

Brussels,
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Honourable Members of the European Parliament

Mr Helmut Scholz, Member of INTA Committee and Coordinator for GUE/NGL

Mr Xabier Benito Ziluaga, Vice-President of the Delegation of the European Parliament for the relations with Mercosur

Ms Anne-Marie Mineur, Member of the INTA Committee

Mr Stelios Kouloglou, Member of the INTA-AFET Delegation to the P20 in Buenos Aires

Ms Lola Sanchez Caldentey, Member of the INTA Committee

Ms Eleonora Forenza, Member of the INTA Committee

Mr Emmanuel Maurel, Member of the INTA Committee

Mr Patrick Le Hyaric, Member of the INTA Committee

Dear Honourable Members,

Thank you for your letter of 15 November 2018, that I have been asked to reply on behalf of the President of the European Commission, in which you share your concerns about the recent presidential elections in Brazil and the declarations of President-Elect J. Bolsonaro.

First, let me clarify that the EU is not negotiating solely with Brazil but that we are engaged in a negotiation for a bi-regional Association Agreement between the EU and Mercosur as a regional organisation, comprising Brazil, Argentina, Uruguay and Paraguay as full members. This Agreement is of high economic value and strategic political relevance to the EU and the EU remains committed to the successful conclusion of an ambitious, balanced and mutually beneficial agreement.

This Agreement would bring stronger commitment between the EU and Mercosur on numerous issues of global and regional interest, such as sustainable development, climate change, environmental protection, security and human rights. The EU and Mercosur would not necessarily be able to develop a common approach and regular dialogue on these important topics without this Agreement. We should also expect significant economic gains from reducing existing very high tariff and non-tariff barriers. The Agreement will also create new investment opportunities and

strengthen bilateral ties between the EU and the Mercosur countries, promoting growth and improving living standards.

The Association Agreement will include a chapter on Trade and Sustainable Development, ensuring that investment and trade relations are not developed at the expense of the environment and labour rights, fostering complementarity between economic growth, social development and environmental protection. Furthermore, the Agreement will include specific provisions, reaffirming the Parties' commitment to the objectives of UNFCCC and Paris Agreement. The Agreement sets up new cooperation against climate change, promoting low-carbon technologies and energy efficiency.

With respect to the election of Mr. Bolsonaro and his campaign statements, the European Commission trusts that the President-Elect will work with the country's institutions, in particular the Congress and all relevant internal stakeholders in full respect of the Brazilian constitution and its international commitments, including in the area of human rights, climate change and biodiversity, to further consolidate the democratic, economic and societal development of Brazil to the benefit of all its citizens.

The EU and Brazil have a longstanding strategic partnership on bilateral and multilateral issues, including on trade, environmental protection and human rights. There are regular exchanges on topics relating to the conservation of forests in the high-level dialogues on the environmental dimension of sustainable development and on climate change. Furthermore, the EU is a long-time supporter of projects in Brazil on the protection of the environment, deforestation, sustainable agriculture and protected areas. The EU stands ready to continue to strengthen this partnership, bilaterally but also in the context of an EU-Mercosur Association Agreement. We believe that we can do better so by having Brazil as a partner and party to a comprehensive EU-Mercosur Agreement covering both political as well as trade issues.

Yours sincerely,

Federica Mogherini