

# MERCOSUR

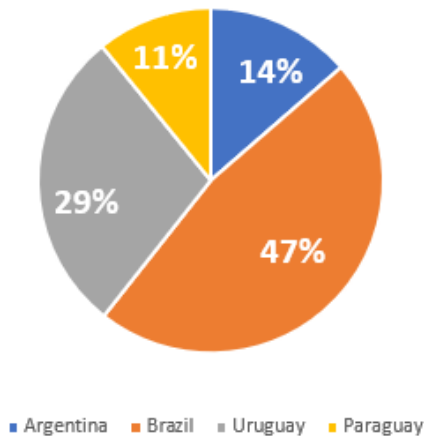
## A PROMISING MARKET FOR EU SPIRITS



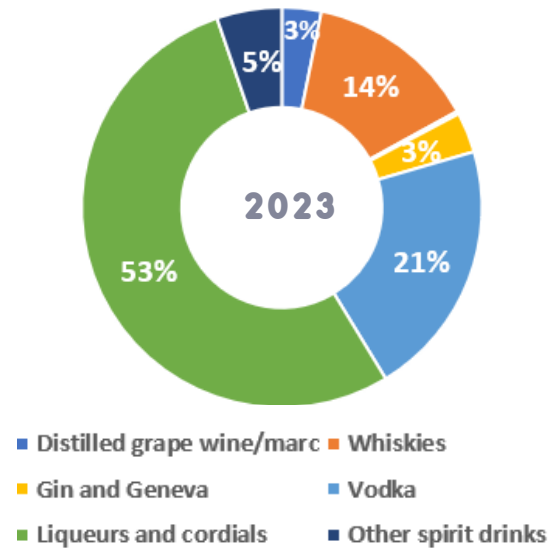
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EU SPIRITS EXPORTS TO MERCOSUR

### EU SPIRITS EXPORTS TO MERCOSUR COUNTRIES BY DESTINATION IN 2023



### KEY EU SPIRITS CATEGORIES EXPORTED TO MERCOSUR COUNTRIES



With a population of 295 million inhabitants, Mercosur countries offer great growth potential. Once ratified, the FTA will bring down barriers on both sides and open the Mercosur market to EU high-quality spirits.

### OVERVIEW OF THE KEY BENEFITS OF THE EU-MERCOSUR FTA FOR SPIRITS

Gradual tariff elimination over 4 years






Greater protection against counterfeit

Trade facilitation & standards recognition

Protection for EU GIs

Provision on level playing field with domestic categories

## RATIFICATION OF THE EU - MERCOSUR AGREEMENT WILL HELP US SEIZE THE OPPORTUNITIES OFFERED BY THIS PROMISING MARKET

-  **TARIFF LIBERALISATION** | Full gradual import tariff elimination for all EU spirits over a period of 4 years from entry into force of the agreement.
-  **WINE & SPIRITS ANNEX** | Trade facilitation measures for wine & spirits through labelling provisions and greater protection against counterfeiting by preventing the removal of lot codes.
-  **PROTECTION OF SPIRITS GEOGRAPHICAL INDICATIONS** | Leading spirits GIs (such as Irish whiskey, Swedish vodka, Polish vodka, Cognac) will be recognised & protected and the use of pre-existing trademarks with GI names will be better controlled.
-  **LEVEL PLAYING FIELD WITH LOCAL SPIRITS** | The agreement will ensure that domestic & imported products are treated fairly and equally, in line with GATT Article III.
-  **USE OF REGIONAL HUBS** | The rules of origin agreement will allow the use of regional hubs by EU exporters.



## TRADE WITH MERCOSUR COUNTRIES: A DRIVER OF SUSTAINABILITY



The agreement with Mercosur binds both sides to the Paris Agreement, promotes the implementation of several environmental commitments and offers a unique platform to effectively address sustainability challenges. Commitments on workers' rights and environmental protection will be enforceable through a dispute settlement mechanism which foresees a role for civil society organisations and calls on the expertise of international bodies, whose reports and recommendations must be made public.

### SPIRITS & SUSTAINABILITY COMMITMENTS IN BRAZIL

As a responsible and environmentally-conscious sector, we stand ready to continue and lead efforts to increase sustainable development and reduce our waste & carbon footprint, in line with SDG objective 12



#### ECOGESTO

Project of ABRABE, the Brazilian Beverage Association, to help increase waste collection & management through capacity building, educational activities and support to local waste collection cooperatives.

#### GLASS IS GOOD

Over 4 years, this project, which involves leading beverages companies like Diageo & Pernod Ricard & their wider supply chains, has collected and recycled more than 5.000 tons of glass.

#### REDUCTION OF WATER CONSUMPTION

Since 2015, leading beverages manufacturer Pernod Ricard Brasil has reduced its water consumption by 22.5% and led several local campaigns.

<https://www.abrabe.org.br/glass-is-good/>

<https://www.abrabe.org.br/responsabilidade-social/ecogesto/>