

# *Inverting the Brussels Effect:* What the EU Can Learn from Latin America in Digital Governance

*By members of the HEMISPHERES Consortium: Carolina Aguerre (Universidad Católica del Uruguay, UCU), Aya Ahmed (Universitat Internacional de Catalunya, UIC), João Victor Archegas (Instituto de Tecnologia e Sociedade do Rio, ITS Rio), Wanderley Augusto Arias-Ortiz (Universidad Jorge Tadeo Lozano, Utadeo), Beatriz Botero Arcila (Institut d'Études Politiques de Paris, Sciences Po), Celina Bottino (ITS Rio), Lionel Brossi (Universidad de Chile, UCH), Favio Ernesto Cala Vitery (Utadeo), Ana María Castillo (UIC), Sandra Cortesi (TUM), Christian Fieseler (BI Norwegian Business School), Isadora García Avis (UIC), Urs Gasser (TUM, Lead Author), Pablo Gómez Ayerbe (TUM), Armando Guio Español (Network of Centers, NoC), Joan Hernández-Serret (UIC), Camila Hidalgo (TUM), Ronaldo Lemos (ITS Rio), María Pilar Llorens (UIC), Felipe César Londoño (Utadeo), Christoph Lutz (BI), Fabienne Marco (TUM), María Isabel Mejía (Universidad del Norte, Uninorte), Andras Molnar (TUM), Víctor Muñoz (Utadeo), Núria Roca Trenchs (UIC), Sofie Schönborn (TUM), Pedro Sigaud-Sellos (UIC), Markus Siewert (TUM Think Tank), Fabro Steibel (ITS Rio), Carlos Affonso Souza (ITS Rio), Jacob van de Kerkhof (Utrecht University, UU)*

*Published by the TUM Think Tank*

## Introduction

For years, the European Union (EU) has been seen as a global leader in digital regulation, championing its “Brussels Effect,” where its laws become de facto global standards due to the size of its market. However, a growing sense of unease is setting in. The recent Draghi Report [1] as well as A Competitiveness Compass for the EU [2], among other policy statements, have highlighted concerns about overregulation, economic stagnation, and a potential loss of competitiveness, suggesting that the EU’s current governance model may be in need of a reevaluation. It’s time to “reinvent governance,” embracing a model of regulatory learning [3] that is flexible, adaptable, and open to insights from other regions.

## The Brussels Effect: More Complicated Than It Seems

The “Brussels Effect” describes the EU’s ability to shape global markets through its regulatory standards, a phenomenon often referred to as “unilateral regulatory globalization.” This power is said to operate through two main mechanisms: a de facto effect where multinational enterprises comply with EU regulations worldwide to access the large EU market, and a de jure effect where other countries formally adopt EU-style rules to level the playing field.

However, research, including that from HEMISPHERES reveals that this process is far more complex, especially in Latin America and the Caribbean. The region does not passively adopt EU models; instead, it adapts them to fit distinct

local contexts and is also influenced by non-EU rules, particularly those from the United States and China. For instance, LAC data protection laws, while inspired by European precedents, exhibit a high degree of normative autonomy, showcasing a process of selective incorporation rather than direct transplantation. This dynamic demonstrates that the relationship is not merely a one-way street of influence, but a more nuanced process of iterative adaptation and, at least to some degree, experimentation and learning.

In its first 10 months, HEMISPHERES – a three year collaboration funded under the Erasmus+ Jean Monnet 2024 Networks Program, which aims to foster cooperation between European and Latin American and Caribbean (LAC) academic and research centers, policymakers, private sector and civil society – has generated initial insights into what the EU can learn from its counterparts in LAC. The core takeaway is that while the EU advances toward comprehensive, top-down regulation in digital governance, LAC countries have drawn on distinct institutional capacities, economic priorities, and legal traditions to develop pragmatic and context-sensitive approaches.

For the EU, these experiences offer important lessons in adaptive governance, community-centric solutions, and nuanced responses to foundational challenges – not as models to copy wholesale, but as inspiration to refine its own frameworks. At the same time, the EU’s established regulatory infrastructure and procedural maturity continue to provide valuable guidance for the LAC region.

## 2. Adaptive and Context-Sensitive Government

While the EU approach to digital governance is increasingly characterized by comprehensive, harmonized, and top-down regulation, the countries of LAC have adopted a more pragmatic and flexible strategy driven by their diverse institutional and economic landscape. This diversity is a source from which lessons can be drawn for Europe, especially as technology challenges traditional legislative cycles.

---

→ **Pioneering Regulatory Experimentation:** LAC countries are not merely imitating European models but are actively reshaping them to fit local realities. For example, Brazil and Colombia rather than immediately regulating are using regulatory sandboxes as proactive “learning infrastructures” to inform legal reform and build institutional capacity in real time. This approach contrasts with the EU’s more formalistic approach, which tends to be narrower and more legalistic.

---

→ **Decentralized Enforcement:** Faced with the transnational power of digital platforms, some LAC countries have demonstrated the importance of leveraging all parts of their legal frameworks. Brazil’s judiciary has taken on an assertive role in platform governance, issuing fines and temporary service blocks to enforce local laws and combat disinformation, especially in the electoral context. This suggests how a country’s legal system, in its entirety,

can be a source of resilience and offers a lesson for Europe in ensuring its own enforcement mechanisms are both comprehensive and responsive to change.

---

→ **Holistic Legal Frameworks:** LAC’s legal traditions embed digital rights within broader constitutional and human rights frameworks, such as the “habeas data” provisions that pre-date the General Data Protection Regulation (GDPR). This constitutional anchoring provides a strong rights-based foundation that Europe could draw upon to strengthen the public legitimacy of its own, more procedural, legal frameworks.

## “Habeas Data” and the Right to Truth

The EU’s GDPR introduced the “right to be forgotten,” which is grounded in an individual’s right to privacy and reputational control. However, in LAC countries, this concept can clash with the deeply ingrained “right to truth” and public memory, particularly in societies emerging from authoritarian rule or conflict. This divergence demonstrates how LAC’s constitutional tradition of embedding digital rights within a broader human rights frame-

work has led to unique and contextually relevant legal interpretations. This is a valuable lesson for Europe on the importance of regulatory flexibility and cultural embeddedness when creating a legal framework – and suggests generally a mindful approach to policy and legal transfer processes.

## 3. Community-Centric and Bottom-Up Solutions

Europe’s regulatory focus is often on large-scale, market-wide issues, but LAC offers valuable lessons on building digital ecosystems from the ground up, prioritizing inclusion and community empowerment.

→ **Community-Led Infrastructure:** Amidst the presence of large telco providers, LAC initiatives have pioneered self-managed community networks that provide internet access in underserved areas, some of these examples are Rhizomática in Mexico [4], Red del Viento in Colombia [5], and Soldati Conectada in Argentina [6]. These projects, rooted in a vision of digital self-determination, together with Europe’s own experimentation with commons-based infrastructures, show the promise of bottom-up models for technological autonomy and collective ownership.

→ **Inclusive Digital Governance:** The region’s approach to digital citizenship and youth engagement has a long history of emphasizing public awareness and education over restriction. Uruguay’s “Plan Ceibal” [7] is an early example of this philosophy, integrating technology into the educational system to promote digital citizenship and reduce the digital divide. This proactive, inclusion-driven approach offers a valuable historical counterpoint to the more reactive, prohibitionist tendencies seen in both regions today.

→ **Multi-Stakeholder Engagement:** Several LAC countries have a history of fostering multi-stakeholder governance models, exemplified by Brazil’s Internet Steering Committee ([CGI.br](http://CGI.br)). This model, which formalizes collaboration between government, civil society, the private sector, and academia, can serve as a blueprint for Europe to build more inclusive and resilient governance systems. The region also has a history of extensive public engagement: Documents like Brazil’s Marco Civil (Internet Bill of Rights) and the Goiás artificial intelligence (AI) law were shaped by online consultations that engaged citizens and representatives from multiple sectors.

## Plan Ceibal as a Model for Inclusive Government

While some European countries are enacting national bans on mobile phones in schools, Uruguay's "Plan Ceibal" offers a different model for digital governance. Since 2007, the initiative has provided free laptops or tablets to all public school students and teachers and connected almost all public schools to the internet. The plan integrates technology into the education-

al system to promote digital citizenship and reduce the digital divide, rather than banning devices from schools. It emphasizes education, inclusion, and evidence-based policy over prohibition, a model from which Europe can learn.

## 4. A Nuanced Approach to Foundational Challenges

The LAC experience highlights the need to address fundamental issues of access and inequality before more complex regulatory goals can be fully realized.

- **Bridging Digital Divides:** The persistent digital divide in LAC has been highlighted as a key structural limitation. LAC policymakers must advance foundational infrastructure, support people in acquiring the relevant skills, and address other key resources needed to succeed in a digital environment in parallel with their engagement with AI and platform regulation. Europe can draw lessons from these challenges and varied approaches to address them, ensuring that its own advanced regulatory frameworks do not deepen inequalities in a global context.
- **Intersection of Labor and Technology:** The high level of labor informality in LAC countries has led to a focus on the impact of AI-powered and platforms on gig workers. Initiatives like Chile's "Ley Uber" [8] and Mexico's pilot program for social security for platform workers offers a model for balancing labor flexibility with social protection [9]. Europe can learn from these context-specific approaches to address the growing precarity of digital labor.
- **Pathways to Digital Fairness:** LAC countries' strong tradition of addressing informational asymmetries and platform power through constitutional rights creates a foundation for collaboration on issues like "dark patterns." The EU can benefit from this experience in co-developing design standards and regulatory tools that ensure user autonomy and restore fairness in digital environments.
- **Innovation and Purpose:** In LAC, "emerging" technology is perceived not merely as novelty but as a transformative socio-economic tool in areas such as health, agriculture, and energy – a sentiment exemplified by Brazil's first AI legislation, which was approved by the State of Goiás to promote the development of digital infrastructure and AI-based solutions to local challenges. This framing contrasts with Europe's emphasis on industrial leadership, reminding policymakers that frontier technologies gain legitimacy when explicitly tied to the societal context (including assets and needs) and human rights, agency, and well-being. For the EU, the LAC approach highlights how anchoring innovation in inclusive development can strengthen both governance and resilience.

## The Role of a Multi-Stakeholder Body

Brazil's Internet Steering Committee ([CGI.br](http://CGI.br)), established in 1995, is a pioneering example of a multi-stakeholder governance body. It formally brings together representatives from the government, civil society, the private sector, and academia to make decisions about internet governance. The committee's influence extends to a range of issues, from technical standards

to policy recommendations. It demonstrates a resilient, inclusive, and legitimate approach to managing the internet ecosystem, which can serve as an institutional inspiration for Europe to build more inclusive and resilient governance processes for the AI age.

## 5. Learning Together: From Insight to Action

The EU and LAC are not just different; they are complementary. The EU's strength lies in its institutionalized, comprehensive frameworks, while LAC's lies in its innovative, context-driven, and rights-based approaches. This recognition of "complementary strengths" is the foundation for a new model of digital cooperation – one that goes beyond the one-way transfer of legal norms.

To foster meaningful regulatory learning, both regions must invest in robust infrastructures for collaboration and knowledge sharing. This means creating mechanisms to systematically evaluate, document, and share regulatory experiments across jurisdictions. The diversity of legal traditions and institutional capacities is not a barrier but an asset. Initial findings from HEMISPHERES highlight several key opportunities for cooperation:

### *Framework for Mutual Learning on Data Governance*

Both regions are developing new models for data governance, with the EU advancing coordinated frameworks and LAC experimenting with more context-specific approaches. A joint forum for mutual learning could discuss distinct strategies, and help to forge a shared understanding of how an evolving framework of fundamental rights and data protection can serve as a foundation for data-driven innovation for the public good.

### *"Sandbox Federation"*

Instead of isolated experimentation, the EU and LAC can work towards a "sandbox federation" with shared metrics and a common case library. This would allow for mutual learning, as LAC countries like Brazil and Colombia use sandboxes to inform legal reform, while the EU could share its established regulatory infrastructure.

## Youth and Digital Regulation

A collaborative approach to youth digital safety, promoting children's rights, agency, and well-being is needed, moving beyond restrictive measures like bans [10]. This could include a "EU-LAC Panel on Youth and Digital Regulation," pilot programs to evaluate, for instance, age-based restrictions, bans on smartphone use, screen time limits, or in-app restrictions, or the co-development of learning resources that reflect the lived ex-

periences of young people in both regions. Such an effort would contribute to evidence-based policies to advance digital safety while fostering the inclusion of youth in co-designing a better digital environment.

By seizing this moment, the EU and LAC can co-develop a distinct regulatory path that centers democratic values, social protection, and rights-based governance. This forward-looking alliance offers not just a counterweight to other geopolitical models, but a shared vision for a more inclusive and equitable digital order.

## References

- [1] **European Commission. (September 2024).** The future of European competitiveness, [https://commission.europa.eu/document/download/97e481fd-2dc3-412d-be4c-f152a8232961\\_en](https://commission.europa.eu/document/download/97e481fd-2dc3-412d-be4c-f152a8232961_en)
- [2] **European Commission. (2025, enero 29).** A competitiveness compass for the EU [Comunicación]. European Commission. [https://commission.europa.eu/topics/eu-competitiveness/competitiveness-compass\\_en](https://commission.europa.eu/topics/eu-competitiveness/competitiveness-compass_en)
- [3] **Gasser, U., & Mayer-Schönberger, V. (2024).** On the shoulders of others: The importance of regulatory learning in the age of AI. *Virginia Journal of Law & Technology*, 28(1), 1-14. <https://static1.squarespace.com/static/5e793709295d7b60295b2d29/t/678a8a5fo88d4e6288ea4353/1737132644184/28+Va.+J.L.+%26+Tech+1+%282025%29+Final>
- [4] **Rhizomatica. (s.f.).** Rhizomatica. Rhizomatica. <https://www.rhizomatica.org>
- [5] **Redes Comunitarias. (s.f.).** Jxa'h Wejxia Casil ('Red del Viento'). Redes Comunitarias. <https://redescomunitarias.co/es/jxa-h-wejxia-casil>
- [6] **Agustina Gulman (2025).** Una red comunitaria de wifi para conectar a barrios marginados de Buenos Aires, América Futura, El País América, <https://elpais.com/america-futura/2025-03-25/una-red-comunitaria-de-wifi-para-conectar-a-barrios-marginados-de-buenos-aires.html>
- [7] **Ceibal. (s.f.).** ¿Qué es Ceibal?. Ceibal, Centro de innovación educativa digital en Uruguay. <https://ceibal.edu.uy/>
- [8] **Biblioteca del Congreso Nacional de Chile (BCN). (s.f.).** Ley N.º 21.553 que regula a las empresas de aplicación de transporte remunerado de pasajeros. BCN. <https://www.bcn.cl/leychile/navegar?idNorma=1191380>
- [9] **Diario Oficial de la Federación. (2025, 24 de junio).** [Título del documento no especificado en la consulta]. Gobierno de México. [https://dof.gob.mx/nota\\_detalle.php?codigo=5760936&fecha=24/06/2025#gsc.tab=0](https://dof.gob.mx/nota_detalle.php?codigo=5760936&fecha=24/06/2025#gsc.tab=0)
- [10] **Frontiers in Digital Child Safety Working Group. (2025).** Frontiers in digital child safety: Designing a child-centered digital environment that supports rights, agency, and well-being (S. Cortesi & U. Gasser, Eds.). TUM Think Tank at the Munich School of Politics and Public Policy at the Technical University of Munich, Berkman Klein Center for Internet & Society at Harvard University, and Department of Communications and Media Research at the University of Zurich. <https://tumthinktank.de/en/project/frontiers-in-digital-child-safety>



## INSTITUTIONS

TUM Think Tank | Munich School of Politics and Public Policy | Technical University of Munich

Insights and periodic updates from the HEMISPHERES project will be made available via <https://hemispheres.digital>.

## DISCLAIMER

The content and views expressed in this report represent solely those of the authors and should not be attributed to the TUM Think Tank as an institution or to its affiliated members. The European Research Executive Agency is not responsible for any use that may be made of the information this report contains.

HEMISPHERES is funded by the ERASMUS-JMO-2024-NETWORKS Program.

## SUGGESTED CITATION

Gasser, U., Aguerre, C., Ahmed, A., Archegas, J. V., Arias-Ortiz, W. A., Botero Arcila, B., Bottino, C., Brossi, L., Cala Vitery, F. E., Castillo, A. M., Cortesi, S., Fieseler, C., García Avis, I., Gómez Ayerbe, P., Guio Español, A., Hernández-Serret, J., Hidalgo, C., Lemos, R., Llorens, M. P., ... van de Kerkhof, J. (2025). Inverting the Brussels effect: What the EU can learn from Latin America in digital governance. TUM Think Tank, Munich School of Politics and Public Policy, Technical University of Munich. <https://tumthinktank.de/en/output/inverting-the-brussels-effect-what-the-eu-can-learn-from-latin-america-in-digital-governance>

## CONTACT

tumthinktank@hfp.tum.de  
<https://tumthinktank.de>

## Further Readings

**Datasphere Initiative. (2025).** Sandboxes for AI: Tools for a new frontier. The Datasphere Initiative. <https://www.thedatasphere.org/wp-content/uploads/2025/02/Report-Sandboxes-for-AI-2025.pdf>

**Fetic, L., Niemeyer, D., & Klein, T. (2025).** Wie können KI-Reallabore ihr Potenzial in der KI-Verordnung entfalten? Bedingungen für ein wirksames Instrument eines souveränen und lernfähigen KI-Ökosystems in Europa. appliedAI Institute for Europe. <https://www.appliedai-institute.de/assets/files/Policy-Brief-AI-Regulatory-Sandbox.pdf>

**Guio, A. (2024).** Regulatory sandboxes in developing economies: An innovative governance approach. Comisión Económica para América Latina y el Caribe (CEPAL). <https://repositorio.cepal.org/handle/11362/80496>

**Gulman, A. (2025, 25 de marzo).** Una red comunitaria de wifi para conectar a barrios marginados de Buenos Aires. América Futura, El País América. <https://elpais.com/america-futura/2025-03-25/una-red-comunitaria-de-wifi-para-conectar-a-barrios-marginados-de-buenos-aires.html>

**OECD. (2023).** Regulatory sandboxes in artificial intelligence (OECD Digital Economy Papers, No. 356). OECD Publishing. [https://www.oecd.org/content/dam/oecd/en/publications/reports/2023/07/regulatory-sandboxes-in-artificial-intelligence\\_a44aae4f/8f80a0e6-en.pdf](https://www.oecd.org/content/dam/oecd/en/publications/reports/2023/07/regulatory-sandboxes-in-artificial-intelligence_a44aae4f/8f80a0e6-en.pdf)