



Brussels, May 17 2021

Dear Executive Vice-President Dombrovskis,

Subject: Concerns over EU Mercosur trade agreement

Ahead of the Foreign Affairs Council on trade we want to bring to your attention the widespread opposition that the EU-Mercosur free trade agreement faces from citizens, civil society groups and beyond. On March 15 more than 450 organisations joined forces and launched the <a href="Stop EU-Mercosur coalition">Stop EU-Mercosur coalition</a>. This coalition includes civil society organisations from both the EU and Mercosur countries and represents a wide range of perspectives including farmers, animal rights advocates, trade unions, environmental and climate protection organisations, human rights groups and many more.

We are seriously concerned that plans to ratify this agreement have not been stopped yet. The EU-Mercosur free trade agreement is 'in direct opposition to climate action, food sovereignty and upholding human rights and animal well-being'. As a broad civil society coalition we say in our statement: 'The trade deal will destroy livelihoods in both Europe and in South America, hurting family farms and workers. Trading agricultural commodities for polluting cars, the deal poses an imminent threat to industrial jobs in Mercosur countries. It perpetuates the path dependency of South American economies as cheap exporters of raw materials obtained through destruction of vital natural resources rather than fostering the development of sound, diversified and resilient economies.'

All across Europe, citizens are worried about this deal. A <u>poll</u> conducted by YouGov amongst European citizens in 12 countries found that 75% of citizens want 'to halt the EU-Mercosur trade agreement until Amazon deforestation is stopped'.

Furthermore a number of governments share the widespread criticism and have made it clear that they would not ratify the EU-Mercosur free trade agreement.

We are aware of the attempts to save this deal with protocols or annexes, but those instruments cannot fix the manifold and structural problems of this agreement whose main aim is to increase exports in products that contribute to increased deforestation, greenhouse gas emissions and human rights violations. Moreover, recent developments, specifically in Brazil, are proof of the fact that **any sustainability safeguard** (in relation to deforestation, climate change, human rights) **agreed on paper in an annex or protocol is contradicted and undermined by what is happening on the ground** and make such provisions meaningless.

1. Currently, the Brazilian government continues to act in a way that clearly contradicts respect for human rights, the protection of Indigenous People and internationally agreed goals on environmental and climate protection. They recently pushed ahead with legislative proposals that pose a great threat to Indigenous People and the environment in Brazil. The respective legislative package is composed of several proposals: mining on indigenous lands (Bill No. 191/2020, proposed by the House of Representatives); environmental licensing (Bill No. 3729/2004 and addendums, currently in the House of Representatives, and Senate Bill No. 168/2018); and land tenure regularization (Bill No. 2633/2020 in the House of Representatives, and Bill No. 510/2021 in the Federal Senate). These bills would open up Indigenous territories for the exploitation of mineral resources, oil and gas and for the construction of large hydro dams, legalise land grabbing and





facilitate the destruction of nature by weakened licensing procedures. On 15 March, 255 civil society organisations appealed to the President of the Brazilian Congress to stop these projects.

- 2. Besides efforts to weaken environmental regulations, Brazils government has accelerated the **dismantling of its environmental protection agencies**. This year's budget allocation for the Ministry of the Environment dropped 24% compared to 2020 and is the lowest in 20 years[1]. This reduction was approved just one day after the US Climate Summit where Brazil's President Jair Bolsonaro actually vowed to double environmental spending[2].
- 3. The massive budget cuts and rapid dismantlement of environmental protection agencies occur amid **skyrocketing deforestation rates and fires** in the Amazon and other biomes. High rates of deforestation have continued with an increase of 34% in the last two years[3]. In addition, the latest report by Global Forest Watch shows that Brazil leads the world in primary forest loss, which increased by 25% in 2020 compared to the year before. A recent study also found that fines for illegal deforestation dropped by more than 70% during the pandemic[4]. These forests are vital as carbon sinks in regulating the global climate, as well as for their irreplaceable ecosystems.
- 4. The budget reductions will also impact the monitoring of pesticide contamination. Brazil already has the world's highest consumption of agrochemicals which has resulted in significant environmental contamination with detrimental effects on biodiversity[5] as well as the health of the Brazilian population one person dies every two and half days from direct intoxication from agricultural chemicals[6]. 44% of the pesticide substances registered in Brazil have been banned in the EU. In 2019 alone, the Bolsonaro administration approved 474 new pesticides for use[7]. Against this backdrop it is alarming that the EU Mercosur trade deal will significantly increase the export of dangerous toxic substances from the EU to Brazil. This is in strong contradiction with the European Green Deal aim to reduce the use of pesticide with 50%.
- 5. Similarly alarming is the judicial harassment from Bolsonaro's government against indigenous organizations and leaders. Recently, Sonia Guajajara head of Brazil's largest indigenous umbrella organization APIB, and another indigenous leader, Almir Suruí, were summoned by the Federal Police following a request by the Brazilian government's indigenous people affairs office (Funai) due to their public criticism and denounces against the Federal Government's lack of action to protect indigenous people and their rights, especially during the Covid-19 pandemic[8]. The persecution of indigenous leaders come at a time where environmental defenders and women human rights defenders (WHRDs) indigenous and quilombola communities face increased attacks for standing up for their rights and territories.
- 6. Brazil is also going into the opposite direction when it comes to their climate ambitions. It weakened its NDC targets and lacks updated goals to cut emissions by 2030. As such Brazil is breaking with the Paris Agreement's requirement that each successive NDC should represent a progression beyond the current one[9].

The EU Mercosur Agreement will primarily increase trade in products that have significant adverse impacts on climate, the environment and local communities and promotes the interests of economic sectors that have been defined by the Intergovernmental Panel on Climate Change (IPCC) and the World Biodiversity Council (IPBES) as clear drivers of the climate and biodiversity crisis.





We therefore strongly believe that a separate additional annex on sustainability in the EU Mercosur Agreement will not curb or stop the environmental setbacks and human rights violations that occur on the ground in Brazil. Moreover, a recent **legal study** commissioned by MISEREOR, Greenpeace and CIDSE found that **neither protocols nor interpretative declarations are enough to fix the problems of this agreement**[10].

Therefore, if the EU wants to be coherent with the Paris Agreement and the European Green Deal, it cannot proceed with the ratification of this trade agreement.

Citizens across Europe are taking actions in European and South American cities to hold you accountable and ask you to take this deal off the table. Civil society and citizens are closely watching you and we will not allow you to pass an agreement that goes directly against the people and the planet. If you want to improve trade relations between the EU and Mercosur we ask you to stop this agreement and instead re-open negotiations based on a new mandate that puts people and planet first and addresses the structural imbalances between our economies instead of deepening them.

Sincerely

Martin Konecny

Seattle to Brussels Network

- [1] https://www.oc.eco.br/en/passando-a-boiada-o-segundo-ano-de-desmonte-ambiental-sob-jair-bolsonaro/
- [2] https://news.mongabay.com/2021/04/bolsonaro-abandons-enhanced-amazon-commitment-same-day-he-makes-it/
- [3] https://news.mongabay.com/2021/02/brazil-guts-agencies-sabotaging-environmental-protection-in-amazon-report/
- [4] https://www.sciencedirect.com/science/article/pii/S000632072100046X?via%3Dihub
- [5] https://news.mongabay.com/2019/08/half-a-billion-bees-dead-as-brazil-approves-hundreds-more-pesticides/
- [6] https://www.pan-europe.info/press-releases/2019/05/pesticide-intoxication-brazil-and-eusdouble-standards
- [7] Report HBF on Mercosur Pesticides.pdf
- [8] https://www.reuters.com/article/brazil-indigenous-idUSL1N2MQ2GU
- [9] https://climateactiontracker.org/climate-target-update-tracker/brazil/
- [10] https://www.cidse.org/2021/05/03/eu-mercosur-trade-agreement-no-protection-of-environment-and-people-without-renegotiations/