

Brazil: Mercosur and EU Racing Against the Clock

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Representatives of the European Union (EU) and the Mercosur are meeting today in Lisbon, Portugal, to try to reach a final agreement over the establishment of a free trade area before the last day of the month.

On October 31, 2004, the mandate of the current Commission expires and the leadership of the EU is replaced. Specialists see this meeting as the last chance for the two blocs to formalize an agreement under the current alignment.

According to Radio France International (RFI), the French Minister of Foreign Trade, François Loos, believes that today's discussion will not be sufficient.

The RFI news report says that France is responsible for one of the chief obstacles to the negotiations, through the country's refusal to be more open on the question of agricultural subsidies.

The Europeans want to set a ten-year period for the elimination of these quotas.

The RFI also reports that the French Minister wants the Mercosur to understand that the European Union is where it sells more food products than anywhere else in the world and that it should act like a trade partner, rather than a group of developing countries.

According to the RFI newscast, failure to reach an agreement will be the second defeat for the EU Commissioner responsible for Foreign Trade, Pascal Lamy, after the World Trade Organization (WTO) Summit in Cancun, Mexico, in September, 2003. Lamy will leave his post on October 31.

In an interview with the RFI, Brazilian Ambassador Mário Vilalva, who is Director-General for Trade Promotion in the Ministry of Foreign Relations and is in Lisbon for the meeting, judged that the changing of the guard in the Commission will not affect the negotiations, insofar as the positions as they stand at present are well-known.

"What matters is for us to evolve positively in our positions," he observed.

The shift in personnel, in Vilalva's view, can be positive, because it can introduce new ingredients to the negotiations - new spirits and new perspectives that can facilitate understandings between the parties.

The Brazilian Ambassador affirmed that new proposals are expected, since those presented at the last round of negotiations were disappointing.

"We have a clear position and want our interests to prevail, just as the Europeans want their interests to prevail," Vilalva remarked.

Agência Brasil
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