



Delegation for relations with the Mercosur countries

DMER_PV(2010)1025**MINUTES**

of the meeting of 25 October 2010, from 16.30 to 18.00
Brussels

The meeting opened at 16.40 on Monday, 25 October 2010, with Luis Yáñez-Barnuevo García (Chair) in the chair.

1. Adoption of draft agenda (PE 432.135v02-00)

The draft agenda was adopted.

2. Approval of minutes of meeting of 3 September 2010 (PE 432.124v01-00)

The minutes were approved.

3. Chair's announcements

The Chair reminded Members that the report on the visit to Brazil (Brasilia) and Argentina (Buenos Aires) by a delegation working group from 24 to 28 May 2010 had been included in the dossier for the meeting.

The Chair then informed Members that a meeting was held on 28 September 2010 with Ambassador Alberto D'Alotto, Argentinian deputy-minister for foreign affairs and international trade. The Chair added that the discussion had principally focused on the relaunch of talks on the EU-Mercosur Association Agreement.

Lastly, the Chair informed Members that the file for the current meeting also included documents from several organisations representing economic interests linked to the Association Agreement's trade negotiations, namely EUROCHAMBERS, Mouvement des Entreprises de France, BUSINESSSEUROPE and the Brazilian National

Confederation of Industry.

4. **State of negotiations on the EU-MERCOSUR Association Agreement following the 11-15 October 2010 round of talks in Brussels. Exchange of views with:**
- **Brazil's Ambassador to the European Union, H.E. Mr Ricardo Neiva Tavares, on behalf of Brazil's pro tempore Mercosur Presidency**
 - **the Deputy Director-General of DG TRADE at the Commission, Mr João Aguiar Machado**

The Brazilian Ambassador said that the latest round of negotiations had focused on the trade pillar of the Association Agreement, and that progress had been made on the respective legislative texts. The Ambassador added that the parties had started talks with a view to reaching the stage of exchanging offers of access to markets at some later date, still to be decided. On this subject, Ambassador Neiva Tavares emphasised that the only way of reaching the hoped-for agreement was to be realistic and pragmatic when making party-to-party requests.

The Brazilian Ambassador went on to say that the negotiators had agreed on a timetable of meetings up until the end of the first half of 2011 and that the next meeting was due to be held in Brasilia in late November/early December 2010. The Ambassador added that the forthcoming Brasilia round would also include negotiations concerning the political dialogue and cooperation pillars of the Agreement.

Ambassador Neiva Tavares concluded by reaffirming the feeling of optimism emanating from the negotiations and the political determination of both parties to successfully conclude the Agreement.

Mr Aguiar Machado, Deputy Director-General of DG TRADE at the Commission, opened by highlighting the political significance of the relaunch of the Association Agreement negotiations. Referring to the Agreement's economic potential, Mr Aguiar Machado emphasised that, bearing in mind that Mercosur currently had a growth rate higher than that of the EU, the region offered excellent opportunities for European exporters. He added that, despite its current poor growth rate, the EU was an interesting market for Mercosur. Mr Aguiar Machado also added that, given that the EU was negotiating and/or concluding trade agreements with a number of other countries and regions, it was undoubtedly in Mercosur's interests to ensure that it too gained privileged access to European markets.

Mr Aguiar Machado went on to emphasise that the Association Agreement negotiations were in essence complex, since this was the farthest-reaching agreement as yet negotiated by the EU. Furthermore, in addition to the trade pillar, which would lead to creation of the world's largest free-trade zone, the Agreement contained chapters on political dialogue and cooperation.

Mr Aguiar Machado agreed with the Brazilian ambassador on the positive atmosphere and optimism prevailing at the Agreement negotiations, but stressed that these were naturally complex and it was essential to balance the proposals if they were to be successful.

He concluded by saying that the Agreement negotiations should not be taken for granted until they had been completed, but that on the other hand, the parties could not afford to run the risk of shouldering the high political costs of more failed negotiations.

An exchange of views then took place between the guest speakers and Members.

The following spoke: Emilio Menéndez del Valle, Silvia-Adriana Țicău, Catherine Grèze, Luís Manuel Capoulas Santos, Ilda Figueiredo and the Chair.

5. Exchange of views with Mr Dirk Vantghem, director for International Affairs of Eurochambers, and Mr Fernando Puerto, Director of the Brussels delegation of the Spanish High Council of Chambers of Commerce, Industry and Navigation, on the trade negotiations on the EU-Mercosur Association Agreement

Mr. Dirk Vantghem reaffirmed his organisation's support for the Association Agreement, and provided some economic data in support of this position: Mercosur currently had a GDP of EUR 1300 billion, higher than South Korea, India or Russia; a trade agreement with Mercosur would create a free-trade zone of over 700 million people and with an annual trade value of around EUR 100 billion; The EU was the biggest investor in Mercosur, with investments worth over EUR 165 billion, more than the total for EU investments in China, Russia and India.

Mr. Vantghem referred to a number of unresolved matters affecting EU-Mercosur trade relations which needed to be addressed during the negotiations, including customs and non-customs barriers, liberalisation of services and investment, improved access to public tendering and protection of intellectual property. Mr Vantghem concluded by pointing out that the agricultural file should not pose an insurmountable obstacle to the negotiations, since experience showed that it was always possible to find creative solutions to offset possible losses in some European economic sectors.

Mr Fernando Puerto started by saying that the stalling of the WTO's Doha Round negotiations and the implementation of the EU's 2020 strategy were factors favouring conclusion of the Association Agreement. He added that conclusion of the Agreement would strongly boost exports by European small and medium-sized enterprises, which were the backbone of the EU's enterprise sector. This would help the recovery of the European and world economies.

The Chair then gave the floor to Ambassador Neiva Tavares, who stressed the importance of the Association Agreement for increasing investment in both regions. He took the opportunity to emphasise that although overall European investment in Brazil was greater than Brazil's investment in the EU, last year Brazilian investment in the EU exceeded the latter's investment in Brazil.

6. Other business

There was no other business.

7. Date and place of next meeting

The next meeting would be held on 1 February 2011, from 10.00 to 11.30, in Brussels.

The meeting closed at 18.15.

**ПРИСЪСТВЕН ЛИСТ/LISTA DE ASISTENCIA/PREZENČNÍ LISTINA/DELTAGERLISTE/
ANWESENHEITSLISTE/KOHALOLIJATE NIMEKIRI/KATAΣΤΑΣΗ ΠΑΡΟΝΤΩΝ/RECORD OF ATTENDANCE/
LISTE DE PRÉSENCE/ELENCO DI PRESENZA/APMEKLĒJUMU REĢISTRŠ/DALYVIŲ SAŪAŠAS/JELENLÉTI ÍV/
REĢISTRU TA' ATTENDENZA/PRESENTIELIJST/LISTA OBECNOŠCI/LISTA DE PRESEŅAS/LISTÁ DE PREZENTĀ/
PREZENČNÁ LISTINA/SEZNAM NAVZOČIH/LÄSNÄOLOLISTA/DELTAGARLISTA**

Бюро/Mesa/Předsednictvo/Formandskabet/Vorstand/Juhatus/Προεδρείο/Bureau/Ufficio di presidenza/Prezidijs/Biuras/Elnökség/ Prezydium/Birou/Předsednictvo/Předsedstvo/Puheenjohtajisto/Presidiet (*)
Luis Yáñez-Bárnuevo García (P)
Членове/Diputados/Poslanci/Medlemmer/Mitglieder/Parlamendiliikmed/Μέλη/Members/Députés/Deputati/Deputāti/Nariai/Képviselők/ Membri/Leden/Posłowie/Deputados/Deputați/Jäsenet/Ledamöter
Catherine Grèze, Nuno Teixeira
Заместници/Suplentes/Náhradníci/Stedfortrædere/Stellvertreter/Asendusliikmed/Αναπληρωτές/Substitutes/Suppléants/Supplenti/ Aizstājēji/Pavaduojantys nariai/Póttagok/Sostituti/Plaatsvervangers/Zastępcy/Membros suplentes/Supleanți/Náhradníci/Namestniki/ Varajäsenet/Suppleanter
Luis Manuel Capoulas Santos, Ilda Figueiredo, Silvia-Adriana Țicău, Axel Voss

187 (2)
193 (3)
Emilio Menéndez del Valle
46 (6) (Точка от дневния ред/Punto del orden del día/Bod pořadu jednání (OJ)/Punkt på dagsordenen/Tagesordnungspunkt/Päevakorra punkt/Ημερήσια Διάταξη Σημείο/Agenda item/Point OJ/Punto all'ordine del giorno/Darba kārtības punkts/Darbotvarkės punktas/ Napirendi pont/Punt Agenda/Agendapunt/Punkt porządku dziennego/Ponto OD/Punct de pe ordinea de zi/Bod programu schůdze/ Točka UL/Esityslistan kohta/Föredragningslista punkti)

Наблюдатели/Observadores/Pozorovatelé/Observatører/Beobachter/Vaatlejad/Παρατηρητές/Observers/Observateurs/Osservatori/ Novērotāji/Stebėtojai/Megfigyelők/Osservatori/Waarnemers/Obserwatorzy/Observadores/Observatori/Pozorovatelia/Opazovalci/ Tarkkailijat/Observatörer

По покана на председателя/Por invitación del presidente/Na pozvání předsedy/Efter indbydelse fra formanden/Auf Einladung des Vorsitzenden/Εσιμεθε kutsel/Με πρόσκληση του Προέδρου/At the invitation of the Chair(wo)man/Sur l'invitation du président/
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Su invito del presidente/Pēc priekšsēdētāja uzaicinājuma/Pirmininkui pakvietus/Az elnök meghívására/Fuq stedina tač-'Chairman'/ Op uitnodiging van de voorzitter/Na zaproszenie Przewodniczącego/A convite do Presidente/La invitația președintelui/Na pozvanie predsedu/Na povabilo predsednika/Puheenjohtajan kutsusta/På ordförandens inbjudan
Ricardo Neiva Tavares, Ambassador of Brazil to the EU, Presidency Pro Tempore of Mercosur João Aguiar Machado, Deputy Director General, DG Trade, European Commission Dirk Vantyghem, Director International Affairs, Eurochambers Fernando Puerto, Director of the Brussels office, Consejo Superior de Cámaras de Comercio, Industria y Navegación de España

Съвет/Consejo/Rada/Rådet/Rat/Nōukogu/Συμβούλιο/Council/Conseil/Consiglio/Padome/Taryba/Tanács/Kunsill/Raad/Conselho/ Consiliu/Svet/Neuvosto/Rådet (*)
Комисия/Comisión/Komise/Kommissionen/Kommission/Euroopa Komisjon/Επιτροπή/Commission/Commissione/Komisija/Bizottság/ Kummissjoni/Commissie/Komisja/Comissão/Comisie/Komisia/Komissio/Kommissionen (*)
Henrique Henriques, RELEX (F), Carlo Natale, RELEX (F), Timothée Sautter, TRADE (F)
Други институции/Otras instituciones/Ostatní orgány a instituce/Andre institutioner/Andere Organe/Muud institutsioonid/ Άλλα θεσμικά όργανα/Other institutions/Autres institutions/Altre istituzioni/Citas iestādes/Kitos institucijos/Más intézmények/ Istituzzjonijiet oħra/Andere instellingen/Inne instytucje/Outras Instituições/Alte instituții/Iné inštitúcie/Druge institucije/Muut toimielimet/Andra institutioner/organ
Beatriz Porres, Ewa Tomaszewska, European Economic and Social Committee (F)

Други учасници/Otros participantes/Ostatní účastníci/Endvidere deltog/Andere Teilnehmer/Muud osalejad/Επίσης Παρόντες/Other participants/Autres participants/Altri partecipanti/Citi klātesošie/Kiti dalyviai/Más résztvevők/Partecipanti oħra/Andere aanwezigen/ Inni uczestnicy/Outros participantes/Alți participanți/Iní účastníci/Drugi udeleženci/Muut osallistujat/Övriga deltagare																
Constanza Negri Biasutti, Advisor, Eurochambers; Miguel Romero, Embassy of Paraguay; Walter Cancela, Ambassador of Uruguay; Anibal Cabral, Embassy of Uruguay; Luis Henrique Sobreira Lopes, Ronaldo Costa Filho, Luciano Mazza de Andrade; Mission of Brazil; Gabriel Martinez, Gaston Funes, Maite Fernandez, Ivanna Silva, Mission of Argentina; Rhonal Fonseca, Embassy of Venezuela; Orlando Rossi, Parlatino																
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<p>DG PRES DG IPOL DG EXPO DG COMM DG PERS DG INLO DG TRAD DG INTE DG FINS DG ITEC</p>	<p>Donatella Pribaz, INTA</p>
<p>Правна служба/Servicio Jurídico/Právní služba/Juridisk Tjeneste/Juristischer Dienst/Öigusteenistus/Νομική Υπηρεσία/Legal Service/ Service juridique/Servizio giuridico/Juridiskais dienests/Teisės tarnyba/Jogi szolgálat/Servizz legali/Juridische Dienst/Wydział prawny/ Serviço Jurídico/Serviciu Juridic/Právny servis/Pravna služba/Oikeudellinen yksikkö/Rättstjänsten</p>	
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<p>Javier Fernández Fernández, Pedro Valente da Silva</p>	
<p>Сътрудник/Asistente/Asistent/Assistent/Assistenz/Βοηθός/Assistant/Assistente/Palīgs/Padējējas/Asszisztens/Asystent/Pomočnik/ Avustaja/Assistenten</p>	
<p>Francisco Cabral</p>	

- * (P) = Председател/Presidente/Předseda/Formand/Vorsitzender/Esimees/Πρόεδρος/Chair(wo)man/Président/Priekšsēdētājs/Pirmininkas/
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- (M) = Член/Miembro/Člen/Medlem./Mitglied/Parlamendiliige/Μέλος/Member/Membre/Membro/Deputāts/Narys/Képvisező/
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