

**Strategic bi-regional partnership EU-LAC: Challenges of the Latin American SMEs in the
cooperation for the global insertion**

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Abstract

The strategic bi-regional partnership between European Union and the Latin American and the Caribbean countries (EU – LAC) has been strengthened during the last years through several proposals and joint activities such as the case of the EU-LAC Foundation and the development of the bi-regional summits held every two years. In addition to achievements, there are also major challenges to intensively work on and consolidate the partnership, as it is the case of the differences in competitiveness, internal inclusion and generation of employment, with Latin America and the Caribbean region, clearly, at a disadvantage.

In this scenario, the gaps in productivity and technology directly affect small and medium-sized enterprises – SMEs -, which are key players in the process of consolidation of the productive structure in the bi-regional partnership. The support tools for SMEs, developed by the European Union in the context of the knowledge economy, must be observed by the demands and needs of Latin American and Caribbean companies that can find opportunities for political and economic cooperation between the two regions. The main purpose is to reduce the barriers faced by SMEs, such as weak institutionalism, low production diversification and the financing gap between large companies and SMEs.

The main references for this study are two books developed under the funding and the coordination of the work of the EU-LAC Foundation. In chronological order, the first of which was published in the year 2015, as a joint effort of the EULAC and the Economic Commission for Latin America and the Caribbean (ECLAC), under the name: *"Reinforcing production cooperation and dialogue space: the role of SMEs"*. The second book, entitled *"The internationalization of Latin American SMEs and their projection in Europe"* was published in 2017, as a result of the effort made by academics linked to CERALE together with members of the EULAC Foundation and the Institut des Amériques.

On the basis of a working hypothesis that highlights the importance of overcoming the barriers that prevent develop optimal tools for Latin American SMEs in their relationship with their European peers, the methodological approach of this work will be, firstly, descriptive. The structure of the work is divided into four chapters, the first of which will refer to the

aforementioned problem, the two central chapters will be devoted to the current situation of SMEs in each of the regions (EU and CELAC) and the final chapter will try, as a compilation, to highlight those tools that Latin American SMEs should use to overcome the barriers that characterize the bi-regional relationship.

This study will take place in the framework of the research project on "regional policies for sustainable development in LAC" developed by a team of academics from the Catholic University of Santa Fe (UCSF). The future publication will include various academic activities including internal presentations at the University as well as joint presentations with national and regional Universities that maintain agreement with UCSF. The compilation of this article along with the rest of the publications related to the mentioned research project will result in the final edition of a book that portrays a broad but concise vision of the problems of regional policies in the development of the region.

In a context of continuous growth of regional economies, the role of SMEs and the great contribution they can make is undoubted, even more so if they could perform in optimal conditions and take full benefits of the advantages and disadvantages of linking with their peers in other regions. In this stage and considering the history and the present that characterize the EU-CELAC relations, it is necessary to have an academic publication that brings together the main problems as well as the tools to support Latin American SMEs which are in at a disadvantage in comparison with the European ones.

Key Words: Bi-regional strategic partnership; SMEs Institutionalization; Sustainable development; Regional economies.