

## SESSION DESCRIPTION

### ID: T18b

The effects of the Europe Union – Mercosur trade relations on biodiversity conservation and ecosystem services provision

### Hosts:

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### Abstract:

In the last decade, pressures on all South American biomes have increased significantly, especially due to the demand for commodities such soybeans and meat. With the prospect of a trade agreement between the EU and Mercosur, the increased demand for natural resources and commodities could worsen this scenario. After the environmental and climate crises experienced by Mercosur countries, in particular fires that occurred in the Amazon and the Pantanal in 2019, 2020 and again in 2021, environmentalists, policy makers and researchers turned their attention to the causes of this crises. The perspective of increasing investments and trade with other economic blocs may deepen the environmental crises. This motivates the proposal of a Session during the 4th Europe ESP Conference, with the purpose of discussing potential effects on biodiversity and ecosystem services of the largest economic partnership between Europe and South America: the EU and Mercosur blocks.

On June 28, 2019, the European Union became the first major partner to strike a trade agreement with the Southern Common Market (or Mercosur) countries of Argentina, Brazil, Paraguay and Uruguay. The landmark agreement, which the EU Parliament and Commission have yet to ratify, covers a market of 780 million people and encompasses 25 percent of world GDP, making it one of the largest free trade areas in the world. The agreement will eliminate 93 percent of tariffs for Mercosur exports to the EU, while offering preferential treatment for the quotas (TRQs) for key EU agricultural exports to Mercosur. There are ongoing debates concerning the potential impacts of such measures on the world trade – e.g. reduction of U.S. agricultural products export to EU– and also the global concern over climate change and the deforestation rates. On the other hand, positive effects on the preservation of biodiversity and

ecosystem services can be stimulated with governance measures such as certifications, due diligence procedures and payments schemes for ecosystem services (PES). Additionally, the EU–Mercosur trade agreement will allow EU firms to bid for public contracts on equal terms with Mercosur companies. These are only two aspects that can provide a picture about the increase in the complexity of trade relations that will require a robust governance process. In this context, there is a challenge and also an opportunity to strengthen multilevel governance: update and implement national and subnational environmental laws and regulations; reinforce international commitments; encourage private actors to adopt traceability and certification systems, etc.

Precisely because of environmental issues, the trade agreement has been put on hold by the European Parliament. But in view of the economic effects of the pandemic and the recent war conflicts in Eastern Europe, the possibility of the agreement coming into force soon reignites the debate about its effects on ecosystem services.

### **Goals and objectives of the session:**

This Session is linked with the Ecosystem Services Journal – Special Issue on “The effects of the Europe Union – Mercosur trade relations on biodiversity conservation and ecosystem services provision” and will discuss the aim results of this publication. Considering the economic relationship currently existing between the blocks, as well as the prospect of a future increase in commercial relations, this Thematic Session is dedicated to analyzing the impacts on biodiversity and ecosystem services arising from this relationship. The effects of a future commercial agreement must also be considered, which is questioned precisely because of environmental and climatic issues. The purpose of this Thematic Session is, therefore, to discuss the potential impacts of the EU–Mercosur trade agreement biodiversity and ecosystem services, as well as related legal instruments, governance and diplomatic procedures and environmental policies aimed at mitigating negative impacts and stimulating positive effects on the preservation of biodiversity and ecosystem services.

### **Planned output / Deliverables:**

The Thematic Session will open for submission of abstracts / presentations. Topics such as regulatory frameworks for ecosystem services, payment for ecosystem services, ecosystem services in the courts, contracts for ecosystem services, taxation of ecosystem degradation and fiscal benefits for ecosystem protection, green infrastructure, nature based solutions, traceability and certification systems for food, wood products and biofuels, property rights and ecosystem services preservation, civil liability in case of damage to ecosystem services, as well as others related to the legal, social and governance aspects of ecosystem services will be welcome in this Thematic Session.

**Session format:**

Standard session (presentations)

**Voluntary contributions accepted:**

Yes, I allow any abstract to be submitted to my session for review

**Related to ESP Working Group/National Network:**

[Thematic Working Groups: TWG 18 – Governance & Institutional aspects](#)