

Brussels, 11 March 2024

Valdis Dombrovskis
Executive Vice President of
the European Commission

[Letter sent by e-mail]

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Dear Executive Vice President Valdis Dombrovskis

The ETUC and the Coordinadora de Centrales Sindicales del Cono Sur (CCSCS) do not support the MERCOSUR agreement as it currently stands because it is void of guarantees for workers' rights and their jobs. Before reconsideration of the agreement resumes in the autumn, we draw attention to crucial aspects that need to be addressed if workers are to support this deal.

Firstly, for transparency and democratic legitimacy, trade unions, represented by the ETUC and CCSCS and the Labour Forum they have set up, must be consulted in these negotiations and have access to the texts that will profoundly affect their members.

Secondly, a voluntary and non-binding approach towards labour rights in trade agreements does not protect workers from violations of labour and trade union rights, nor does it guarantee a balanced representation of social partners and civil society organisations in the monitoring mechanisms of the agreement. This non-binding approach has demonstrably failed and is also counterproductive for an agreement.

ETUC and CCSCS have asked for binding labour clauses in the MERCOSUR deal including sanctions, taking into consideration ILO recommendations, and the role of trade unions in monitoring and enforcement. We will continue to press for a trade and sustainable development chapter that prioritises jobs and workers' rights as well as the preservation of the environment, and is binding on all the parts of the Association Agreement. To this end, we suggest the integration and expansion of the Labour Forum to tripartite participation of States, Employers and Unions.

To this end, we also call for the same financial support that would be put at the disposal of SMEs to meet environmental requirements, to be put towards social partners' capacity building and compliance with labour laws and ILO conventions.

The union movement of both blocs is following with growing concern the policies and measures that are taking place in Mercosur, tending to drastically deregulate the State, subjugate acquired labour, trade union and social rights such as freedom of expression and the right to free protest, that are underpinned by very well-established

jurisprudence, including at international level. These measures seriously threaten the legitimacy and solidity of democracy in the region. Trade union organizations, that clearly expressed their disagreement in the past with similar measures, reiterate their solidarity with the affected sectors and demand unrestricted respect for democracy and fundamental rights.

A binding sustainable development chapter with sanctions would be a credible and effective tool to limit the ability of any party to the agreement undermine democracy and fundamental right as there would be consequences.

Thirdly, we support the exclusion of public procurement from the agreement and would advocate for ringfencing public services and the parties' right to regulate in the public interest and the right to develop. Moreover, we believe the agreement must have a positive impact on employment in industries – particularly in clean industries - with good working conditions and union agreements. The Labour Forum, created by the ETUC and the CCSCS to this end, should be tasked with monitoring the social, employment and sector dimension of the agreement. A new generation trade and sustainable development chapter should seek to ensure an equitable distribution of the positive effects of increased trade between our regions, and should also foresee support measures to cushion the negative impact on certain sectors.

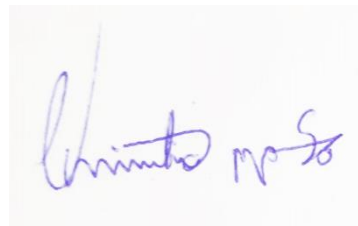
Finally, the agreement needs to be coherent in all of its parts, with political cooperation on a par with the commercial arrangements and adopted simultaneously. As trade unions, we oppose the splitting of the agreement and the exclusive adoption of its commercial part, leaving behind the aspects relating to political cooperation. It should also support and allow parties the policy and economic space to pursue a green re-industrialisation of both regions based on a just transition with full participation of trade unions, workers and decent jobs at the core of the process.

We encourage the negotiators to reconsider these aspects, which in our views have been neglected, and demand a deeper discussion.

Kind regards,



Esther Lynch
ETUC General Secretary



Quintino Marques Severo
CCSCS President