



**EUROPEAN COMMISSION**

Directorate-General for Trade  
 Directorate-General for Employment, Social Affairs and Inclusion

Brussels, **01 OCT. 2018**  
 DDG.2 Art. 4(1)(b) (2018)5560397

Dear Secretaries General Art. 4(1)(b),

Thank you for sharing with us your joint statement of 26 July 2018. We take note of your concerns regarding the EU-Mercosur trade negotiations and we would like to share with you a few considerations that may help us find a way forward.

The European Commission has taken all possible steps to achieve the highest standards in transparency for FTAs. Such steps include publication of proposals on our website, dedicated meetings with stakeholders, as well as frequent civil society meetings including with Mercosur Chief Negotiators. For instance, the most recent civil society meeting was organised on 6<sup>th</sup> September.

As regards proposals, in line with the Commission's transparency policy, all proposals tabled by the EU since the relaunch of negotiations in 2016 can be consulted on DG TRADE's transparency portal: <http://trade.ec.europa.eu/doclib/press/index.cfm?id=1769>. In addition to this you can find there reports of the negotiation rounds, reports of previous meetings with the civil society and information and documents related to both finalised and ongoing impact assessments. A dedicated web page has also been created for this negotiation, with useful information on the expected benefits of an agreement with Mercosur: <http://ec.europa.eu/trade/policy/in-focus/eu-mercosur-association-agreement/>.

With regard to the substance of the negotiations, we would like to assure you that our aim is to achieve an ambitious, balanced and mutually beneficial agreement taking into account sensitivities on both sides, reflecting the concerns of all citizens and stakeholders, including Trade Unions. We have almost concluded the negotiation of an ambitious trade and sustainable development chapter, which will include binding commitments on ILO fundamental Conventions as well as provisions to avoid a "race to the bottom" on environmental and labour protection standards. As you know, the trade agreement is moreover part of a broader Association Agreement, which also provides for dialogue on governance issues such as human rights, the rule of law as well as cooperation on many topics including on environmental or labour issues.

As with all trade negotiations, a Sustainability Impact Assessment (SIA) is currently being carried out by an independent contractor. The SIA will make a broad assessment of any likely economic, environmental, social and human rights impact of an agreement

Art. 4(1)(b)

European Trade Union Confederation  
 Bld du Roi Albert II, 5, B - 1210 Brussels

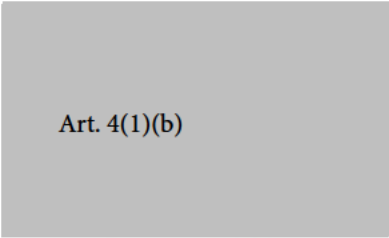
Art. 4(1)(b)

with Mercosur and cover the various issues that you raise. An important aspect of the SIA process is stakeholder consultation, wherein civil society organisations and members of the public are able to participate in dialogues with the negotiators and to respond to questionnaires about the negotiation and its likely impact on their area of concern. Please see <http://www.eumercosursia.com/> for more information.

I would also like to address the proposal for a Labour Forum that we discussed in early 2017. As we already indicated to you in our letter of 5 March signed by the Directors General of DG Trade and DG Employment, our view is that this Forum could be useful as a platform for dialogue with the European Commission and Mercosur governments. We also clarified that such a Forum would be effective only if it were to be complementary to the institutions already foreseen in the Agreement (Domestic Advisory Groups, Civil Society Forum) and open to employers' organisations. This is why we encouraged the labour representatives of both parties to take the initiative to set it up. After that, we are committed to reflect upon ways to support its proper and efficient functioning. We renew our willingness to discuss a possible way forward once we receive a concrete proposal.

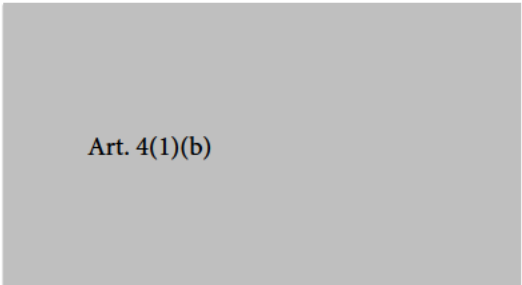
Finally, we would like to underline that as set out in the "Trade for All Communication" and underlined by Commissioner Malmström the European Commission is committed to a fair and rule based trade system with high standards, which includes establishing a level playing field for labour rights and working conditions and which reflects shared values. The negotiation of the EU – Mercosur Association Agreement is an important opportunity for us to achieve this objective with an important and valued international partner and we will remain strongly committed to trying to achieve this objective. We welcome the active interest that the CCSCS and the CES have taken in this negotiation and trust that you will continue to participate and provide input to the process.

Yours sincerely,



Art. 4(1)(b)

Sandra GALLINA  
EU-Mercosur Chief Negotiator  
DG Trade



Art. 4(1)(b)

Jordi CURELL GOTOR  
Director  
DG Employment, Social Affairs and  
Inclusion