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Press Release

EU-Mercosur – Exiting Commission opens Pandora’s box of double standards in agriculture.

Today, in Brussels, EU and Mercosur officials reached a final agreement on the bilateral trade deal between the two blocks. A few days ahead of the nomination of the new Commission President, Copa and Cogeca deeply regret the substantial concessions made in the agricultural chapter with Mercosur. Considering the huge difference in production standards, the imports of Mercosur’s agricultural goods will de facto establish double standards and unfair competition for some key European production sectors, putting their viability at stake.

Copa and Cogeca have been supportive of the trade agenda of the European Commission due to its strategic nature and balance approach. However, the deal proposed today with Mercosur countries is different. Both farmer and Cooperative organisations [have campaigned at length](#) to explain all the direct consequences of such an agreement. Nevertheless, substantial concessions have been made in the agricultural chapter especially regarding some of the EU’s most sensitive sectors, such as beef, poultry, sugar, ethanol, rice and orange juice, for which historically high tariff rate quotas have been proposed. Although our GI system has been successfully recognised and access to some processed products has been granted, unfortunately the Commission did not secure enough offensive interests that could have partly minimised the losses in the agriculture chapter. Indeed, agriculture has been the trade-off chapter to facilitate gains in other sectors.

Commenting on the agreement reached today, Secretary General of Copa and Cogeca, Pekka Pesonen said, *“Mr Bolsonaro can praise the work of his negotiation team. From our point of view, it is hard to accept that just a few weeks after the EU elections, the exiting European Commission signs a deal that will encourage a double standards trade policy and widen the gap between what is being asked from European farmers and what is tolerated from Mercosur producers. It is not just economics that is at stake here. It is the triple bottom line of European sustainability: social, economics, and the environment. We call on heads of state and chief of governments to take a strong position by nominating a new Commission President who is able to close this Pandora’s box, protect the EU agricultural sector and respect the EU civil society’s expectations.”*

In the coming months, the Council and the Parliament need to raise their voices and provide the EU farming community with solutions to mitigate the negative impacts of Mercosur. They must do this by providing a stronger budget for agriculture policy, instruments to anticipate market distortions and by monitoring tools to minimise the cumulative impact of ongoing and future trade negotiations. In the coming months, the technical teams from both blocks will work on the details of the agreement. The EU Member States, in the meantime, must mandate the new Commission to ensure that the agreement

includes provisions to prevent backdoor market access and to soften the effect of double standards. It is also very important that the agreement is properly enforced and that it guarantees reciprocity for EU agri-food businesses, in particular EU SMEs. Unlike the EU, which is the leading agri-food importer (€116.6 billion) in the world, Mercosur is not a true single market, it is very protectionist and has many barriers against EU products in place. For example, Brazil is a major supplier of meat to the EU, but imposes restrictions, which are not in line with international rules, on many of our meat products .

In a period during which the new European Parliament is taking office, it is important that MEPs make it clear that there should be no provisional implementation of the EU-Mercosur deal. This is especially important given the severe imbalances in the agricultural chapter of the agreement and the lack of assurances that Mercosur countries will live up to their commitments on the environment and climate change among others.

As Copa and Cogeca has being saying over the past few weeks, Mercosur's negotiation 'endgame' shouldn't spell 'game over' for the EU agricultural production model !

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For further information, please contact:

Daniel Azevedo

Senior Policy Advisor

Azevedo@copa-cogeca.eu

Jean-Baptiste Boucher

Communications Director

+32 2 287 27 90

Jean-Baptiste.Boucher@copa-cogeca.eu
