



# European Union Mercosur Agreement



The Association Agreement between the European Union (EU), excluding: Iceland, Liechtenstein, Norway and Switzerland; and MERCOSUR (Argentina, Brazil, Paraguay and Uruguay) revitalizes trade between the two blocs and involves cooperation, political dialogue and investment. It will provide access to a market of almost 800 million people, on both sides of the Atlantic.

Economic and trade growth is expected; this would benefit the agriculture sector in MERCOSUR countries and the industrial sector in the EU. The agreement also includes measures related to other areas such as sustainability and the environment.



**USD 25 000  
millions**

**20%**  
of the  
Global GDP

**37%**

GLOBAL  
EXPORTS OF GOODS  
AND SERVICES

**778 million  
people**

BOTH REGIONS  
CONCENTRATE 10%  
OF THE GLOBAL POPULATION

**+200**

PROTECTED  
GEOGRAPHICAL  
INDICATIONS FROM  
MERCOSUR



Hilton quota  
**+ 45,000 T/year**

Exports of quality bovine meat to the EU permitted per year from the MERCOSUR countries to the European Union

**20%** → **0%**  
CURRENT  
TARIFF      TARIFF WITH  
AGREEMENT

**82%**

Products liberalized  
upon the agreement's  
entry into force



AGRICULTURAL EXPORTS FROM  
MERCOSUR TO THE EU IN 2018

**+ USD 19 Billion**

**48%** FOOD  
BEVERAGES  
TOBACCO

**38%** VEGETABLES  
SOY  
COFFEE

**14%** MEATS  
ANIMAL  
PRODUCTS

## IMPLICATIONS



**USD 36.500**  
GDP per  
capita 2018

No  
tariffs  
92% of  
products

Increase in  
direct  
investment

Common  
standards  
SPS

Elimination  
of technical  
barriers



## Timeline

Negotiation process was 20 years old and has yet to be ratified by the different parliaments and the European Council

