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All redactions are based on Article 4.1(b)

Dear

Thank you for your interest in and support for the EU-Mercosur negotiation. An ambitious, comprehensive and balanced agreement between the EU and Mercosur is in the interests of both sides. For EU companies, such an agreement would bring significant gains in the agricultural, industrial and services sectors, as well as increased access to a large public procurement market.

The Commission is aware of the importance of services in general and the need to obtain the best possible outcome as regards both services and public procurement with Mercosur. The Commission has taken careful note of the priorities set out in your letter.

The EU is committed to negotiate modern disciplines in the various areas of interest for the EU, such as telecommunications, postal services, financial services or e-commerce. The agreement will thus include regulatory provisions facilitating trade in services for those sectors. With respect to market access, the EU is equally committed to obtaining a deal that significantly improves the legal certainty of EU companies operating in Mercosur, as compared to the current concessions of the Mercosur countries under the GATS agreement. Some areas, such as maritime transport, are indeed quite sensitive for Mercosur, but we trust that the agreement will also include meaningful commitments in this field. Our partners are fully aware of these expectations. The EU is also seeking improvements on other aspects of Mercosur's services and the procurement offers, but we need to bear in mind the limitations imposed by the fact that Mercosur is very defensive in trade in services.

Receiving input from stakeholders is an essential part of the negotiating process, and we thank you for your contributions.

Vours sincerely

Cecilia Malmström

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