

THE EU-MERCOSUR AGREEMENT

A UNIQUE OPPORTUNITY TO FOSTER TRADE AND SUSTAINABLE DEVELOPMENT

FACTSHEET 2. THE AGREEMENT'S RULES ON TRADE AND SUSTAINABILITY

The Agreement encompasses the most important international treaties and instruments regarding environmental and labor issues, and it will play an important role to foster sustainable development.

The EU-Mercosur Agreement goes further on its commitments on sustainable development than other EU agreements. It is the most complete and the most advanced in terms of rules, when compared to the recent agreement concluded by the EU and the UK.

EU's commitments on sustainable development on the EU-Mercosur agreement and EU second-generation free trade agreements

|  EU's commitments on second-generation free trade agreements | EU free trade agreements | | | | | | |
|--|--|---|---|---|---|--|--|
| |  S. Korea |  Canada |  Japan |  Vietnam |  Singapore |  Mexico |  Mercosur |
| Agenda 21 or Rio Declaration on Environment and Development (1992) | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |
| Johannesburg Plan (2002) | ✓ | ✓ | ✗ | ✓ | ✓ | ✓ | ✓ |
| ILO Declaration on Social Justice for a Fair Globalization (2008) | ✗ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |
| UN Outcome Document 'The Future We Want' (2012) | ✗ | ✓ | ✓ | ✓ | ✗ | ✓ | ✓ |
| UN 2030 Agenda for Sustainable Development (2015) and its SDGs | ✗ | ✗ | ✗ | ✓ | ✗ | ✓ | ✓ |
| UNFCCC Convention on Climate Change (1992), Kyoto Protocol (1997), or Paris Agreement (2015) | ✗ | ✗ | ✗ | ✓ | ✓ | ✓ | ✓ |
| Convention on Biological Diversity (1992) | ✗ | ✗ | ✓ | ✗ | ✗ | ✓ | ✓ |
| CITES (1973) | ✗ | ✗ | ✓ | ✗ | ✗ | ✓ | ✓ |
| ILO Declaration on Fundamental Principle at Work (1998) | ✓ | ✓ | ✓ | ✗ | ✗ | ✓ | ✓ |
| OECD Guidelines for Multinational Enterprises | ✗ | ✗ | ✗ | ✓ | ✓ | ✓ | ✓ |
| ILO Tripartite Declaration of Principles (MNE Declaration) | ✗ | ✗ | ✗ | ✓ | ✓ | ✓ | ✓ |
| UN Global Compact, Guiding Principles | ✗ | ✗ | ✗ | ✓ | ✓ | ✓ | ✓ |



Brazil: member of all relevant environmental agreements

Brazil is part of all international environmental agreements mentioned in the EU-Mercosur Agreement. Recently, the country implemented the Nagoya Protocol, an important international agreement for the sustainable use of biodiversity.

The EU-Mercosur Agreement rules to fully implement the commitments on trade and sustainable development



Objectives and scope

Enhance the integration of sustainable development in the Mercosur-EU's bilateral trade and investment relationship, and in a manner that contributes to achieving the SDGs.



Multilateral labor agreements

Mercosur and the EU recognize the need of policy coherence with high level of labor protection, specially by implementing fundamental ILO Conventions and the Declaration of Social Justice for a fair Globalization.



Multilateral environmental agreements

Mercosur and the EU recognize the contribution of trade to sustainable development and the commitment of both blocs to promote and effectively implement multilateral environment agreements.



Trade and climate change, biodiversity and management of forests

The agreement urges both blocs to effectively implement the UN Climate Change Convention, promote instruments to the sustainable use of biodiversity, exchange information and promote trade through sustainable managed forests.



Scientific and technical information

Mercosur and the EU shall ensure scientific and technical evidence when establishing and implementing measures to protect environment and labor conditions. In case there is serious risk to environment or labor, countries may adopt measures based on pertinent information.



Cooperation

A framework for cooperation and information exchange between Parties is part of the Agreement and is a key action to promote sustainability and trade objectives.



Sub-Committee on Trade and Sustainable Development

The Sub-Committee will work as a qualified forum to present, discuss and improve Parties' relations, aimed at fostering win-win outcomes from trade, investments and the sustainable development agenda.



Dispute settlement mechanism

Dialogue, consultations and information exchange are on the dispute settlement mechanism. The agreement defines specific deadlines and procedures for consultations and dispute settlement, with the presence of specialists on the interpretation or application of the chapter.



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