

PRESS RELEASE

Brussels, 20th April 2016

The EU should seek Mercosur's commitment to the prompt removal of the existing SPS and non-tariff barriers impeding EU agri-food exports to Mercosur in parallel of the exchange of offers that will take place in May 2016.

As the European Commission intends to exchange tariff offers with Mercosur in May 2016, CELCAA, the European Umbrella association representing the trade in agricultural commodities, urges the Commission to secure a commitment on running parallel negotiations to promptly removed SPS and non-tariff barriers that impede EU agri-food exports. Celcaa also calls for agricultural sensitive products to be excluded from the full liberalization of the market access negotiations.

Mitigating the current non-tariff barriers are paramount for the European agri-food trade sector to benefit from the trade. There is a long list of existing non-tariff barriers that the EU currently faces when exporting to Mercosur countries. These measures are also very diverse and include: the Brazilian costly, long and burdensome administrative measures to approve exporting plants dealing with animal product or length of the market processes to accept labelling and packaging; the BSE ban is not effectively lifted in Brazil; the lack of reciprocity concerning pre-listing system for the approval of food establishments; the Argentinian prior importers' declaration process of animal products, which can be considered as protectionist measures; some wine labeling requirements which are not in line with international standards. As Brazil is one of the fasted growing markets for fruit and vegetables in the aftermath of the Russian Embargo, a new deal with Mercosur could improve the competitive position of EU fresh produce to these markets, provided that SPS and administrative hurdles are sufficiently tackled within the FTA.

While the EU is a single market of 500 million consumers, Mercosur is not yet one market. The EU should ensure that Mercosur understand that EU products should be allowed to move freely between the Mercosur countries in the same way as that granted to Mercosur exports to the EU.

CELCAA also call on EU negotiators to exclude the EU agricultural sensitive products from the exchange of offers at this early stage of the re-launch of the deal. Looking at the current EU market situation and in view to preserve the EU production and jobs in rural areas, agricultural sensitive products should be protected from full liberalization. List of sensitive agricultural products should include (non-exhaustive list) beef and pig meat; poultry meat; egg and egg products; maize flour; brewers' grits and flaking grits. The sensitive products shall be brought into discussion only at a later stage and on basis of TRQs for which the administration should be based on a license scheme managed by the EU.

CELCAA is the EU umbrella association representing EU organisations covering the trade in cereals, grains, oils and fats, sugar, fruit and vegetables, olive oil, agro-supply, animal feed, wine, meat and meat products, dairy and dairy products, eggs and egg products, poultry and game, tobacco, spices, cut flowers and plants and general produces. Members include CEEV, CIBC, COCERAL, EUCOLAIT, EUWEP, FETRATAB, GAFTA, SACAR and UECBV. CELCAA's main objectives are to facilitate understanding of European decision-makers and stakeholders on the role played by the European traders in agri-products; to act as a platform of dialogue and communication with the European Institutions and to encourage public and general interests in agri-trade issues.

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