

## The EGP opposes the current direction of EU-Mercosur Agreement talks

1 As Greens, we believe in a global trading system that is based on global justice  
2 and solidarity, shapes globalization for the better, and puts human wellbeing at  
3 its centre while taking into account the biophysical limits of the planet. We can only support  
4 ~~believe in reshaping the~~ EU's trade policy as long as it s in accordance with the Paris agreement,  
5 further ~~towards~~ sustainable development and  
6 ~~stronger~~ human rights protection. We also believe in the need for Europe to tighten its trade  
7 relations with Latin America.

8 Therefore, we are deeply worried by the negotiations between the EU and the  
9 Mercosur countries to conclude an Association Agreement affecting 700 million  
10 people and that would be the world's most ambitious bi-regional agreement. These  
11 negotiations to complete the agreement in principle tentatively announced in  
12 2019 hinge notably a Joint Instrument tabled by the European Commission and the  
13 counterproposal put forward by the Mercosur.

### The expected outcome

14 Even though the texts discussed since the Joint Instrument and the Mercosur  
15 counterproposal ~~(both were leaked) are not public, the final agreement will~~  
16 ~~likely fall short of the EU demands in the Joint Instrument and even fail to~~  
17 ~~meet~~ are not public, both were leaked. Both leaks indicate that the final agreement will likely fall  
18 short of the EU Green Deal requirements and by far not reach the level of ambition shown in the  
19 EU-New Zealand Agreement, ~~which was~~  
20 ~~hailed as the "gold standard"~~. Mercosur countries are steadfast in their  
21 rejection of sanctions or additional requirements related to sustainability ~~requirements~~ and social  
22 standards. **The EU-**  
23 **Mercosur agreement will therefore be incompatible with the European Green Deal**  
24 **and the Sustainable Development Goals. We share the view of Latin American trade**  
25 **unions, CSOs and academia who consider that this Agreement will deepen economic**  
26 **asymmetries, locking Mercosur countries into a development path based on agri-**  
27 **food and mineral exports and hindering economic diversification.**

28 On the EU side, the attempts to pursue the trade agreement have already led to a  
29 **legislative chilling effect.** ~~The long overdue animal welfare review was~~  
30 ~~presumably put on the backburner because it would have impaired imports from~~  
31 ~~Mercosur. In the same vein, the President of the European Commission announced a~~  
32 ~~one-year delay to the Deforestation Regulation, two weeks after bilateral~~  
33 ~~meetings with presidents of Mercosur countries who~~ In a backdoor deal, the European  
34 Commission promised Mercosur countries to postpone the EU Deforestation Regulation for  
35 another year, after they repeated their concerns about  
36 this supposed "trade irritant".

37 The Agreement was opposed by **farmers** during their protests over the winter of  
38 2023-2024 for fear of unfair competition from unmanageable flows of imports.  
39 Despite words of comfort from the political parties in power ahead of the  
40 European election and the recommendations of the recent Strategic Dialogue on  
41 the Future of EU Agriculture calling for a “stronger alignment of imports with  
42 EU food and farming standards” and a fundamental rethinking of agriculture’s  
43 place in EU trade agreements, the EU-Mercosur Agreement has not been adapted  
44 accordingly. EU farmers will be exposed to competition from agri-food products  
45 that do not comply with higher EU sanitary and phytosanitary [as well as minimum social](#),  
46 standards and use  
47 toxic chemicals (fungicides, herbicides, insecticides) banned in the EU. [Adequate controls must be](#)  
48 [in place to protect the health of the consumers](#). Like  
49 [farmers’ organisations](#), we consider that the proposal floated by the Commission  
50 to create a new fund to compensate European [farmers for any negative impact](#) of  
51 the EU-Mercosur agreement is an acknowledgement that the Agreement will indeed  
52 harm farmers. Rather than tackling root causes, the Commission only suggests  
53 that EU taxpayers foot the bill for the benefit of export sectors. [Such an approach is fueling](#)  
54 [farmer's protest and subsequently the far-right in many Member States](#).

55 Since the pandemic and Russia's illegal war of aggression against Ukraine, the  
56 risks of disruption to EU supply chains have become evident, including the EU’s  
57 growing demand for **strategic and critical raw materials**. Most of the world’s  
58 energy transition mineral projects are located either on or near [Indigenous](#)  
59 [peoples’ or peasant lands](#) posing serious risks for human rights-compatible  
60 permitting, consultation, and consent. Mercosur countries have huge reserves of  
61 lithium, copper and other minerals. But the Agreement does not refer to the UN  
62 principle of free, prior and informed consent, or to the UN Declaration on the  
63 Rights of Peasants, or to the United Nations Declaration on the Rights of  
64 Indigenous Peoples. Growing trade in raw materials seriously risks increasing  
65 human rights violations, environmental degradation, including water scarcity and  
66 pollution, and public health issues. Deforestation, which could rise by as much  
67 as [25 per cent due to the Agreement](#), brings the same concerns. [The Mercosur agreement must](#)  
68 [include the protection and preservation of the rainforest and protection of the indigenous people](#).

69  
70 We also have concerns regarding **gender equality and women’s empowerment**. The  
71 [sustainability impact assessment](#) already outlined the “risks to women’s economic  
72 independence” and academic research has projected overall [negative impacts for](#)  
73 [women in the labour market](#).

## Towards the finalization of the deal

74 Over the last months, European Commission negotiators have continued technical  
75 discussions with their South American counterparts, aiming to announce a final  
76 agreement by the end of 2024. To our knowledge, the conditions for fair

77 competition, including for the farming sector, have not been included among the  
78 concrete proposals, or even discussions. The process thus ignores the Strategic Dialogue  
79 Report’s recommendations on agriculture commissioned by the President of the  
80 European Commission.

81 The Greens are alarmed by the possibility that the Commission **splits the**  
82 **Association Agreement** to facilitate the adoption of the Trade part, which  
83 requires a qualified majority voting (contrary to the Political and Cooperation  
84 part subject to the unanimity rule). Such a decision would circumvent the  
85 opposition of some Member States and bypass Parliamentary oversight, running  
86 counter to the 2018 Council Conclusions declaring the Mercosur Agreement as a  
87 [mixed agreement](#).

88 We are also worried about the **rebalancing mechanism** requested by the Mercosur  
89 countries. This demand to be compensated for possible negative externalities of  
90 EU autonomous measures would violate the EU’s strategic autonomy and right to  
91 regulate. It would set a dangerous precedent for future EU trade agreements. It  
92 would also create uncertainty about the future implementation of the Carbon  
93 Border Adjustment Mechanism, which has been fiercely criticized by Mercosur  
94 countries.

95 We **support a closer relationship with Mercosur partners** but based on another  
96 narrative and hinging on other modalities. The Greens in the European Parliament  
97 commissioned a study on [alternative partnerships that put people and planet](#)  
98 first and that can definitively turn the page on the “cows for cars” approach to  
99 trade.

100 **For all the above-mentioned reasons, the European Green Party:**

- 101  **states its opposition to the EU-Mercosur Agreement**
- 102  **calls on member states to withdraw their support to the negotiation**  
103 **mandate given to the Commission [the conclusion of the deal without further consideration of the](#)**  
104 **[national and European discontent compromises the unity of the EU](#)**
- 105  **calls on the European Parliament, the European Council and the Member**  
106 **States to reject this Agreement and refuse its splitting**
- 107  **calls on its national members to stand with civil society organisations**  
108 **against the Agreement**

## Background

On 28 June 2019, the European Commission and Mercosur, the free-trade zone of Brazil, Uruguay, Paraguay, Argentina and Bolivia, reached a **political agreement “in principle”**, 25 years after the start of the talks. The announcement raised many concerns and controversies in Europe.

In an October 2020 [resolution](#), the European Parliament affirmed that “the EU-Mercosur agreement **cannot be ratified as it stands**” because it did not ensure fair competition and lacked a binding and enforceable chapter on sustainable development.

In February 2023, mindful of the concerns about the Agreement, the stance of the EP resolution, and the Commission's own strategy to strengthen labour, environmental and civil society provisions in free trade agreements, the Commission tried to salvage the deal by proposing a **Joint Instrument**. This instrument aimed to clarify and make more concrete the commitments contained in the Trade and Sustainable Development Chapter, including the fight against deforestation, labour and human rights protection, and the effective implementation of the Kunming-Montreal Global Biodiversity Framework.

Mercosur produced its **counterproposal** in September 2023, rejecting the possibility of sanctions in case of violation or failure to respect sustainable development commitments. They also demanded that the Agreement "be equipped with a mechanism to rebalance trade concessions negotiated under the Agreement if these concessions are suspended or nullified due to domestic EU legislation". Since then, EU and Mercosur negotiators have met regularly and hope to conclude talks by the end of 2024.