WHY THE **EU-MERCOSUR FTA** SHOULD BE ADOPTED

EXPECTED GROWTH OPPORTUNITIES

Total trade [1]

EU Imports: +10.6%
EU Exports: +52.0%

Jobs

+ 390,000 in the EU [1]

The agreement will not only improve trade in goods and services, but also protect IP, GIs, increase regulatory transparency and alignments, as well as cooperation on standards.

Productive investments

Freeing €4 billion in tariffs [2]

1. Sustainability Impact Assessment, London School of Economics, March 2021 and Chief Economist Note, European Commission, November 2018 72.7% growth of exports in goods would result in up to 30 billion extra in exports, with an estimated 13,000 jobs liked to every billion in export.
2. EU and Mercosur press release, European Commission, June 2019

TRADE IN NUMBERS

	Trade in goods	Trade in services	Foreign Direct Investment
EU	41.2 billion was exported from EU to Mercosur in 2019 [1]	21.1 billion was exported from EU to Mercosur in 2019 [1]	EU27 headquartered firms invested €114 billion in Mercosur markets, creating 290,000 jobs in Brazil, Argentina, Uruguay and Paraguay [2]
MERCOSUR	35.9 billion was exported from Mercosur to EU [1]	10.8 billion was exported from Mercosur to the EU in 2019 [1]	Mercosur headquartered firms invested €1.7 billion in the EU27, creating 7,000 jobs across the EU [2]

1. Data from Eurostat.
2. Data from FDI Markets.

OPPORTUNITIES FOR SUSTAINABLE DEVELOPMENT

Almost 60% of land mass for Brasil [1] vs. 40% for EU[2], Brazil committed to reforest 12 million hectares by 2030, as co-signatory of the Bonn challenge.[3]

Hydroelectricity and renewable energy represent significant majority shares of the energy mix in Brazil, Paraguay and Uruguay and already a quarter of the energy mix in Argentina

The EU-MERCOSUR agreement:

- includes the most advanced sustainable development provisions ;
- binds both sides to the Paris Agreement;
- protects the environment and the climate;
- wants cooperation to protect human rights and indigenous communities;
- foresees a dispute settlement mechanism to enforce workers rights and environment protection;
- includes a role for civil society organisations.

1. The World Bank, data as of 2018
2. Sustainability Impact Assessment, London School of Economics, March 2021
3. https://www.bonnchallenge.org/

WHAT IS THE EU ALREADY DOING?

Review of existing rules on timber trade and fight against illegal logging.

Upcoming EU legislation on reducing the risk of placing on the EU market of products associated with deforestation and forest degradation.

JOIN US IN SUPPORTING MERCOSUR