



To the AGRI and INTA Committee
Parlement européen
Rue Wiertz
B-1047 Brussels
Belgium

3 March 2011

Dear Sir or Madam,

BUSINESSEUROPE takes note of the own initiative report on EU agriculture and international trade - (2010/2110(INI)) by rapporteur Georgios Papastamkos on behalf of the Committee on Agriculture and Rural Development. Although we recognise the concerns of the agricultural sector, we would like to highlight the potentially negative effect this report may have on Europe's Free Trade Agreement negotiations.

EU-MERCOSUR

While it is important that European agricultural interests are taken fully into account in trade negotiations, we do not share the call on the European Commission to suspend the negotiations with MERCOSUR as mentioned in point 47 and 49 of the draft report. Such language poses a threat to EU negotiations with one of the most dynamic economic regions of the world and close strategic partners of the EU.

A rapid and successful conclusion of the EU-MERCOSUR FTA represents a key priority for BUSINESSEUROPE since it will reduce uncertainty for companies and investors and ensure EU access to MERCOSUR markets. The FTA will stimulate much needed growth in EU countries and ensure faster growth in MERCOSUR countries. Furthermore, it will facilitate access to much needed industrial raw materials to Europe. If ambitious and balanced, the EU-MERCOSUR FTA will create tens of thousands of jobs and billions of euros of additional trade and investment over the next few years in both regions.

EU-UKRAINE

As regards the EU-Ukraine FTA, also mentioned in the report, BUSINESSEUROPE is firmly convinced it will encourage deeper integration and spur trade between our two economies. This agreement is vital to tackle a number of economic challenges in Ukraine and to help Ukrainian business adopt the EU approach to regulation and standards. The EU should therefore aim at a timely conclusion of such a far-reaching agreement.



WTO

At the multilateral level, the WTO Doha Round has been a key priority for the EU since 2001 as it will improve export and job prospects for our citizens and provide numerous measures to support the deeper integration of developing economies into the rules-based trading system as well as specific support measures (aid-for-trade) for least developed nations. BUSINESSEUROPE has always shared this view and encourages the EU to exercise its leadership to finalize these negotiations to the benefit of all European economic sectors

We therefore call on the European Parliament not to send out messages that could be negatively interpreted by our trading partners, particularly at a time when we need more closely integrated markets to create growth and jobs in the EU.

Sincerely yours,



Philippe de Buck
Director General