

Welcome to another episode of the bilaterals.org podcast where we discuss the most recent developments around free trade and investment agreements.

EU-Mercosur. Governments of Argentina, Brazil and Germany as well as the European Commission have been pushing for a quick finalization of the discussions but the demands differ.

Brazilian and Argentinian presidents said that re-opening the negotiations was needed, as there were asymmetries in some chapters of the text, especially in the government procurement chapter.

Brazilian President Lula also said Europe was too protectionist on agriculture. To him the balance of agricultural products quotas in the EU in exchange for concessions in the Brazilian auto sector needed to be renegotiated.

On the other hand, the EU aims to add an additional protocol related to climate change and deforestation. Europeans hope to finalize the deal by the summit between the EU and Community of Latin American and Caribbean States in July, in a context where the new generation of left wing governments in Latin America appears unwilling to challenge free trade deals.

Meanwhile over a hundred farmers organisations from Mercosur and EU countries condemned the free trade agreement. They said it is based on an obsolete paradigm in which agricultural products are treated like any other commodity. They added it disregards human rights, the climate and biodiversity crises, food sovereignty and the rights of food producers to a fair income.

The EU recently concluded a round of negotiations with Indonesia as well.

Indonesian civil society groups said the negotiations were taking place without a democratic process, as they lacked transparency and participation of the public. They believe that the Indonesia-EU trade deal will further deepen the climate crisis and ongoing environmental damage in Indonesia. They also said the agreement was used to open access to the supply chain of important minerals without any barriers in trade and investment.

Still in Europe, the European Commission told member countries that a joint EU exit from the controversial Energy Charter Treaty appeared inevitable.

France, Germany, the Netherlands, Poland and Spain have already announced plans to quit the treaty, increasing pressure on Brussels to coordinate an EU-wide withdrawal. Italy already left the agreement in 2016.

A civil society campaign has been underway for years to advocate for such an exit but there are also concerns of the Energy Charter Secretariat's push for other countries, notably in Africa, to join the treaty.

The Chinese government has put the free trade deal with the Gulf states high on its agenda.

The negotiations between China and the Gulf Cooperation Council have been ongoing since 2004. Reportedly, agreements have been reached on most trade-related issues.

People close to the negotiations see this agreement as a game changer. Considering the Gulf states' plans to increase economic diversification, the agreement should focus beyond just oil, and into services (including digital trade), tech sectors, such as artificial intelligence and robotics, and investments.

As the region is ramping up its infrastructure investments, Chinese companies could also have opportunities in areas such as construction, transport, manufacturing and the so-called green sectors since the the Gulf region is trying to diversify its energy infrastructure.

Finally, dozens of civil society groups and individuals have signed a manifesto for an ecosocial energy transition from the Peoples of the South.

They warn that an energy transition led by corporate megaprojects, coming from the Global North and accepted by numerous governments in the South, entails the enlargement of the zones of sacrifice throughout the Global South, the persistence of the colonial legacy, patriarchy, and the debt trap.

They push forward an ecosocial alternative that is based on countless struggles, strategies, proposals, and community-based initiatives. It connects with the lived experience and critical perspectives of Indigenous peoples and other local communities, women, and youth throughout the Global South.

As part of it, they denounce international trade agreements that penalize countries that want to curb fossil fuel extraction. They say they must stop the use of trade and investment deals controlled by multinational corporations that ultimately promote more extraction and reinforce a new form of colonialism.

And that's it for today. I'm Nicolas Roux, bilaterals.org. More information coming up soon in our next podcast. And in the meantime, you can visit bilaterals.org.