

# EU-MERCOSUR

## Partnership Agreement



## OPENING OPPORTUNITIES FOR EUROPEAN FARMERS

The EU-Mercosur agreement will open unprecedented access to the countries of Mercosur for European farmers and food producers. Mercosur countries are growing and dynamic markets, with high barriers to entry.

Providing EU farmers and agri-food producers with greater access to these markets will give them a first-mover advantage and a more secure position in years to come.

At the same time, the agreement will shield Europe's farmers from undue market pressure.

It will:

- Remove high tariffs and burdensome procedures for a series of EU agri-food exports
- Enhance market positions for traditional EU food by protecting it from imitation
- Protect EU farmers from increased agri-food imports into the EU within agreed limits
- Maintain the EU's stringent rules on human, animal and plant health and food safety, with no exception made



### Removing high tariffs on EU agri-food exports

EU agri-food exports to Mercosur were worth €3.3 billion in 2024. The agreement will help boost these exports by eliminating high duties on EU key export interests.

For some dairy products, zero duties will gradually apply within quotas.

Product	Trade in 2024	Current tariff
Olive oil	€600 million	10%
Malt	€9 million	14%
Wine	€238 million	Up to 35%
Beverages (other than wine)	€259 million	Up to 35%
Chocolates	€109 million	20%

Product	Volume	Current tariff
Cheese	30,000 tonnes	28%
Milk powder	10,000 tonnes	28%
Infant formula	5,000 tonnes	18%



## Protecting the EU's finest food and drink products from imitation

The EU-Mercosur agreement will protect 344 EU food and drink products from imitation in Mercosur countries. Such protection helps make these products more distinct, which allows producers to strengthen their market positions in the Mercosur countries and to sell for a premium price.



## Faster, simpler, and more predictable export procedures

EU agri-food companies exporting to Mercosur will benefit from:

- The same requirements for all EU Member States in all Mercosur countries
- Faster, simpler, and more predictable procedures and clear and transparent audit rules
- Fewer restrictions due to animal health issues: in the past, all EU exports could be banned in cases of diseases in certain regions. The agreement will allow non-affected EU zones to export despite a disease present in some areas within the EU ('regionalisation')



## Defending the interests of European farmers

The EU will grant very limited access to its market to imports of agri-food products.

For sensitive products like beef, poultry or sugar, in particular, access to the EU market will be permanently limited through gradually implemented quotas. Moreover, a bilateral safeguard clause can be applied in case increased imports from Mercosur cause - or even only threaten to cause - serious injury to the relevant EU sectors.

For the first time, this safeguard clause also covers imports under tariff rate quotas.



\*So-called 'Geographical Indications' (GI), a system that guarantees that a product is genuinely made in a specific region of origin using ancestral know-how and techniques. For example: Tiroler Speck (Austria), Fromage de Herve (Belgium), Münchener Bier (Germany), Comté (France), Prosciutto di Parma (Italy), Polska Wódka (Poland), Queijo S. Jorge (Portugal), Tokaji (Hungary), and Jabugo (Spain)

# Limited additional access for Mercosur beef

The deal will have limited impact on the EU beef market and will not generate further deforestation in Mercosur.

The agreement does not give duty-free access to Mercosur beef. It will allow 99,000 tonnes of Mercosur beef to enter the EU market with a 7.5% duty. 55% of the quota will consist of fresh or chilled meat and 45% of lower-value frozen meat.

- The overall volume represents 1.5% of total European beef production and is less than half of the current imports from Mercosur, which are at 206,000 tonnes (2024).
- Overall, the EU is a net exporter of beef, with €4.9 billion of total exports in 2024: almost double of total EU imports.

## EU health is not negotiable

The EU has very stringent sanitary and phytosanitary standards to protect human, animal and plant health.

Any product sold in the EU must comply with standards for consumer protection, which do not change at all with this agreement: products imported from Mercosur under the agreement will have to respect them, too.



## EU-Mercosur agreement: No significant increase in Mercosur beef production



Exports to the EU represent a tiny fraction of Mercosur's beef production.

- Lower duty quota for Mercosur beef: 99,000 tonnes, considering all four countries.
- Total Mercosur production (2023): 15.5 million tonnes, of which: Brazil 11.2, Argentina 3.3, Uruguay 0.6, Paraguay 0.5
- The Mercosur agreement quota represents about 0.6% of Mercosur production.



## Poultry duty-free quota just enough to cover for increasing EU consumption

Under the agreement, the EU will allow a quota of 180,000 tonnes of poultry to be imported duty-free. This volume will be phased-in over five years.

- This represents 1.3% of total EU production.
- This is lower than current imports from Mercosur (293,000 tonnes in 2024).
- It is largely compensated by EU global exports, which are at 2.1 million tonnes (2024).
- EU poultry consumption is projected to increase every year by a similar amount as the new preferential quota.



## Sugar quota lower than current imports from Mercosur

No new sugar quota will be created for Brazil. Brazil has been using a tariff quota allocated under the EU's WTO schedule with an in-quota duty for its sugar exports to the EU. With the agreement, 180,000 tonnes of raw cane sugar for refining will be allowed into the EU duty-free under this existing quota. A new duty-free quota of 10,000 tonnes was agreed upon for Paraguay only. Speciality sugars are excluded from the agreement.

The agreed amounts cover a volume accounting for 1.1% of EU sugar production (16.5 million tonnes).





## Ethanol duty reduction to support EU job creation

A duty-free quota of 450,000 tonnes will be opened for ethanol, to be used by the chemical industry.

A quota of 200,000 tonnes, with an in-quota rate of one third of the full duty, will be opened for all other uses. This can be used for the fuel segment of the market, which represents by far the biggest chunk of EU ethanol consumption. Of the 6 million tonnes of ethanol consumed every year in Europe, 4 million are used for fuel.

Both ethanol quotas are to be phased in gradually over five years.



## Honey quota to cover less than 10% of total EU consumption

The agreement will open a honey quota of 45,000 tonnes duty-free phased-in over five years:

- Current EU imports from Mercosur are at 24,000 tonnes (2024).
- This fulfils EU demand for honey and ensures diversification of imports into the EU.
- The quota for Mercosur is roughly 10% of total EU consumption.
- The EU is a net importer of honey with a self-sufficiency rate of about 60%.



## A sufficient rice quota

The EU is not self-sufficient in rice (EU rice self-sufficiency rate in 2023/24 was less than 50%) and needs imports. The agreement will allow 60,000 tonnes of Mercosur rice to enter the EU duty-free. This volume will be phased in over five years.



- This is less than the existing Mercosur imports of 211,000 tonnes (2023/24).
- It amounts to 1.4% of EU rice consumption of 2.9 million tonnes (2023/24).



## EU-Mercosur agreement: no threat to rainforests

As of the end of 2025 only deforestation-free products will be allowed to enter the EU market, including products such as soya bean, beef, palm oil, wood, cocoa, coffee, and rubber. This rule will also apply to imports under the EU Mercosur partnership agreement, ensuring that products imported under this deal have not contributed to deforestation in Mercosur countries.

