

Brussels, 7 July 2011

## **EU-MERCOSUR Free Trade Agreement: Business Calls for Acceleration in Negotiations**

During the sixth round of negotiations of the EU-MERCOSUR Free Trade Agreement (FTA) business representatives on both sides of the Atlantic confirmed once again their strong support for an ambitious FTA between the European Union and MERCOSUR.

The lead negotiators, Joao Aguiar Machado on behalf of the EU and Alvaro Ons of Uruguay on behalf of MERCOSUR met with business representatives of BUSINESSEUROPE, EUROCHAMBRES, Brazilian Business Affairs and the MERCOSUR-EU Business Forum in Brussels to discuss the state of the negotiations. Business representatives welcomed the progress achieved so far in the regulatory area but urged the lead negotiators to proceed to an exchange of offers as soon as possible. There is a risk that further delays will sap business confidence in the EU-MERCOSUR FTA which was launched with the aim to be concluded rapidly.

Businesses continue to argue strongly that the FTA will stimulate much needed growth in EU countries and ensure faster growth in MERCOSUR countries. If ambitious and balanced, the agreement would create tens of thousands of jobs and billions of Euro of additional trade and investment over the next few years in both regions. A rapid and successful conclusion of the EU-MERCOSUR FTA will reduce uncertainty for companies and investors.

The EU is currently MERCOSUR's largest trading partner representing 20.7% of MERCOSUR trade as well as the largest investor in the region with a total of €165 billion investment. With fast growing trade in goods, services, agricultural products and increasing investments, the EU and MERCOSUR stand to gain tremendously from an ambitious agreement.

BUSINESSEUROPE is the main horizontal business organization at EU level. Through its 41 member federations, BUSINESSEUROPE represents 20 million companies from 35 countries.

Eurochambres – The Association of European Chambers of Commerce and Industry represents over 19 million enterprises in Europe – 96% of which are SMEs – through members in 45 countries and a European network of 2000 regional and local chambers.

Brazilian Business Affairs is CNI's (National Confederation of Industry - Brazil) and Apex-Brazil's (Brazilian Trade and Investment Promotion Agency) representation office with the European Union. CNI represents 27 Industry Federations in the states and Federal District, over a thousand associated sectoral employers' organizations and 196,000 industrial establishments.

MERCOSUR-EU Business Forum (MEBF) aims at fostering trade and business relations between the EU and the Mercosur countries by establishing a permanent dialogue between the business communities and the political leaders of the two regions.