Hydro-BID to support water management and planning in the region, which is in the process of operating in Argentina, Brazil, Ecuador and Peru.

In the case of the WATERCLIMA and EUROCLIMA initiatives, the evaluation found they have been more successful in sustaining intra-regional cooperation. WATERCLIMA's contribution in securing the abovementioned bilateral agreement between Ecuador and Peru is particularly significant, because it has formalised the two countries' commitment to setting up bi-national commissions to manage their shared river basins. The evaluation also found evidence to indicate the networks established in all three projects funded by WATERCLIMA are continuing in an informal manner, supported by the former EU partners involved, who provide technical support and information as and when it is requested. This finding suggests informal networking can contribute to sustaining intra-regional cooperation when it is demand-driven. EUROCLIMA has also provided evidence the NFPs network is likely to sustain itself beyond the programme, primarily because the majority are the same government officials responsible for UNFCCC and who are increasingly working as a regional bloc in the Conference of the Parties since the Paris Agreement. The NFPs and other stakeholders in EUROCLIMA+ also confirmed they are

increasingly using informal channels such as WhatsApp to help consolidate their networks and widen their contacts base.

A number of risks threaten EU efforts to deepen intra-regional cooperation and networking regarding E&CC. These include:

- continued institutional instability in many countries brought about by, among other factors, high staff turnover, corruption scandals and public spending cuts⁷⁶;
- software glitches coupled with a lack of adequate management and control of data inputs concerning online platforms supporting disaster risk management, such as BioMA and the DLDD LA observatory⁷⁷; and
- a general lack of capacity in risk management to ensure that high-level risks are mitigated in a timely manner and medium- and low-level risks are regularly monitored.

3.4.3 Legal, policy and institutional environment

EU regional programmes have contributed to policy and legal reforms at the national level, but less so at the regional level, in part due to design weaknesses and inadequate coordination and monitoring of their main actions. The evaluation was able to identify a number of significant policy and legal developments at the national and subnational levels in the region, which have been influenced by the intervention of the EURO-SOLAR, WATERCLIMA and EUROCLIMA programmes.

Box 2 EU support to policy and legal developments in the E&CC area– some success stories

EURO-SOLAR: in Ecuador, the Ministry of Electricity and Renewable Energy (MEER) confirmed the programme was instrumental in the government's decision to include rural electrification as one of the main objectives in the 2015 law for public electricity services. Furthermore, following adoption of the regulatory framework for this new law (foreseen in 2018), the national strategy for rural energy foresees the provision of renewable energy in isolated communities based on lessons learned from, among others, the EURO-SOLAR initiative in Ecuador.⁷⁸ In Peru, the Ministry of Energy and Mines (MEM) confirmed the programme had made an important contribution to the development of the National Plan for Universal Access to Energy (2012). Namely, it recognises solar energy as an important form of energy to support isolated communities gain access to improved educational and health services, and electric power for community centres and private housing. This plan is currently being implemented in isolated communities by the Mass Programme for Solar Energy (2014-2019), funded by IADB and which is aiming to install 200,000 solar kits in total.

WATERCLIMA: the project ECOCUENCAS⁷⁹ contributed (through the funding of pilot initiatives and the mobilisation of technical expertise from the EU and the region) to: i) policy development concerning the application of water tariffs and development of water funds to support investment in watershed management in Ecuador and Peru using the transboundary watershed of the Catamayo-Chira river, ii) facilitate both South-South and triangular cooperation with EU partners. This also facilitated high-level policy dialogue between the two countries culminating in a landmark agreement to establish the bi-national commission for the integrated management of water resources in all nine transboundary

⁷⁶ Interviews in Ecuador confirmed public spending cuts since 2016 have dramatically increased the NFPs reliance on EUROCLIMA+ funding in order to attend meetings and workshops on climate change matters.

⁷⁷ Interviews in Costa Rica, Ecuador, Peru confirmed they do not have adequate national hydro-meteorological and climatic networks in place to collect, process and validate hydrological, meteorological, climatic, and other biophysical data on a regular basis which restricts opportunities at the scientific level to share data and advance both South-South and triangular cooperation opportunities.

⁷⁸ More information can be found at: <https://www.energia.gob.ec/electrificacion-rural-con-energias-renovables/>

⁷⁹ <https://www.ecocuencas.com/>

watersheds shared between the two countries (October 2017). In addition, EU partners such as OIEAU⁸⁰ (France) continue to provide support concerning the ongoing reform of the regulatory framework for the Law on Water Resources, Uses and Extraction (2014) in Ecuador. The project Water Without Frontiers has also facilitated the development of the bi-national commission by supporting the bi-national platform of municipalities and other stakeholders in Loja province (Ecuador) and Piura department (Peru). The platform adopted coordinated policies and ordinances on the management of water resources and adaptation to climate change, which have also fostered South-South cooperation (for example, on rainwater harvesting).

EUROCLIMA: has provided direct support to the Ministry of Environment in Ecuador to elaborate the Environment Code and its Regulation, which was adopted by the government in 2017. It has also been supportive of the efforts of several countries to integrate climate change into sector and national policies in several countries such as Costa Rica, Ecuador, Mexico and Peru. For example, the government of Peru has passed a Framework Law on climate change (Law No. 30754, April 2018) which provides guidance not only on the integration of mitigation and adaptation to climate change in national and sector policies, but also implementation, monitoring, reporting, etc. Similarly, Costa Rica has produced its National Policy for Adaptation to Climate Change (2018-2030) which will be implemented through a National System based on five councils (Five Cs), four of which have been established and one, the scientific council, is currently being finalised. Other examples include EUROCLIMA's efforts to strengthen several LA countries define their urban NAMA proposals (2015) and policy developments relating to the implementation of their NDCs.

However, in several cases, where policy reforms and new laws have been adopted, their implementation has been slow with limited results so far, especially in relation to governance and law enforcement issues. For example, despite the introduction of new laws relating to rural electrification and climate change in Ecuador and Peru respectively, neither country has put in place the full regulatory framework needed to implement them.

Policy development at the regional level has been hard to achieve so far. This is due to several factors that include:

- complex national constitutional, legal and policy frameworks that make it difficult to harmonise policies and laws at the transboundary, sub-regional and regional levels; and
- the absence of regional institutions with a mandate to promote integration, effective governance structures and standardised methods for data collection, processing and validation.

This has not been helped by weaknesses in the implementation mechanism of EU regional programmes (mainly calls for proposals). In particular, according to interviews carried out with LA and EU stakeholders, short deadlines for project proposals and budget ceilings have restricted opportunities to identify bilateral, sub-regional or regional interventions and tend to fragment EU cooperation into too many small projects that are generally pilot in nature. As a result, the calls for proposals have generally not been successful in supporting regional institutions in the establishment of platforms that can inform policies at the national level and foster cooperation between the sub-regions.

Although the participation of civil society has been enhanced in all main activities including policy formulation, the engagement of the private sector has been found to be low in all programmes reviewed. EU efforts since the Santiago Declaration in 2013 to enhance the participation of civil society in E&CC issues have contributed to making dialogue and the decision-making process more inclusive. This has also been facilitated through policy and legal reforms at the sub-regional and national levels, in which participation of civil society is now mandatory. However, a similar approach has not been adopted vis-à-vis the private sector.

⁸⁰ Office International de l'Eau (International Office for Water)

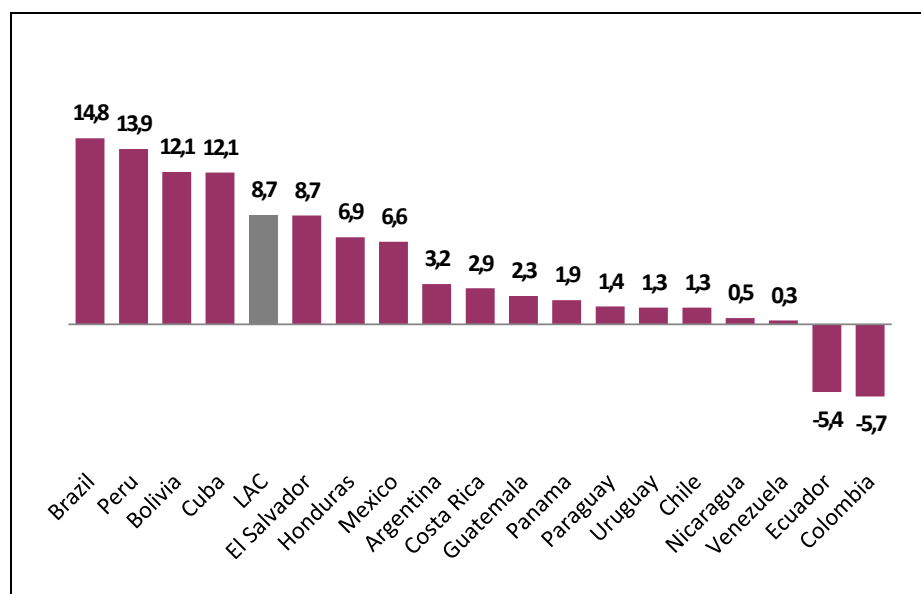
Interviews have suggested that the design phase of regional programmes has not paid sufficient attention to engaging the private sector in project planning and implementation, or in supporting the continuation of key actions in the post-closure phase. This has not been aided by policy dialogue between the public, non-governmental and scientific sectors, also developing little information or guidance on how to engage the private sector in such dialogue. One exception identified by the evaluation is the Urban Mobility component of EUROCLIMA+ where the evaluation team was informed that several countries have associated to develop economies of scale in the interest of attracting investment in electric transport from the private sector. Interviews in Costa Rica confirmed the practice of associating with larger countries such as Brazil and Chile enabled the country to enter into growth sectors that would have been too costly had they sought to develop electric bus routes through a country-based initiative.

Horizontal themes such as gender equality and the rights of indigenous peoples into E&CC programmes were insufficiently dealt with at design phase to ensure that they are fully integrated into policy dialogue and reform processes at the national, sub-regional and regional levels. Combining evidence from both evaluation reports and interviews in the field, we conclude that E&CC programmes have not adequately identified and incorporated the specific needs of marginalised groups such as women, indigenous peoples and youths, or on vulnerable groups such as farming communities. For example, planning and implementation has mainly concentrated on applying sex-disaggregated information on participation in main events, rather than supporting specific activities designed to support the empowerment of these groups in order to enhance their access to resources, information, training, etc. However, EUROCLIMA+ informed the evaluation that it has established a gender focal point who is reported to be in the process of addressing these issues, although a gender strategy has not been established to date.

3.4.4 Broader results

LA countries made progress in a number of areas (e.g. expanding protected areas, adopting NAMAs and investing in renewable energies) to address environmental challenges in the region. The number of protected areas (marine and terrestrial) in the region doubled between 1990 and 2008 and further increased since then, and the size of protected areas increased in all but two LA countries since 2000 (see Figure 9). According to the UNFCCC NAMA Registry, NAMA registrations have grown constantly in the LAC region since 2013 and in 2015 that LAC was the region with most NAMAs registered (39 of a total of 129). The growth of renewable energies in LA has been substantial, mainly due to the development of hydropower, whose environmental consequences are hotly debated. Hydropower currently supplies almost all of Costa Rica, Uruguay and Paraguay's energy needs and over half the energy needs of Brazil, Colombia and Peru. The expansion of biofuels, wind and solar power in countries such as Brazil, Chile and Mexico has ensured they are among the top 10 renewable energy markets in the world. At the same time, Argentina, Bolivia and Venezuela have the highest dependency rates on fossil fuels in the region and are all projected to face significant power deficits within the next 10 years.

Figure 9 Change in size of terrestrial protected areas 2000-2016 (in %)



Source: *Particip*, based on data from UNEP and the World Conservation Monitoring Centre, accessed through World Development Indicators

Efforts to combat climate change have been rather promising in the period 2009-2017, thanks to the signing and ratification of the Paris Agreement in 17 of the 18 countries concerned.⁸¹ For example, the evaluation notes that Costa Rica and Peru have major commitments to implement their NDCs under the Paris Agreement through the adoption of a national policy in 2018 to establish a carbon neutral economy by 2021 and Peru passed a framework law on climate change in 2017. In both cases these developments will support efforts to first revise and then implement their respective NDCs.⁸²

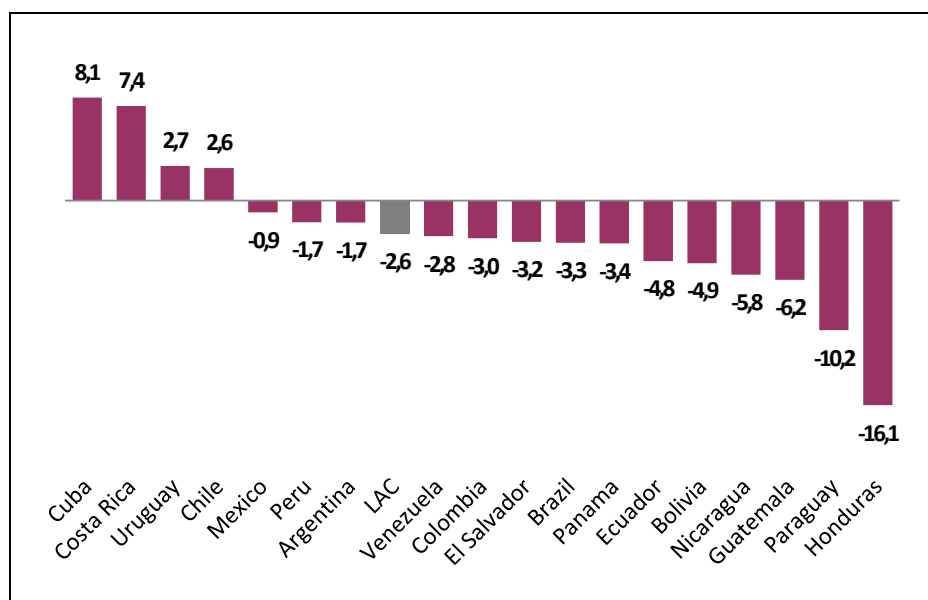
Despite some advances, the majority of countries in LA remain vulnerable to the effects of environmental degradation and climate change. Most countries in the region have registered some of the highest rates of deforestation and forest degradation worldwide between 2000 and 2015. Figure 10 confirms forest cover shrank in all but four LA countries. Furthermore, the Food and Agriculture Organisation (FAO) claims deforestation and forest fragmentation have also contributed to a significant loss of genetic diversity and the International Treaty on Plant Genetic Resources for Food and Agriculture (ITPGRFA) confirms the loss of agrobiodiversity and the local knowledge associated with its conservation and use, represents a significant threat to food security and nutrition, especially among farmers vulnerable to climate change and who are unable to sustain government-induced subsidies designed to promote the establishment of modern farming practices. Freshwater, coastal and marine habitats and biodiversity are also on the decline which threaten ecosystem services and contribute to increasing carbon dioxide emissions and human vulnerability to natural disasters. According to the secretariat of the Convention for Biological Diversity (CBD), despite efforts to save biodiversity through expansion of protected areas, establishment of *ex situ* seed banks and *in situ* conservation of seeds at the

⁸¹ Nicaragua, did not sign the Paris Agreement until 23 October 2017.

⁸² Interviews with UNEP, ECLAC and the governments of Peru, Ecuador and Costa Rica confirmed most countries in LA (as elsewhere) are in the process of revising their NDCs given they were produced in the aftermath of the Agreement to limit global warming to below 2°C above pre-industrial levels. However, there is agreement among the signatories that their original NDCs would lead to global warming in the range of 2.7 to 3.7°C. The World Resources Institute reported in November 2017 that these revisions are urgent to bring their NDCs into line with the Paris goals and, thus, avoid more costly interventions at a later date to meet such goals.

farm level the loss of terrestrial and marine biodiversity continues due to poorly planned human activity leading to unsustainable use, a general lack of good governance and law enforcement to reduce habitat loss, climate change, different forms of pollution and introduction of invasive alien species⁸³.

Figure 10 Change in forest cover 2000-2015 (in %)




Source: *Particip*, based on data from FAO, accessed through World Development Indicators

EU regional support helped raise awareness and foster information exchange, but the actors in the region are yet to take concrete steps to tackle the above-mentioned challenges in a more coordinated manner. The role of EU regional cooperation has been positive when it comes to raising awareness on E&CC and bringing state and non-state actors together to discuss their own experiences and priorities. However, the EU and LA partners have not dedicated enough resources to the implementation of declarations and agendas, and to the monitoring of results to support policy dialogue on deepening cooperation and coordination at both the regional and sub-regional levels. A majority of interviewees stated regional programmes such as EUROCLIMA+ would benefit from adopting a more flexible approach (for example, based on the EUROsociAL model) and mapping of projects and donors through closer coordination with other DGs, EUDs and MS offices in the region in the interests of establishing synergies where relevant through the call for proposals process. In addition, this approach has facilitated the development of a longer-term partnership between the EU and LA to integrate the conservation and management of natural resources and adaptation/mitigation to climate change at the national and sector levels. In most cases this has been based on bilateral and sub-regional approaches (such as on addressing the absence of legal frameworks for water resources in several countries in the region) and the promotion of South-South/Triangular cooperation (for example, on improving urban mobility or conserving agrobiodiversity).

⁸³ CBD: <https://www.cbd.int/gbo3/?pub=6667§ion=6711>

3.5 EQ 5 - Social equity

To what extent has EU support contributed to the strengthening of social equity?	
	<p><i>Rationale:</i> This evaluation question (EQ) examines the support given to strengthen efforts on social cohesion at regional level. It focuses on two main policy areas: social policies (in particular, health, education, social protection with a special attention given to the most vulnerable groups) and Public Financial Management/fiscal policies (with a special attention given to fiscal equity). The analysis is structured around four dimensions:</p> <ul style="list-style-type: none"> • Development of EU-LA policy exchanges and institutional networking in the areas of social and fiscal policies; • Creation of opportunities for intra-regional cooperation, sharing and learning in the areas of social and fiscal policies; • Strengthening of legal, policy and institutional environment in LA countries in the areas of social and fiscal policies, in line with regional best practices and international (including EU) standards; • Broader results achieved.
<p>Main findings</p> <ul style="list-style-type: none"> • EU support has ensured the mobilisation of relevant expertise from the EU and LA regions to accompany policy reforms in areas such as social protection, justice, regional development, tax, and transparency. This has contributed to notable achievements in the strengthening of public institutions, but also to awareness raising on concepts related to social cohesion among LA stakeholders. EU support has focused more on the actual implementation of public policies than on the strengthening of the legal framework or the shaping of overall strategic directions taken in LA social policies. This is largely linked to the demand-driven nature of the EU support and the existence of well-established domestic policy processes in LA countries. • High-level bi-regional dialogue on social and fiscal policies has diminished during the evaluation period. Compared to a decade ago, when social cohesion was a top priority of the EU-LA cooperation agenda, social equity issues are now addressed more transversally. In this context, EUROsociAL has played an important role to maintain political attention and foster the development of a common vision between LA and EU partners on these policy issues. • Despite shrinking spaces for structured high-level bi-regional dialogue, there are multiple examples of EU support successfully promoting the sharing of knowledge and good practices between LA and EU partners. EU support has resulted in the creation of spaces for policy dialogue (networks, forums and other forms of exchanges, including South-South cooperation) on a wide range of areas related to social equity. • During the implementation of the EU support, there have been some challenges faced related to the involvement of important stakeholders such as social actors, which can be explained by the fact that the programme was designed to tackle public institutions. As a consequence, EU support's role in the sphere of fiscal/social agreements ('pactos sociales/fiscales'), which are key to the development of comprehensive social policies, has been limited. There have also been missed opportunities to address gender issues more vigorously, although this trend has changed at the end of the evaluation period with the EUROsociAL+ programme. • In a context of strong economic growth, LA governments implemented bold social policies and large social protection schemes, which helped strengthening some poverty reduction processes. Important reforms to consolidate the policy and institutional framework were successfully implemented in various areas related to social and fiscal policies. However, 	

overall evolutions on social equity have been modest in the region during the evaluation period.

3.5.1 EU-LA policy exchanges and institutional networking

The strengthening of social equity has been a central element of the EU-LA cooperation framework during most of the evaluation period. Themes related to social equity have been at the core of the EU-LA partnership since the early 1990s and the transition to democracy of several LA countries. Social cohesion explicitly became a top priority of the EU-CELAC bi-regional agenda at the Guadalajara Summit in 2004. A High-Level EU-LAC Forum on Social Cohesion was created in 2006⁸⁴. The EU supported several initiatives in this area in the following years, including large thematic studies carried out by ECLAC, which plays a major role in the strengthening of social policies in the region, and by other institutions. ECLAC work helped adapting the European concept of social cohesion to the specificities of LA, which facilitated its gradual adoption by LA countries. The EUROsociAL programme became an essential component of this dynamic. As illustrated by the references to the concept of social cohesion in the MIP 2014-2020 and other documents such as policy declarations by LA authorities⁸⁵ and academic research⁸⁶, this momentum was sustained during most of the evaluation period. However, the ‘social cohesion’ concept turned out to be too broad to be tackled holistically in the context of the regional programmes and the dynamic around it therefore lost strength in recent years. Social cohesion now is closer to the concept of ‘sustainable development’. It includes issues like gender and sexual diversity as well as migration and refugees.

Spaces for EU-LA bi-regional dialogue on social equity, especially high-level dialogue, shrank somewhat in recent years. The EU-LAC High-Level Forum on Social Cohesion organised since 2006 in the context of the EU-CELAC summits⁸⁷ was discontinued in 2011. From 2012 onwards, the EU and LA partner regularly reiterated their wish to build upon the results of the EU-LAC Forum on Social Cohesion to establish new dialogue platforms in this area. However, this had not materialised by the end of the evaluation period. Social cohesion has been increasingly addressed transversally in the existing dialogue platforms (e.g. Research and Innovation, and Higher education), but with only weak linkages to past initiatives, which specifically focused on specific dimensions of social cohesion. Moreover, although social cohesion remains an objective of many interventions, the concept seems less and less explicitly mentioned in documents underpinning the EU-LA Strategic Partnership. In the latest EU-CELAC action plans (e.g. 2013 and 2015), social cohesion was looked at through the lens of regional integration and interconnectivity. The social cohesion concept is absent from recent policy documents such as the political declaration of the 5th CELAC summit held in 2017. The decreasing number of ECLAC publications explicitly addressing social cohesion also illustrates the decreasing emphasis on this concept. At the same time, there is an increased attention during the evaluation period by LA partners to specific social equity issues, such as social protection, in parallel to the extension of the Global Social Protection Floor Initiative adopted by the ILO in 2010, which reflects a new global dynamic around this topic (see the recent global initiatives around universal social protection), and gender equality. Mechanisms to ensure structured bi-regional high-level dialogue platforms on these issues are yet to be established.

Despite shrinking spaces for structured high-level bi-regional dialogue, there are multiple examples of EU support successfully promoting the sharing of knowledge and good

⁸⁴ The first event took place in Chile in September 2007.

⁸⁵ E.g. Political declaration at the 4th CELAC summit held in Quito in 2016

⁸⁶ UCLA (2016): Operationalizing Social Cohesion in Latin America.

⁸⁷ Previously EU-LAC summits.

practices between LA and EU partners in the area of social equity. All stakeholders interviewed highlighted the positive results achieved by the EUROsociAL regional programme in this area. In particular, EUROsociAL has been instrumental in developing soft structures at institutional level to promote mutual knowledge and peer learning between LA partners and between them and EU counterparts. This ‘institutionalisation’ of policy exchanges was achieved through activities ranging from study visits to Europe and special meeting events to peer learning activities involving various EU and LA partners (e.g. line ministry staff). These initiatives were particularly important given the absence of regional integration mechanisms dealing with social policies and technical exchanges in this area in LA countries⁸⁸.

Largely based on demand-driven mechanisms, EUROsociAL allowed officials from LA countries to request support to implement specific policy reforms aimed at improving social equity. There has been substantial use of EU expertise to exchange on good practices and develop specific models to enhance policy implementation in various social equity areas, like taxation, regional development, evaluation of public policies, gender equality, or justice sector reform. Through the wide range of areas covered, the use of peer-to-peer exchange mechanisms and the high-quality expertise mobilised (from both the LA region and Europe), EU regional programmes presented strong comparative advantages compared to the actions of other international institutions such as OAS or AIDEF⁸⁹.

While early attempts to establish new thematic networks through EU regional programmes failed, EU support has successfully promoted and complemented existing networks in recent years. Some networks enjoyed strong political backing on the LA partners’ side. This allowed for the maintenance of some forms of high-level dialogue in the second part of the evaluation period when structured bi-regional platforms of high-level dialogue were discontinued.

There has been a varying degree of participation by EU MS in EU-LA policy exchanges on social equity, which limited the opportunities for sharing of experiences between EU and LA. The European experience and expertise came mainly from four European countries (Spain, France, Italy, and, to a lesser extent, Portugal). There have been other EU MS involved in EUROsociAL (e.g. Finland on ‘Housing First’ regarding the homeless; the UK on human rights’ monitoring in prisons), but their involvement was fairly limited. Language issues, financial issues, aspects related to the history of cooperation between these countries and LA, and the composition of the consortium implementing the regional programme largely explain the weak participation of a wider range of EU MS. This situation has limited the opportunities of policy exchanges between the two regions.

3.5.2 Intra-regional cooperation

The EU contributed to fostering policy exchanges within the region and strengthening existing formal dialogue mechanisms, especially through the promotion of peer-to-peer exchanges. EUROsociAL has contributed to the creation of a high number of sustainable opportunities for intra-regional cooperation, sharing and learning in the areas of social and fiscal policies. This took place in a context where intra-regional cooperation on social equity increased – see box below.

⁸⁸ The situation is quite different in Europe as most European countries actually have mechanisms well in place.

⁸⁹ Asociación Interamericana de Defensorías Públicas (Inter-American Association of Public Defenders)

Box 3 *Examples of platforms for intra-regional cooperation on social equity in LA*

Intra-regional cooperation in social equity increased in the region in the last decade. While a substantial amount of intra-regional cooperation occurred in the framework of sub-regional integration processes (like the Andean Community or SICA in Central America), there are also several examples of dialogue platforms existing at continental level. For instance, in the area of social protection, intra-regional cooperation has taken place, among others, through the Inter-American network of Social Protection (RIPSO).⁹⁰ In the area of Fiscal policy, the ECLAC organises since 1998 a 'Regional Seminar' with the participation and sponsorship of different international and national organisations (e.g. IADB, World Bank, AECID). It is organised annually by the Executive Secretary of ECLAC, gathers senior fiscal policy officials of LAC countries and is linked to ECLAC's LAC Fiscal Observatory. The Economic and Social Councils Network for Latin America and the Caribbean (CESALC in Spanish)⁹¹ was established to exchange experiences and promote reflection and joint learning to address the common challenge of the region's Economic and Social Councils: to achieve stronger institutions, improve their technical and operational capacity, and increase their impact. It also worth mentioning the LAC Tax Policy Forum, an OECD initiative which gathers senior fiscal policy officials of LAC countries.⁹²

According to the internal monitoring system of EUROsociAL, no less 1,500 actions were implemented between 2013 and 2016, out of which a substantial number of projects (at least 250) corresponded to triangular cooperation where at least one LA institution played a key 'knowledge transfer' role.⁹³ The support provided via EUROsociAL complemented the cooperation taking place in the existing regional networks, contributing to its sustainability. The networks allow direct feedback between the different people responsible for the specific issues as well as to adopt the best practices the different countries have managed to implement. The networks promote exchange between those responsible for policy making and implementation, with the consequent sharing of experience in success and failure.

As described in the box below, EU support has promoted policy exchanges and the mobilisation of technical expertise through a diversity of activities (beyond study visits in partner countries), similar to the Technical Assistance and Information Exchange instrument (TAIEX) used in IPA and ENI countries. The final evaluation of EUROsociAL II also highlights: *'Although South-South cooperation is already established in the region, EUROsociAL II has helped to boost it. This goes in line with an increased interest, not only to learn from others, but also to share one's own experience, that is in the end also a way to learn.'*

⁹⁰ RIPSO is a development platform of the ministries and national agencies in charge of social policies, in which the exchange and transfer of experiences and knowledge on social protection is promoted. RIPSO has designed and implemented a series of methodologies and tools with the objective of identifying the needs, challenges, trends and solutions in the areas of social protection and poverty reduction in the region.

⁹¹ CESALC is comprised of five national Economic and Social Councils (Guatemala, Honduras, Panama, the Dominican Republic and Brazil), six state or provincial ones (Buenos Aires, Mexico City, Chaco Province, Jalisco, the Federal District of Brazil, Rio Grande do Sul) and two municipal ones (San Pedro and San Carlos in Brazil).

⁹² <http://www.oecd.org/ctp/tax-global/the-lac-fiscal-initiative.htm>

⁹³ See also the study produced in 2016 which analysed the South-South cooperation mechanisms in the context of EUROsociAL- FIIAPP (2016): *¿Qué hemos aprendido de los intercambios Sur-Sur en AL en el marco de EUROsociAL?*

Box 4 Main types of outputs of the EUROsociAL programme

1. Analytical work: specific studies related to the region or to some of the LA countries, on some of the topics related to the programme and that contribute to the debate or are relevant for social cohesion.
2. Meetings: these are specialised meetings for debate on the different lines of action, which may be seminars, dialogue tables, etc.
3. Work meetings: joint work sessions around a specific topic that incorporate elements of active learning and with more specific objectives than meetings.
4. Internships: stay of public employees of LA institutions in other European or LA homologous institutions.
5. Missions: visits in the field to carry out tasks of accompaniment (transversal objectives of programming, negotiation, economic management, etc.) that can be carried out by members of the work team of the action, of the coordinating partner, of the partner operative, experts, etc.
6. Specialised consultancies: public or private public liaison experts, who provide advice on technical or specific aspects of a public policy.
7. Applied training: virtual or face-to-face learning tools, directed to deepen knowledge and develop capabilities.

Efforts to promote intra-regional cooperation faced a number of limitations. As highlighted by some LA institutional representatives interviewed, most initiatives focused on technical and policy exchanges between entities within central administrations. Involvement of local governments or civil society organisations has been limited. Moreover, as further detailed below, there have been challenges in promoting truly regional dialogue on social equity.

Notable achievements notwithstanding, EU support faced some challenges to contribute to ‘regionalising’ the dialogue mechanisms - partially due to the demand-driven nature of the support, the diversity of contexts and divergence in national priorities. EUROsociAL supported policy dialogue and collective learning in LA networks, not only through encouraging knowledge transfer and debate, but also through promoting the development of common responses and solutions to specific challenges. The demand-driven nature of the programme played a positive role in enhancing ownership of these initiatives by LA partners. The final evaluation of EUROsociAL II explains that, in various instances, the definition of demands by LA partners has been approached from the regional dimension. In particular, in the justice sector actors such as the Ibero-American Association of Public Defenders’ Offices, the Ibero-American Association of the Offices of Public Prosecutors and the Ibero-American Network of Judiciary Cooperation in Criminal and Civil Law have sought to develop collective actions. Moreover, the involvement of regional institutions such as the Inter-American Centre of Tax Administrations or ECLAC helped enhancing the regionalisation of some of the initiatives supported, especially where there was no well-established network in place.

There is consensus among stakeholders interviewed, especially those working in LA institutions, on the importance to address social policies issues (including employment creation, migration, public security, drugs, gender and domestic violence, etc.) at a regional or sub-regional level. However, the ‘regionalisation’ of LA countries’ demands was often not easy to achieve in the context of EUROsociAL. Instead, there has been a strong emphasis on national specificities which is partially explained by the strong demand-driven nature of the regional programme. In particular, there is no single regional body that addresses issues of social equity, and those that exist at the sub-regional level, such as SICA, have seen their effectiveness hampered by internal political dynamics. Although some exceptions can be found in very specific areas⁹⁴, there has

⁹⁴ For instance, under the Security Convention in SICA, trans-border Binational Plans for Security Prevention have been developed between Costa Rica and Panama.

been very limited coordination or standardisation of social policies at regional level on social equity.

3.5.3 Legal, policy and institutional environment

EU regional support has contributed substantially to enhancing policy implementation in various social equity related areas. There are numerous examples of EUROsociAL contributing to strengthening policy and institutional reforms in LA countries. For instance, in the area of social protection, the EU supported the transition from Conditional Cash Transfer Programmes ('Programas de Transferencias Monetarias con Corresponsabilidad') to more integrated social inclusion strategies in countries such as El Salvador in order to make progress towards rights-based universal social protection systems. Although there is still considerable room to further improve capacities in this area, EUROsociAL II helped several LA countries to create a critical mass of public servants familiar with and supportive of this approach⁹⁵. In the area of M&E of public policies, the EU support has focused on a dual objective: i) the articulation and coordination of national, sectoral and regional plans with the public budget; and ii) the incorporation of the results of evaluation into planning, budgeting and monitoring processes. At the regional level, an Inter-institutional Working Group for the Evaluation of Public Policies as well as for budget-planning approaches, composed of representatives from Costa Rica, Ecuador, Mexico, Paraguay, Peru and Uruguay, has been set up with the EUROsociAL support. A 'Manual of Good Practices in the Systematisation of Public Policy Evaluation' has been prepared in that framework. In Costa Rica, mechanisms and procedures have been established to account for the institutionalisation of the evaluation, including an official register of evaluations and a more systematic implementation of impact evaluations. In the employment area, the EU has contributed to improving the 'employability' approach in actions that seek the professional insertion of young people. For example, European experiences (e.g. France) were used to modernise employment agencies in Costa Rica in the context of the national EMPLÉATE Programme. Other notable achievements include the inclusion of soft skills in the training of young people and the development of enhanced inter-institutional coordination mechanisms in El Salvador (Youth with All Programme) based on the experiences of European countries as well as LA ones (e.g. Argentina, Brazil, Colombia, Peru or Uruguay).

However, there are thematic areas where achievements have remained modest. Despite some efforts to support the participation of social partners and representatives of organised civil society in social policy processes (including through institutions like Economic and Social Councils), EUROsociAL achieved little in this area. More generally, EU support faced strong challenges to intervene in the sphere of fiscal/social agreements ('pactos sociales/fiscales') which are key to the development of comprehensive social policies. This is mainly due to the fact that EUROsociAL was fundamentally addressed to the governments. Direct access to other stakeholders (like social partners or members of the Parliament) was not considered as an option, undermining the potentiality to contribute to broader changes.

EU support has mainly focused on strengthening policy implementation; less attention was paid to consolidation of the legal and policy framework. There has been a strong emphasis on the promotion of good practices and the development of specific models for policy implementation linked to service delivery. However, evidence on achievements supported by the EU in the strengthening of the legal and policy framework on social equity is scarce. Some exceptions can, nonetheless, be mentioned. For instance, in Costa Rica, an important justice sector programme was supported by EUROsociAL ('Programme for restorative Justice and alternative mechanisms of conflict resolution'). EU support contributed to strengthening inter-

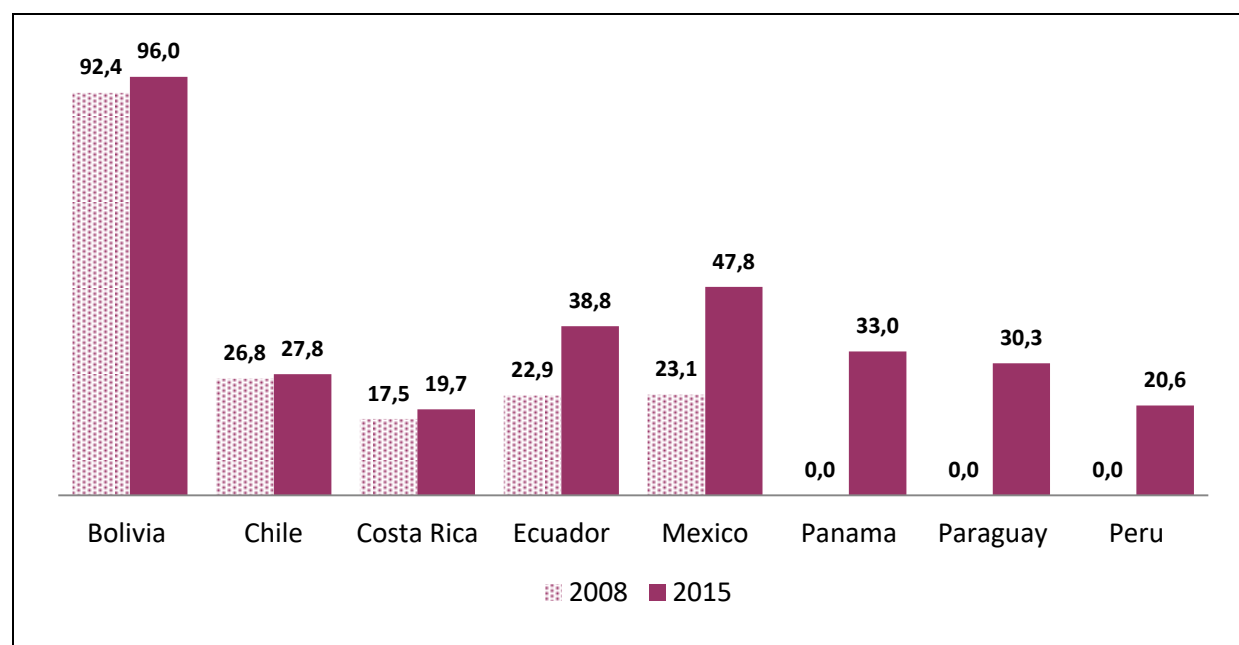
⁹⁵ Final Evaluation EUROsociAL II.

institutionalisation and cooperation among different powers (legislative, executive and judicial) through the Social Presidential Council, which resulted in specific policy and legal developments in the justice sector.

Although several initiatives supported by EUROsociAL II addressed policy issues specifically related to women, the promotion of gender equality has not been a strong dimension of the EU support. EUROsociAL II strengthened the past collaboration with ECLAC in the gender area with activities going beyond gender-based violence and sexual and reproductive health (e.g. issues of labour market and pension gaps and gender-responsive investment. More generally, EUROsociAL II supported diverse initiatives targeting gender equality such as the ones focusing on ensuring better access to justice to women or job creation frameworks specifically addressing women's employment issues. The programme also contributed to the development of a methodology to assess 'soft skills' with special attention to gender, territorial and generational dimensions, and it has accompanied regional debates on the relevance of changing family-oriented social protection systems – where families, and consequently women, assume the care work and the social protection – with non-family-oriented ones. There have also been several successful activities at country level. For instance, in Costa Rica, EUROsociAL+ contributed to the development of the National Policy for Effective Equality between Women and Men in 2018-2030 by providing expertise and funding research on gender gaps. EUROsociAL+ also contributed to strengthening statistics with a gender perspective by providing support to the National Woman Institute (INAMU). The launch of EUROsociAL+ in 2016 has been associated with a major shift, with gender – more specifically, fight against gender-based violence and gender mainstreaming – becoming a pillar of the regional programme, which is reflected in the budget and deployed human resources.

3.5.4 Broader results

Figure 11 Share of persons aged 65 years or over receiving non-contributory pensions in eight LA countries, in 2008 and 2015 (in percent)



Source: ECLAC (2017) *Social Panorama of Latin America*

There have been some notable achievements on social equity issues in the region. LA governments have implemented bold policies to strengthen poverty reduction processes during the evaluation period. In particular, large non-contributory social protection schemes were implemented in several countries (e.g. El Salvador, Paraguay, Peru) and, thanks (but not only)

to these non-contributory schemes, social protection coverage has improved as illustrated by the trends in the coverage of pensions schemes – see figure above.

Overall, LA has also made notable progress in expanding domestic resources to finance its development policies in recent years. Most countries underwent important tax policy reforms during the last decade. However, increase in tax revenues' regional averages have mainly been driven by a few countries (e.g. Mexico, Uruguay) in recent years and, as further explained below, the region's tax systems still face major challenges.

Strong domestic policy processes and positive overall trends at economic level largely explain the few achievements observed in the areas of social and fiscal policies. The EU has played a modest but positive role in these evolutions by contributing to strengthening public policies and institutions and raising awareness on the concept of social cohesion. In several LA countries, particularly Paraguay and El Salvador, the EU has contributed to the development of universal social protection and pension systems through the promotion of policy exchanges and mobilisation of technical expertise from the EU and LA on this topic. EU support in areas such as justice and democracy has also helped strengthening linkages between governments and the population. For example, with the involvement of Public Defenders and Finance Ministries a Manual of Good Practices among several countries was developed for the 'Implementation of a model of inter-institutional coordination for investigation, prosecution and sanction of economic and financial crimes linked to corruption'. There is also evidence of EU support having contributed to institutional strengthening in the fiscal policy area, as well as in improving fiscal education policy, both at university level and in primary education (e.g. in Costa Rica). EU contribution to strengthening the evaluation of public policies has had a positive effect in a more social cohesive approach of those policies.

However, overall positive trends in social equity have been modest in the region during the evaluation period and the continent still faces enormous challenges in this area. As synthesised in ECLAC's 2017 Social Panorama of Latin America⁹⁶, poverty and extreme poverty remain high (see figure below). High poverty rates persist in rural areas. Poverty and extreme poverty affects children, adolescents and young people more than other age groups, something that represents a major social cohesion risk. There is also a growing feminisation of poverty in the youth and adult population.

Social protection coverage is far from universal and suffers from considerable inequalities. At the same time, the process of ageing in the region has progressed faster than in other parts of the world.⁹⁷ This means that LA governments have less time for making the adjustments needed to meet the demands of an ageing population and to promote an equitable and inclusive society for people of all.

In addition, most tax systems still face significant weaknesses. Studies on personal income tax evasion have found that revenues from this tax in the LA countries are significantly lower than one would expect given current tax rates, which has undermined the redistributive potential of tax systems.⁹⁸ As an example, in Costa Rica, despite the important contribution of EUROsociAL, no clear results can be reported in the fiscal sector. In fact, the lack of a solution to the fiscal deterioration is one of the main obstacles to the country's entry into the OECD. Recent efforts to

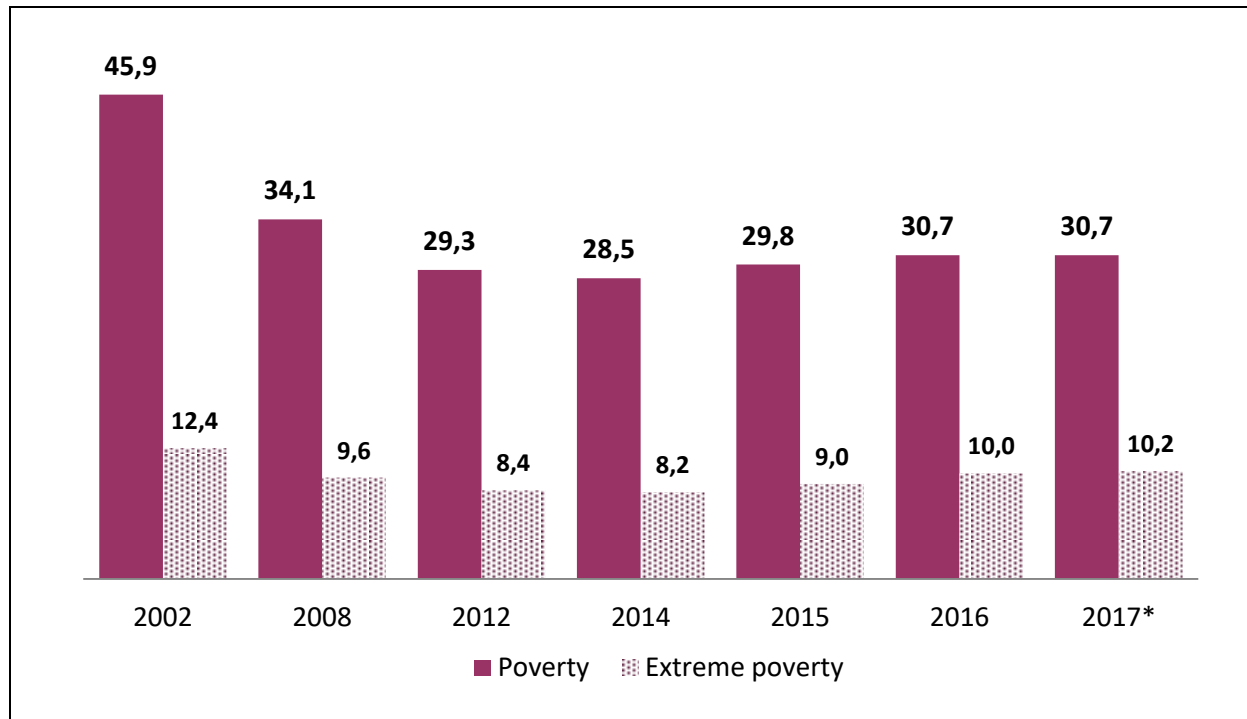
⁹⁶ ECLAC (2017): Social Panorama of Latin America

⁹⁷ ECLAC (2013): Ageing, solidarity and social protection in Latin America and the Caribbean: time for progress towards equality.

⁹⁸ ECLAC (2017): Fiscal Panorama of Latin America and the Caribbean - Mobilizing resources to finance sustainable development.

increase tax collection have not helped reduce the budget deficit. As a result, central government debt has increased from less than 25% of GDP in 2008 to 49% in 2017.

Figure 12 LA trends in poverty and extreme poverty, 2002-2017 (percentages)



Source: ECLAC (2017) *Social Panorama of Latin America*

NB: The numbers include the Dominican Republic and do not include Cuba; *2017 based on predictions

Dynamics at play have been too strong for the EU support to have a substantial effect on reversing negative trends at the macro-level. It also appears that EU support, at least until EUROsociAL+, was too thinly spread over a wide array of thematic areas directly or indirectly related to social cohesion issues to make any substantial contribution at regional level in one particular area.

3.6 EQ 6 - Inclusive growth

To what extent has EU support contributed to the strengthening of regional competitiveness and inclusive private sector development?



Rationale: Inclusive and sustainable economic growth is directly related to the overarching goal of poverty reduction in LA and thus forms a central part of the EU's regional support. This evaluation question (EQ) examines focus more specifically on micro, small and medium-sized enterprises (MSMEs). Of special interest is the degree to which the competitiveness of the private sector and particularly MSMEs as well as bi-regional exchanges on this topic have increased thanks to EU-funded programmes such as AL-INVEST. The analysis is structured around four dimensions:

- Development of EU-LA policy exchanges and institutional networking in the areas of business, trade and investment;
- Creation of opportunities for intra-regional cooperation, sharing and learning in the areas of business, trade and investment;
- Strengthening of legal, policy and institutional environment in LA countries in the areas of business, trade and investment;
- Broader results achieved.

Main findings

- Through its **focus on MSMEs** and competitiveness-related issues, EU support has addressed important barriers impeding sustainable and inclusive economic development in LA countries. EU support has made notable contributions to the strengthening of **business organisations'** action in the region.
- The demand-driven nature of the main regional programme (AL-INVEST) and the increasingly decentralised approach adopted translated in **strong ownership** and relevance of the actions supported. However, this also meant a weaker **regional dimension**, as actions tended to focus on specific national or local issues.
- EU regional programmes have not significantly contributed to the dissemination of regional good practices and intra-regional transfer of knowledge although some positive effects can be observed in the form of **strengthened networks** of business organisations. Efforts were made under AL-INVEST 5.0 to establish a set-up for implementation which contributed to a form of triangular cooperation (at private sector level) and ensured stronger exchanges between private sector organisations from various countries across the continent.
- The focus on the Chambers of Commerce and other business organisations as main intermediaries was well justified. However, it also meant that attention paid to **the policy framework** for MSME development and to dialogue between the private sector and public institutions was limited. Efforts to address policy issues related to MSME development more directly have been stepped up in recent years, especially with the start of AL-INVEST 5.0 in 2016. The recent support to ECLAC for the production of knowledge in this area is promising - both strengthening ECLAC's role in promoting inclusive growth policies in the region and creating opportunities of bi-regional dialogue.
- Although the participation of the European stakeholders remained limited to specific private sector actors located in a few EU MS, EU support has helped to create private sector **linkages between LA and the EU**, especially in recent years through the ELAN programmes and specific business events. The creation of such linkages has happened only on an ad hoc basis in the context of AL-INVEST, which reflected the programme's focus on the LA private sector and the implementation of the its main component by a LA-headed consortium.

- The EU supported regional and bi-regional broadband internet connectivity through two programmes (@lis2 and BELLA-T). This has contributed to the development of an enhanced **network infrastructure** connecting EU and South America and linking most South American countries. The most recent programme (BELLA-T) is still ongoing, but it is likely that the supported actions will strengthen University and Research networks in the region and, to some extent, help reduce the digital divide within South America.

3.6.1 EU-LA policy exchanges and institutional networking

EU support has made a few contributions to strengthening bi-regional linkages such as networks of business actors between the EU and LA. However, overall, exchanges of good practices and transfer of knowledge between the two regions remained limited to ad hoc technical / operational exchanges between private sector actors. In the context of EU-CELAC summits⁹⁹, three 'business fora' (Madrid, 2010¹⁰⁰; Santiago, 2013¹⁰¹; Brussels, 2015¹⁰²) were organised with the support of the EU-LAC foundation. Despite the absence of EU-CELAC summits, two additional events took place in the following years (Mexico, 2017; Guatemala, 2018). During these events, a wide range of activities for networking, policy discussions, exchanges of good practices, etc. were organised, with a wide participation of business leaders, public agencies and international organisations involved in EU-LA economic and trade relations.

There are examples of activities (e.g. study visits, B2B events, annual meetings) implemented in the context of the EU-funded programmes (AL-INVEST, ELAN) which contributed to creating linkages between EU and LA private actors. Representatives of technology centres of the Basque country in Spain¹⁰³ participated in AL-INVEST 5.0 activities (including study visits and participation in B2B events) which helped establishing contacts with relevant sister organisations in the LA region. In recent years, the programme ELAN Network organised events with the objectives to create a space for 'collaboration, co-generation and development of technology-based business opportunities' between Europe and LA. These events brought together European and LA research and innovation actors promoting technology-based transformation processes and economic growth. ELAN Biz has also somewhat contributed to developing the presence of EU MSMEs in the LA countries targeted by the programme.

However, exchanges often stayed at a technical/operational level rather than at a policy level and linkages between all these events remained limited. Overall, examples of actual exchanges of good practices and transfer of knowledge remain scarce. In particular, despite clear objectives in this area, there is little evidence that AL-INVEST IV has contributed to establish strong linkages or transfer of knowledge between EU and LA entities. A notable exception is the action of sequa GmbH¹⁰⁴, which in the context of AL-INVEST IV helped some Andean countries to replicate a specific method for MSME development, the Nucleus Approach¹⁰⁵. AL INVEST 5.0, which is still ongoing, sought to establish linkages between the two regions more proactively, but it is too early to assess whether this has been achieved.

⁹⁹ As the 2017 EU-CELAC high-level summit was cancelled, the last Business Meeting took place in 2015.

¹⁰⁰ Main theme of the summit: 'Innovation and Technology: Sharing challenges'.

¹⁰¹ Main theme of the summit: 'Investment for economic growth, social inclusion and environmental sustainability'.

¹⁰² Main theme of the summit: 'Promoting inclusive and sustainable growth by enhancing the role of SMEs'.

¹⁰³ E.g. GAIA (clúster de telecomunicaciones y gestores de muchas iniciativas tecnológicas en el País Vasco).

¹⁰⁴ <https://www.sequa.de/en/>

¹⁰⁵ A nucleus is a working group consisting of companies of the same sector, which is moderated by a management consultant employed by or under contract at a chamber or association. The Nucleus Approach mobilises a large number of companies, especially SMEs, within a very short time. The enterprises use the groups to identify activities with which they can trigger improvement processes. Participatory facilitation techniques support the work of the nucleus which turns into a platform allowing for exchange about problems and their solutions.

Finally, while DG TRADE and DG GROW participate in the steering committee of AL-INVEST 5.0 and DG RTD in the events organised in the context of the regional programmes, participation has been uneven. There have been regular direct exchanges between certain EU DGs (especially DG TRADE) and national authorities during negotiations of trade agreements, and DG TRADE requested DG DEVCO to provide ad hoc inputs in the context of these negotiations. However, there is no structured mechanism/process to ensure linkages between development cooperation programmes at regional level and trade agreement negotiations.

The support to ECLAC in generating knowledge on MSME development and inclusive growth in LA created useful opportunities to compare experiences and construct conceptual bridges between the two regions. In particular, the 2013 ECLAC study on SME competitiveness was instrumental in fostering debates and policy exchanges on the topic before, during and after the 2015 EU-ECLAC Business Summit. Similarly, AL-INVEST 5.0 supported through its Euromipyme component several ECLAC studies which, among others, helped identifying themes potentially relevant¹⁰⁶ to create platforms of dialogue and exchange of experiences between the EU and LA. However, it is too early to say whether this is likely to lead to concrete inputs for the establishment of bi-regional dialogue platforms.

The participation of the European stakeholders in the EU-funded regional programmes remained limited to specific private sector actors in a few EU MS. Some actors like Eurochambres¹⁰⁷ have been closely associated to the implementation of AL-INVEST and ELAN. ELANBiz has also contributed to strengthening the presence of European Chambers of Commerce and Industry in the region. However, in general, the participation of the European stakeholders remained limited to specific private sector actors (firms, business support organisations) in a few EU MS. Three major obstacles impeded stronger involvement from European stakeholders in the EU-funded programmes: i) language barriers; ii) domination of exchange activities by a few EU MS already well established in the region (e.g. Spain, Germany, France, Italy); iii) underestimation (during project design) of the resources required to promote the involvement of European stakeholders in the programmes¹⁰⁸ and, in the case of AL-INVEST IV, unclear definitions of the role to be played by European business organisations in the implementation consortia. Finally, the promotion of ‘institutional’ linkages on inclusive growth between public entities of the two regions remained limited given the initial design choice to focus on private sector actors in AL INVEST and ELAN programmes.

3.6.2 Intra-regional cooperation

Through the strengthening of LA business organisations, EU-funded regional programmes have generated positive effects on intra-regional cooperation. Business organisations have been pivotal elements for intra-regional business linkages. They have been the main direct target beneficiaries of the AL-INVEST programmes and there is evidence that the programme has strengthened them (see below). Some activities organised in the context of the

¹⁰⁶ E.g. business development centres, technology centres, incorporation of digital technologies in SMEs development, eco-innovation and smart cities.

¹⁰⁷ Eurochambres is the Association of European Chambers of Commerce and Industry

¹⁰⁸ In the case of ELANBiz, a specific communication strategy had to be developed to seek the participation of a broader range of European (private) actors. Moreover, the complementarity between ELANBiz services and the ones of EU MS commercial offices gradually improved in the course of the project with increased satisfaction by certain EU MS about the outputs provided by ELANBiz.

programme such as study visits and the AL-INVEST Academy¹⁰⁹ generated concrete useful opportunities to create linkages between business organisations.

However, dissemination of regional good practices and intra-regional transfer of knowledge and benchmarking only happened on an ad hoc basis and there is little evidence that EU support has contributed to establishing or strengthening structured regional platforms for dialogue on inclusive growth. There are a few examples of exchanges of experiences between members (national business organisations) of implementing consortia during AL-INVEST annual meetings or specific internal meetings organised during business events. There are also some examples of replication of successful experiences (e.g. training courses on support to innovation in Central America). However, these examples remained scattered. Even where good practices were identified (e.g. the approach adopted by Chile enterprises to treat their fruit for export or Brazil's solutions to fill shipping containers), very few opportunities have been created replicate or adapting these experiences in other countries. According to the final evaluation of the programme, AL-INVEST IV has failed to ensure a truly regional dimension. There has been a tendency for each national business organisation involved in the implementation of the programme to execute its budgets and carry out its activities without trying to create linkages with other countries/regions. Interviews carried out highlighted that AL-INVEST 5.0 suffered from the same weakness. There have been some forms of triangular cooperation between private sector organizations under AL-INVEST 5.0. However, they happened on an ad hoc basis. Most of the successful experiences of triangular cooperation identified in the area of inclusive and sustainable growth were actually supported by EU MS, (e.g. Germany, Spain) and other donors (Switzerland), with no input from EU regional programmes. While the increasingly decentralised and demand-driven approach adopted in AL-INVEST has some advantages in the form of enhanced ownership and efficiency, it did not compensate for the limitations in enhancing the regional dimension of the supported actions. AL-INVEST 5.0, which is still ongoing, has more proactively sought to establish linkages between stakeholders of the region.

In a different area, the EU supported intra- and bi-regional broadband internet connectivity through two main programmes (@lis2 and BELLA-T). This has contributed to the development of an enhanced **network infrastructure** connecting the EU and South America and linking most South American countries. The most recent programme (BELLA-T) is still ongoing, but it is likely that the supported actions will have direct positive effects on the strengthening of university and research networks in the region and, to some extent, reducing the digital divide within South America.

3.6.3 Legal, policy and institutional environment

EU regional support has made notable contributions to strengthening the action of business organisations in the region. Business organisations have been strengthened through training, study visits, technical support, networking events, etc.¹¹⁰ Services to MSMEs¹¹¹ have been expanded, although in varying degrees, in all participating LA countries. This increase

¹⁰⁹ The AL-Invest Academy is an initiative backed by Eurochambres which targets the professional development of directors and mid-level managers of business organisations. It offers intense training as well as opportunities to establish contacts in an informal environment.

¹¹⁰ The increased use of the Nucleus Approach among Andean institutions such as CAINCO and CADEX in Bolivia illustrates the positive effects of AL INVEST on business organisations.

¹¹¹ In *Bolivia*, AL-INVEST 5.0 has helped developing new business services in Cochabamba and Oruro. In *Brazil*, AL INVEST IV contributed to strengthening the capacity of business organisations to offer services to SMEs and local clusters (APLs) through: i) development of 41 'technology centres' and training to 125 experts, ii) the installation of 26 Units of Attention to SMEs, and iii) transfer of know-how to three entities supporting the development of biotechnology.

in services meant new sources of revenues for business organisations which, in turn, consolidated the sustainability of the supported actions.

LAIF has marginally supported SMEs and MSMEs through enhanced access to credits. This was especially the case in Central America via interventions led by CABEL and KfW. The supported projects have made some contributions to increasing access to credit, enhancing the targeted firms' knowledge of green products and the sharing of lessons from different countries of the sub-region.

There have been positive examples of increased collaboration between private organisations, public institutions and research institutions thanks to EU support, but these examples remain few. ELAN Network has contributed to strengthening the dialogue between the private sector, public institutions and research institutions – i.e. networks based on a 'triple helix' concept. In this context, public institutions¹¹² and intermediary organisations are playing a role as driving force of the 'innovation ecosystem' in their territories. These networks have been creators of some tech-based business opportunities between EU and LA organisations.

EU support has had limited effects on the consolidation of the policy framework and the strengthening of public institutions involved in MSME development so far, but efforts have been significantly stepped up in recent years. There is limited evidence which points to AL-INVEST IV having contributed directly or indirectly to the consolidation of the policy framework for MSME development in LA. There have been some notable evolutions in AL-INVEST 5.0 with the launch of a Euromipyme project with ECLAC (see box below). But, major effects at regional level are not expected in the short term. The two projects Dinamica and MIPYMES verdes, implemented by CABEL with LAIF support, channelled through KfW, have coordinated efforts thanks to the Centers of Development of small companies (cenpromype), that have received capacity resources building from LAIF.

Box 5 The Euromipyme component of AL-INVEST 5.0

The Euromipyme component of AL-INVEST 5.0, which was launched in late 2015, has focused on the development of private sector development and industrial policies conducive to sustainable and inclusive growth at national, regional and sub-regional levels, and, in general, on how to improve the business environment for MSMEs in the region. This translated into: i) the implementation of country studies¹¹³ analysing MSME policies and opportunities for policy development in these countries; ii) cooperation agreements with a sub-regional MSME development centres (e.g. the Center for the Promotion of Micro and Small Enterprise in Central America); iii) events (e.g. regional seminars) to develop policy exchanges on related topics; iv) a bi-regional position paper on MSME promotion; etc. ECLAC also provided technical assistance to public institutions in three LA countries¹¹⁴.

3.6.4 Broader results

EU support has made some contributions to addressing impediments to sustainable and inclusive economic development in the region. AL-INVEST IV and AL-INVEST 5.0 were instrumental in supporting business organisations in the region to expand their services to MSMEs and in helping them to implement specific activities addressed to MSMEs (e.g. business

¹¹² Examples of public institutions involved in positive experiences observed in recent years include: the Department of Science, Technology and Innovation (Colciencias) in Colombia, the National Council of Science and Technology (CONACYT) in Mexico and the National Institute of Industrial Technology (INTI) in Argentina.

¹¹³ Argentina, Brazil, Chile, Colombia, El Salvador, Mexico and Uruguay.

¹¹⁴ Ministry of Production in Argentina, Servicio de Cooperación Técnica (SERCOTEC) in Chile, Instituto Nacional de Estadística y Censos (INEC) in Ecuador.

events, training, study visits). Although this happened mostly at national level, EU support has fostered association mechanisms among MSMEs through different mechanisms such as the direct strengthening of business organisations' activities or the support to the implementation of specific business associations models (e.g. the Nucleus Approach promoted by sequa in the Andean region). There has also been an increased emphasis on the promotion of innovation and the digitalisation of MSMEs as well as the integration of concepts of Corporate Social Responsibility and Environmental Management in recent years. The final evaluation of AL-INVEST IV reports a high level of effectiveness and annual reports of AL-INVEST 5.0 indicate continuous positive results with respect to the strengthening of LA MSMEs' competitiveness and productivity.

However, given the size of LA economies and the scope of the EU regional support, it would not be realistic to expect any effect from the support at the macro level. AL-INVEST, through the business organisations which participated in the programme, reached more than 50.000 MSMEs in LA¹¹⁵. However, this represents only a tiny share of total MSMEs in the region. Moreover, a large majority of them were 'micro' enterprises and, even if multiplier effects are taken into account, MSMEs which received direct or indirect EU support during the evaluation period only represent a small part of the economy of the region. It would thus not be realistic to expect that EU support could have had any significant impact at the macro level. The Euromipyme component of AL-INVEST 5.0, which is still ongoing, intends to assess the effects of the intervention at a broad level, also when it comes to replicating/expanding successful stories identified in specific countries (e.g. Brazil) so far.

Despite some positive trends at macroeconomic level, competitiveness and trade indicators have been sluggish in the region in the last decade. Some economic variables (e.g. export volumes) have followed positive trends in LA during the evaluation period. However, average annual GDP growth has remained far slower than growth in other developing regions, and growth of several LA countries slowed in recent years.¹¹⁶ Most countries still face important productivity challenges and the variables of the external sector in many countries still show a high dependence on the national productive structure. This can be linked to a lack of competitiveness (understood as capacity to entering foreign markets¹¹⁷). The table below presents selected indicators for: i) two low-income countries, one from Central America (Honduras) and one from South America (Bolivia); and ii) one middle income country from South America (Colombia). All three countries have in common that they received considerable EU support at both bilateral and regional level during the evaluation period. The table shows the main trends for selected economic indicators. In particular, it highlights the limited improvements in competitiveness.¹¹⁸

Although EU support has been too small to substantially influence changes at macro level, the evolutions observed showed that EU support responded to relevant needs and the implementation of the regional programmes have certainly contributed to consolidating gains obtained in specific areas influencing SMEs competitiveness at local level. Moreover, by focusing on small businesses, AL-INVEST has had direct short-term effects on aspects of poverty reduction.

¹¹⁵ Annual reports of AL INVEST IV and AL INVEST 5.0.

¹¹⁶ World Bank (2017): Global Economic Prospects – Analysis for Latin America and the Caribbean.

¹¹⁷ It is important to highlight that, for SMEs, competitiveness challenges could also be seen as related to their capacity to first adequately access their national market; such a definition of competitiveness was largely used in the most recent phases of the AL-INVEST programme.

¹¹⁸ The competitiveness index highlights differences between factor-driven economies (case of Honduras and Bolivia), and efficiency-driven economies (case Colombia). The 12 pillars of macroeconomic and microeconomic competitiveness are very different from one country to another (institutions, infrastructure, macroeconomic environment, health and primary education, higher education and training, goods market efficiency, among others).

Table 5 Evolution of selected macroeconomic indicators in Honduras, Bolivia and Colombia (2009-2017)

Category/Country	Honduras		Bolivia		Colombia	
	2009	2017	2009	2017	2009	2017
GDP (USD current billion)	14.587	21.517 (2016)	17.34	33.81 (2016)	233.822	282.463
GNI percapita Atlas method (USD thousand)	1,650	2,150 (2016)	1640	3,070 (2016)	5,090	6,310 (2016)
GDP growth ratio (annual %)	-2.4	3.6	-15.7	-1.4	0.4	0.3
Poverty headcount ratio at national poverty lines (%)	58.8	60.9 (2016)	51.3	39.5 (2016)	40.3	28 (2016)
Export (USD million)	205	439	442	656	2200	2940
Import (USD million)	500	745	390	809	3350	3650
Balance of Trade (USD million)	-292	-306	-52	-188	-0.75	-0.66
Unemployment rate (%)	3.1	6.7	3.4	3.7(2016)	12.8	8.6
Competitiveness Index (points)	3.97	3.98	3.42	3.54	4.04	4.3
Competitiveness Rank	82	88	118	121	74	61

Source: Particip analysis based on World Bank Data.

3.7 EQ 7 - Higher education

To what extent has EU support contributed to the strengthening of the EU-LA bi-regional higher education area?



Rationale: The evaluation question (EQ) looks at the way and extent to which the EU has contributed to the strengthening of the higher education sector in LA and mutually beneficial bi-regional relations in higher education, and is structured around the following dimensions:

- Development of policy exchanges and institutional networking across LA and with the EU in the area of higher education;
- Strengthening of higher education policy frameworks and governance systems in LA countries, including in terms of labour market integration;
- Increased ability of graduates to find professional positions corresponding to their qualification levels;
- Increased knowledge of EU and LA scientific and technological communities.

Main findings

- The EU has **strengthened bi-regional cooperation** with LA in the field of higher education. As a direct result of ALFA III, Erasmus Mundus Action 2 and, since 2014, Erasmus+, several hundred bi-regional university partnerships and collaborative networks were established. Student and academic staff mobility between the two continents, joint master programmes, and capacity building projects fostered mutually beneficial linkages in learning and teaching and made a strong contribution to the evolution of the bi-regional higher education area.
- The **bi-regional cooperation remains unbalanced**. Under the mobility programmes, more LA students and university staff have travelled to Europe than their European counterparts to LA, partly because the DCI cannot finance mobilities of European students to LA. Likewise, relations within project networks have tended to be hierarchical with European universities leading and LA universities participating.
- **Policy dialogues** since 2010, and particularly the establishment of the Common Research Area in 2015, have contributed to greater equality in bi-regional relations. High-level

dialogues have worked as agenda setters and allowed LA and European stakeholders to align and harmonise their interests and strategies.

- Stakeholders point to a **lack of concrete, tangible results of EU-CELAC dialogues** in higher education, science and technology. Linkages between bi-regional and bilateral policy dialogues (with Mexico and Brazil) are missing. At the programme level, the EU treats higher education and science and technology as separate areas, reflecting the involvement of different DGs in the implementation. There are limited links between higher education programmes and other EU funded interventions such as BELLA, EUROCLIMA or EUROsocial.
- The EU **contributed decisively to internationalisation and to South-South cooperation** in LA through project-based support, which required the participation of universities from different countries and sub-regions. At the intra-regional level, EU support contributed to the creation and expansion of university networks. Cooperation in higher education between countries from different sub-regions – for example MERCOSUR and the Andean region – has increased. The knowledge transfer and capacity-building and resulting professionalisation are directly linked to the collaboration within the networks and are among the most substantial and valuable effects of EU support.
- While Erasmus+ has maintained a regional component for LA, stakeholders perceive that the **opportunity for intra-regional cooperation in higher education is reduced** compared to the predecessor programmes. Furthermore, despite significant efforts mainly through ALFA III, EU support has not yet resulted in a region-wide harmonisation of degree programmes. A mutual recognition of degrees and degree components among all LA countries remains an ambitious goal for the long-term, but Erasmus+ capacity building projects have made efforts to mitigate this challenge.

3.7.1 EU-LA policy exchanges and institutional networking

EU-LA policy dialogues centred on the implementation of the ‘Common EU-Latin American higher education area’ and more recently the ‘Common Research Area’ (CRA) have played an important part as agenda setters. However, no monitoring of progress towards achieving these areas has taken place yet. Up to the highest level, at the biannual summits of presidents and heads of states, both EU and CELAC officials have expressed a strong commitment towards the establishment of sustainable and structural scientific cooperation based on increased research cooperation, enhanced mobility of researchers and educational staff, and exchange of knowledge and best practices. In 2010, the Sixth EU-CELAC Summit in Madrid emphasised the key role of cooperation for mutual benefit in building a ‘Common Research Area’, which was formally established in 2015. The summit also defined a Joint Initiative for Research and Innovation and created the Senior Officials Meeting to facilitate bi-regional dialogue on common priorities.¹¹⁹ Since 2011, annual Senior Officials Meetings – a total of seven until the end of 2017 – have been organised to support the implementation of the Joint Initiative for Research and Innovation.

The CRA – which is led by DG RTD – aims to strengthen the bi-regional partnership in research and innovation by synchronising activities conducted by different parties in both regions under three pillars: ‘mobility of researchers’, ‘international outreach of research infrastructures’, and ‘jointly addressing global challenges’.¹²⁰ An independent concept paper concluded that EU-CELAC cooperation ‘has made significant progress in the joint research and technological

¹¹⁹ https://eeas.europa.eu/headquarters/headquarters-homepage_en/13042/EU-CELAC%20relations

¹²⁰ EU-CELAC Policy Dialogue. The EU-CELAC Strategic Partnership, <http://alcuenet.eu/policy.php>

development, but does not have enough structured actions to consolidate the transversal axis of innovation'.¹²¹ Another study notes: *'the EU is not using all operational instruments it has at its disposal to further its science diplomacy agenda in Latin America: it has not developed a network of science counsellors or officers in Latin America and cooperation and investment in shared research infrastructure has only took place sporadically'*.

Overall, the CRA had gained importance as an umbrella for a range of bilateral and multilateral activities (for example, through 'Academic Summits') without, however, providing substantial value added to cooperation in this field. Stakeholders pointed to a lack of concrete, tangible results of EU-CELAC dialogues in higher education, science and technology. Furthermore, there are no cross-fertilising links between bi-regional policy dialogues and the bilateral policy dialogues which the EU has conducted with Brazil since 2011 and Mexico since 2010. Neither are policy dialogues within the EU-CELAC framework explicitly linked to inter-governmental exchanges and dialogues on higher education/science and technology conducted by EU Member States.¹²²

Global and regional programmes – ALFA III, Erasmus Mundus Action 2 and Erasmus+ – have substantially broadened and deepened bi-regional institutional relations between universities in LA and Europe for the benefit of the international standing of the universities themselves and the personal development of their students and staff. Erasmus Mundus Action 2 and Erasmus+ substantially contributed to the internationalisation of universities through increasing their attractiveness, visibility and reputation. In the cases of several participating universities, international offices were created as the result of EU funded projects. The knowledge transfer, capacity-building, and resulting professionalisation that have taken place as a direct effect of collaboration within networks are seen as some of the most substantial and valuable impacts of Erasmus Mundus Action 2 and Erasmus+ capacity building projects. Furthermore, the mid-term evaluation of Erasmus+ found the Erasmus+ objectives to be well aligned with national policies of partner countries.¹²³ Erasmus+ capacity-building projects have to adhere to one or more of a relatively wide range of priorities at regional level.

Box 6 The Networking Experience in Brazil

All interview partners in Brazil agreed that both through Erasmus Mundus Action 2 and Erasmus+ the number and scope of regional and bi-regional partnerships and networks have increased. Over the evaluation period, a substantial **diversification** of the Brazilian involvement has taken place. While about ten years ago only the large Brazilian higher education institutions participated in EU-funded programmes, Erasmus Mundus Action 2 resulted in the inclusion of 'some very small universities', according to one interviewee. Another interviewee with excellent knowledge of the internationalisation of Brazilian universities said that by now most of the country's universities have benefitted from EU programme support. However, neither Brazilian government agencies nor organisations/associations representing Brazilian universities have data showing the exact level and scope of Brazilian participation.

¹²¹ Carlos Bermúdez Carlos Aguirre-Bastos. "The dimension of innovation in the framework of the EUCELAC Joint Research Area" 1 (Concept Note for Project ALCUE-Net) ,

http://alcuenet.eu/assets/Annex_Innovation%20Alcuenet%20Sept%202017%20en.pdf

¹²² European Commission. Erasmus Mundus Action 2 Partnerships Main achievements and results (2010-2018), Brussels 2017, p. 67; EU Higher Education Policy Dialogues First meeting EHEA Advisory Group, Paris, 12 January 2016, p. 67.

http://media.ehea.info/file/AG1_20160112_Paris/85/9/AG1_2016_01_12_EU_HE_PolicyDialogues_626859.pdf

¹²³ EU (2018) Commission Staff Working Document. Mid-term evaluation of the Erasmus+ Programme (2014-2020), p. 48.

Based on both policy dialogue and programme support, the EU encouraged LA governments to place stronger emphasis on higher education and Research and Innovation. Between 2004 and 2013, the regional average investment in R&I increased from 0.54% to 0.76% of GDP with the public sector being the main investor. EU support is also likely to have contributed to a rise in the number of researchers, which is still comparatively low in LA. In recent years several countries have made great efforts to improve the situation - particularly Brazil, Mexico, Argentina, Chile, Panama, and Costa Rica.¹²⁴ However, beyond the well-documented outcomes and impacts of the EU-supported regional and global programmes, it is difficult to conclusively attribute positive changes in higher education to EU-supported policy dialogues and networking alone. Especially the USA and Canada, but also Japan and South Korea and increasingly China, have funded substantial programmes in the same areas¹²⁵ and thus are likely to have played a part in strengthening higher education and R&I systems in LA. Yet, in the case of Brazil, stakeholders pointed to the positive and pro-active role of the EU and EU Member States in supporting higher education, science and technology in Brazil which, according to these views, has been more decisive than that of other partners mainly due to a stronger interest and support on the political level.

3.7.2 Intra-regional cooperation

In addition to fostering cooperation between higher education institutions in LA and Europe, EU programme support encouraged and contributed to the creation and expansion of university networks within LA. This was mainly achieved through intra-regional mobility and collaborative research initiatives. While EU support has contributed to regional exchanges and dialogues regarding quality assurance and the mutual recognition of degrees and degree components (credit mobility), agreements covering all of LA are not yet in place. However, according to an EU survey of participating universities, the large majority (85%) of higher education institutions involved in Erasmus Mundus Action 2, i.e. the mobility component, observed significant improvements in the academic recognition procedure since their first participation in the programme.¹²⁶

Every ALFA III project was designed to facilitate a structured intra-regional dialogue of the network partners on higher education themes. Harmonisation of the higher education systems in LA was one of the most important issues and covered benchmarking and good practices in, for example, quality assurance, curricula reforms based on competences, special actions to remove access obstacles to higher education for vulnerable and marginalised groups, and closer cooperation with labour market actors. ALFA III projects thereby contributed greatly to establishing regional dialogues, many of which have continued since project funding ended and/or provided the basis for new regional initiatives.¹²⁷ Through its mobility schemes, mainly

¹²⁴ Carlos Bermúdez Carlos Aguirre-Bastos. "The dimension of innovation in the framework of the EUCELAC Joint Research Area" 1 (Concept Note for Project ALCUE-Net) , http://alcuenet.eu/assets/Annex_Innovation%20Alcuenet%20Sept%202017%20en.pdf

¹²⁵ These include for example the US '100,000 Strong initiative', programmes by the Canada-based Inter-American Organization for Higher Education (IOHE) or scholarships, training and master programmes provided by the China-CELAC Cooperation Plan. A large number of North American universities has established thousands of partnerships with LA universities. For instance, the Université de Montréal (UdeM) has 100 formal agreements, both general and specific, with LA universities. For further information see David Tobekin (2016). Latin American Partnerships Cross Borders, https://www.nafsa.org/_/File/_/ie_marapr16_latin_america.pdf

¹²⁶ European Commission. Erasmus Mundus Action 2 Partnerships Main achievements and results (2010-2018), Brussels 2017, p. 67.

¹²⁷ EU (2017). Evaluation of the EU Development Cooperation Support to Higher Education in Partner Countries (2007-2014). Final Report Volume III – Desk phase analysis. Desk phase case study – ALFA III, p. 22.

Erasmus Mundus, the EU contributed decisively to South-South cooperation.¹²⁸ Erasmus Mundus projects resulted in the establishment of a close collaboration between and among universities across LA. Even in the case of ALFA III, which was not a mobility programme, projects strongly contributed to establishing intra-regional dialogues and cooperation.

In a formal sense Erasmus+ has somewhat softened the regional component. In Erasmus+ capacity-building projects, the minimum partnership from the partner-country side is two, **compared with at least twice that number under the previous ALFA III programme.** Furthermore, projects must include at least as many higher education institutions from partner countries as from programme countries.¹²⁹ Managers of EU-funded projects from six LA countries¹³⁰ interviewed for this evaluation saw this development as a downside and thereby confirmed the findings of the 2017 Evaluation of EU support to Higher Education. Yet, it should be noted that the requirement of two participating LA countries (which is a requirement of the DCI regulation) is an added reinforcing feature for LA to maintain a regional component. This rule does not exist for the other regions where Erasmus+ is applied (i.e. it could just be one partner country in Asia). Many Erasmus+ capacity building projects comprise more than two higher education institutions from LA because the project consortia went beyond the minimum requirement, often building on existing networks. Overall, the total number of LA higher education institutions involved in cooperation with European higher education institutions has increased under Erasmus+ compared to the previous programmes.

3.7.3 Adequate employment for graduates

The EU contributed to the employability of individual graduates through mobility programmes, often through the acquisition of soft skills. The EU followed a dual approach of increasing the employability of graduates, through mobility programmes for students and the support of higher education projects which aimed at developing degree programmes and courses with closer links to the labour market and the private sector. Overall, the impact of mobility programmes on graduates' career prospects was evaluated positively,¹³¹ as also confirmed by interviews with project managers.

A broad range of evaluations, surveys and stakeholder interviews provide quantitative and qualitative evidence that beneficiaries of Erasmus Mundus/Erasmus+ mobilities and particularly Erasmus Mundus Joint Master Degrees¹³² experienced fast entry into the labour market or improved their employability otherwise.¹³³ Compared to its predecessor programmes, the design of Erasmus+ places even stronger emphasis on the employability of students after the completion

¹²⁸ Ibid.

¹²⁹ Erasmus+ Programme Guide, Version 1 (2018): 25/10/2017, p. 161.

¹³⁰ Brazil, Chile, Columbia, Costa Rica, Guatemala, Mexico; interviews conducted in August and September 2018.

¹³¹ EU (2017): Erasmus Mundus Action 2 Partnerships Main achievements and results (2010-2018), EU (2014): Erasmus Mundus Action 2 Scholarship Holders' Impact Survey, EU (2017): Evaluation of the EU Development Cooperation Support to Higher Education in Partner Countries (2007-2014). Final Report. Main Report.

¹³² These are full-degree scholarships to Master students from around the world covering tuition, travel, and a living allowance. The programmes last from one to two years during which students study in at least two different European countries. Upon graduation, students are awarded a joint or double degree, or multiple degrees.

¹³³ Erasmus Mundus Association (2017). ERASMUS MUNDUS Graduate Impact Survey 2017 ; EU (2017). Evaluation of the EU Development Cooperation Support to Higher Education in Partner Countries (2007-2014). Final Report. Neither the university survey/tracer study of the higher education evaluation nor the Erasmus Mundus Impact Survey provide disaggregated data according to regions. The former triangulated the survey/study results with documentary evidence and interviews conducted during the field phase and confirmed their validity for LA. While the impact survey does not elaborate on individual regions, it can reasonably be assumed – given the representative participation of LA beneficiaries – that the findings are consistent across all regions, including LA.

of their degree programmes. According to a 2014 EU survey of Erasmus Mundus scholarship holders, the large majority of LA beneficiaries confirmed that their participation in EU-funded mobilities had a positive impact on their careers, and more than two thirds (67%) considered this impact as very important. Almost 90% of survey respondents declared that the increase in their professional competences and skills was very high (49%) or rather high (40%).¹³⁴

Box 7 *Mobility in Figures*

- Up until early 2018, 523 bilateral partnerships for mobility of learners and staff between LA and Europe had been awarded via Erasmus+.
- Between 2007 and 2013, 6,650 students and academics from 250 different LA universities travelled to Europe under Erasmus Mundus Action 2. Brazil (30%) and Argentina (13%) represented the lion's share of 43% of the LA regional mobilities. About one third of all mobility and funding went to ten institutions located in Argentina, Brazil, Chile and Mexico. Between 2007 and 2013, students from LA were mainly undergraduates (more than a third of the total flows), except for Argentina or Cuba, where participants were mainly doctoral candidates. Between 2004 and 2014, over 2,500 students or doctoral candidates from LA countries were awarded scholarships or fellowships by Erasmus Mundus joint master and doctoral programs.
- Between 2014 and 2017, 893 scholarships for Erasmus Mundus joint masters were awarded to LA citizens (for comparison: Europe: 866, Caribbean: 29, rest of the world: 3,767).
- From 2014 to 2017, 89 LA universities were involved in 127 instances of participation, in 76 Erasmus Mundus Joint Master Degrees: LA universities were associated partners in 111 and full partners in 16 cases.
- Countries with the highest rate of participation in Erasmus Mundus Joint Master Degree programmes were Argentina, Brazil, Chile, and Mexico.

Sources: EU (2015): Higher education cooperation between the European Union, Latin America and the Caribbean Academic cooperation and mobility; Selleslaghs, J. (2017) EU-Latin American Science Diplomacy. EL-CSID Working Paper Issue 2017/8; EU (2018) EU-CELAC Academic Cooperation through Erasmus+: opportunities for Latin America and the Caribbean; EU (2015) European Union Regional Cooperation with Latin America. Promotion of Higher Education.

Matching higher education learning outcomes with qualifications required by the labour market and thus increasing the employability of graduates was a key objective of ALFA III. In most projects, important measures were undertaken at the participating higher education institutions to establish a closer relationship with the labour market. ALFA III helped to set up permanent mechanisms for dialogue with employers, or other means of following and responding to labour market needs.¹³⁵ Some ALFA networks were successful in establishing closer links with market needs, for example through new study courses linked to market-oriented technological issues.¹³⁶

Erasmus Mundus Partnerships contributed to the better integration of – and possibilities for - students from vulnerable and disadvantaged backgrounds. Every Erasmus Mundus project had to have a certain number of beneficiaries who were considered vulnerable for social or political reasons (Target Group 3), for example asylum seekers and refugees. According to stakeholder interviews, Brazilian universities were among those who successfully lobbied for the inclusion of students belonging to national or ethnic minorities and living in remote areas with

¹³⁴ EU (2017): Erasmus Mundus Action 2 Partnerships Main achievements and results (2010-2018), Brussels 2017, p. 66; EU (2014): Erasmus Mundus Action 2 Scholarship Holders' Impact Survey. The survey sample included 8,141 participants from 155 countries with 929 participants from LA countries.

¹³⁵ EU (2017). Evaluation of the EU Development Cooperation Support to Higher Education in Partner Countries (2007-2014). Final Report. Main Report, p. 61

¹³⁶ EU (2017). Evaluation of the EU Development Cooperation Support to Higher Education in Partner Countries (2007-2014). Final Report Volume III – Desk phase analysis. Desk phase case study – ALFA III, p.19

difficult access to education into Target Group 3. That way, students who otherwise would not have been able to participate in mobility programmes were given the opportunity to study abroad, thereby also improving their employment and career prospects. However, since 2014 the focus on inclusiveness has been weaker. While the Erasmus+ programme guide claims that *‘Erasmus+ is an effective instrument to promote the inclusion of people with disadvantaged backgrounds, including newly arrived migrants’* and lists several examples of disadvantages,¹³⁷ it does not provide any specific selection criteria. However, some capacity building projects have addressed inclusiveness and access of vulnerable groups as part of their objectives.

3.7.4 Fostering bi-regional knowledge communities

Interaction through EU-funded projects has increased the LA knowledge of EU scientific and technological communities as the result of extensive network building. To a lesser extent, EU stakeholders learned from their LA counterparts. There is strong evidence that projects under Erasmus Mundus, ALFA III and Erasmus+ significantly increased the number and scope of academic cooperation networks and links, as already outlined. Through ALFA III alone, more than 600 universities from LA participated in 51 academic networks. LA higher education institutions have also taken part in other EU programmes funded by DG RTD (to date, 574 institutions have participated in the seventh framework programme for research and technological development (FP7) and 58 in Horizon 2020). However, the existing partnerships have not yet resulted in balanced bi-regional mobilities. More LA students and university staff have travelled to Europe than their European counterparts to LA. The unbalanced nature of student exchanges is mainly the result of a legal constraint which prevents the funding of mobilities for European students through DCI. Furthermore, relations within networks have often tended to be hierarchical with European universities leading and LA universities participating.

The leading role of European higher education institutions also applies to joint degree programmes, of which LA institutions cannot be coordinators. From 2014 to 2017, 89 LA universities were involved in 76 Erasmus Mundus Joint Master Degrees: LA universities took part as associated partners in 111 and as full partners in 16 cases. The countries with the highest rate of participation in joint degree programmes were Argentina, Brazil, Chile, and Mexico, reflecting their advanced standing.¹³⁸

While many universities benefitted from funding from both Erasmus Mundus/Erasmus+ and EU science and technology, there are no institutionalised links between the two areas of support. The EU has compartmentalised its approach and – partly due to the involvement of different DGs in implementation – treats higher education and science and technology as separate areas. There is no direct DEVCO funding for science and technology and the vast majority of ALFA III and Erasmus Mundus/Erasmus+ projects did not have an S&T focus. Of 47 Erasmus+ Capacity-Building for Higher Education projects involving LA universities approved between 2015 and 2017, only four addressed science and technology agendas.¹³⁹ Nor were there any links between higher education projects and other EU-funded interventions such as EUROCLIMA or EUROsociAL. While many universities in LA have benefitted from both Erasmus

¹³⁷ Erasmus+ Programme Guide, Version 1 (2018): 25/10/2017, p. 5, 10.

¹³⁸ EU (2018) EU-CELAC Academic Cooperation through Erasmus+: opportunities for Latin America and the Caribbean, https://ec.europa.eu/education/sites/education/files/eu-celac-cooperation-factsheet_en.pdf (link correct as of 1 September 2018).

¹³⁹ ‘Empowering climate resilience’, ‘Latin American-European network on waste electrical and electronic equipment research, development and analyses’, Technology and Innovation Management Master’, ‘Water Management and Climate Change in the Focus of International Master Programs / WATERMAS’. See Erasmus+ Desarrollo de Capacidades en el ámbito de la Educación Superior. Resultados en América Latina (Convocatorias 2015, 2016 y 2017).

Mundus/Erasmus+ and FP7/Horizon 2020 funding, explicit and institutionalised cross-linkages and thus direct synergies between the two areas do not exist. At the same time, the Common Research Area remains vague and still best described as a vision rather than a firmly established framework for cooperation.

One notable exception and a good example for cooperation among different DGs in the field of research and innovation is the BELLA (Building the Europe Link to LA) programme. It provides for the long-term interconnectivity needs of European and LA research and education communities through the procurement of a long-term Indefeasible Right of Use of a submarine cable between the two regions. BELLA is also developing and deploying a 100Gbps-capable research and education network across LA. Funded by DG-CONNECT, DG-DEVCO, DG-GROWTH and by the LA National Research and Education Network (NREN) community, BELLA is implemented by a Consortium of Regional Research and Education Networks GÉANT (Europe) and RedCLARA (LA) and the NREN of Brazil, Chile, Colombia, Ecuador, France, Germany, Italy, Portugal and Spain. Yet, there is no linkage with EU support to higher education in LA.¹⁴⁰

There is no robust evidence to show that research results of EU-funded projects have led to innovation in the economic sector in general and for micro, small and medium-sized enterprises (MSMEs) in particular. There are no evaluations or surveys providing data, let alone analysis, on the uptake of research results for the benefit of economic innovation. Some ALFA III projects, however, specifically focused on MSME support. For example, the ALFA III-funded EURECA Network (European and Central American Network for the Improvement of Quality and Sustainability of MSMEs) initiated the creation of an MSME management graduate programme in six Central American universities. The private sector actively participated in the design of what became the first graduate programme in the region tailored to the needs of the MSME sector. Three other recent Erasmus+ capacity building projects have focused on entrepreneurship.¹⁴¹

¹⁴⁰ <http://www.bella-programme.eu/index.php/en/>

¹⁴¹ Namely: Students 4 Change: Social Entrepreneurship in Academia (coordinated by the Instituto Tecnológico y de Estudios Superiores de Monterrey (México); Fostering Research-based Entrepreneurship and the development of spin-off companies in Central America - FREE Network (coordinated by the Universidad de Alicante) and Latin American and European Cooperation on Innovation and Entrepreneurship (coordinated by the University of Uppsala)

3.8 Overall assessment

This sub-section provides a synthetic overall assessment, which summarises the main findings presented at EQ level.

Table 6 Overall assessment of the EU regional cooperation with LA

<p>Strengthening of the joint EU-LA regional response to development challenges</p>	<p>Overall, the EU has made significant contributions to strengthening joint EU-LA responses in key development areas. Achievements in relation to all expected outcomes are evident, albeit to varying degrees. In particular, EU support was instrumental in strengthening policy and institutional frameworks to protect national natural resources and enhance climate change adaptation and mitigation, increase social equity, reinforce good governance, and consolidate the bi-regional higher education area. At the same time, while the EU has contributed to strengthening LA's responses to peace and security challenges, consolidated peace and security is still a far-distant vision. In the economic sphere, the EU has empowered business organisations and strengthened the competitiveness of micro, small and medium-sized enterprises (MSME), contributing to direct and indirect decent jobs creation. Yet, there is no evidence that EU interventions have resulted in increased bi-regional and intra-regional trade and economic integration. During the evaluation period, poverty in LA has decreased, but in 2017 more than 30% of the population were still living in poverty. External and internal dynamics at play were too strong for the EU support to have a considerable effect on reversing negative trends in the region. It rather contributed to strengthening policy and institutional capacities and tools at both national and regional levels, thus contributing creation of an enabling development environment for LA countries to limit the consequences of adverse conditions and possibly reverse them when the context allows.</p>
<p>Set up of a strong bi-regional strategic framework</p>	<p>The EU regional cooperation has been instrumental to the building of a comprehensive strategic partnership, rooted in unique historic and cultural links and based on strong common interests towards the major global challenges, between the two regions since 1999. In this context, cooperation has helped the community of LAC states (CELAC, since 2010) to set regional (and bi-regional) spaces for dialogue and support to identify and implement coherent strategies and stronger institutions in key areas. The EU-LAC and EU-CELAC cooperation process and particularly the summit meetings provided the overarching institutional framework. Related policy dialogues involving ministries and other governmental agencies on, inter alia, migration, citizen security, social cohesion and equity, environment, and science and research resulted in exchanges of knowledge and best practices as well as the building of expertise. They set the agenda for a broad range of cooperation programmes and in some cases even paved the way for policy reforms and legislation. In most areas, dialogues increased in frequency and broadened and deepened during the evaluation period.</p> <p>The evaluation found ample evidence that EU support fostered intra-regional cooperation in LA thanks to the continental approach, which encouraged or even constrained countries to work closely with each other. This increased intra-regional commitment and coherence in response to</p>

	<p>shared challenges such as transnational crime and drugs. EUROsociAL, ALFA III, Erasmus Mundus, Erasmus+, EUROCLIMA, WATERCLIMA and RALCEA – and to a lesser extent AL-INVEST and the EU-CELAC migration project – are further examples for the creation of a high number of opportunities for intra-regional exchanges.</p> <p>Triangular (North-South-South) cooperation has become an increasingly important approach not only to strengthen bi- and intra-regional cooperation in general but also to engage with those countries which are no longer eligible for bilateral support. Although an explicit strategy in support of triangular cooperation does not yet exist¹⁴², some programmes, including AL-INVEST, PRELAC, EUROCLIMA II and EUROsociAL, were instrumental in promoting and developing new roles for countries exiting from ODA ('graduated countries'), including knowledge transfer and peer-to-peer exchanges. The recent programme ADELANTE which aims at strengthening countries' efforts towards the achievement of the SDGs while enhancing south-south and triangular cooperation, appears as a promising experience.</p>
<p>Strong value added</p>	<p>EU regional support added value in two dimensions. First, the regional approach added value compared to the bilateral approach, as only the regional approach allows strong intra-regional exchanges, targeting cross-country challenges and regional public goods, and ensuring economies of scale, e.g. promotion of South-South cooperation under EUROsociAL and EUROCLIMA. Second, EU support added value compared to possible regional support by individual EU Member States, as the EU showed that its role of strong international player and its capacity to synthesise a multitude of political and cultural approaches (e.g. working with all LA countries and not only with some of them) are conditions for credibility and effectiveness.</p> <p>The high political exposure and visibility of most regional programmes amongst the institutional partners all over the region demonstrate the success of the approach. This also reflects the fact that the design of regional programmes has been based on strong shared regional priorities and implementation has been consistent with national demands and enhanced by relevant bi-regional experiences.</p>
<p>Weak regional implementation framework</p>	<p>Although the LA countries have a rather strong regional homogeneity when it comes to shared values, long-term objectives, cultural base, and geopolitical interests, the framework to implement this common vision has been weak. The region does not feature specialised regional agencies with both the capacity and mandate to manage, implement and monitor programmes and projects agreed through the regional and bi-regional political and policy process. Furthermore, CELAC, although it has established itself as a suitable EU counterpart, does not enjoy priority among most LA governments, who tend to favour sub-regional and bilateral cooperation over continental approaches. Achieving regional alignment and operating at the regional level proved to be one of the main</p>

¹⁴² A strategic reflection process on triangular cooperation has started in 2018

	<p>challenges of the EU support. Most regional programmes were not able to feed a regional process of learning by doing, because of weak monitoring mandates and related systems and weak policy dialogue structures. They were de facto implemented as networks of national projects. The regional (and bi-regional) dimension was fundamental to identify the issues and the approach, to build the knowledge framework and mobilise the assistance, but not to assess the results and develop policies.</p>
<p><i>Unexploited potential for better cross-fertilisation and coordination</i></p>	<p>Given the increasingly interwoven nature of political and societal challenges, it is noteworthy that only few attempts were made to establish cross-fertilising linkages within the EU regional programmes. For example, EU funding for higher education or science and technology projects was not explicitly and strategically used to produce inputs into programme support in the fields of climate change or social equity. Likewise, there is no evidence that programmes took advantage of research results produced by EU-supported university networks. While some linkages existed, they were more coincidental than planned.</p> <p>An additional shortcoming of the regional support is the lack of coordination and synergies with bilateral and sub-regional approaches, which have not been systematically developed or are completely lacking in some cases. The EUDs do not have the means (especially human resources and access to information) necessary to ensure adequate coordination and synergies between the different programmes implemented at country and those implemented at sub-regional and regional level.</p> <p>Coordination and synergies between DCI and other funding instruments (IcSP and IfS, FPI, others) exist to a limited extent. In the specific case of the Partnership Instrument, complementarities found in a few sectors show that potential synergies are not sufficiently exploited.</p> <p>There has been some degree of formal or informal coordination between DEVCO/EEAS, EU Member States and other donors, and a few EU Member States took actively part, through their technical agencies, in the implementation of EU regional programmes. However, tangible synergies between regional programmes and EU Member States' bilateral or sub-regional cooperation are rather limited.</p>

4 Conclusions

For analytical clarity, we have grouped the conclusions into three clusters as summarised in the table below.

Table 7 Overview of the conclusions

Cluster	Conclusion	Main evaluation criteria covered
Cooperation framework	C1: Strategic relevance	Relevance, Coherence and Added Value
	C2: Added value of regional cooperation	
	C3: Gender equality and marginalised groups	
	C4: Joint regional responses	
Sector results	C5: Security-development nexus	Effectiveness, Impact and Sustainability
	C6: Environment and climate change	
	C7: Social equity	
	C8: Inclusive growth	
	C9: Higher education	
Coordination, complementarity and learning	C10: Internal coordination	Coordination, Complementarity and Efficiency
	C11: External coordination	
	C12: Regional monitoring and learning processes	

4.1 Cluster 1 - Cooperation framework

4.1.1 Conclusion 1 - Strategic relevance: appropriate focus on institutional strengthening to respond to regional challenges

EU support was highly relevant for the needs and challenges of LA partners and aligned to the priorities established in the EU-LA Strategic Partnership. EU regional development cooperation rightly focused on strengthening institutional capacities to respond to key challenges across the region - inclusive growth and social equity, security, higher education, environmental protection, and climate change. Most EU regional programmes proved to be attractive for regional public policy makers. They were largely demand-driven, and the approach encouraged appropriation and ownership by regional stakeholders. Some programmes focused on improving existing policy and institutional processes, but, overall, there was limited attention given to more comprehensive policy changes. Transversal issues such as gender equality were only partially addressed until recently (see also conclusion 3). In general, EU support was in line with significant improvements in LA public policies, but with effects too limited to counter stagnating growth, limited poverty reduction (see also conclusion 7), and some negative trends in security.

Conclusion based on all evaluation questions (EQs).

4.1.2 Conclusion 2 - Strong added value and innovative approaches to regional cooperation

The EU and LA addressed wide bi-regional objectives at global and continental level, which no individual EU Member State or any other partner would have been able to tackle alone. Thanks to the innovative approaches applied in EU regional development cooperation, LA countries at different stages of economic development were able to develop and test new forms of policy exchange and knowledge sharing. Regional cooperation helped develop South-South and triangular (North-South-South) exchanges, which contributed to regional integration and enhanced institutional development. It also helped keeping 'graduated countries' actively

engaged in development cooperation at regional level, although the absence of a well-defined approach to cooperation with these countries limited the role they could play in fostering joint responses to regional and global challenges.

Conclusion based mainly on EQs 1 and 2.

4.1.3 Conclusion 3 - Gender equality and marginalised groups: improvements in implementation, but lack of systematic approach

Although attention to gender equality of EU interventions significantly improved in the last four years, EU support did not address gender issues and the rights of marginalised groups systematically and comprehensively. There are general statements in most programming documents, but specific activities and funding to support gender equality, and the empowerment of women and marginalised groups (e.g. through enhanced access to training, information, resources), and provisions to monitor these issues during implementation remained limited until recently. This was partly due to the demand-driven approach of the programmes. However, the situation evolved in recent years, especially in the area of gender equality. The last phase of EUROsociAL included some strong gender-related components (e.g. on violence against women). Similarly, the last phase of EUROCLIMA addressed gender issues more strongly, especially through the support to the application of the Lima Work Programme on Gender. These recent trends have not yet produced major visible effects but are promising.

Conclusion based mainly on EQs 3 to 7.

4.1.4 Conclusion 4 - Joint regional responses developed to address global challenges

EU support has been instrumental in fostering a common vision among LA and EU partners in some major policy areas such as higher education and research, sustainable growth and investment, social inclusion, justice and security, and environment and climate change. This has helped translate the ambitions of the continental Community of States (CELAC, since 2010) into implementation. EU regional programmes, however, have only partially managed to compensate for the problems deriving from the very nature of the Community, which remains weak despite strong comprehensive strategic objectives and cultural and geopolitical cohesion. This is particularly true of its institutional structures and implementation capacities, including in the areas of operational guidance and monitoring and evaluation. Intra-regional dialogue, South-South and triangular cooperation proved to be important tools to contribute to securing the common priorities of the region and improving monitoring and learning.

Conclusion based mainly on EQs 3 to 7.

4.2 Cluster 2 - Results

4.2.1 Conclusion 5 - Common bi-regional ground established to address the security-development nexus

EU regional programmes contributed to establishing a common understanding and important institutional tools for joint action in three areas crucial to ensure a strong security-development nexus in both Europe and LA: migration, drugs, and organised crime. In these areas, the regional programmes provided new bases and frameworks for strategic bi-regional dialogue

and actions. They also helped strengthen institutional capacities to improve and manage the knowledge base in this area and increase effectiveness of implemented actions. However, specific contributions to innovative policy design have been limited. Consultation and participation of country stakeholders were also below expectations, especially in the area of migration. The coordination among the three pillars of EL PAcCTO (police, judicial and penitentiary systems) was rather weak. In the area of drug trafficking, there have been challenges in coordinating with USA-led initiatives, which followed different approaches.

Conclusion based mainly on EQ3.

4.2.2 Conclusion 6 - Strengthened regional awareness and promotion of national reforms targeting environment and climate change

The EU-funded regional programmes in the area of environment and climate change responded well to the policy, institutional and technological needs and demands at country level. They facilitated coherent regional and sub-regional approaches, which resulted in the development and/or expansion of various regional networks and initiatives to collect, process and validate data. These networks were instrumental in developing learning and information exchange on environment and climate change priorities in the region, which in a few cases contributed to bi-lateral cooperation initiatives in areas such as water management (Ecuador-Peruvian border area) or South-South/Triangular cooperation in areas such as urban mobility. Despite such improvements, the region lacks adequate capacity to coordinate priorities, follow up on decisions reached in regional events, and collect and compare data on country-level implementation for learning. While the region has developed its awareness and policy/legal frameworks, it still lacks the strategic support and monitoring capacities needed to deliver change at more operational levels.

Support from LAIF has resulted in increased investments in green sectors, mainly water, energy, and transport, adding value to traditional projects by pushing the risk limits or engaging in areas that are often too costly to invest, such as geothermal energy. However, the links and coherence between LAIF and EUROCLIMA are still weak.

Conclusion based mainly on EQ4.

4.2.3 Conclusion 7 - Effective support to policy reforms fostering social equity

In the last fifteen years, EUROsociAL accompanied a successful process of upgrading public policies in the areas of inter-institutional coordination for social cohesion, taxation as a basis for increased social equity, social protection, and access to justice. This, combined with a high visibility and attractiveness of the programme among regional decision makers, fostered an exceptional horizontal exchange of expertise and policy models at regional level, which supported a period of improvements in poverty reduction and access to services for the poor. Achievements at policy and institutional level helped somewhat limit the negative effects of the economic crisis on the social gains of the previous decade. However, while governments and public administrations were involved, the participation of social partners (trade unions, employer's organizations, civil society organisation) and members of parliaments in design and implementation of the regional social cohesion programmes was limited. In recent years, the intensity of high-level bi-regional dialogue on social equity decreased, despite increased vulnerability and political fragilities both in middle-income and low-income countries.

Conclusion based mainly on EQ5.

4.2.4 Conclusion 8 - MSMEs strengthened for inclusive growth and with a new focus on competitiveness and strategic investment

The EU regional programme AL-INVEST has supported MSMEs as an engine of inclusive growth in Latin America for more than twenty-five years. Despite a relatively small envelope, the programme made significant contributions to strengthening local business organisations, with a focus on MSME internationalisation until around 2013. In recent years, the focus shifted towards strengthening MSME competitiveness. After 2016, a new programme, ELAN, complemented AL-INVEST by contributing to enhanced bi-regional trade networks on technology exchange. EU regional support in recent years has started paying attention, as well, to reforms of national policy and institutional frameworks necessary for private sector development but it is too early to assess the results of such new initiatives.

In parallel to these programmes, the regional investment facility LAIF has supported competitive infrastructure in strategic sectors (transport, energy, environment). It contributed to promoting and leveraging a number of strategic investment projects at national and regional level. These have so far focused largely on climate change and less on inclusive growth. The facility mostly followed the existing priorities and practices of its main implementation partners (e.g. KfW, AFD, EIB), with limited capacity to influence stronger linkages with regional priorities and other regional and bi-regional programmes. In addition, so far it has not actively promoted the development of innovative financial mechanisms. The Facility has now financed its first equity contribution to the eco-business fund managed by KfW, whose focus is on promoting biodiversity. This remains the largest LAIF contribution up to date.

To enhance regional competitiveness by reducing the digital divide inside the region and, more generally, relieve intra- and intercontinental connectivity bottlenecks, regional development cooperation also promoted regional and bi-regional broadband connectivity with a focus on University and Research networks. The @lis2 programme, until 2013, prepared the ground, while the following BELLA programme is contributing to the completion of a terrestrial optical fibre network infrastructure, connecting EU and South America and linking most South American countries.

Conclusion based mainly on EQ6 and EQ2.

4.2.5 Conclusion 9 - Valuable contributions to networks in higher education and student mobility

The ALFA programme was in place for twenty-five years and successfully supported the creation and consolidation of networks of LA and European universities. It created a common space for enhanced teaching and research, strengthened the cultural and operational links between universities, and expanded the opportunities for the students, including the inclusion of particularly disadvantaged groups (ethnic minorities, remote areas, etc.). This successful model of cooperation between higher education institutions is continued in LA under Erasmus+ 'Capacity Building for Higher Education'. Erasmus Mundus Action 2 and Erasmus+ 'International Credit Mobility', which have contributed to increased mobility of students and teachers between the two continents and generally to the internationalisation of universities in LA. Such contributions proved their importance to enhance the quality of and opportunities for higher education in LA, as shown - inter alia - by the effects on employability, particularly on university careers, research outputs, and the sustainability of a large number of networks after the end of the EU support. Through its support to higher education the EU has also made a valuable contribution to South-South cooperation.

Yet, the harmonisation (i.e., mutual recognition) of degrees and degree components among all LA countries remains a hurdle, although Erasmus+ capacity building projects have somewhat mitigated the problem. The inclusiveness of disadvantaged students appears to have received less attention after 2014. Whilst there are linkages and examples of good practice linking HE and R&I, such as the EU-CELAC academic knowledge summit organised in LA in 2017, this could be further enhanced and complementarity with other EU programmes, including regional development cooperation programmes (e.g. on climate change, social equity, etc.), could be strengthened.

Conclusion based mainly on EQ 7 and EQ 2.

4.3 Cluster 3 - Coordination, complementarity and learning

4.3.1 Conclusion 10 - Despite some good practices, EU-internal coordination remains weak and synergies limited

Despite the appropriateness and the innovative features of the regional cooperation with LA, the EU institutional environment did not favour its harmonious and synergic inclusion in the main areas of intervention. The different EU entities involved in EU-LA cooperation (including national, sub-regional and regional programmes related to international and development cooperation) were not always in a position to carry out well-coordinated and complementary actions, and EUDs were not enabled to ensure a pivotal role in fostering synergies at the local/national level. Despite the clear objectives stated in programming documents to ensure strong complementarities and synergies, the specific coordination and implementation responsibilities and the mechanisms established were not sufficient to achieve them. Furthermore, there were no cross-fertilising links between bi-regional policy dialogues and the bilateral ones conducted with different countries (e.g. Brazil, since 2011, and Mexico since 2010).

Conclusion based mainly on EQ 2.

4.3.2 Conclusion 11 - Coordination with EU Member States was limited and synergies were scarce

Coordination between the EU, EU Member States, and other donors has taken place only to a very limited extent, mainly due to the limited involvement of Member States and other donors in regional cooperation. While there has been some degree of formal or informal coordination and good levels of information exchange between DEVCO/EEAS and EU Member States (and other donors, when appropriate), evidence of tangible synergies is scarce. For instance, despite the fact that EUROCLIMA+ is funded and implemented with the support of several Member States, coordination and complementarity between EUROCLIMA+ and ongoing member States multi-country climate change programmes (e.g. by Spain and Germany) still needs strengthening.

Conclusion based mainly on EQ 2.

4.3.3 Conclusion 12 - Regional monitoring and learning processes developed halfway

Most regional programmes did not aim (or were not able) to feed into a regional process of policy and institutional learning based on the results of the programmes' implementation,

because of weak monitoring mandates and systems, as well as weak intra-regional and bi-regional policy dialogue structures built to support the sector projects. Monitoring the results to inform intra-regional (and bi-regional) policy dialogue and policy development was not pursued as a key objective of the regional programmes. The regional (and bi-regional) dimension was fundamental for the thematic projects to identify the issues and the approach, build the knowledge framework and mobilise the assistance, but not to assess the results and develop policies, as this function remained rather delegated to the national level.

Conclusion based mainly on EQ 2

5 Recommendations

The evaluation team has formulated a set of recommendations grouped in three clusters. The first cluster focuses on the strategic framework and its relevance, namely the strategic priority of the supported actions and the linkages between the broader cooperation framework and the actual programmes. The second cluster consists of sector-specific recommendations and addresses some of the weaknesses identified at sectoral level. The last recommendation focuses on the coherence and coordination of the regional support with other EU actions.

5.1 Cluster 1 - General strategic recommendations

5.1.1 Recommendation 1 – Strengthen links and feedback loops between regional programmes and bi-regional dialogue

Further strengthen links between bi-regional dialogue, including its sector and thematic instances (not only the summits, but also the ministerial and technical meetings) and the regional cooperation programmes. This would help establish clearer reform priorities, reinforce the strategic relevance of the initiatives supported, and enhance the visibility and ownership of the programmes, without weakening their demand-driven approach. It would also allow programme implementation to feed into regional policy and political dialogue, by providing lessons that are discussed and appropriated at the regional level. As an example, ‘social cohesion’ was at the centre of an EU-CELAC summit which was followed by various meetings and strategic decisions related to this topic at regional level. This contributed to the fact that the topic received high attention in the public debate in LA for years. This also favoured significantly the visibility and appropriation of EUROsociAL, although the lessons learned during the implementation were only partially reflected in the regional dialogue.

Recommendation based on conclusions 1 and 12

5.1.2 Recommendation 2 – Define specific strategies and models to strengthen the involvement of graduated countries

Establish a specific approach to strengthen the participation of countries exiting (or having exited) from EU bilateral cooperation in regional programmes, both as policy support providers and beneficiaries in crucial development areas. The approach should aim to enhance the value added of their experience at the regional level, but also to identify their specific interests for development cooperation, namely testing innovative policies and application of advanced know-how (e.g. in areas such as social protection and equity, climate change, decentralisation, progressive taxation, higher education and other fields related to sustainable development).

Recommendation based on conclusion 2

5.1.3 Recommendation 3 – Establish a comprehensive rights-based approach in programming and implementation

A rights-based approach should be incorporated at the highest level in the regional development cooperation programmes. This should help mainstream minority rights and inclusion concerns in all sector programmes, including formulation of specific measures and the related monitoring indicators.

Gender equality and empowerment, after the significant improvements in the formulation of some of the most recent programmes, should be closely monitored for actual implementation.

Recommendation based on conclusion 3

5.1.4 Recommendation 4 – Promote regional mechanisms and tools to facilitate networking, coordination and monitoring

Given the absence of regional thematic agencies or operational/ coordination bodies, the EU regional programmes (within the limits imposed by the regional context) should promote and strengthen mechanisms and tools to facilitate regional policy exchange (networking, coordination and strategic monitoring) at sector and thematic level. In some sectors (e.g. social equity, environment and climate change, higher education), depending upon the actual participation of country stakeholders, more effort should be made to strengthen coordination and monitoring capacities. DEVCO should strengthen the regional implementation structure of its programmes by 1/ensuring that the implementation processes at country level are clearly spelled out and understood by the main stakeholders involved, and 2/ enhancing stakeholders' consultations, developing analysis (and cross-country comparison) of monitoring data and holding regional events to identify lessons learned.

Recommendation based on conclusion 4

5.1.5 Recommendation 5 – Put monitoring and learning at the centre of the regional cooperation programme

Review the intervention logic of the regional programmes and introduce a specific objective to strengthen monitoring capacities at sector and action level with a view to promote regional policy dialogue and feed a rich process of policy and institutional learning by doing. The link between the results of the programmes and the establishment of innovative policy approaches at more general level is stronger in regional cooperation compared to national programmes. This is why the capacity to extract general lessons from the implementation of the different programmes must be high and the mechanisms put in place must be effective and accepted by all stakeholders. The establishment of such an objective and the related functions will require a dialogue within the different EU instances involved, to identify the scope, the approach and implementation mechanisms, which is beyond the scope of this evaluation. The implementation of this recommendation is also essential for the implementation of recommendation 1.

Recommendation based on conclusions 4, 10 and 12

5.2 Cluster 2 - Sector-specific recommendations

5.2.1 Recommendation 6 – Reinforce high-level dialogue and country stakeholders' participation to strengthen the security-development nexus

The security-development nexus should be reinforced in two main directions: i/ strengthening the links of the regional programmes (particularly in the areas of migration, drugs and organised crime) with high level bi-regional dialogue on policy priorities (recommendation 1); and ii/ enhancing the participation of LA country-level stakeholders. Stronger coordination between regional support and national policies is also needed. Monitoring and learning

processes should be enhanced to feed into political and policy dialogue. Coordination between actions supporting police, judicial and penitentiary systems should be improved, as well.

Recommendation based on conclusion 5

5.2.2 Recommendation 7 – Promote the establishment of a regional coordination institution or mechanism on climate change

Strengthen regional coordination and monitoring in climate change by establishing a regional agency or a permanent (consultation) roundtable. Such an instance could fill the role of regional secretariat for implementation of the Paris Agreement in Latin America. A light structure could be supported by a regional fund or a facility and operating at the CELAC level, allowing relevant regional and sub-regional institutions (ECLAC, regional IFIs, SICA, CAN, MERCOSUR and specialised institutions such as IICA and Centres of Excellence in Water) together with representatives of civil society and the private sector. This would help improve the coordination of regional, sub-regional and national programmes, establish regional criteria for monitoring and evaluation and strengthen information exchange on both sub-regional and regional achievements, lessons learned and good practices. A close link between such capacity and the high-level bi-regional dialogue could ensure an adequate learning process.

Recommendation based on conclusion 6

5.2.3 Recommendation 8 – Strengthen the EU regional support to social reforms by focusing on new social exclusions and vulnerabilities and enhancing the participation of non-state actors

Ensure a stronger focus on development and consolidation of comprehensive social reforms, extending the range of stakeholders involved, in particular by increasing efforts to involve and support members of parliaments and social partners. Revive the high-level bi-regional dialogue on social equity and cohesion to strengthen regional initiatives at country level, with a strong focus not only on long-rooted inequalities but also on new vulnerabilities. Innovative policies to ensure stronger social inclusion should be supported also in graduated countries.

Recommendation based on conclusion 7

5.2.4 Recommendation 9 – Focus on improving the private sector development framework to enable MSME growth

Enhance the focus on comprehensive national policies to create better conditions for MSME growth and not only to provide direct support to MSMEs. An improved framework should help reduce barriers for MSMEs and improve access to finance, technology and markets, including the reduction of the digital divide, the availability of skills and the flexibility of the labour market.

Recommendation based on conclusion 8

5.2.5 Recommendation 10 – Improve LAIF’s coherence and complementarity with the regional cooperation programmes

Reinforce LAIF’s design and coordination mechanisms to increase its coherence and complementarity with the regional and sub-regional programmes in each sector and more

proactively encourage innovative approaches (e.g. the use of revolving funds and measures to bring technical assistance under loan- rather than grant finance).

Recommendation based on conclusions 6 and 8

5.2.6 Recommendation 11 – Strengthen reciprocity and inclusion of higher education programmes and improve links with other European interventions

Consolidate the support to higher education through specific improvements in a number of important areas:

- Strengthen university networks and student and staff mobility, including improved reciprocity, recognition of degrees and inclusiveness.
- Strengthen the links and synergies between DEVCO support to higher education and the support provided by other DGs to science & technology and research & innovation.
- Develop and reinforce connections between higher education support and research conducted through the regional sector programmes (e.g. climate change and social equity).
- Increase the opportunities for coordination and links, especially at country level, with the support to higher education provided by EU member States beyond existing coordination activities in the framework of Erasmus and the Donor harmonisation group, and bearing in mind the importance of ownership of the partner countries.

Recommendation based on conclusion 9

5.3 Cluster 3 - Internal coherence and linkages with EU MS actions

5.3.1 Recommendation 12 – Improve coordination between regional, national and thematic cooperation, with a focus on EU Delegations and Headquarters' roles

Prioritise the establishment of clear mechanisms within the EU institutions to achieve coordination and complementarity. This could be partly accomplished by putting focus on the pivotal role to be played by EUDs to ensure the coordination of EU support as a whole, at local and national level, including policy/political dialogue and where possible implementation. On the other hand, a stronger coordination at regional level should also be ensured by EU Headquarters. Moreover, these two levels of coordination should be well articulated. EEAS should support in creating better coherence and possible complementarities between the regional cooperation programme and sectoral / global partnerships, as in the mentioned case of science and technology. Synergies should be reinforced, as well, with some EU Member States sector multi-country programmes, when present.

Recommendation based on conclusions 10 and 11