

**The EU Regulation on deforestation-free products does not legitimise  
the EU Mercosur Association Agreement:  
An open letter to the European Parliament and the Council of the EU.**

*Dear members of the European Parliament and the Council of the European Union,*

We, the undersigned organisations, are deeply concerned about the prospect of the EU Regulation on deforestation-free products (EUDR) being used as an excuse to ratify the Association Agreement between the European Union (EU) and Mercosur (Brazil, Paraguay, Argentina and Uruguay).

An examination of EU-Mercosur trade relations reveals that [two thirds of EU imports consist of agricultural and mineral resources](#). The EU imports commodities annually from Mercosur countries [with a deforestation footprint of 120,000 hectares](#), and the EU trade flows have been proven to be linked with [violence against local communities](#). The trade deal will grant preferential tariff quotas to products like meat, sugar, rice and bioethanol, and reduce export duties on soy and biodiesel based on soy. In this way the agreement [would perpetuate the Mercosur countries' role as provider of raw materials and commodities to the EU while boosting deforestation, greenhouse gas emissions, as well as land and human rights conflicts in South America](#). Therefore the current draft of the EU-Mercosur Association Agreement must not be ratified. Neither the "Joint Instrument EU-Mercosur", currently being negotiated with no transparency, or the EUDR will prevent the negative social and environmental impacts of the trade agreement.

The EU and Mercosur-countries have been negotiating a trade agreement, on and off, for over 20 years. The Parties agreed on the content in June 2019, but ratification was put on hold due to civil society protests; opposition from EU governments, parliaments and the European Parliament; warnings from scientists about the deforestation and forest fires that devastated Brazil; and Jair Bolsonaro's harmful environment and human rights policies.

Since Luiz Inácio Lula da Silva's election as President of Brazil, those in favour of the trade agreement have been aggressively pushing for the deal to be ratified. During a dialogue with the European Parliament's Committee on International Trade, Commissioner Valdis Dombrovskis said that the EUDR, together with the additional instrument "can play a meaningful part in addressing sustainability challenges in the region".

**While the EUDR is a milestone in the fight against deforestation and should be implemented with strong enforcement mechanisms as quickly as possible, it omits some particularly worrying elements that mean the Agreement could increase trade in products that drive deforestation with Mercosur-countries. These include:**

- Forests are the only ecosystem included in the EUDR's scope despite the damage that industrial agriculture is causing to the Cerrado, Chaco and Pantanal - also critical for climate storage, biodiversity and sustainable livelihoods. Trade incentives for sugar, ethanol, beef and soy under the EU-Mercosur Association Agreement, in the form of reduced/eliminated tariffs and increased quotas will only aggravate deforestation, greenhouse gas emissions, violence and human rights violations in these biomes.
- The EUDR will only cover seven commodities (palm oil, soy, coffee, cocoa, timber, cattle and rubber) and some derived products. It omits commodities which are key drivers of deforestation in Mercosur countries such as sugar cane, poultry and maize, and their derived products .
- The EUDR fails to include strong provisions to protect the land rights of Indigenous Peoples and local communities, [who are the best guardians of the forests](#). Companies will only have to verify compliance with rights such as to Free, Prior and Informed Consent (FPIC), if they are enshrined in the relevant legislation of the country of production. In Brazil, we have seen the deadly consequences of this: Bolsonaro's administration relentlessly attacked Indigenous Peoples' rights, as deforestation accelerated in the Amazon. There is no guarantee that this won't be repeated in the future.
- The EUDR fails to cover the finance sector. The EU-Mercosur Association Agreement will further liberalise financial services, making it easier for EU service companies to operate and facilitate investment in Mercosur countries, and vice-versa. The role of EU banks and investors in financing deforestation is well [documented](#), and making it easier for these actors to operate in Mercosur countries could increase the threat to forests and communities' land.

Finally, we would like to raise our concern about the EU's lack of policy coherence. It is already the world's [second largest importer](#) of global deforestation and recent research has shown that implementing the current EU-Mercosur Association Agreement would increase deforestation by [at least five per cent a year](#), due to the increase in trade in agricultural products and raw materials, [whose production leads to deforestation and would exacerbate conditions that promote land grabbing](#).

To meet the EU's goal of stopping deforestation, all EU policies must work together coherently to achieve a positive impact on forests and forest communities. The EU-Mercosur Association Agreement will actively go against EU environmental policy.

**We call upon EU politicians to support implementation of the EUDR, but not to use that implementation as a reason to ratify the EU-Mercosur Association Agreement in its current form.**

On behalf of:

ACRÉSCIMO - Associação de Promoção ao Investimento Florestal (Portugal)

Agriculture coalition for Just Trade (The Netherlands)

Aitec (France)

Alianimae (Brazil)

Amigos de la Tierra (Spain)

Amigos da Terra (Brasil)

ATTAC Wallonie Bruxelles (Belgium)

ATTAC Austria (Austria)

ATTAC España (Spain)

ATTAC Norway (Norway)

Brighter Green (United States)

Campanha Nacional em Defesa do Cerrado (Brasil)

Carro de Combate (Spain)

Centro de Documentación en Derechos Humanos "Segundo Montes Mozo SJ" (Ecuador)

Confederación General del Trabajo - CGT (Spain)

Coordinadora Estatal Stop Ganadería Industrial (Spain)

Deutsche Umwelthilfe e. V. (Germany)

Ecologistas en Acción (Spain)

Ekumenická akademie (Ecumenical Academy) (Czech Republic)

Entraide et Fraternité (Belgium)

Envol Vert (France)

European Coordination Via Campesina

Eurogroup for Animals (Belgium)

Fairwatch (Italy)

FASE – Solidariedade e Educação (Brasil)

Federación de Consumidores y Usuarios CECU (Spain)

Fern (Europe)

Forests of the World - Verdens Skove (Denmark)

Focus Association for Sustainable Development (Slovenia)

Fresh Eyes (United Kingdom)

Friends of the Earth Europe

Front Commun pour la Protection de l'Environnement et des Espaces Protégés (Democratic Republic of the Congo)

Global Witness (Belgium)

Handels Anders! (Netherlands)

International Association of River Keepers Eco-Tiras (Moldova)

Landelijk Netwerk Bossen- en Bomenbescherming (The Netherlands)

Mai Bine (Romania)

Mighty Earth (United States of America)

Nyt Europa (Denmark)

Palombar - Associação de Conservação da Natureza e do Património Rural (Portugal)

Platform Aarde Boer Consument (The Netherlands)

Programme Intégré pour le Développement du Peuple Pygmée-PIDP (Democratic Republic of the Congo)

Rainforest Foundation Norway (Norway)

Réseau québécois pour une mondialisation inclusive-RQMI (Quebec, Canada)

Suomen luonnonsuojeluliitto (Finnish Association for Nature Conservation) (Finland)

TROCA - Plataforma por um Comércio Internacional Justo (Portugal)

Veblen Institute (France)

World Animal Protection Netherlands (The Netherlands)

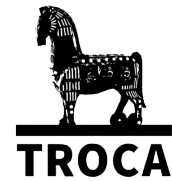
World Animal Protection Denmark (Denmark)

Umanotera (Slovenia)

ZERO - Associação Sistema Terrestre Sustentável (Portugal)



Suomen  Luonnonsuojeluliitto



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Equity. Sustainability. Rights."



UMAN  TERA  
The Slovenian Foundation for Sustainable Development



global witness 





**EUROGROUP  
FOR ANIMALS**



**HANDEL ANDERS!**

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-> The letter is still open for signatures. **Please fill in this [form](#)**, if your organisation would like to be a signatory to the letter.

-> The letter is aimed to be published and sent to the European Parliament and the Council of the EU on the 22nd of May, International Day of Biodiversity.