



Brussels,
DGA2/SW/AN/alf (2019) 5667552

Dear Petitioners,

Thank you for your petition regarding the EU–Mercosur negotiations which were concluded on 28 June with a political agreement.

The petition raises a number of issues in relation to the agreement. Let me reassure you that the EU negotiators have been aware of these considerations throughout the negotiation process, e.g. due to the many meetings with the European Parliament and civil society and have done their utmost to take them into account. Let me try to address the issues raised in the petition one by one:

- *Higher beef quotas will lead to an increase in production in South America, to an expansion of feedlots and thus to the clearing of forests and savannahs. At the same time, it would increase pressure on European farmers to intensify their production at the expense of animal welfare.*

The EU already imports about twice the amount of beef from Mercosur as that agreed in the quota, most of it subject to full tariffs. Given stable demand for this type of imported beef, we expect that the predominant trend will be to substitute some of the beef imported at the full rate with beef imported at a lower tariff rate under the quota. Therefore we do not expect a significant increase of overall beef imports.

The Mercosur beef quota is also modest in relation to overall EU beef production, in fact just around 1.2%. The agreement includes a safeguard clause that would allow the EU to suspend the trade preferences should there be disruptions or pressure on the domestic beef production.

With regard to animal welfare the agreement will reinforce and upgrade cooperation in this field.

At a more general level, the EU recently affirmed its commitment to tackle deforestation in the Communication on Stepping Up EU Action to Protect and Restore the World's Forests. The proposed trade-related actions in the Communication are consistent with provisions in the EU-Mercosur agreement.

- *Intensified agriculture in South America is often associated with land rights conflicts and human rights violations, including slave labour. The widespread use of agricultural toxins such as glyphosate endangers the health of many people.*

- *Regulations pertaining to non-tariff trade barriers endanger European environmental standards, consumer and workers' rights. The precautionary principle enshrined in the EU is coming under pressure and democratic principles are being betrayed.*

The two sides have agreed to a number of commitments on labour. These include a commitment to respect, promote and effectively implement the internationally recognised core labour standards, as defined by the International Labour Organisation (ILO), including those concerning the elimination of all forms of forced or compulsory labour. The agreement also stipulates that labour and environmental standards should not be lowered for the purpose of attracting trade and investment.

The trade agreement will be part of a larger agreement with Mercosur – a fully-fledged Association Agreement with a substantial political and cooperation part. This wider agreement will be framed by strong commitments to human rights and the rule of law as well as sustainable development. It will furthermore establish mechanisms for political dialogue to engage on these issues with the Mercosur countries.

As regards EU Sanitary and Phyto Sanitary (SPS) standards, these are not negotiable. It is capital to emphasise that EU SPS standards will not be relaxed under this or any other FTA. The EU SPS standards are and will continue to be based on assessment of the risks to human health, including risks arising from residues of pesticides in food. Imported food must meet the same SPS standards as domestically produced products and the Mercosur agreement will not change that.

The market opportunities provided by the Agreement are open to producers of products that are not intensively produced, such as organic agricultural products. The EU is the largest market for such products and can therefore provide opportunities for communities producing environmentally friendly, fair trade or niche products. The EU market is amongst the most demanding in the world in terms of consumer expectations, which are in fact transmitted down the supply chain and that can help drive improvements in practices on the ground.

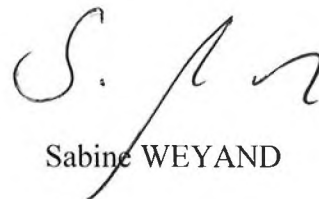
Finally, the trade deal secures and enshrines the right to regulate. The EU will not lower environmental, consumer and workers' rights standards as a result of provisions concerning non-tariff trade barriers in the agreement. These provisions are essentially aimed at avoiding discriminatory practices while fully allowing the EU to regulate at the level of protection it deems appropriate. They will not prevent the EU from, for instance, introducing ambitious legislation on single use plastics. The EU-Mercosur agreement also expressly recognises the right to apply the precautionary principle for both sides. This means that the EU or a Mercosur state can take measures to minimise or avoid a potential risk of environmental harm even if there is scientific uncertainty about such risks.

- *By negotiating behind closed doors, the European Commission seems to be pursuing the same strategy as with the TTIP and CETA agreements, which prompted millions to protest. The EU does not seem to have drawn any conclusions from these protests and, with the Mercosur agreement, is pursuing an equally damaging trade policy.*

The European Commission is fully committed to transparency and has taken major steps over recent years to increase transparency in international negotiations. Since October 2015, all the EU's new text proposals put forward in the EU-Mercosur negotiations have been published online. After each negotiating round the Commission published a report to inform the public about the progress made in the negotiations. The texts of the agreement were published¹ on 12/07/19 exactly two weeks after the political agreement was reached on 28/06/19. The Commission also held regular civil society dialogues to report on the state of play of negotiations.

The EU Mercosur Association Agreement will consolidate a strategic political and economic partnership with a region with which the EU has longstanding ties. It will also represent a reaffirmation of the two sides' multilateral commitments, not only in the field of trade but also in the fields of environment, climate change and labour standards, at a time when the multilateral system is under strain. I believe that the alternative of no agreement would in fact be worse because it would not give the EU such a comprehensive legal framework to engage with partner countries on environment, human rights and labour standards.

Yours faithfully,



Sabine WEYAND

¹ <https://trade.ec.europa.eu/doclib/press/index.cfm?id=2048>