EU-Mercosur Agreement: The challenges of the geographical indication market

Guilherme Fracarolli
Road map

• Introduction
• Methods
• The agreement
• Discussion
• Recommendations
• Conclusions
Introduction

➢ Economic blocs
  • EU
  • Mercosur;
➢ Agreement
  • 2019;
  • Producers, consumers, industry and commerce;
  • Legal instrument.
Methods

• Qualitative
• Economic blocs
• Sustainable development
• Agreement’s statements
• Institutional embeddedness
• Comparative approach
The agreement’s results

OVERVIEW
• Agreement’s principles;
• Exports and imports;
• GIs in this context.

SPECIFICS
• GI protection;
• Allusive terms;
• Compete, cooperate and exchange;
• Brands.

TRADE AND SUST. DEVELOPMENT
• Integration of sustainable development;
• Sustainable development agreements;
• Climate change, biodiversity and forest management, among others.
Discussion

- Contradictions;
  - Countries
  - Institutions
- Sust. Development models;
- GIs and non-tariff barriers.

Recommendations

1. Address the institutional asymmetries and compensation mechanisms;
2. Create tools to promote sustainable development in promoting sustainable agrarian systems;
3. Set goals and to promote SDGs;
4. Financialize GI economies towards equilibrium.
Conclusions

The agreement is positive step towards standardization of norms and institutionalization of rules. Also, by referencing sustainable development and stimulating cooperation improves the GI trades between both blocs. However, by setting the same standard without addressing compensations or public policies it can compromise sustainable development and enhance market asymmetries and inequalities in the long run.
The results of the markets do not happen by mere chance or the free action of an invisible hand. Instead, markets result from social constructions and the embeddedness of factors, such as networks, performance and institutions.
Thank You

Guilherme Fracarolli

Agr. Engineer @ Ministry of Agriculture, Livestock and Food Supply – Brazil
Researcher @ SOCIUS - Research Centre in Economic and Organizational Sociology

guilherme.fracarolli@phd.iseg.ulisboa.pt
guilherme.fracarolli@agro.gov.br

Montpellier, July 6th 2022

This work was supported by FCT, I.P., the Portuguese national funding agency for science, research and technology, under the Project UIDB/04521/2020