



European Metals Statement on the Signature of the EU-Mercosur Free Trade Agreement

European Metals, the European non-ferrous metals association, welcomes the signature of the **EU-Mercosur Free Trade Agreement (FTA)**, a major step in deepening the EU's objectives for a more resilient and diversified trade agenda.

At a time of growing geopolitical instability, the EU-Mercosur interim Trade Agreement (iTA) and the EU-Mercosur Partnership Agreement (EMPA) will increase market access and ensure new investment opportunities by creating one of the largest free trade areas in the world.

They will be strategically important in securing diversification of sourcing and enhancing the stability of the EU supply chain, since they will open access to several critical and strategic raw materials, which the Mercosur countries are rich in (i.e. lithium, niobium, manganese, vanadium, and others). These raw materials are crucial for Europe's green and digital transition and for strengthening EU competitiveness.

While opening up new markets, it is of utmost importance that the deal preserves a tailored approach between the critical raw materials where the EU does not have a well-established domestic capacity, and those where the EU industry is already facing unfair global competition, such as the aluminium sector.

In addition, the EU-Mercosur FTA is based on modern principles that will support cooperation on sustainable trade and investment, upholding high sustainable standards in environmental, climate, and human rights protection.

The signature of the two agreements comes after the EU Council decision to approve the deals last week. It is now essential that the European Parliament gives its consent before they can be formally concluded, and the trade part can come into effect.

In this context, we call for a swift conclusion of the process and ratification procedure by all Member States for the agreement to fully enter into force and be beneficial for the non-ferrous metals industry.

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