

Fifth meeting of the European Union - Mercosur Biregional Negotiations Committee

2-6 July 2001, Montevideo, Uruguay

Final conclusions

Negotiators from the Mercosur and the European Union met for the fifth time in the context of the EU-Mercosur Biregional Negotiations Committee during 2-6 July 2001 in Montevideo, Uruguay. This meeting formed the fifth round of negotiations, aiming at the conclusion of an Interregional Association Agreement between the European Union and the Mercosur. The negotiators established the following set of conclusions.

1. General discussions

The Uruguayan Acting Minister of Foreign Affairs, Ambassador Guillermo Valles Galmes, on behalf of the Pro-Tempore Presidency of Mercosur, and the Director-General for External Relations of the European Commission, Mr Guy Legras, on behalf of the European Union, jointly opened the fifth meeting of the BNC with statements that strongly reflected both sides' deep commitment to the negotiating process and interest in making significant progress in the discussions during the present phase of the negotiations.

Moreover, on Thursday 5 July 2001 during a plenary session of the BNC the EC presented to Mercosur the EU tariff offer and negotiating texts for goods, services and government procurement. The objective of this offer is the progressive and reciprocal liberalization of substantially all trade, without excluding any sector, during a period of 10 years. In return, Mercosur thanked the EU for its offer and expressed Mercosur's great appreciation for this political gesture by the EU. Mercosur also announced that it will present its own negotiating proposals. It was agreed that the sixth meeting of the BNC would take place no later than 31 October 2001 in Brussels, provided that Mercosur presents its proposals at an earlier date.

Discussions took place with respect to the Institutional Framework of the future agreement and the Parties also exchanged points of view on widening and deepening of the contents of the future political dialogue. The Subgroup on Economic Co-operation and the Subgroup on Social and Cultural Co-operation also met during the fifth meeting of the BNC in Montevideo and established a number of joint texts.

The exact dates of the next meeting and other arrangements will be agreed on through the regular diplomatic channels.

2. Negotiations on the future political dialogue

During this session of the BNC, the Parties discussed the draft joint text for the institutional framework of the future Agreement, on the basis of the draft joint text as prepared and discussed during the previous round in Brussels.

During their discussions the Parties were able to find agreement on most of the pending issues contained in this draft joint text. Certain issues still remain open, in which the Parties will make further proposals to be discussed during the next meeting of the BNC.

On the basis of the conclusions of the first meeting of the BNC, and taking into account the recent EU-Mercosur High Level meeting that took place on 26 June 2001, both Parties

exchanged points of view on widening and deepening of the contents of the future political dialogue.

3. Negotiations on co-operation

In the framework of activities developed during the fifth BNC in the field of co-operation, the Subgroup on Economic Co-operation and the Subgroup on Social and Cultural Co-operation met on Tuesday 3 and Wednesday 4 July.

In the Subgroup on Economic Co-operation the Parties agreed on joint draft texts in the fields of Customs Co-operation, Competition Co-operation and Statistics Co-operation and Scientific and Technological Co-operation.

The Subgroup on Social and Cultural Co-operation agreed on texts in the field of Co-operation in Combatting Drugs and Related Organized Crime.

In addition, proposals were exchanged as regards Co-operation in the Agricultural and Rural Sector, which will be analyzed during the next BNC meeting.

4. Negotiations on trade issues

In addition to the launch of negotiations on tariffs and services referred to under the item on general discussions, the technical groups continued to work intensively in all areas.

New proposals from both sides were discussed. Both Parties identified a set of common elements and agreed to continue to work. In certain groups work started on the consolidation of negotiating texts.

Commission and Mercosur Presidency will finalise as soon as possible the necessary instruments to further improve the flow of information between experts of both Parties