

Brussels, 09 JUL. 2019

Ans (2019) 4397633

Dear Honourable Members,

Thank you for your letter of 6 June in which you reply to my letter of 12 April and share your concerns about environmental protection in Brazil in the context of the on-going EU-Mercosur trade negotiations.

Negotiations for this agreement have taken place over 20 years and reflect long-standing ambitions from both sides. Negotiations were concluded on 28 June and the agreement forms the basis for a long-term engagement with Mercosur. This agreement is of key strategic and geopolitical importance in strengthening the political, economic and trade relations between the two blocks. In these troubled times for trade, where others are taking the protectionist route, the EU and Mercosur sent a powerful joint message in favour of open, rules-based trade.

It is important to recall that Brazil is a mature democracy with executive, legislative and judicial branches that provide the constitutional framework within which the Brazilian Government operates. We should recognise the lively internal and pluralistic debate within Brazil concerning challenges related to climate change and the environment. The proposed EU-Mercosur Association Agreement will create new space for the involvement of the legislative branch since it provides a formal mechanism for parliamentarians from both sides to meet and address any matter relevant for the implementation of the agreement, including climate change if they so wish.

With regard to the points you raise in relation to the Paris Agreement, I would like to note that the Sustainable Development Chapter of the proposed EU-Mercosur Agreement contains a binding commitment by both sides, including Brazil, to effectively implement the Paris Agreement. The Agreement also provides for new platforms for dialogue and engagement on environmental matter and climate change. In the meantime, Brazil has maintained its Nationally Determined Contribution (NDC) under that Agreement.

Marie ARENA, Belgium
Klaus BUCHNER, Germany
Heidi HAUTALA, Finland
Yannick JADOT, France
Stelios KOULOGLOU, Greece
Florent MARCELLESI, Spain
Anne-Marie MINEUR, The Netherlands
Michel REIMON, Austria
Molly SCOTT CATO, UK
Josep María TERRICABRAS, Spain
Bodil VALERO, Sweden
Thomas WAITZ, Austria

Xabier BENITO ZILUAGA, Spain
Martin HAEUSLING, Germany
Maria HEUBUCH, Germany
Eva JOLY, France
Philippe LAMBERTS, Belgium
Tilly METZ, Luxemburg
Ana MIRANDA, Spain;
Helmut SCHOLZ, Germany
Bart STAES, Belgium;
Ernest URTASUN, Spain
Monika VANA, Austria

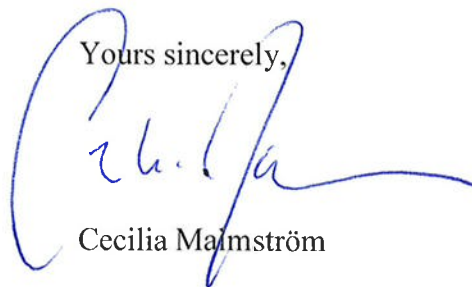
The NDC includes *inter alia* forest-related objectives, namely strengthening implementation of the Forest Code and sustainable forest management, reforestation of 12 million hectares and elimination of illegal deforestation by 2030, as well as compensation for greenhouse gas emissions arising from legal deforestation. The Paris Agreement requires all Parties to put forward their best efforts through NDCs and to strengthen these efforts in the years ahead. This includes requirements that all Parties report regularly on their emissions and on their implementation efforts. The proposed Association Agreement will provide therefore yet another possibility to engage with Brazil on this and other climate change related issues. In this context, it was very significant that at the G20 Summit in Osaka, just after the EU and Mercosur have reached agreement on the trade deal, Brazil supported EU ambitions on climate change.

You also express concern that the negotiations are based on a mandate adopted back in 1999. This is correct but I wish to reassure you that the draft agreement is fully up to date and has been able to take into account policy developments and EU priorities as they have evolved over time during the negotiations. For example, the EU has ensured that the Agreement includes a comprehensive and robust Trade and Sustainable Development chapter of the same high level of ambition as our most recent and ambitious agreements.

Finally, not signing the proposed Association Agreement with Brazil would not lead to an improvement of the environmental situation in that country and would leave us with fewer tools to engage Brazil in addressing environmental and climate challenges. As indicated already in my previous letter, we look at this agreement as a long-term strategic initiative that will facilitate interaction at many different levels between government, private sector and civil society actors from the EU and Mercosur.

Please be assured that the Commission as a whole and I personally are fully committed to implement an agreement that promotes sustainable development and furthers EU interests and values.

Yours sincerely,



Cecilia Malmström