

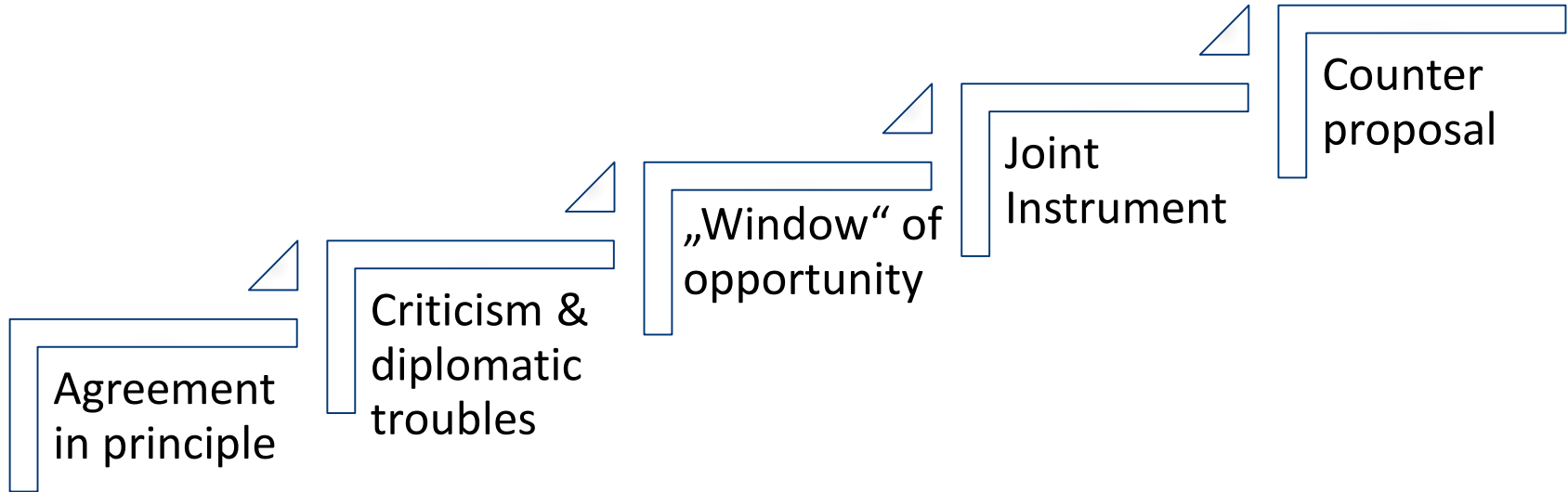
EU-Mercosur Association Agreement

Why does it matter?

Diversification, De-risking & direct competition

Michael Saxl
WKO/EUPOL
Vienna, 16.11.2023

Historical steps in EU- Mercosur negotiations after the....



The need of new trade agreements in a volatile environment I



The need of new trade agreements in a volatile environment II

- **Rule-based trade** vs. trade policy as part of security and foreign policy (means of power)
- **Protectionism:** sanctions, boycotts, unilateral trade restrictions (import/export)
- **Struggle for access to raw materials,** technologies, standardisation leadership
- **Combating climate change**

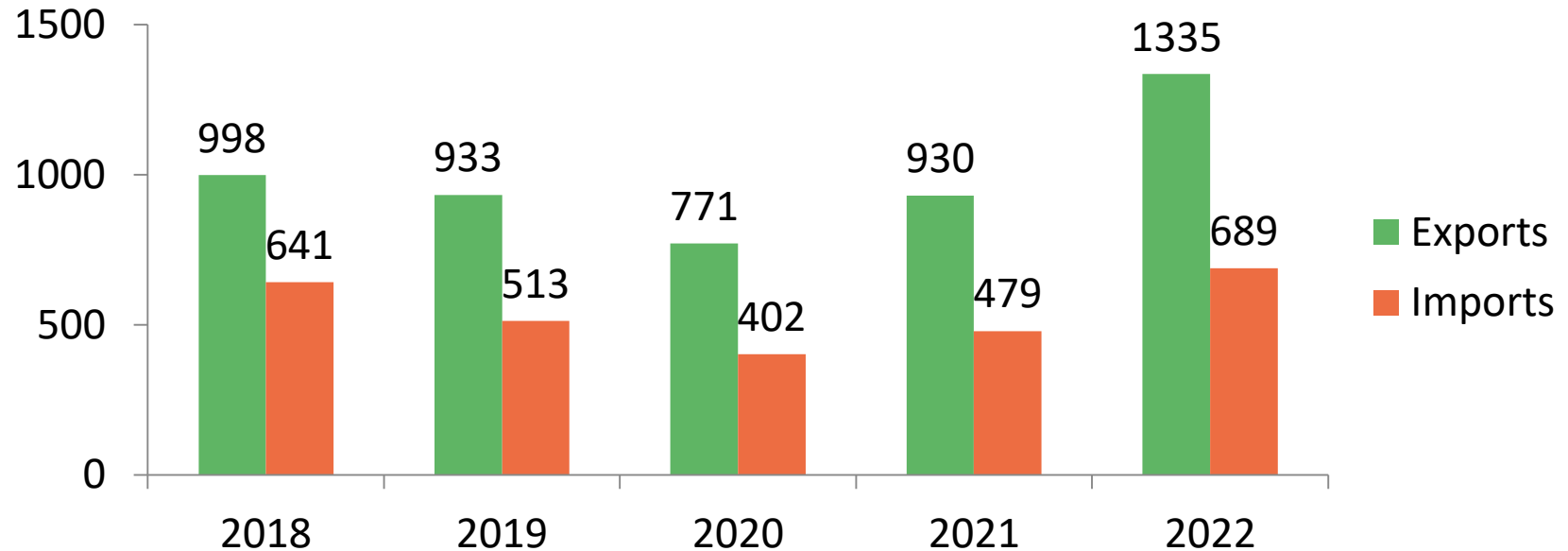


Potential Benefits

- A) Economic advantages of an agreement
- B) Positive ecological cooperation
- C) Geopolitical benefits :
 - „De-risking“ through diversification
 - Fierce competition from China

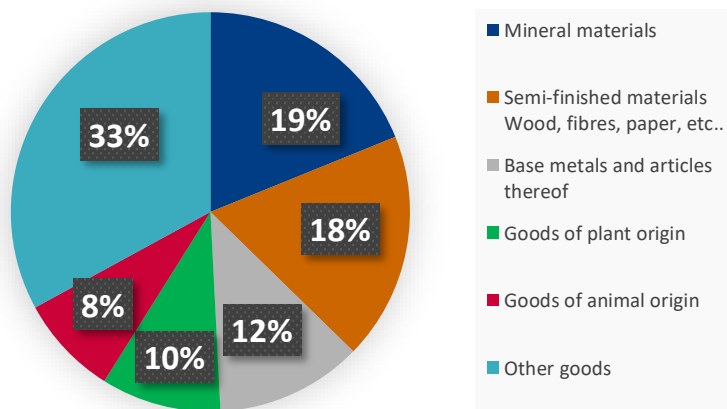
Trade relationship Austria-Mercosur I

- Trade in goods with Mercosur in EUR million

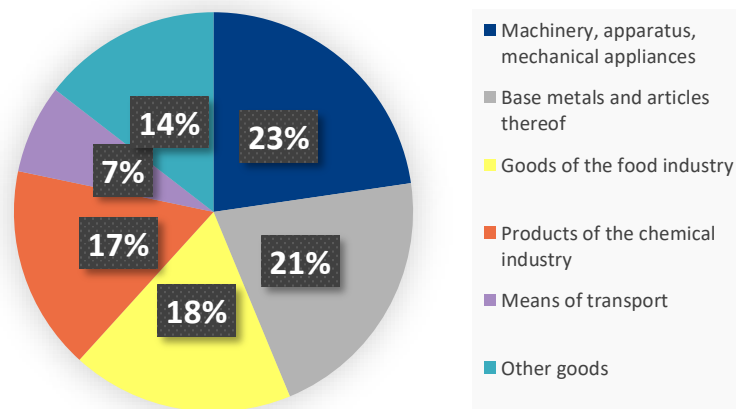


Trade relationship Austria-Mercosur II

Imports of goods from Mercosur (2022)

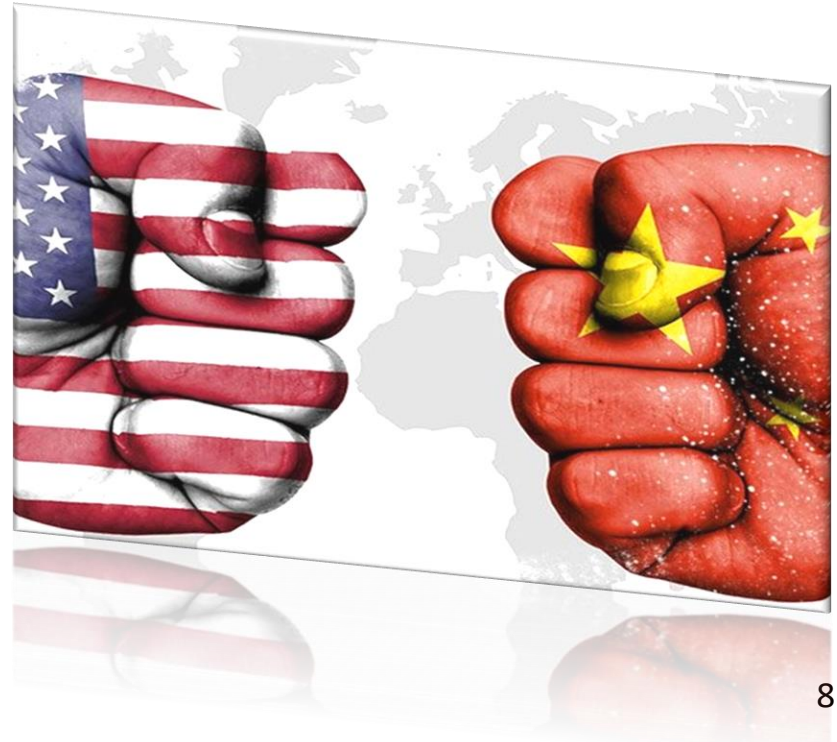


Exports of goods to Mercosur (2022)



Competition in Latin America

- Austrian/EU companies in the region
- The role of the US
- Chinese economic/diplomatic pivot
- Loss of EU credibility?



Thanks for your
attention!

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