Council of the European Union

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NOTE

From:	General Secretariat of the Council
To:	Delegations
Subject:	Negotiation of the Association Agreement between the European Union and Mercosur - Information from Austria, Bulgaria, Cyprus, France, Greece, Hungary, Ireland, Poland, Romania, Slovakia and Slovenia

Delegations will find in Annex a note on the above subject as supported by the delegations from Austria, Bulgaria, Cyprus, France, Greece, Hungary, Ireland, Poland, Romania, Slovakia and Slovenia delegations to be presented under "Any other business" at the Council ("Agriculture and Fisheries") on 12 June 2017.

ANNEX

Note concerning the negotiation of the Association Agreement between the European Union and Mercosur

Supported by the delegations from Austria, Bulgaria, Cyprus, France, Greece, Hungary, Ireland, Poland, Romania, Slovakia and Slovenia

The Commission proceeded in May 2016 with a new exchange of offers with Mercosur, and held on this basis several negotiating rounds, including the last one in March 20-24th. An information meeting with Member States' experts took place on April 4th.

While preparing the offer to Mercosur in April 2016, Members States asked for an impact assessment of this negotiation as well as an analysis taking into account all the concessions which have been already offered in the ongoing negotiations. The Commission's study on the Cumulative economic impact of future trade agreements on EU agriculture, published last November, confirmed the risks that this highly sensitive negotiation presents for EU agricultural sectors.

At the same time Member States emphasized the need to proceed stage by stage, and to carefully plan the sequencing of the negotiation in order to ensure at each phase commitments of all parties and sufficient balance between each offer and the protection of sensitive sectors.

This process has to be carefully respected. Austria, Bulgaria, Cyprus, France, Greece, Hungary, Ireland, Poland, Romania, Slovakia and Slovenia, consider that any negotiation should have regard to the necessary association of the Member States and loyal cooperation in accordance to article 207 of the Treaty on the Functioning of the European Union and to the negotiating directives. We continue to request that the Commission engages in an in depth dialogue with Member States.

The respect of the close association of Member States is the sine qua non condition for the full acceptance of the agreements negotiated by the Commission on behalf of the Council and its members, particularly in the light of the recent difficulties encountered on the TTIP, CETA, and of the recent decision of the Court of Justice of the European Union on the Singapore Free Trade Agreement. The sensitivity of trade negotiations for European and national parliamentarians and for civil society as a whole must encourage us to ensure that they can accept the balance of concessions and gains achieved, taking particular account of sensitive sectors.

As a consequence, Austria, Bulgaria, Cyprus, France, Greece, Hungary, Ireland, Poland, Romania, Slovakia and Slovenia request that negotiations with Mercosur further proceed only after an assessment by the Agricultural Council of the current and prospective balance between any proposed offers and commitments of the two parties, based on:

- **the provision of a comprehensive report to the Council on the latest discussions;**
- **the provision of a report on any offers made by third party partners, the consolidated texts for all chapters of the negotiation, as well as the Commission's responses to the remarks and questions already submitted by Member States;**
- **a technical meeting on agricultural issues, enabling a thorough discussion among Member States on all agricultural subjects, including on the EU tariff offer.**