



EUROPEAN COMMISSION
DIRECTORATE-GENERAL FOR TRADE

The Director-General

Brussels
TRADE/SW/D2 (2021) 3665388

Dear petitioners,

I would like to thank you for your interest in the EU-Mercosur agreement. Allow me to address the concerns raised in your petition.

First of all, you refer to the fact that the trade agreement is still being negotiated. This is not the case: the negotiations for the trade part of the agreement were concluded in June 2019, whereas those on the political part ended one year later, in June 2020.

Secondly, you express concerns about the fact that this trade agreement would pose a threat to consumer, health and environmental standards. Let me assure you that a high level of health protection (including animal and plant health) is the paramount objective of all EU agriculture and food-related legislation. Any food product imported into Europe must comply with the EU's stringent food safety standards. The EU has a unique and solid system of controls on imported food, and trade agreements do not change either the food safety rules of the EU, or the controls to check whether imports comply with those rules. This includes, for example, the maximum residue levels (MRLs) allowed for pesticides, which are set in EU legislation and apply equally to all food products on the EU market, whether they were produced domestically or imported. The EU-Mercosur trade agreement does not change anything in that respect.

Thirdly, regarding your view that this agreement undermines the precautionary principle, please note, on the contrary, that the agreement reaffirms the 'precautionary principle' and the right of both sides to adopt measures to protect human, animal and plant health, including in situations where scientific information is not conclusive. The Agreement includes the recognition of the precautionary principle in decision-making on environmental matters (see Chapter on Trade and Sustainable Development, Article 10.2). The precautionary principle is also included in the SPS Chapter (Article 11.1.f).

Fourthly, in relation to sensitive agricultural products, the Agreement successfully reconciles the need to make meaningful concessions to our partners with the need to safeguard the interests of European farmers. We have done this by using Tariff Rate Quotas (TRQs), which allow imports at preferential tariff rates up to a limited volume. TRQ volumes in EU FTAs are always carefully calibrated to take account of conditions in the relevant agricultural markets. This agreement is no exception. Concessions on

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sensitive products such as beef, poultry or sugar will only represent a small fraction of EU consumption (1% of each of these markets). Moreover, the agreement will open up new opportunities for competitive EU agricultural exports by removing high customs duties in a highly protected market with an increasing purchasing power. EU products currently subject to high Mercosur tariffs which will be eliminated or significantly reduced under the Agreement include dairy products (28%), chocolates and confectionary (20%), spirits (up to 35%), wines (20%). Thanks to the EU-Mercosur Agreement, some 350 European Geographical Indications (GIs) will also be protected from imitations in the four Mercosur countries, another big opportunity for EU quality agricultural and food products.

Fifthly, the petition argues that the expansion in meat import will negatively impact on deforestation. This is unlikely to be the case, as also recognised in the recently finalised Sustainability Impact Assessment on the EU-Mercosur FTA. For beef, the TRQ granted covers less than the current trade. The main effect of the TRQ should therefore be to relieve this existing trade flow from duties rather than create new trade flows. The small increase of possible additional production is not expected to result in any increase in the area of land used for beef production or could be easily absorbed by an increase in productivity. Moreover, holdings and establishments in the north of Brazil, which includes Amazon forest areas, are not authorised to export to the EU. Due to this, no significant impact on deforestation is expected.

Having said that, I share your concerns as regards deforestation rates in the Amazon region. Past evidence suggests that the most significant factors influencing deforestation rates are public policies and their implementation and enforcement. This Agreement, once implemented, can make a positive contribution in this regard, due to the fact that the EU's ability to influence Mercosur policies and respond on the environmental front will be considerably strengthened. As in other recent free trade agreements concluded by the EU, the Agreement includes an ambitious and enforceable Chapter on Trade and Sustainable Development, which will help ensure that investment and trade relations are not developed at the expense of the environment, but instead foster mutual supportiveness between economic growth, social development and environmental protection.

I trust that you will find some reassurance in the points above.

Yours faithfully,



Sabine WEYAND