INTERNATIONAL FORUM "DEVELOPMENT OF PARLIAMENTARISM"

# ROUND TABLE

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At the present stage, the Latin American region (LA) is demonstrating quite high rates of economic development and political stability; it's consistently increasing its potential and influence in the world. In LA, there are 33 states with a total population of more than 500 million people. The territory occupies 15% of the Earth's land. The average GDP per capita in LA is equal to or slightly higher than the world average (about USD 12 thousand). According to expert estimates, the region has one fifth of the world's resource base.

LA is by no means a one-dimensional geopolitical and geoeconomic reality, but a set of countries that differ from each other in the ideological orientation of the ruling regimes which have interests on the world stage that not always coincide.

The countries of Latin America have a significant quota in the UN and other interstate institutions, including the G20 (3 countries). The Russian Federation maintains diplomatic relations with all independent Latin American countries.

### Relations Between Russia and Latin American Countries at the Turn of the Century

In the early 1990s, there was a decline in the intensity of interstate relations between Russia and the LA. The foreign policy strategy of our country towards the region became more active in the second half of the decade, after Yevgeny Primakov was appointed to the position of Foreign Minister. During his official visits in 1996-1997, 17 agreements on a wide range of cooperation issues were signed in Latin America (Cuba, Mexico, Venezuela, Brazil, Argentina, Colombia).

The "turn to the left" of a significant number of countries in the region in the late 1990s and early 2000s had a positive impact on the dynamics of bilateral relations with the region as a whole. Contacts at the highest level were intensified, agreements on cooperation in the field of hydrocarbon production, and the development of peaceful nuclear energy as well as military and technical connections were signed. The basis for a long-term relationship was laid. In 2001–2004, there was a series of official visits by President Vladimir Putin to Cuba, Mexico, Chile, and Brazil. In 2008, President Dmitry Medvedev had a Latin American tour (Peru, Venezuela, Brazil, Cuba). In 2010, Vladimir Putin and Dmitry Medvedev visited Argentina, and Venezuela. In 2014, Vladimir Putin paid official visits to Argentina, Brazil, and Cuba. The President of Russia has repeatedly noted that cooperation with the countries of the region is one of the key directions of Russian foreign policy.

The intensification of our diplomacy towards Latin America has led to a series of return visits. In 2008-2015, leaders from Cuba, Argentina, Brazil, Venezuela, Mexico, Bolivia, Chile, Ecuador, and other countries visited Russia. The work of intergovernmental commissions has been intensified; inter-parliamentary and business ties have been established. About 200 documents covering various areas of cooperation have been signed since the mid-2000s. Russian citizens received the opportunity to visit the vast majority of the large countries without visas.

The Russian-Latin American dialogue developed according to a cumulative principle: gradual, but consistent accumulation of factors of mutual attraction enabled the relations to enter a new level of mature partnership.

Today, Russia's policy towards LA is a valuable direction of international cooperation, characterized by openness, no ideological overtones or a hidden agenda. A strategic partnership has been established with Argentina, Brazil, Venezuela, Cuba, Nicaragua, Peru, and Ecuador.

There are 18 Russian embassies and 3 consulates in the region; in a number of countries, Russian ambassadors are concurrently accredited. In turn, 16 Latin American diplomatic missions function in Russia.

#### Multilateral Cooperation Formats

Russia interacts with Latin American countries within international organizations: the UN, the G20 (Argentina, Mexico, Brazil), APEC (Mexico, Peru, Chile), BRICS (Brazil), WTO, etc.

An important aspect of relations with the countries of Latin America was the involvement of Russia in the work of multilateral political and economic organizations operating in the region. Since 1992, Russia has had observer status at the Organization of American States; at the Latin American Integration Association since 1993, and at the Association of Caribbean States since 1997.

The relations between Russia and the Rio Group were established in 1997 and later received serious development. The parties established a mechanism for dialogue in the field of preventing terrorism and combating drug trafficking.

Official contacts were established between MERCOSUR and Russia in 2000, but the crisis of this integration association prevented deeper cooperation.

In 2006, the "Memorandum of Understanding" was signed to create a mechanism for political dialogue and cooperation between Russia and MERCOSUR, which provides for regular meetings at the ministerial level to coordinate positions in international forums and discuss international security issues.

The same mechanism was created between Russia and the Andean Community. Russia cooperates with the Central American Integration System, the Caribbean Community, the Bolivarian Alliance for the Peoples of Our America.

Established in 2010, the Community of Latin American and Caribbean States (CELAC), which unites 33 countries of the region, is also establishing ties with Russia. In 2015, a permanent mechanism for political dialogue and cooperation between Russia and CELAC was established.

Russia and the LA are united by common views on a number of key issues on the world agenda: the need to ensure the supremacy of international law and the central role of the United Nations, the strengthening of multilateral regulatory mechanisms, and the search for collective answers to new challenges. The proximity of views creates a good basis for promoting the concept of multipolarity and a just world order. It's also important that the Russian-Latin American rapprochement took place during the period of aggravation of international tension, i.e. the "new cold war". The countries of the LA did not support the anti-Russian sanctions of the West, which illustrated the high level of relations.

Indicative was the voting of Latin American delegates at the UNGA on draft resolution No.A/68/L.39 "The Territorial Integrity of Ukraine" in March 2014<sup>1</sup>.

#### Areas of Cooperation with the Region

Russia and Latin America successfully cooperate in a number of areas.

Trade and economic cooperation between Russia and the Latin American countries are continuing to develop dynamically, which in general has affected the growth of mutual trade. The turnover has grown almost 10 times in 20 years<sup>2</sup>, despite a decline in 2009–2010, associated with the global financial crisis.

The five largest Russian foreign trade partners in the region include Brazil, which accounts for 28.9% of Russian-Latin American trade, Venezuela (12.9%), Mexico (10%), Argentina (7.9%), Ecuador (7.8%).

Latin America has become an important market for a number of Russian exports, primarily fertilizers, fuel, and black metal. LA countries supply meat, fish, poultry, fruits, nuts, sugar, coffee, tobacco to Russia.

Nevertheless, the Latin American region is not yet among the main trade partners of Russia. Its share in the total volume of Russian foreign trade is 2.5%, 1.5% in Russian exports, and 3.4% in imports. The Russian share in Latin American foreign trade is even more modest — it's only 0.7% in the total exports of the countries of the region and 0.9% in their imports.

Priority areas of practical cooperation between Russia and the LA countries are oil and gas and electric power3. The main partners are Venezuela, Bolivia, Brazil, Argentina, and Mexico. Large Russian companies operate within the joint fuel and energy and infrastructure projects implemented in certain Latin American countries: Rostec (Brazil, Argentina, Uruguay, Venezuela, Cuba), Rosneft (Brazil and Venezuela), Lukoil (Venezuela, Colombia), RUSAL (Guyana), INTER RAO UES (Ecuador, Venezuela, Cuba), United Aircraft Corporation (Mexico), Power Machines (Argentina, Brazil, Chile, Mexico), KAMAZ (Venezuela, Colombia, Cuba), Russian Helicopters (Brazil). A number of significant projects in various Latin American countries are being implemented with the participation of Vnesheconombank. Concluded agreements on cooperation in space research and the peaceful use of nuclear energy (Argentina, Brazil, Mexico, Peru, Chile) contribute to the activation of cooperation in the field of high technology.

Russia regards Latin America as one of the main markets for the supply of its military products. Among the largest importers of Russian military products are Venezuela, Brazil, Colombia, Peru. Russia is the second supplier of aircraft after the United States. Russian civil aviation and helicopter production is in great demand in the region.

The fight against terrorism, organized crime, and the spread of drugs has become a new sphere of cooperation between Russia and the states of the region.

Russia provides assistance to LA in the training of personnel, in particular through providing state scholarships for studying in Russian universities. The Latin American Confederation of Alumni of Russian (Soviet) Educational Establishments has been established and is operational. Holding Ibero-American culture festivals in Russia strengthens the cultural cooperation. There is a growing number of artistic collectives going on tour to Latin America. They organize art exhibitions, weeks of Russian cinema, and days of culture there. The first foreign school of the State Academic Bolshoi Theater successfully operates in Brazil (Joinville).

The expansion of Russia's cooperation with Latin America meets the long-term national interests of Russia and the countries of the region.

#### Prospects and Practical Opportunities for Inter-Parliamentary Cooperation

1.Western sanctions opened wide opportunities for building up trade, economic, and investment ties between Russia and the countries of the region. However, one can't say that Latin Americans have fully taken advantage of the opportunities offered by Russian counter-sanctions against the collective West, primarily to European suppliers in the agrarian sector. The share of the Latin American market in the total volume of Russian foreign trade is still only 2.5%. Accumulated Russian investment in the region's economy is about USD 13 bn<sup>4</sup>.

It is necessary to increase the economic dimension of cooperation, to seek new niches for establishing technological and investment cooperation.

2. Also in the political arena, far from all opportunities are being used. One of them is the further activation of contacts at the highest level as well as on the parliamentary track.

3. Bilateral relations with a number of Central American and Caribbean countries remain purely formal.

4. The situation is calling for the establishment of contacts between Russian regions and the administrative and territorial units of Latin American countries.

5. The development of cooperation in the Pacific direction is promising. In the future, it would make it possible to expand interregional contacts between Siberia and the Russian Far East with 11 LA states that have access to the Pacific Ocean.

6. The economy and the social sphere in the LA countries are developing unevenly and are dependent on the global situation. In this sense, the Russian experience of overcoming domestic social and economic problems, as well as the state strategy of reducing dependence on exports under sanctions may be of practical interest to the region.

<sup>4</sup> China's trade volume is up to USD 80 bn, and Chinese investments amount to USD 250 bn.

<sup>&</sup>lt;sup>1</sup> The votes of 33 states of the region were distributed as follows:

<sup>•</sup> the resolution was supported by: The Bahamas, Barbados, Haiti, Guatemala, Honduras, Dominican Republic, Colombia, Costa Rica, Mexico, Panama, Peru, Trinidad and Tobago, Chile (13 countries);

<sup>•</sup> voted against: Bolivia, Venezuela, Cuba, Nicaragua (4). In other words, out of ten UN member states that supported Russia, almost half were Latin American countries;

<sup>•</sup> abstained: Antigua and Barbuda, Argentina, Brazil, Guyana, Dominica, Paraguay, Saint Kitts and Nevis, Saint Vincent and the Grenadines, Suriname, Uruguay, Ecuador, Jamaica (14).

<sup>&</sup>lt;sup>2</sup> In 1992, the total turnover was USD 1.5 bn, in 2000 it was already USD 5.6 bn, and in 2016 it reached USD 12 bn.

<sup>&</sup>lt;sup>3</sup> The cooperation includes the supply of equipment for the oil and gas industry, exploration, production of gas and oil in Brazil, Argentina, Bolivia, Colombia, Venezuela, as well as the construction of oil refineries, gas and oil pipelines. In the electric power industry, the main projects come down to the modernization and supply of new equipment for HPPs and TPPs in Brazil, Uruguay, Argentina, Paraguay, Chile, Colombia, Mexico, as well as the reconstruction, design, and construction of power lines in Argentina and Brazil.