

PRESS RELEASE

European business leaders urge EU-27 governments to ratify the EU-Mercosur Free Trade Agreement

13 October 2025: Ahead of the informal meeting of EU trade ministers taking place in Copenhagen today and tomorrow, the European Round Table for Industry (ERT) expresses its strong support for the ratification of the EU-Mercosur Free Trade Agreement.

Ilham Kadri, ERT Vice-Chair and CEO of Syensqo said *“Europe stands to gain significantly from the EU-Mercosur agreement – not only through increased economic opportunities, but also by reinforcing our leadership in shaping a modern, outward-looking European trade policy. Ratifying the EU-Mercosur agreement will send a powerful signal of confidence in Europe’s ability to overcome its divisions, forge new strategic alliances, and uphold its values on the global stage.”*

Jacob Wallenberg, Co-Chair of the ERT Committee for Trade & Economic Security and Chair of Investor AB commented *“The past year has brought disruptive shifts in longstanding geopolitical partnerships. The impact of these changes has made it evident that the EU needs to diversify its trade relations and further develop international partnerships.”*

He added *“The EU-Mercosur agreement provides a potent opportunity to demonstrate the EU’s ability to assert its geo-economic weight and strengthen trade relations with key partners in Latin America. We respectfully urge the governments of all 27 EU Member States to seize this opportunity and give their full support to the ratification process. Doing so would boost trade relations with the Mercosur region to our mutual benefit and strengthen our competitiveness.”*

For European industry, the agreement promises tangible and wide-ranging benefits:

- **Market Access & Growth:** By removing tariffs on over 91% of EU exports to Mercosur countries, the deal opens new doors for European businesses across many sectors – large and small.
- **Economic Security:** The agreement improves access to critical raw materials and supports supply chain diversification, which is key to Europe’s digital and green transition and to enhancing our economic security.
- **Sustainability:** Robust safeguards and sustainability commitments embedded in the agreement ensure that trade is conducted responsibly, with respect for environmental and labour standards.
- **Regulatory Cooperation:** The deal cuts red tape and aligns standards, making cross-border trade simpler and cheaper, which is crucial for small businesses, while safeguarding quality and safety.

ERT recognises that concerns have been raised in several Member States regarding the impact on agriculture and environmental protections. We believe these concerns have been addressed through the inclusion of legally binding sustainability provisions, limited quotas for sensitive products, as well as safeguard clauses and a rebalancing mechanism designed to protect European farmers and uphold EU standards.

The EU-Mercosur agreement is not merely a trade deal – it is a bold, strategic investment in our shared future. It offers a rare and unique opportunity to deepen our economic ties with key partners in Latin America, while advancing Europe's overarching goals of competitiveness, sustainability, and resilience.

About ERT

The European Round Table for Industry (ERT) brings together the Chief Executives and Chairmen of major European headquartered multinational companies, covering a wide range of industrial and technological sectors. ERT strives for a strong, open, and competitive Europe as a driver for inclusive growth and sustainable prosperity. Companies of ERT Members are situated throughout Europe, with combined revenues exceeding **€3 trillion**, providing around **6 million** direct jobs worldwide - of which half are in Europe - and sustaining millions of indirect jobs. They invest more than **€120 billion** annually in R&D, largely in Europe.

The ERT has a longstanding tradition of high-level engagement with European institutions and Heads of State & Government across the EU. Such meetings are the occasion to highlight cross-sectoral industry priorities¹ in support for EU efforts to deliver on its competitiveness strategy. Europe's industry is a major contributor to economic growth, employment, innovation and infrastructure.