

Brussels, 18 January 2019

OPEN LETTER

Dear Commissioner for Trade,

Dear Ms Malmström,

We as members of the European Parliament, are extremely worried by the ongoing negotiations to conclude an EU-Mercosur Association Agreement with a comprehensive trade pillar.

After the assumption of the Brazilian presidency by Mr Jair Bolsonaro, on January 1, 2019, we are faced with a political and economic approach by the leading government inside the Mercosur, which is not compatible with European values and with the urgent need to save our planet.

We have carefully monitored President Bolsonaro's public statements, and we are closely following the first decisions taken since taking office, as well as assessing the members of cabinet he has chosen.

We have grave concerns over the implications of all of these, and this is why we are addressing this Open Letter to you.

First, we are concerned about the executive order put forward by President Bolsonaro which would transfer the regulation of indigenous reserves to the agricultural ministry. The land reform is stopped. This would mean that 4.5 million small peasants will wait in vain to get access to land, and that any agricultural trade between Mercosur and the EU is most possibly jeopardising indigenous lands. Further, the appointment of Ricardo Salles as environment minister is particularly worrying, considering that he was found guilty of "administrative impropriety" after altering maps on environmental protection measures to benefit mining companies in 2016. This is before we even mention Mr Bolsonaro's clear and stated disdain for women, minorities such as the LGBTIQ+ community, his disregard for labour rights- the list goes on.

The Amazon rain forest and the Cerrado area, both highly important biospheres, are being further cleared, not at least via illegal logging, and sold out for the implantation of soybean and other monocultures deemed for export.

We do not want European business to be implicit in the further exacerbation of land conflicts, displacement of indigenous people and local small peasant families. We do not want to increase the climate crisis through the exploitation of the Mercosur block, in particular Brazilian biodiversity and water. Further clearance of forests and concentration of land in the hands of very few wealthy national as well as European investors must be stopped.

This is why we urge you to immediately halt the negotiations for an EU-Mercosur Association Agreement with the current government in Brazil.

In more general terms we had strong reservations concerning the continuation of negotiations on a basis of a completely outdated mandate for years- you know, as we do, that the mandate for EU-Mercosur negotiations stems from the last century and was adopted by the Council almost 20 years ago, back in 1999.

In the 21st century, any negotiation of a trade agreement or an agreement containing a trade pillar with third countries must reflect the challenges we face worldwide and contribute to curb or delete them.

Particularly regarding environmental concerns, less than a month ago, politicians and experts from all over the world met in an EU Member State, in Katowice, at the COP 24, because of the urgent need to adopt a Rule Book for the implementation of the Paris Climate Agreement. In the same month, December 2018, the European Commission published a Road Map in which it announced to “step up European Action against Deforestation and Forest Degradation”¹. This Road Map shall precede a Commission Communication in the second quarter of 2019, which should “develop a more coherent and comprehensive approach to the problem”.

In its own words, the Commission explains the need for such an action as follows:

This initiative aims to present an integrated EU approach to combat deforestation, protect forests and promote sustainable supply chains.

Deforestation is a major global problem, leading to biodiversity loss, climate change and poverty.

*The causes are many and complex, though increased production of commodities such as soy, beef, palm oil, coffee, and cocoa drives almost 80% of all deforestation.*²

If the EU Commission takes its own analysis seriously, it cannot follow a strategy of opening markets at any cost. It cannot just pay lip service with non-binding texts and enable the opposite in practice through open trade channels. The conclusion of an EU-Mercosur Association Agreement in its current terms would be in **full contradiction** with EU efforts to stop further deforestation and forest degradation.

Instead of continuing these negotiations, the EU Commission and all EU institutions must use, through its diplomatic channels and foreign relations, all kinds of agreements, including trade agreements, to establish limits to further plundering of natural resources and endangering sustainable development. European investment and European business presence in third countries must be bound by tight rules and monitored, and infractions of environmental and climate imperatives must be sanctioned, for the survival of our planet. Imports from third countries must undergo a legal and mandatory sustainability check. All of this must be spelt out in the mandate for such agreements and in the agreements themselves.

All of this leads us to an urgent request to you to put an immediate halt to the negotiations for an EU - Mercosur Association Agreement. Furthermore, we consider that modern trade agreements must be put on a completely different foundation. We firmly hope that you will address our first demand as a matter of urgency, and then proceed to adapt trade policy to the current challenges and threats we are faced with worldwide.

We are happy to get a swift answer from you on this urgent matter.

¹ https://ec.europa.eu/info/law/better-regulation/initiatives/ares-2018-6516782_en

² https://ec.europa.eu/info/law/better-regulation/initiatives/ares-2018-6516782_en

Best regards,

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