



2023/0260R(NLE)

7.12.2023

OPINION

of the Committee on Agriculture and Rural Development

for the Committee on International Trade

on the Advanced Framework Agreement between the European Union and its Member States, of the one part, and the Republic of Chile, of the other part (2023/0260R(NLE))

Rapporteur for opinion: Francisco Guerreiro

PA_NonLeg

SUGGESTIONS

The Committee on Agriculture and Rural Development calls on the Committee on International Trade, as the committee responsible, to incorporate the following suggestions into its motion for a resolution:

- A. whereas Chile is the EU's third largest trading partner in Latin America and a strategic long-term trading partner, whose primary exports to the EU are fruit, fish and forestry products;
 - B. whereas the EU-Chile Association Agreement, in force since 2003, has significantly expanded bilateral trade, including in the agri-food sector, making the EU Chile's third largest trading partner, and now needs to be modernised and updated in light of the changed landscape, including by providing mutual benefits for the agri-food sectors in the EU and in Chile, while preserving livelihoods reliant on local agriculture;
 - C. whereas the recent global crises and Russia's war of aggression against Ukraine have emphasised the need for diverse trading partners and reliable food supply chains in variable globalised value chains, as well as the need to make our food system more resilient and capable of autonomously coping with future crises, with more efficient use of inputs; whereas one way to meet this need is to strengthen social, economic and political relations with like-minded partners such as Chile; whereas the EU and its trading partners should design trade agreements so as to maintain food security and sustainable agricultural production for all partners;
 - D. whereas Chile is strengthening its cooperation with the EU on sustainable supply chains for raw materials, including critical raw materials, by developing joint projects and facilitating trade and investment links;
 - E. whereas the Union's trade policy should contribute to raising environmental and animal welfare standards and ensure protection and respect of human rights, particularly indigenous rights, the right to food and water, and the rights of peasants and other people working in rural areas, with the aim of guaranteeing high standards and a level playing field; whereas trade policy should also take into account the importance of extending the protection of geographical indications (GIs) for agri-food products in order to ensure the preservation of the gastronomic authenticity of the two trade partners;
- 1. Welcomes the modernisation of trade relations between the EU and Chile through the inclusion of new sustainability provisions in the trade and sustainable development chapter of the EU-Chile Advanced Framework Agreement (AFA), as well as a review clause to account for changing environmental and social standards and, for the first time, a dedicated chapter on trade and gender equality; notes, however, that the trade and sustainable development chapter lacks sanctions; underscores the need to ensure effective implementation of sustainability provisions; calls on the Commission and the Council to consider dealing with agriculture and food in a dedicated framework in the Union's bilateral and multilateral trade relations;
 - 2. Regrets that, while the AFA requires both parties to implement nationally determined

contributions, neither the Paris Agreement nor International Labour Organization (ILO) conventions fall under the main dispute settlement chapter; notes that the trade and sustainable development (TSD) chapter is only partially in line with the TSD review adopted by the Commission; recognises that the EU-Chile statement on the TSD chapter calls for a review upon the entry into force of the AFA; calls for the inclusion of sanctions for non-compliance to be considered in this planned review; notes that the amended dispute settlement mechanism that secures outcomes and addresses non-compliance is an improvement compared to most free trade agreements previously agreed;

3. Acknowledges the elimination of tariffs on EU exports, leaving 99.9 % of exports tariff-free, which could be favourable for Union producers of high-quality agri-food products; stresses, at the same time, the importance of protecting the EU's vulnerable agricultural sectors through tariff rate quotas (TRQs); welcomes that the TRQs for beef and sheep meat, both sensitive products, no longer include an automatic annual increase, as this is replaced by a fixed amount that will ensure more stable and clearly limited market access for Chilean meat products in the future; calls on the Commission to update its cumulative impact assessment on the impact of all trade deals on the EU agricultural sector and, specifically, to evaluate the agricultural components of the AFA together with concessions under other existing and planned trade arrangements in order to prevent their excessive accumulation;
4. Recognises the efforts made on EU sensitive agricultural products such as meat (beef, poultry, pig and sheep meat), certain fruits and vegetables (e.g. garlic, apple juice, grape juice) and olive oil by imposing limited and controlled access for highly sensitive products using TRQs and excluding sugar and bananas from any trade liberalisation with the aim of protecting EU production; calls for any future or revised trade concessions to be conditional on meeting production standards that offer guarantees equivalent to those of the EU in terms of food safety, sustainability, animal welfare and social conditions;
5. Recognises that the AFA successfully protects a further 216 EU agricultural GIs and 18 Chilean GIs, in addition to the existing agreements on wines and spirits, which protect 1 745 EU GIs for wines and 257 EU GIs for spirits and aromatised wines; calls on the Commission to ensure effective enforcement of GI protection rules for EU products in Chile and to consider expanding the list of protected GI products;
6. Welcomes the inclusion of a dedicated chapter on sustainable food systems (SFS) that promotes bilateral and international cooperation on sustainable food systems, including provisions on animal welfare, in particular mutual commitments to maintain the phase-out of the use of antibiotics as growth promoters, in place in Chile since 2018; urges the Commission to make full use of the cooperation provisions contained in that chapter and to facilitate the exchange of information on innovative farming practices so that its ambition does not fall short of the EU's sustainability efforts in climate change mitigation, biodiversity and environmental protection legislation; points out, however, that the chapter does not go beyond provisions on cooperation;
7. Underlines the need for this agreement and all other free trade agreements signed by the EU to include the single EU entity mechanism, avoiding each Member State having to

sign a protocol to export agri-food products to a third country and thus improving the overall export potential of the agreements and reducing unnecessary burden and costs;

8. Insists that Chilean producers exporting to the EU must apply production standards equivalent to those of EU farmers on food and feed safety and quality, traceability, sustainability, animal welfare and use of veterinary medicinal and phytosanitary products, including antimicrobials; calls on the SFS Sub-Committee to agree on actions to achieve this; calls on the Commission to propose an adequate monitoring framework and to report to the European Parliament in a timely manner on the progress made in applying EU-equivalent production standards to Chilean imports; underlines that a level playing field must become a prerequisite for all trade agreements on agricultural goods in order to protect the interests of European farmers, producers and consumers; asks that mirror measures be duly included in all relevant regulations as the Union upgrades and updates its agricultural standards, including on animal welfare;
9. Commends our Chilean partners for their commitment to cooperate with the EU on critical raw material supplies, which help to increase the EU's resilience in defence, energy, transport and modern digital infrastructure, with indirect benefits for the agricultural sector;
10. Encourages the EU and Chile to consider bilateral or multilateral cooperation in the development of sustainable and environmentally responsible production practices and the exchange of best practices in research, innovation and technological development; welcomes the intention of both parties to exchange expertise on the development and implementation of animal welfare standards; urges both parties to ensure the active involvement of civil society in the implementation of the AFA, in particular through domestic advisory groups; calls on both parties to ensure the swift establishment of effective and balanced domestic advisory groups and to ensure that their views are taken into account in a transparent manner in the government-to-government consultations provided for in the AFA.

**ANNEX: ENTITIES OR PERSONS
FROM WHOM THE RAPPORTEUR HAS RECEIVED INPUT**

The rapporteur declares under his exclusive responsibility that he did not receive input from any entity or person to be mentioned in this Annex pursuant to Article 8 of Annex I to the Rules of Procedure.

INFORMATION ON ADOPTION IN COMMITTEE ASKED FOR OPINION

Rule 58 – Joint committee procedure Date announced in plenary	19.10.2023
Date adopted	7.12.2023
Result of final vote	+: 22 -: 4 0: 5
Members present for the final vote	Mazaly Aguilar, Clara Aguilera, Carmen Avram, Benoît Biteau, Franc Bogovič, Daniel Buda, Asger Christensen, Ivan David, Jérémy Decerle, Herbert Dorfmann, Luke Ming Flanagan, Francisco Guerreiro, Martin Häusling, Martin Hlaváček, Camilla Laureti, Gilles Lebreton, Norbert Lins, Colm Markey, Marlene Mortler, Ulrike Müller, Juozas Olekas, Bert-Jan Ruissen, Anne Sander
Substitutes present for the final vote	Claude Gruffat, Peter Jahr, Gabriel Mato, Dan-Ștefan Motreanu, Michaela Šojdrová, Thomas Waitz
Substitutes under Rule 209(7) present for the final vote	Vlad Gheorghe, Eric Minardi

FINAL VOTE BY ROLL CALL IN COMMITTEE ASKED FOR OPINION

22	+
ECR	Mazaly Aguilar, Bert-Jan Ruissen
ID	Gilles Lebreton, Eric Minardi
PPE	Franc Bogovič, Daniel Buda, Herbert Dorfmann, Peter Jahr, Norbert Lins, Colm Markey, Gabriel Mato, Marlene Mortler, Dan-Ștefan Motreanu, Michaela Šojdrová
Renew	Asger Christensen, Vlad Gheorghe, Martin Hlaváček, Ulrike Müller
S&D	Clara Aguilera, Carmen Avram, Camilla Laureti, Juozas Olekas

4	-
ID	Ivan David
PPE	Anne Sander
The Left	Luke Ming Flanagan
Verts/ALE	Benoît Biteau

5	0
Renew	Jérémy Decerle
Verts/ALE	Claude Gruffat, Francisco Guerreiro, Martin Häusling, Thomas Waitz

Key to symbols:

+ : in favour

- : against

0 : abstention